

CYNGOR GWYNEDD – Report to Cyngor Gwynedd Cabinet

Title of Item:	Supplementary Planning Guidance (consultation version): Managing the Use of Dwellings as Holiday Homes (Second Homes and Short-term Holiday Lets)
Cabinet Member:	Cllr Craig ab Iago, Cabinet Member for the Environment
Relevant officer:	Gareth Jones, Assistant Head of Department
Date of meeting:	10 June 2025

1. THE DECISION SOUGHT

- Approve the suggested changes to the SPG following the public consultation period as contained in the Consultation Report (Appendix 1) and incorporated in the revised version of the SPG (see Appendix 2);
- Adopt the SPG: Managing the Use of Dwellings as Holiday Homes (second homes and short-term lets) to be used as a relevant planning consideration when making planning decisions in the Gwynedd Local Planning Authority area;
- Delegate the right to the Head Environment Department to make any un-substantial modifications that may be required to the SPG before publication.

2. THE REASON WHY THE CABINET NEEDS TO MAKE THE DECISION

- 2.1 A draft version of the SPG was approved for public consultation by Cyngor Gwynedd's Cabinet on 11 February 2025. A six-week public consultation period was held between 24 February and 7 April 2024.
- 2.2 The reason for the decision is the requirement to adopt the SPG, so that it can be used as relevant planning consideration when determining planning applications.

3. INTRODUCTION AND RATIONALE

- 3.1 Background

- 3.1.1 During a Cabinet meeting (16 July 2024), it was decided to confirm the Article 4 Direction (non-immediate effect) for the Gwynedd Local Planning Authority area. The purpose of the Article 4 Direction is to remove specific permitted development rights associated with changing the use of a residential dwelling into holiday use, whether the use is as a second home (use class C5), short-term holiday let (C6 use) or a mixed use of these classes. The Article 4 Direction came into effect on 1 September, 2024.
- 3.1.2 As a result of implementing the Article 4 Direction, it is now a requirement to obtain planning permission for particular change-of-use developments that would have otherwise been permitted development had the Article 4 Direction not been implemented. It is emphasised that the requirement to obtain planning consent is based on concluding that the proposed use results in a material change of use.
- 3.1.3 The adopted Development Plan, namely the Anglesey and Gwynedd Joint Local Development Plan, sets out the local planning policy framework for making planning decisions. In accordance with the requirements outlined in section 38(6) of the Planning and Compulsory Purchase Act 2004, it is required that Planning decisions are made in accordance with the development plan unless there are relevant planning considerations indicating otherwise.
- 3.1.4 Although the Plan contains policies that enable the Local Planning Authority to make consistent and transparent decisions on development applications, it cannot provide officers and prospective applicants with all the detailed advice they need to guide proposals locally. To provide this detailed advice, the Council has/is preparing a range of Supplementary Planning Guidance (SPG) to support the Plan.
- 3.1.5 Furthermore, the legislative changes relating to the use classes came into force after the Joint Local Development Plan was adopted (as did the implementation of the associated Article 4 Direction). As such, it is highlighted that the policies of the Plan were not prepared with the wider objective of the Article 4 Direction in mind, therefore the preparation of this SPG is a means of providing the relevant guidance.
- 3.1.6 Supplementary Planning Guidance are prepared in order to provide further and more detailed guidance on policies contained within the local planning policy framework, which is the Anglesey and Gwynedd Joint Local Development Plan. Supplementary Planning Guidance help to ensure that policies are better understood, are implemented more efficiently, and implemented in a consistent manner.

3.1.7 In preparing a new SPG, it is important to bear in mind that the SPG must be consistent with the adopted Joint Local Development Plan as well as national planning policy guidance. No Supplementary Planning Guidance should include new policies or amend existing policies.

3.1.8 Based on the above, it is only the policies and proposals of the Plan that have special status (priority) when making decisions on planning applications. However, provided they have been subject to public consultation and have been adopted by the Authority, SPG may be used as a material consideration in reaching decisions on relevant planning applications.

3.2 Rationale and justification for the recommendation

3.2.1 The Draft SPG: Managing the Use of Dwellings as Holiday Homes, includes planning policy guidance on a range of changes between the following use classes:-

Use Class	Definition	Terminology used
Use Class C3 - Dwelling houses, used as a sole or main residence	Dwelling houses, used as a sole or main residence and occupied for more than 183 days in a calendar year.	Principal residence
Use Class C5 - Dwelling houses, used other than as a sole or main residence	Dwelling houses used other than as a sole or main residence and occupied for 183 days or less.	Second home
Use Class C6 - Short-term holiday let	Dwelling houses used for commercial short-term lettings for no longer than 31 days for each period of occupancy.	Short-term holiday let

3.2.2 In light of amendments made to the Town and Country Planning (Permitted Development Rights) Order, there are a wide range of uses that would have been permitted development rights had the Article 4 Direction not been implemented.

3.2.3 The SPG seeks to provide guidance on the range change of use (see Section 4 to 9 of the Guidance (Appendix 1)) between the use classes named above which now require planning permission. Furthermore, guidance is provided for proposals that relate to the development of new second homes.

3.2.4 The need to read the SPG in conjunction with other adopted SPGs is emphasised. The SPG does not duplicate the guidance that is already contained within the other SPGs.

- 3.2.5 A amended draft version of the SPG is available to view in Appendix 2. The Draft SPG is divided into 10 specific sections. The following is a brief overview of the guidance contained in the Draft SPG:-

Section	Overview
Section 1: Introduction and purpose of the SPG	Explains the purpose of the SPG, its status, and the process involved in preparing it.
Section 2: Setting the context – Maintaining a sustainable visitor economy	Guidance is provided on the relevant local and national policy context in respect of maintaining a sustainable visitor economy.
Section 3: Setting the context – Creating distinctive, sustainable and balanced communities	Guidance is provided on the relevant local and national policy context in respect of creating distinctive, sustainable and balanced communities.
Section 4: Change of use of a main residence (use class C3) into a short-term holiday let (use class C6)	Policy guidance is already provided in Policy TWR 2 of the JLDP; however, it is deemed appropriate to define what is meant by the 'permanent housing stock' term (criterion iii of policy TWR 2) as this criterion is a material consideration when assessing applications that would involve changing the use of a main residence (use class C3) into holiday accommodation (use class C6).
Section 5: Change of use of a second home (use class C5) to a short-term holiday let (use class C6)	Because a second home is not defined as forming part of the permanent housing stock (paragraph 4.5), the policy approach in relation to changing the use of a second home (use class C5) to holiday accommodation use (use class C6) depends on considering the suitability of the proposal against other considerations included in policy TWR 2. Detailed guidance in terms of the considerations that are associated with Policy TWR 2 is included in the relevant SPG (SPG: Tourist Facilities and Accommodation).
Section 6: Change of use of a main residence (use class C3) to second home use (use class C5)	<p>The Joint Local Development Plan (Gwynedd and Anglesey) does not include a policy that specifically relates to the principle of changing the use of a main residence (use class C3) to second home use (use class C5).</p> <p>Within the SPG, it is highlighted that the principle of creating balanced communities and meeting the housing needs of the local population is a core</p>

	<p>element of the Joint Local Development Plan (strategic objectives SO5, SO15, SO16, and policies PS5, TAI5 and TAI 8). Considering the wider and overall objective of the Plan, guidance is provided on five main considerations that are associated with changing the use of a main residence (use class C3) to second home use (use class C5) within development boundaries, which are:-</p> <ul style="list-style-type: none"> • the location of the proposal; • language impact; • a high concentration of second homes; • the demand for housing, and • the number of second homes. <p>We note that the threshold set for being unable to give favourable consideration to applications for change of use from C3 to C5 is where the combined provision of second homes and self-catering holiday lets is above 15% of the total housing stock within a Community/Town/City Council area. This guidance is consistent with the guidance contained in the SPG: Tourist Facilities and Accommodation which sets a 15% threshold regarding the combined provision of second homes and short-term holiday lets when considering applications for new holiday accommodation.</p>
Section 7: Change of use from short-term holiday let (use class C6) to second home use (use class C5)	<p>In the same manner as proposals relating to changing the use of a main residence to second home use, there is no relevant policy in relation to losing holiday accommodation (use class C6) to second home use (use class C5).</p> <p>The policy guidance contained in this section depends on the location of the proposal, i.e., whether it is located within the development boundary or within an area defined as open countryside, and also whether the proposal has received planning permission for the specific use or not.</p> <p>Among the considerations for a planning application relating to change of use from holiday let (C6) to second home use (C5) within the development boundary, is consideration of the impact the current use has on the amenities of</p>

	nearby land users and how viable is the holiday use. In addition, it is not considered appropriate to change the use from holiday let (that has obtained planning permission for the use) to second home use in a settlement identified in accordance with Policy TA15 (Local Market Housing).
Section 8: Change of use of a second home (use class C5) or short-term holiday let (use class C6) which is limited by a planning condition to main residence use (use class C3)	As the change-of-uses referred to in this section relate to changing use for the purposes of a main residence, it is considered that appropriate policy guidance is contained within the Plan (Section 6.4: Managing growth and development - Supply and Quality of Housing), and consequently no further detail is required within the Draft SPG.
Section 9: New-build second home (use class C5)	In considering proposals for developing new-build second homes, it is considered appropriate to assess the proposal in accordance with relevant housing policies included in the Joint Local Development Plan. Specific attention is drawn to the need to consider the requirements of policy TA1 8 (Housing Mix) and the guidance provided in the SPG (Sections 3 and 6).
Section 10: Further information and contacts	Includes the contact details of the Planning Policy and Development Control Service

3.3 Public consultation process

- 3.3.1 For the SPG to carry material weight in decision-making, including in cases where Planning and Environment Decisions Wales (PEDW) determine a planning appeal, the SPG must derive from the Development Plan and be consistent with the Plan, and must have been the subject of consultation and have been adopted formally (approved).
- 3.3.2 The Council is committed to involving stakeholders and consulting with the public, recognising the benefits that arise when a SPG which is prepared based on the contribution of local stakeholders. Involving stakeholders in this way and wider consultation ensures that the Council is aware of the local issues and able to receive advice, support and new ideas that should lead to creating improved guidance. It should also help to prevent problems and objections later.
- 3.3.3 Stakeholder involvement is central to the arrangements, and offers an opportunity for others to understand, influence and shape the content of the SPG. A structured "community involvement scheme" is an essential element of

creating a robust SPG, and Welsh Government guidance confirms that SPGs will carry little weight in decision-making unless they are produced in accordance with a Community Involvement Plan (CIS).

- 3.3.4 A draft version of the SPG was approved for public consultation by Cyngor Gwynedd's Cabinet on 11 February 2025. The draft document was prepared in consultation with the relevant internal officers of the Authority. Prior to that, the SPG was reviewed by the Planning Policy Working Group on 22 November 2024 and at the subsequent meeting on 18 December 2024.
- 3.3.5 The SPG was the subject of a six-week public consultation from 24 February to 7 April 2025.
- 3.3.6 Details of the public consultation were posted on the Council's website and emails/letters were sent to all Councillors, Community Councils, planning agents, statutory consultees, neighbouring authorities and those who had declared an interest in the SPG or Local Development Plan. Hard copies of the SPG were available for inspection at the county's local public libraries and at Siop Gwynedd (Caernarfon, Dolgellau and Pwllheli).

3.4 Representations and response

- 3.4.1 A total of 28 valid representations on the SPG were received from 24 different respondents. Careful consideration has been given to all representations received.
- 3.4.2 A Consultation Report has been prepared (Appendix 1) which contains the representations received during the public consultation period along with the Officer's response to those representations.
- 3.4.3 In general, the representations received during the public consultation period focused on the Article 4 Direction and its limitations rather than focusing on the content of the Supplementary Planning Guidance.
- 3.4.4 Amongst the issues raised during the public consultation period which needed additional consideration were:
 - The definition of permanent housing stock (section 5, paragraph 4.5) and the view that changing the use of a residential house (use class C3) would not result in the loss of permanent housing stock;
 - The unsuitability of some dwellings to be used as a main place of residence and the need to include additional flexibility within the criteria included in the SPG to allow for second homes (use class C5);

- The guidance and considerations included in relation to the viability of holiday accommodation when considering applications for the change of use of short-term holiday accommodation (use class C6) to a second home (use class C5).

3.4.5 In response to the representations received, paragraph 7.6 of the SPG has been amended to highlight the relevance of Strategic Policy 14 of the Joint Local Development Plan to the guidance contained within the criteria set out in section 7 of the SPG (see Appendix 2).

3.5 Considering the Impact

3.5.1 The Council is required (under the Equality Act 2010) to consider the impact that a change in any policy or procedure (or the creation of a new policy or procedure) will have on people with protected equality characteristics. The Council also has additional general duties to ensure fairness and to foster good relationships. An Equality Impact Assessment must therefore be undertaken before a decision is taken on any relevant change (i.e. that affects people with protected equality characteristics).

3.5.2 The Equality Impact Assessment was published as part of the supporting document package in relation to the SPG, and therefore providing an opportunity to comment on its content as appropriate. The representation received on the Integrated Equality Impact Assessment can be found in Appendix 3 of the Consultation Report (Appendix 1).

3.5.3 Following the public consultation period and the representations received, amendments have been made to the original Assessment. The Assessment anticipates that the proposal will have a positive impact on all individuals including individuals with protected equality characteristics. The social inequality that currently exists in some communities due to the lack of availability of affordable housing in terms of its price creates an unsustainable divided society. In a bid to address the current situation, it is hoped that the guidance contained within the Supplementary Planning Guide will promote the creation of more balanced and sustainable communities. It is hoped that this will create a fairer society and ensure opportunities for everyone to be able to live in their area of choice. It is thereby noted that reducing inequality resulting from socio-economic disadvantage is a core part of the reason why the Supplementary Planning Guidance needs to be introduced.

3.5.4 The Council is also required, under the Welsh Language Standards (Section 44 of the Welsh Language (Wales) Measure 2011), to consider the impact that any change in policy or procedure (or creating a new policy or procedure), will have on opportunities for people to use the Welsh language and to ensure that the Welsh language is not treated less favourably than English. A specific

question was asked in relation to this duty as part of the consultation, the representations received and the responses to them can be found in Appendix 4 of the Consultation Report (see Appendix 1).

3.5.5 Further, in accordance with the Socio-economic Duty that came into force in Wales on 31 March 2021, public bodies have a duty to consider how strategic decisions, including setting objectives and developing public services, can reduce inequalities in terms of the outcome for people who face socio-economic disadvantage. A specific question was asked in relation to this duty as part of the consultation, the representations received and the responses to them can be found in Appendix 6 of the Consultation Report (see Appendix 1).

3.5.6 The assessment also concludes that introducing the Supplementary Planning Guidance would have a positive impact on the Welsh language and the balance of communities as it is hoped that it will stabilise the housing market and offer opportunities for people to be able to live in their communities.

3.6 The Well-being of Future Generations (Wales) Act (2015)

3.6.1 Another important consideration is the Well-being of Future Generations (Wales) Act 2015. The Act seeks to improve Wales's social, economic, environmental and cultural well-being. The act places a well-being duty on public bodies which is aimed at delivering the seven well-being goals by following the five ways of working. The following table highlights these well-being goals and explains concisely how the proposal achieves the goals in question:-

Goal	Explanation of how the proposal of introducing the Supplementary Planning Guidance achieves the goal
A prosperous Wales	It will offer opportunities for people to live and work in Gwynedd, thus meaning that there is a stable, skilled and educated population to support the local economy.
A resilient Wales	It will lead to a fairer society and thus the county's social resilience will be maintained.
A healthier Wales	It will create a fairer society and thus will create circumstances for people to be able to live and work in Gwynedd, which in turn has a positive impact on health.
A more equal Wales	It will create a society that is more equal and will enable better opportunities for all.
A Wales of cohesive communities	It will be a means of creating attractive, viable and safe communities.

A Wales with a vibrant culture and a thriving Welsh language	It will offer better opportunities for people to be able to live in their communities and will be an indirect means of protecting culture, heritage and the Welsh language.
A globally responsible Wales	The principle of creating a fairer society and offering better opportunities for people to live and work in their local communities and thus create viable and sustainable communities is an example of good practice.

3.7 The need to undertake a Strategic Environmental Assessment (SEA)

3.7.1 In accordance with European Directive 2001/42/EC which is implemented in the UK through the Environmental Assessment of Plans and Programmes Regulations, a Screening Assessment has been prepared (see Appendix 3) which considers the need to undertake a Strategic Environmental Assessment (SEA) of the SPG.

3.7.2 The aim of a Strategic Environmental Assessment is to afford a high level of protection to the environment and contribute to integrating environmental considerations in the preparation and adoption of plans and programmes, with the aim of promoting sustainable development.

3.7.3 The SEA Regulations 2004 place a duty on local authorities to conduct a SEA on plans or projects:

- That are required for town and country planning or land-use planning; and
- That set the framework for development consents in the future in respect of the projects listed in Schedule 1 or II of the European Council Directive 85/337/EEC

3.7.4 The SPG sets the framework for development in the future, which could mean that it may be classed as a 'plan' or 'programme' within the meanings of the SEA Directive, therefore an 'environmental assessment' may be required. The regulations advise that a series of specific criteria should be used, to show whether a plan should be subject to a SEA. These criteria have been considered in determining whether the SPG should be subject to a SEA. It was concluded that the SPG Managing the use of dwellings as holiday homes is unlikely to have a significant impact on the environment. The SPG does not set any new policies or designations, nor does it amend policies in the adopted LDP. Rather, it provides further guidance on current policies in the Anglesey and Gwynedd Joint Local Development Plan which has been the subject of a SEA.

3.7.5 The representations received on the Environmental Impact Assessment Screening Statement can be viewed in Appendix 2 of the Consultation Report (Appendix 1). Further, a revised (final) version of the Statement is provided in Appendix 3.

3.8 The Views of the Planning Policy Working Group

3.8.1 The results of the public consultation period were reported to a meeting of the Planning Policy Working Group on 14 May 2025. The Working Group's attention was drawn to some of the representations received which in the opinion of the Officers needed additional consideration in relation to the appropriateness of amending the SPG to address the representation received. The Working Group was supportive of the responses which had been prepared and recognised the importance of preparing suitable policies within the prospective Local Development Plan.

4. Views of the statutory officers

4.1 Chief Finance Officer:

I am satisfied that there are no budgetary obligations to the decision sought, but the Guidance will give clear guidelines for decision-making. I have no further comments from the perspective of financial propriety.

4.2 Monitoring Officer

Supplementary Planning Guidance represents a significant document in the planning system. They do not represent or create new policies or are able to modify the policies in the local development plan. However, they have status within the administration and determination of planning applications and therefore require a specific process to be followed for their creation and adoption. This includes publicly consulting on the contents before deciding to adopt them. This has been addressed. I also note that the Guidance applies to the Joint Local Development Plan. As the Guidance derives specifically from Gwynedd's decision to adopt the Article 4 Direction there is no requirement for joint guidance. I am satisfied that this comprehensive report provides a appropriate basis for Cabinet to decide to adopt.

Appendices

Appendix 1: Consultation Report

Appendix 2 Draft SPG: Managing the Use of Dwellings as Holiday Homes

Appendix 3: Integrated Impact Assessment: Assessing the Impact on Equality Characteristics, the Welsh Language and Economic Disadvantage

Appendix 4: Screening Statement: Strategic Environmental Assessment