## **Pembrokeshire Coast National Park Authority**

## **Loss of Hotels and Guest Houses**

Supplementary Planning Guidance

**Consultation Date: 15th September 2021** 

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This item is also available in Welsh / Mae'r eitem hon ar gael yn Gymraeg hefyd

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#### Introduction

- 1.1 This Supplementary Planning Guidance (SPG) explains how the National Park Authority (NPA) will consider planning applications seeking to change hotels and guest houses in the National Park to other uses. It is aimed at helping prospective planning applicants to make an application and sets out the information we will need to assess proposals.
- 1.2 It is important that we consider all applications in a clear and consistent manner. The information that we are seeking from applicants will help us to do this, and will also help to deter speculative and ill-justified proposals.

#### Background and Context

- 2.1 The loss of one hotel or guest house may not appear significant, but the cumulative effect is a cause for concern. Since the late 1980s a considerable number of establishments have been lost in the National Park. Holiday markets do however change over time, and we obviously don't want to try to hold on to outdated accommodation which no longer has the potential to attract visitors. Hotels and guest houses are, however, an important part of the tourism product we offer in Pembrokeshire. They also often make a significant contribution to the character of the settlements in the National Park. There is a need to therefore to ensure that only genuinely unviable stock is changed to other uses.
- 2.2 The context for this Supplementary Planning Guidance is set out in Technical Advice Note 13 (Tourism), 1997. This states that: "The conversion of hotel stock to alternative uses can weaken a seaside town's ability to retain its resort status and this issue should be addressed in Development Plans for the area." However it goes on to advise "care should be taken not to use the planning system to perpetuate outdated accommodation for which there is no longer a market demand".
- 2.3 Policy 39 'Loss of Hotels and Guest Houses' of the National Park Authority's Local Development Plan 2 (LDP2) allows only for the conversion of hotels and guest houses where continued use can be shown to be unviable or surplus to requirements.

# Information required in support of a proposal for the loss of hotel or guest house

- 3.1 There are 3 criteria in Policy 39 Loss of Hotels and Guest Houses. The first of these relates to the potential continued use of the facility. The applicant must prove the potential for continued use of the facility has been shown to be unviable. To do this, applicants will need to show that a genuine marketing exercise has been undertaken prior to the submission of the application. At the end of any unsuccessful marketing period applicants will need to show that they have failed to dispose of the property despite having offered it to the market at the recommended price and having followed the recommended marketing strategy.
- 3.2 Planning applicants will need to provide the following information when making an application:
  - a) Applicants shall submit an initial valuation of the business and premises, accompanied by a sales strategy to sell the business. The valuation should be based on the use of the property as a hotel or guesthouse operated by a competent, experienced and able operator, and should not take into account any potential additional value that might be gained by converting the premises to an alternative use. The valuation would be prepared by a suitably qualified Chartered Surveyor prior to implementation of the marketing plan.
  - A written report prepared by the selling agent, who must be a Chartered Surveyor, will need to be submitted with the planning application. The report will need to include:
    - the actions taken during the sales period;
    - the level of any interest and or offers generated; and
    - confirmation that any changes in the property's market value during the marketing period were reflected by corresponding changes to the asking price in order to ensure that it remained realistically priced throughout.
    - Applications can also be supported by evidence to show what action has been taken to ensure the viability of the business.
  - c) Sound advertisement of the premises for customers is also important in today's competitive trading environment, and the Authority will need to see evidence that the applicant has taken positive and appropriate action to promote all aspects of the business.
- 3.3 As a safeguard, the Authority may commission an independent valuation and/or sales report at our own cost to affirm that the property has been marketed on realistic terms.
- 3.4 The second criterion of the policy requires that the overall demand for this type of accommodation during peak periods will continue to be met within the town/village/area. This will be done as follows:
  - Establishments of similar grading within a given area will be identified;
  - The number of bedspaces provided by the application establishment will be calculated as a percentage of the total of those identified above;
  - Visit Wales statistics will be used to establish an average peak occupancy rate for that particular type of establishment;

- The percentage of bed spaces in the application premises will be compared with the occupancy rate to establish if need can continue to be met by the remaining providers.
- 3.5 The National Park Authority will consider any additional sound evidence provided by the applicant to meet this requirement.
- 3.6 The third criterion requires that there is no adverse effect on the appearance and intrinsic character of the resort, area or frontage. For this the National Park Authority will need to consider the effect that the loss of a hotel or guest house would have on the character of the locality. Both the individual and cumulative effects of proposals will be considered.
- 3.7 In considering if there will be an adverse effect, the National Park Authority will take into account changes, such as, alterations to the building itself, the prominence of the building in the locality and the contribution of the building on the vibrancy and atmosphere of the area.
- 3.8 If the premises has a role in meeting the needs of the community, for example a local public house or meeting place, the impact of the loss of these facilities will also be considered.
- 3.8 The proposal will of course also be considered against any other relevant policies in our Development Plan.

#### **Useful Contacts**

Officers welcome early discussion with prospective applicants for planning permission and will be pleased to offer further assistance and discuss any issues arising from this guidance.

For further information regarding this guidance please contact the Strategic Policy Team at

Pembrokeshire Coast National Park Authority, Llanion Park, Pembroke Dock. SA72 6DY. Tel 0845 345 7275 Fax: 01646 689076 devplans@pembrokeshirecoast.org.uk

For advice on making a planning application please contact

The Development Management Team Pembrokeshire Coast National Park Authority, Llanion Park, Pembroke Dock. SA72 6DY.

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