

BP21: Llandudno holiday accommodation zone study

**Deposit Plan
May 2023**

Mae'r ddogfen hon ar gael yn Gymraeg hefyd.

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a darganfod**

**Conwy County, the right environment to live,
work and discover**

Llandudno Holiday Accommodation Zone Study

Conwy County Borough Council

25 May 2023

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1.0 Introduction

- 1.1 Llandudno's hotel and guest house accommodation is an important aspect of Conwy County Borough Council's (CCBC) sustainable tourism offer bringing both social and economic benefits directly and indirectly into the town. The Council believes it is essential to keep appropriate levels of serviced accommodation within Llandudno to retain its unique character, vitality, and continued growth towards all-year round tourism.
- 1.2 Policy TOU/3 Holiday Accommodation Zone (HAZ) of CCBC's Local Development Plan (LDP) prevents the loss of serviced holiday accommodation in defined areas of Llandudno. The LDP was adopted in October 2013 and this policy, with its supporting text, was largely rolled over from the earlier Llandudno Conwy District Plan (1982) which sought to resist changes from hotels to other tourist or non-tourist uses¹. The Gwynedd Structure Plan (1993) did not outline specific holiday accommodation zones but it had a general policy which stated that there would be a presumption against the loss of serviced accommodation in holiday resorts².
- 1.3 Since the planning policy was first created, and in the most recently adopted plan, there have been changes in the tourism sector. There have been shifts in the behaviours and attitudes of tourists to the types of holiday they seek, the destinations they want to visit, and the type of accommodation in which they want to stay.
- 1.4 CCBC is currently preparing a Replacement LDP (RLDP) and is reviewing the need for and continued relevance of Policy TOU/3. It is crucial for the accommodation stock to remain fit for purpose and for it to meet the requirements of current and future visitors to the area in terms of quality, type, and quantity.
- 1.5 It is a shared view amongst stakeholders that it is essential for Llandudno to retain sufficient bedspaces to form a critical mass of accommodation that maintains the town's reputation as a primary tourist destination. It is vital that planning policy does not promulgate forms of tourist accommodation for which there is no longer the same market. Policies should also provide a framework with appropriate flexibility to respond to changing circumstances over the plan period.
- 1.6 The planning system operates in the public interest. It does not seek to protect the interests of individuals or organisations and does not set out to control the market. Instead, the planning system strives to balance the needs of communities taking a spatial approach to land-use. Both the plan-making and development management processes need to be set in the context of sustainable development. The needs of communities will vary by place and time, and inevitably there will be tensions. For the plan-making process, where these tensions occur, the Council will decide its priorities based upon all evidence collated.
- 1.7 Within this context, CCBC has instructed Lichfields to undertake a study to review the effectiveness and continuing need for such a policy and to make recommendations to inform the preparation of the RLDP.

¹ Primary Holiday Accommodation Areas Study, August 2012

² Primary Holiday Accommodation Areas Study, August 2012

- 1.8 We are grateful to local Members, Mostyn Estates, the Llandudno Hospitality Association and to all others whose local knowledge, time and expertise greatly assisted the research undertaken.

Objectives

- 1.9 The agreed objectives of the study were to:
- Understand the effectiveness of the existing TOU/3 policy;
 - Seek to establish an up-to-date record of serviced accommodation within and adjacent to the existing HAZ boundaries as defined in the LDP Proposals Map;
 - Seek to establish the trend in supply and demand for serviced accommodation within Llandudno, within the context of wider drivers of change to the tourism sector;
 - Engage with stakeholders, both within the Council and those with an active interest in Llandudno's serviced accommodation sector, to verify the desk-based analysis undertaken; and,
 - Reach a recommendation on the retention of, or need for amendments to, the existing policy and/or defined HAZ boundaries.

Structure of the Report

- 1.10 The remainder of the report has been structured to reflect the key stages of the Study:
- 1 Policy and Strategy Context (National and Local Planning Policy and Strategy Review);
 - 2 Supply and Demand Context (Review of current supply, visitor numbers, seasonality, occupancy trends, market trends and drivers of change);
 - 3 Review of Planning Challenges related to existing policy (Analysis of Policy TOU/3);
 - 4 Other Considerations;
 - 5 Site Visit and Mapping;
 - 6 Early Stakeholder Engagement;
 - 7 Main Findings;
 - 8 Initial Policy Options;
 - 9 Second Stakeholder Engagement;
 - 10 Revisions to initial options;
 - 11 Conclusions; and
 - 12 Policy Recommendation.

2.0 Policy and Strategy Context

National Planning Policy

Planning Policy Wales

2.1 Planning Policy Wales [PPW] (11th Edition, February 2021) sets out the national planning policies of the Welsh Government. The primary objective of PPW is to ensure that the planning system contributes towards the delivery of sustainable development and improves the social, economic, environmental, and cultural well-being of Wales.

2.2 Regarding tourism, paragraph 5.5.1 states:

“Tourism involves a wide range of activities, facilities and types of development and is vital to economic prosperity and job creation in many parts of Wales. Tourism can be a catalyst for regeneration, improvement of the built environment and environmental protection.”

2.3 PPW encourages tourism where it contributes to economic development and social inclusion while recognising the needs of visitors and those of local communities. Paragraph 5.5.2 states:

“In addition to supporting the continued success of existing tourist areas, appropriate tourism-related development in new destinations is encouraged. In some places however there may be a need to limit new development to avoid damage to the environment or the amenity of residents and visitors.”

2.4 PPW confirms that much of the existing provision of facilities and accommodation for tourism occurs in urban locations, including historic and coastal towns and cities. Paragraph 5.5.6 states:

“Planning authorities should provide a framework for maintaining and developing well-located, well designed, good quality tourism facilities.”

Future Wales - The National Plan 2040

2.5 Future Wales - The National Plan 2040 is the National Development Framework [NDF]. It provides a strategy for addressing key national priorities through the planning system. It emphasises that tourism is an important sector to the economy across North Wales. It notes that Strategic and Local Development Plans should consider existing and potential new tourism areas, the type of visitors they attract, and the infrastructure required to support growth (page 117).

Technical Advice Note (TAN) 13 - Tourism (1997)

2.6 PPW is accompanied by a series of advice notes. TAN 13 states that tourism comprises a range of different, but interdependent activities and operations which overlap with sport, entertainment, the arts and other recreation and leisure activities. It recognises that tourism makes a major contribution to the Welsh economy, provides employment in a variety of occupations, and brings benefits to local economies and communities. The

document states that tourism is subject to change in the type of holiday taken and the length of the holiday season.

- 2.7 Paragraph 5 notes 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 such areas. It also states:

"Care should be taken not to use the planning system to perpetuate outdated accommodation for which there is no longer a market demand."

Local Planning Policy

Conwy Local Development Plan 2007-2022

- 2.8 The Council's Conwy Local Development Plan [LDP] was adopted in October 2013 and sets out the vision for the Borough from 2007 to 2022. The vision for the Plan is that by 2022, the communities of Conwy will be more sustainable, offer a higher quality of life and be supported by a more balanced age structure. It goes on to state that in general terms, the economy relies heavily upon tourism and service industries, which is largely evident within the urban coastal settlements and the attraction of the rural area.

- 2.9 LDP Spatial Objective SO7 is to:

"Assist tourism through the protection and enhancement of coastal and rural based tourism attractions and accommodation and further exploit the potential to develop, strengthen and encourage an all-year-round tourism industry".

- 2.10 Paragraph 3.9.4 states:

"The serviced tourism accommodation offer within Llandudno will be protected and, where possible, enhancement supported to cater for increasing demand, but will further diversify towards all year-round tourism, including business tourism, and take advantage of our strategic links to Snowdonia National Park".

- 2.11 Policy TOU/1 (b) states:

"The Council will promote a sustainable tourism economy by resisting proposals that would result in the loss of serviced accommodation, in line with Policy TOU/3 'Holiday Accommodation Zone'".

- 2.12 Policy TOU/3 sets out the Holiday Accommodation Zone policy. It states that Holiday Accommodation Zones are designated in Llandudno and are shown on the proposals map. It states:

"To safeguard an appropriate level of serviced accommodation for tourism, proposals for the redevelopment or conversion of existing serviced accommodation to other uses will not be permitted within the zones".

- 2.13 The LDP notes the level and density of serviced accommodation will be regularly monitored in the Holiday Accommodation Zones to ensure the correct area is protected.

Evidence Base to inform Existing Policy

- 2.14 Prior to the LDP's adoption in 2013, the preceding policy framework comprised Policy 3A of the Llandudno Conwy District Plan 1982. Policy 3A stated that within Llandudno's Primary Holiday Accommodation Area (as defined in **appendix 1**), the redevelopment or conversion of hotels to other tourism or non-tourism uses will be resisted. The Primary Holiday Accommodation Area defined a central core of serviced accommodation close to the town centre and its facilities including Venue Cymru and the seafront.
- 2.15 The revised Background Paper 18- Submission Primary Holiday Accommodation Areas Study August 2012 stated that Llandudno had a high concentration of holiday accommodation which was long established and was reflected in the extent of the District Plan zone boundary. The study noted that, at the time, the latest tourist accommodation survey stated that 66% of the county's serviced bedspaces were located in Llandudno.
- 2.16 The study claimed that conversion of Llandudno's hotel stock to alternative uses was considered to potentially weaken the town's ability to retain its status as a major tourist destination. Furthermore, it stated that conversion of hotel stock could also prejudice Llandudno's hopes of attracting future conference trade which, in turn, would be detrimental to efforts to lengthen the season and strengthen the resort's economy.
- 2.17 The Gwynedd Structure Plan (1993) then set a general policy (CH4) which stated there will be a presumption against the loss of serviced accommodation in holiday resorts.
- 2.18 The revised Background Paper 18 indicated that subsequent reviews of the boundary zone had led to a proposed reduction in the area in the draft Aberconwy District Plan and draft Conwy Unitary Development Plan. These documents were not progressed.

Conwy Replacement Local Development Plan - Preferred Strategy (2019)

- 2.19 The Council is now preparing a Replacement Local Development Plan [RLDP] to cover the period 2018 - 2033. A Preferred Strategy RLDP was produced in July 2019 which set out the Council's vision, issues and objectives. The Council proposes a strategic policy approach within the RLDP that is sufficiently responsive and flexible to the tourism market demand up to 2033. The Council consulted on this document between 29 July 2019 and 20th September 2019. The relevant emerging policy as set out in the RLDP Preferred Strategy reads:

"Holiday accommodation, particularly within the coastal towns, will be carefully controlled and protected to ensure an adequate supply and range of good quality accommodation to meet all year-round tourism market needs".

- 2.20 The supporting text states that:

"There is a need to ensure there is a sufficient supply and range of quality accommodation in the right areas to meet changing market needs, accommodate growth and support a thriving tourism economy. Furthermore, it is also recognised that a broader range of serviced accommodation would allow more choice for the visitor and appeal to the growing short break market".

Other policy, strategies, guidance, and background material

Destination Conwy Management Plan 2019-2029³

- 2.21 Destination Conwy Partnership produced the Destination Conwy Management Plan. Increasing the value of tourism across the whole year and ensuring the quality and sustainability of the visitor experience are key aims to contribute to the vision to put Conwy and North Wales on the world stage.
- 2.22 This Plan highlights the importance of the quality and sustainability of the visitor experience by ensuring “*the quality of the visitor offering is a priority, particularly that the delivery of accommodation, attractions, facilities service across the county is exemplary*”.

Conwy County Borough Council Corporate Plan 2022-2027⁴

- 1.1 The Corporate Plan places emphasis on ensuring people in Conwy live in a county which has a prosperous economy with culture at its heart. Through strategies including Creu Conwy Culture Strategy, the Economic Growth Strategy, Destination Management Plan, and the Regeneration Programme Boards, the Council intends to develop the night-time economy and winter tourism offer making Conwy a year-round visitor destination and support community regeneration across the county.

Draft SPG LDP 19: Tourism Development (2015)⁵

- 2.23 CCBC started preparing supplementary planning guidance to accompany Policy TOU/3. The purpose of the SPG was to set out detail that the Council would need when considering a change of use application away from serviced accommodation within the HAZ. The draft SPG, consulted upon in 2015, explained that the lack of information about what evidence would be needed for such an application had created some delays in the processing of applications (paragraph 2.3). The SPG was not adopted. We understand that it has, however, been used informally by some officers when considering change of use applications in the HAZ.

RLDP Topic Paper 4- Tourism (September 2018)⁶

- 2.24 Under alternative forms of accommodation, it is noted that in recent years since the adoption of the LDP, there has been an increase in the types of self-catering/ temporary accommodation on the market. The types of accommodation that have been seen are for pods, yurts, tepees and wooden tents, collectively known as ‘glamping’. The Authority is likely to experience an increase in planning applications for these non-traditional types of accommodation, it notes.
- 2.25 The Topic Paper goes on to note that a successful tourist destination is highly dependent on the quality, level and type of accommodation available within that area. One of Conwy’s key priorities is to provide quality accommodation. It notes that there is a need to ensure there

³ Destination Conwy Management Plan 2019-2029 (January 2019)

⁴ Conwy County Borough Council Corporate Plan 2022-2027

⁵ LDP19 Tourism SPG with Amendments (May 2015)

⁶ RLDP Topic Paper 4- Tourism (September 2018)

is a sufficient supply and range of quality accommodation to meet changing market needs, accommodate growth and support a thriving tourism economy. It is also reported that a broader range of serviced accommodation would allow more choice for the visitor and appeal to the growing short break market. The document does not explain what the broader range of serviced accommodation might comprise.

- 2.26 The Topic Paper makes comments on the existing policies, noting specifically that *“recent applications indicate that in certain circumstances an element of flexibility may be required in relation to Holiday Accommodation Zones. Perhaps a two-tiered system to protect the ‘primary’ accommodation stock (i.e., Llandudno Promenade) from alternative uses and allow a more flexible approach to the ‘secondary’ stock areas- subject to a sound evidence base and strict criteria”*.

Conwy County Borough Council Economic Growth Strategy 2017-2027⁷

- 2.27 The strategy states that North Wales has been recognised as the fourth best tourism destination in the world by Lonely Planet, and Conwy County is at the heart of that tourism offer. The aspirations in Conwy are to increase productivity, competitiveness, and growth for the country. The key themes fundamental in achieving growth include transformational tourism to make Conwy a truly international year-round destination.
- 2.28 The strategy notes that *“the town of Conwy has an international reputation because of its world class heritage and Llandudno is named as the best seaside town in the UK and the 4th best destination in the UK by TripAdvisor”*.
- 2.29 The Council’s goal is to make Conwy a *‘truly international year-round destination in tourism’*, setting a target of £1 billion economic value of tourism to the county. The strategy states that the accommodation and food services sector also account for a high proportion of businesses in Conwy (13%), demonstrating the dominance of the tourism industry in Conwy.
- 2.30 The strategy also notes that the county is becoming world renowned as a centre of excellence for adrenaline adventure with Adventure Park Snowdonia, Go Below, and Zip World Forest all leading the way, further highlighting the importance of attracting new audiences to the county that will make significant contributions to the economy.
- 2.31 The strategy explains that to have growth in the business tourism market, which whilst having its core in Venue Cymru, there is a need to build and strengthen Conwy’s arts offer to compliment other initiatives, reinforce a ‘sense of place’ and contribute to higher visitor spend.
- 2.32 The strategy suggests that Conwy needs to create a vibrant and compelling winter visitor experience to make Conwy a year -round destination. To do this, the strategy suggests investment in all-weather attractions, a calendar of events across the county and the ‘turning’ of accommodation and food offer for winter months. Creu Conwy County Council Cultural Strategy 2021-2026⁸ puts arts, culture and heritage at the heart of community life in Conwy. One of the key drivers identified in the document is tourism skills and

⁷ Economic Growth Strategy 2017-2027

⁸ Creu Conwy County Council Cultural Strategy 2012-2026

development to change the perceptions that tourism and hospitality offer limited career prospects and below average income.

2.33 The strategy identifies a clear link between a strengthened cultural offer and successful tourism, noting the combination of a strong creative industry and a year-round, cultural tourism model can create jobs and support sustainable tourism growth, especially if linked with a higher value retail sector and a more vibrant night-time economy.

2.34 The strategy specifically connects cultural offers with accommodation providers as they are the first point of contact for many visitors. Overall, the strategy focuses on culture, creativity, and wellbeing to spark economic growth.

Llandudno Tourism Study (2022)

2.35 AECOM produced a study for CCBC to report and analyse how tourism impacts Llandudno, and to provide data to develop a trajectory of visitor numbers and trends over the coming years. The study confirms Llandudno faces different challenges to that of the past, with tourism becoming an increasingly competitive market both domestically and internationally. The study suggests that by identifying emerging trends and producing a proactive plan for changes will help the sector stay competitive. The role of technology to promote Llandudno as a destination of choice and the tourism product in the town should be embraced.

2.36 For Llandudno to invest in its tourism product so that it can remain competitive, the study recommends the following ideas in relation to visitor accommodation provision:

- Secure a distinctive hotel chain to complement existing provision.
- Broaden the range of accommodation types (which is currently skewed towards the hotels sector).
- Improve the quality of existing provision.
- Add more serviced apartments/aparthotels to diversify accommodation mix and avoid reliance on Airbnb accommodation.

2.37 The study also suggests investment into attractions, improving the quality of the retail offer, regular maintenance and refurbishment of amenities and streetscapes, attracting a major winter festival and the delivery of a food market.

2.38 Should the recommendations in the study come forward in Llandudno, AECOM's analysis suggests that:

- 1 The number of day visitors will increase from 2.88 million in 2018 to 4.08 million in 2045;
- 2 The number of overnight trips taken to Llandudno will rise from 440,289 in 2018 to 561,339 by 2045;
- 3 The economic impact of tourism in Llandudno would rise from £388.8 million in 2018 to £513.6 million in 2045.

Llandudno 10 Year Regeneration Plan: Visioning Document (2022)

- 2.39 Mace was appointed by CCBC to prepare a 10 Year Regeneration Plan for Llandudno. The purpose of the plan is to ensure Llandudno remains successful and resilient to future change and opportunity.
- 2.40 After engaging with stakeholders, Mace identified that key challenges facing Llandudno included providing year-round activities and attractions to bring tourism out of season, balancing the need for affordable housing with demand for second homes and holiday accommodation, improving night-time and evening economy and improving quality to encourage higher spend levels.
- 2.41 Using the analysis and engagement set out within the document, a set of regeneration principles are suggested in the plan. These include:
- 1 Maximising Existing (Making the most of the wealth of assets and features Llandudno already has);
 - 2 Extra Llandudno (Expanding the day, year and offer even more to maximise the town's value and potential to its businesses, visitors and residents);
 - 3 Elevate Quality (Creating a baseline of enhanced quality all round to generate more visitors, more demand and more value for residents);
 - 4 Culture Led (Capitalising on the richness of local culture, creativity, and heritage and activating even more local activity and engagement for residents and visitors); and
 - 5 Change Agents (Growing a network of relationships, platforms and support for local people and partners to collaborate as agents of change).

Gaps in the Accommodation Sector supply

- 2.42 Welsh Government's Welcome to Wales Priorities for the visitor economy 2020-2025^[7] identifies that the primary product gap in many parts of Wales is high-quality accommodation. Welsh Government is focusing on the challenge of sustainable growth and is therefore supporting a move to 'quality over quantity, value over volume' in the visitor economy and seeks to work with current businesses to increase their occupancy levels and yield. There is a focus on year-round products that will help to attract and retain a skilled workforce and places to stay that provide a memorable and distinctive experience.
- 2.43 The Welcome to Wales Priorities for the visitor economy 2020-2025 document sets out that Welsh Government support is not limited to the serviced accommodation sector and that they are looking to have quality accommodation across all sectors. This includes the caravan and camping sector - an area of wide popular appeal that is rapidly diversifying in response to market changes and is core to the market position of Wales.

Limitations to data

- 2.44 The Bedstock Data (2022) acknowledged that temporary home lettings or individual private rooms in private homes, (i.e. short-term rentals on peer-to-peer accommodation sites) may be inconsistently counted in this bedstock data due to the variable nature of the supply.
- 2.45 COVID-19 has changed trend patterns in the amount of serviced and non-serviced accommodation available across each month.

Summary/Overview

2.46

The key themes relating to the tourism market in Wales and accommodation offer arising from our policy, strategies and associated guidance review include:

Nationally

- The need to support a range of tourism facilities is vital for economic prosperity.
- It is important to respond to the needs and types of visitors.
- Tourist accommodation should follow market demand and adapt accordingly.
- There is recognised drive for tourist accommodation be made available all year round, not just seasonally.

Local tourism context and objectives

- Llandudno is the regional serviced accommodation hub in North Wales, contributing a significant part of the total serviced accommodation for the whole of Wales.
- Conwy wants to deliver a strong all-year-round offer.
- Tourism, hospitality, and retail go hand in hand in creating a destination people want to visit.
- There is a need to improve the perception of working in the tourism and hospitality industry and there is a need to attract people into the tourism sector, with attractive salaries and year-round employment.

Accommodation in Llandudno

- Historically, there has been a presumption against the loss of serviced accommodation.
- The Council's strategies identify that tourist accommodation stock needs to be improved and diversified so Llandudno can compete against other holiday destinations.
- There is an increase in demand for 'non- traditional' types of self-catering/temporary accommodation and this is expected to continue in the future.
- Growing short break market should be accommodated.
- Flexibility required for meeting changing visitor needs.
- There is a desire to ensure business as well as visitor needs are met.

3.0 Supply and Demand Context

Current Supply

Serviced and non-serviced accommodation bedspace

- 3.1 The Welsh Government published a research paper summarising the bedstock data situation as at June 2022. The data identified a supply of 16,600 accommodation establishments in Wales. Of this supply, the majority (12,145) were self-catering establishments (73%), 2,582 were identified as serviced accommodation (16%) and 1,434 were camping and/or caravan sites (9%). The remaining supply comprised 244 hostels and 195 alternative accommodation establishments (e.g. tipis, pods and huts).

Table 1 Visitor Accommodation Supply

Area	Serviced	Self-Catering	Caravan/Camping	Hostel	Alternative	Total
Wales	2,582	12,145	1,434	244	195	16,600

Source: Summary of Wales Bedstock Data: Situation at June 2022

- 3.2 At local level, the STEAM Report (2021) found that out of all paid accommodation in Conwy, (1,233 establishments equating to 59,480 bedspaces) non-serviced accommodation held a larger proportion of the market share (74%) when compared against serviced accommodation (26%) in 2021.
- 3.3 The Bedstock data (June 2022) recorded the number of establishments per authority. 323 serviced accommodation establishments were identified in Conwy. The data indicated that Conwy's supply of serviced accommodation was third highest in Wales behind Gwynedd (354) and Powys (415) (Table 2).
- 3.4 According to the STEAM Report (2021)⁹, the total number of serviced accommodation establishments in Conwy was 317 (slightly less than noted in the Bedstock Data) in 2021, which equates to 9,293 bedspaces. As indicated in Table 3, approximately one-third of this supply comprised 22 hotels operating at 50+ rooms, delivering a supply of 3,535 bed spaces.

Table 2 Number of Establishments per accommodation category by local authority

Area	Serviced	Self-catering	Caravan/Camping	Hostel	Alternative	Total
Wales	2,582	12,145	1,434	244	195	16,600
Isle of Anglesey	78	125	96	2	3	304
Blaenau Gwent	14	27	1	-	1	43
Bridgend	40	48	12	1	-	101
Caerphilly	28	43	4	3	2	80
Cardiff	79	33	1	21	-	134

⁹ STEAM Report CON 2021

Area	Serviced	Self-catering	Caravan/Camping	Hostel	Alternative	Total
Carmarthenshire	166	493	95	5	22	781
Ceredigion	256	628	155	17	19	1,075
Conwy	323	848	151	16	8	1,346
Denbighshire	79	304	45	3	8	439
Flintshire	43	13	17	0	0	73
Gwynedd	354	3,165	366	52	24	3,952
Merthyr Tydfil	21	22	3	8	1	55
Monmouthshire	133	293	31	9	44	510
Neath Port Talbot	35	100	7	2	1	145
Newport	53	65	5	1	-	122
Pembrokeshire	226	4,618	226	22	21	5,113
Powys	415	694	137	63	28	1,337
Rhondda Cynon Taf	27	20	1	6	-	54
Swansea	62	403	42	7	3	517
Torfaen	11	3	-	-	-	14
Vale of Glamorgan	96	170	17	4	10	297
Wrexham	52	32	22	2	0	108

Source: Summary of Wales Bedstock Data: Situation at June 2022

Table 3 Serviced Accommodation Supply in Conwy

	2021		Change on 2020		Change on 2010	
Serviced Accommodation 2021						
	Est.	Beds	Est.	Beds	Est.	Beds
Serviced Accommodation Total	317	9,293	+31	+904	-92	-2,392
50+ room hotels	22	3,535	+2	+304	-4	-408
10-50 room hotels	68	3,022	+6	+283	-36	-1,370
Less than 10 room hotels/others	227	2,736	+23	+317	-52	-614
Non-Serviced Accommodation 2021						
Non-Serviced Accommodation Total	916	50,187	+10	+9,578	+262	+842
Self-catering	770	4,827	+9	+62	+255	+494

	2021		Change on 2020		Change on 2010	
Non- Serviced Accommodation 2021						
Static caravans/chalets	88	6,895	+1	+1,438	-1	-212
Touring Caravans/camping	58	7,113	+1	+1,480	+8	-1,602
Not-for-hire static	0	28,318	0	+5,890	0	-872
Airbnb	0	3,034	0	+708		

Source: STEAM 2021

- 3.5 Whilst there was an increase between 2020 and 2021 (indicated Table 3), the longer-term trends show a significant reduction in serviced accommodation bed space since 2010 with 2,392 beds or 92 establishments fewer, over half of which had been in establishments with less than 10 rooms.
- 3.6 Comparatively, figures suggested within the STEAM (2021) report indicate that whilst there has been a year-on-year increase between 2020 and 2021, longer trends show that bedspace in non-serviced accommodation is shown to have increased from 49,345 beds (or 652 establishments) in 2010 to 50,187 beds (or 916 establishments) in 2021.
- 3.7 It's not clear whether the longer-term decline in serviced accommodation is now reversing or this is a temporary readjustment. The longer-term loss of serviced accommodation bedspace is not comparable with the longer term increases in non-serviced accommodation over the same period.
- 3.8 At the local level, the Conwy Terfynol Data (2019) indicates that there is 60 serviced accommodation establishments in Llandudno, providing 3,377 bedrooms. This data is now 4 years old so is likely to be out of date and will not have captured changes to serviced accommodation impacted by the pandemic.
- 3.9 Transparent Intelligence (appointed by Visit Wales on behalf of the Welsh Government) provide data on short-term lets available on Airbnb, Vrbo, Tripadvisor and Booking.com. Transparent Intelligence advises that the data should only be used to highlight the potential size of the sector and trends, rather than an official count of the number of lets in an area. During July 2022, the number of properties on the platform for Conwy County Borough was 904, which is higher than the figure shown on the non-domestic register (786). It should be noted that not all of these properties would be appropriate for use as a permanent residence, as some will have restrictions placed on them for holiday let use only via planning conditions for example.

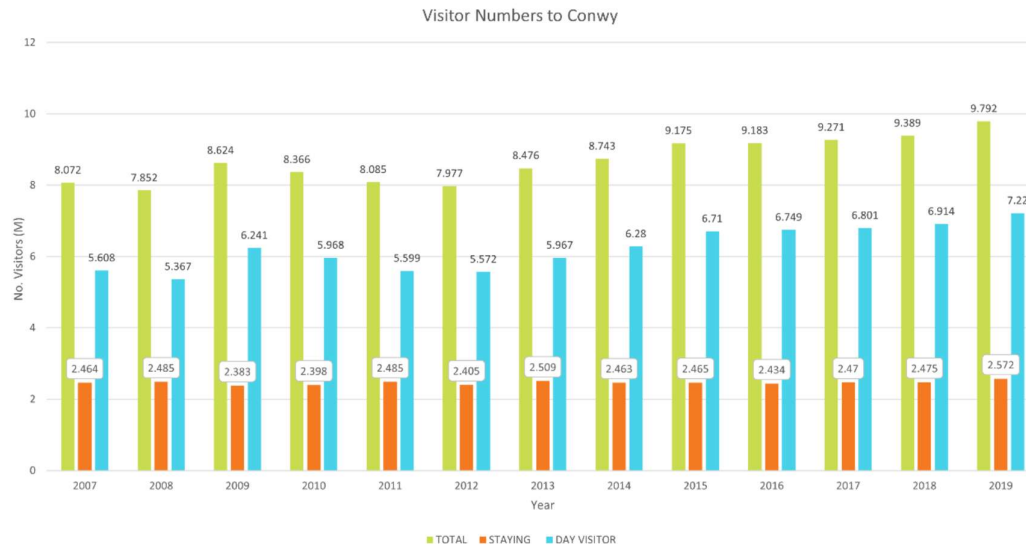
Visitor Numbers

- 3.10 The STEAM Data (2017, 2019 and 2021)¹⁰ sets out visitor numbers to Conwy. Between 2007 and 2012 there were fluctuations in total visitor numbers. However, the data, depicted in Figure 1, indicates relatively steady growth of total visitor numbers year on year to Conwy between 2013 (8.476m) and 2019 (9.792m). The STEAM Data 2021 indicates the total number of visitors was 3.501m and 7.876m for 2020 and 2021, respectively. These

¹⁰ There are some minor discrepancies in the data within the STEAM reports year on year. Where data was non consistent, the figures in the STEAM 2021 report were used.

figures are significantly lower and reflect COVID-19 restrictions. It is important to be mindful that the 2020 to 2021 data is not an accurate reflection and should not be used to base decisions that required analysis of longer-term trends.

Figure 1 Visitor Numbers to Conwy 2007-2019



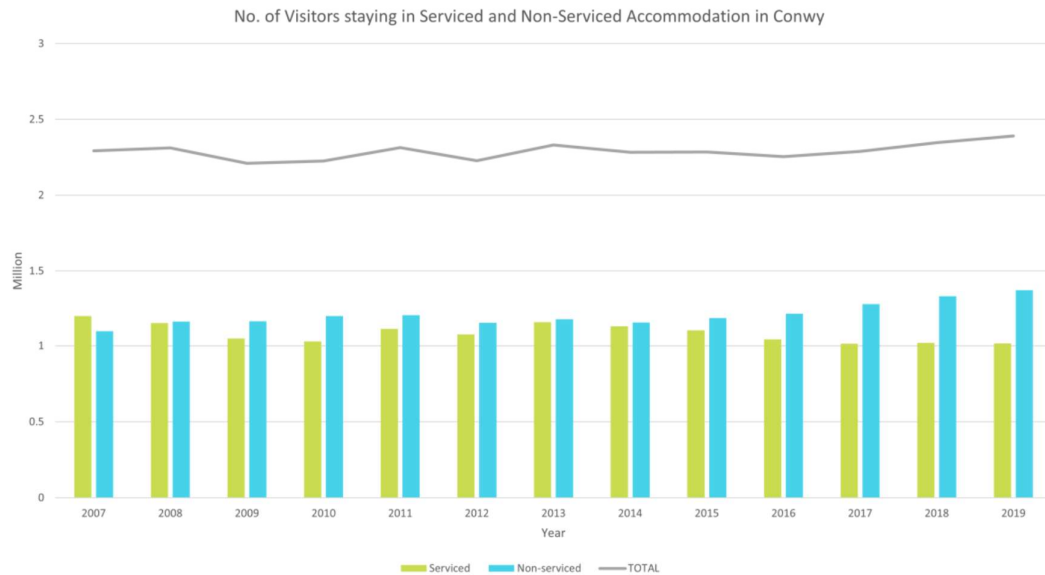
Source: STEAM (2017, 2019, 2021)

- 3.11 The STEAM Data (2017 and 2019) goes on to identify the breakdown of staying and day visitor numbers to Conwy each year. The number of staying visitors to Conwy between 2007 and 2019 has remained relatively steady overall, ranging between 2.383m (lowest in 2009) and 2.572m (highest in 2019). Comparatively, the data for the number of day visitors is considerably higher peaking at 7.22m in 2019 from a low of 5.367m in 2009. There was a slight decrease in day visitors year on year between 2009 (6.241m) and 2012 (5.572m), before rising year on year between 2013 (5.967m) and 2019 (7.22m).
- 3.12 The STEAM Data identifies the number of visitors staying in serviced or non-serviced accommodation between 2007 and 2019. Figure 2 demonstrates that in 2007, the number of visitors staying in serviced accommodation (1.196m) slightly exceeded the numbers staying in non-serviced accommodation (1.096m).
- 3.13 This split did not continue year on year, with the numbers staying in non-serviced accommodation exceeding those staying in serviced accommodation between 2008 and 2019. The numbers staying in serviced accommodation fell between 2008 and 2010, followed by slight varying fluctuations until 2015. Between 2015 and 2019 there was an decrease in the numbers staying in serviced accommodation compared with a steady increase in numbers staying in non-serviced accommodation. The total number of visitors staying in both serviced and non-serviced accommodation increased between 2007 and 2019 by approximately 100,000 visitors. For the purposes of this report, the visitor numbers for serviced and non-serviced accommodation in 2020 and 2021 was set out in the STEAM (2021) however these figures are significantly lower, reflecting government mandated closures and Lichfields has not used these as part of the process to understand trends.

3.14 According to the Welsh Government (2019), there were 10,698,000 overnight domestic GB trips to Wales during 2019, which was an increase of 6.8% (from 10.02 million trips) to Wales in 2018, generating an expenditure of £2,003 million. AECOM's Tourism Study (2019) identified at local level, the total number of overnight trips taken to Llandudno has shown an increase of 19.2% between 2008 and 2015. The annual figure for 2008 was 355,000 overnight trips, rising to 423,000 in 2015¹¹.

3.15 The Tourism Profile - Wales Local Authorities 2011-19 (2021) suggests that following the continuous survey of the Great British population, statistics show that 3.378 million overnight trips were taken to North Wales in 2016-2018, followed by 3.653 million trips in 2017-2019. At local authority level, Conwy received 1.018 million overnight trips from Great Britain in 2017-2019¹², approximately one-third of all trips to North Wales.

Figure 2 Visitors staying in Serviced vs Non serviced accommodation 2007-2019



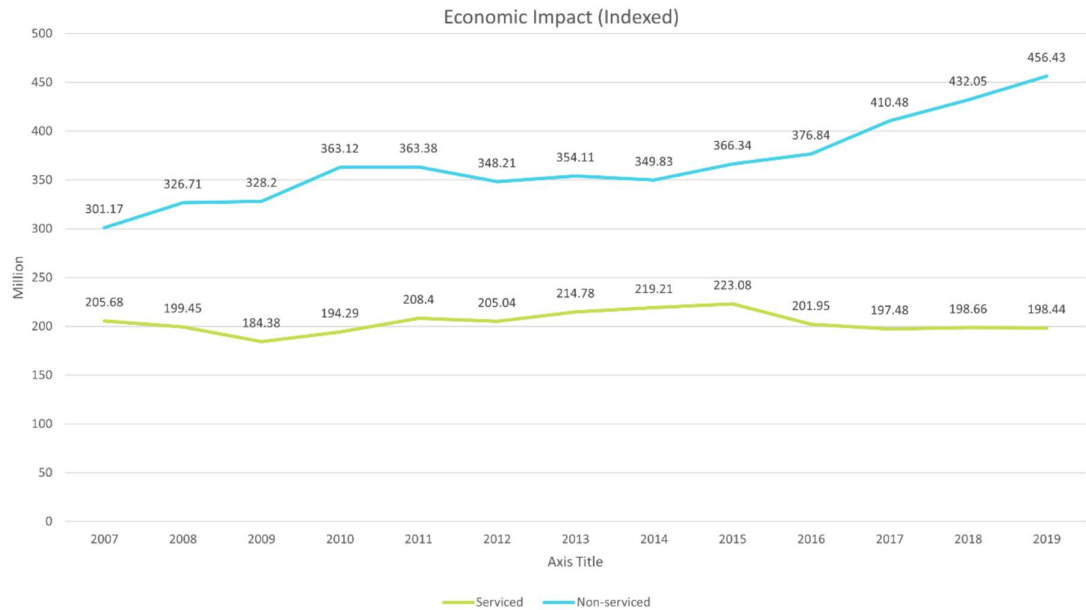
Source: STEAM (2017, 2019, 2021)

3.16 The STEAM Data also considers the economic impact generated from serviced and non-serviced accommodation between 2007 and 2019 as evidenced in Figure 3.

¹¹ Llandudno AECOM Tourism Study

¹² Tourism profile – Wales Local Authorities 2011-19 (Gov.Wales)

Figure 3 Total Economic Impact of Serviced and Non-serviced accommodation in Conwy 2007-2019



Source: STEAM (2017, 2019, 2021)

3.17 The data presented in Figure 3 indicates that non-serviced accommodation has consistently contributed a greater economic impact towards Conwy's local economy when compared against the contribution serviced accommodation makes. The figures show that the economic impact non-serviced accommodation has made increased year on year between 2014 and 2019 (349.83m and 456.43 respectively). Over the same period, the impact that serviced accommodation made to Conwy's economy increased between 2014 and 2015 by just over £100k, before declining between 2015 to 2017 by around £250k. Between 2017 and 2019, the economic impact generated by serviced accommodation was relatively consistent.

3.18 The STEAM Data (2017, 2019, 2021) goes on to break down the economic impact (indexed) further. The key variable in the data is indicated as being the duration of the non-serviced visits compared to all visits and visits to serviced accommodation. The findings of this part of the STEAM data can be summarised as follows:

- Non-serviced accommodation is disproportionately significant to the Welsh local economy:
 - a Accounts for c.12% total visitors and c. 45% of total visitor days.
 - b Accounts for c.47% economic impact and c.37% FTE's.
 - c By contrast, serviced accommodation accounts for c.8% of visitors and visitor days, 18% economic impact and 29% FTE's.
- Economic impact/visitor is higher for non-serviced accommodation (c.185% of amount for serviced accommodation) and is rising by a greater amount. However, economic impact/visitor day is a lot lower for non-serviced accommodation (c.45-50% amount for serviced accommodation - £55 cf £115 in 2021). Also, there are much more visitor days/FTE for non-serviced accommodation (c.2,000 cf. c.660 for serviced

accommodation). This can be attributed to the longer visits to non-serviced accom (c. 7.5 days cf. 1.75 days for serviced).

- There is a larger rate of increase in economic impact per visitor, visitor day and FTE job for non-serviced accommodation.
- The overall impact of non-serviced is higher, as is the impact per visitor but the impact per visitor day is lower than for serviced accommodation.
- Would expect people to stay for longer in non-serviced accommodation but the implication is that encouraging longer stays in serviced accommodation would have a greater economic impact.

Seasonal availability

3.19 The STEAM Data (2017, 2019, 2021) indicated that:

- A provision for serviced and non-serviced accommodation was available throughout the year from January to December in 2017 and in 2019. Availability was disrupted in 2020 and 2021 due to the pandemic.
- The total amount of all paid accommodation available bed supply was slightly higher across all months in 2017 when compared against 2019. In the summer months (June, July and August), all paid accommodation totalled 61,085 bedspaces in June and 61,090 bedspaces in July and August. In 2019, the amount of available paid accommodation fell over the same period (June, July and August) to 58,778 in June, 58,784 in July and 58,690 in August.
- Breaking this down, the amount of serviced accommodation was higher in 2017 when compared against 2019. Conversely, the amount of non-serviced accommodation bed supply increased from 2017 to 2019. This increase was most noticeable over winter months including December where there were 8,039 beds available in 2017 which rose to 10,409 in 2019.
- Across the board, the data demonstrates the significance and scale of the non-serviced accommodation supply when compared against serviced accommodation. For example, between March and November there was over 4 times as much serviced accommodation bed supply when compared against non-serviced accommodation.
- The amount of non-serviced accommodation significantly outweighs the serviced accommodation provision for the months that were operational post pandemic. From April to September 2021, the amount of non-serviced accommodation was higher to the 2019 figures over the same period. This is likely due establishments capitalising on the COVID-19 restrictions offering non-serviced provision. The amount of serviced accommodation available in 2021 was consistent with 2019 figures between June and December.

3.20 The Background Paper (BP) 2022: Conwy County Tourism Assessment (2020)¹³ indicates there has been a change in holiday accommodation providers over the last 10 years. This Report indicates that online sites including peer to peer accommodation, such as Airbnb

¹³ BP22 Conwy Tourism Study March 2022

are changing the nature of the accommodation offer in places like Conwy. The Paper notes that it is unclear if this trend has been captured within the STEAM Reports.

- 3.21 The BP (2022) also suggests that there are distinct seasonal trends that peak significantly in August and are very low in November, December and January during which time many of the accommodation providers and attractions are closed. The BP (2022) paper also notes that “Unemployment claimant rates for Conwy County show a similar seasonal trend with a drop in unemployment claimants over the summer months and an increase in unemployment claimants over the winter. It is likely that this trend reflects the seasonal nature and reliance of the local job market on the tourism trade”.

Summary of supply

- Non-serviced accommodation holds a significantly larger market share to serviced accommodation in Wales. This is reflected in Conwy.
- Conwy has the third highest supply of serviced accommodation when compared against other authority areas in Wales.
- Approximately half of the serviced accommodation bedspace supply in Conwy comprises larger, 50+ bedroom establishments.
- There has been a significant loss in serviced accommodation bedspace in Conwy between 2010 and 2021.
- The supply of both serviced and non-serviced accommodation varies seasonally.
- There is a lack of sub-authority data to confirm the sub-County, i.e. Llandudno's, supply of serviced accommodation.

Current Occupancy Trends

Definitions

- 3.22 Welsh Government¹⁴ has defined the following terms:

- Room Occupancy - *“The number of rooms occupied during the month expressed as a percentage of the total number of rooms available during the month (taking into account any temporary closures or increases in the number of rooms available each night)”*.
- Bedspace Occupancy - *“The number of overnight stays during the month expressed as a percentage of the total number of bedspaces available during the month (taking into account any temporary changes in the number of beds available each night)”*.

Serviced Accommodation- Hotels

- 3.23 To put occupancy levels in context, Visit Wales data (2021) indicates that hotels in Wales achieved higher room and bedspace occupancy in 2021 compared with 2020 as the overall impacts of the COVID-19 pandemic were less severe.
- 3.24 Prior to the COVID-19 pandemic hotels in Wales achieved consistent levels of performance in Wales. Between 2015 and 2019, room occupancy was regularly around 66% and bedspace

¹⁴ Visit Wales Accommodation Occupancy Survey Annual Report 2021

occupancy close to 50%. According to Visit Wales data (2019), the overall performance of the sector in 2019 can be viewed as consistent. Data from Visit Wales Occupancy Survey 2019 and 2021 has been collated and is presented in Table 4.

Table 4 Hotel Occupancy Rates 2018-2021

	2017	2018	2019	2020	2021
Room Occupancy	67%	66%	66%	45%	64%
Bedspace Occupancy	51%	50%	49%	31%	44%

Source: Visit Wales Occupancy Survey 2019 & 2021

3.25 According to the Visit Wales data, the average annual hotel room and bedspace occupancy in Wales was 64% and 44% respectively in 2021. This was below the levels recorded before the COVID-19 pandemic as hotel room occupancy was between 65% and 70% and bedspace occupancy was around 50% from 2017-2019¹⁵. It's difficult to draw any conclusions on medium and longer-term trends at this time.

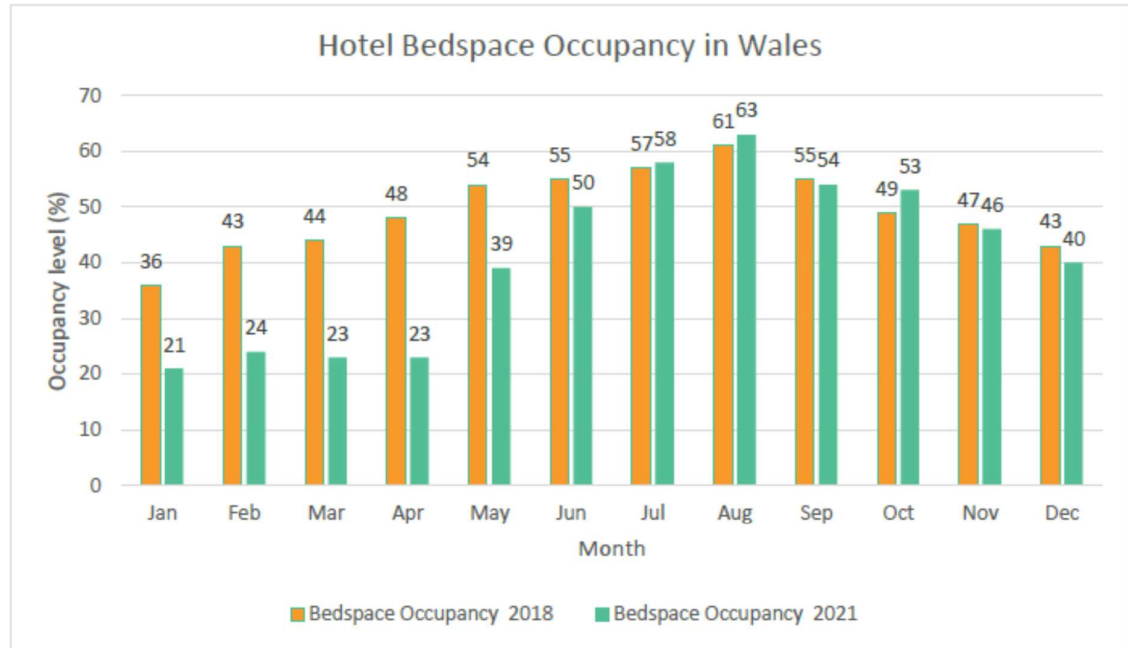
3.26 Data presented in Visit Wales 2019 and 2021 includes hotel bedspace occupancy trends on a monthly basis. These two data sets have been collated and presented in Table 4.

3.27 Figures 4 and 5 indicate that seasonality of this sector is evident as hotels achieved higher room and bedspace occupancy performance during the summer months of July and August, this is evidence in both 2018 and 2021. The 2021 figures suggest that hotels benefitted from an increase in demand as the pandemic restrictions were eased from late April. Both hotel room and bedspace occupancy rates were at lower levels of business in January in both 2018 and 2021 due to low season and the pandemic. Hotel occupancy, even at the peak of the summer months, didn't exceed 65% in Wales. There will, of course, be significant regional and sub-regional variations within this data.

¹⁵ Due to the impact of COVID-19, the Wales 2020 and 2021 occupancy data is unweighted whilst the Wales 2017 to 2019 data is based on a weighted sample methodology also used in previous years. Due to this change in methodology during 2020, the hotel data shown within this report cannot be compared with previous years.

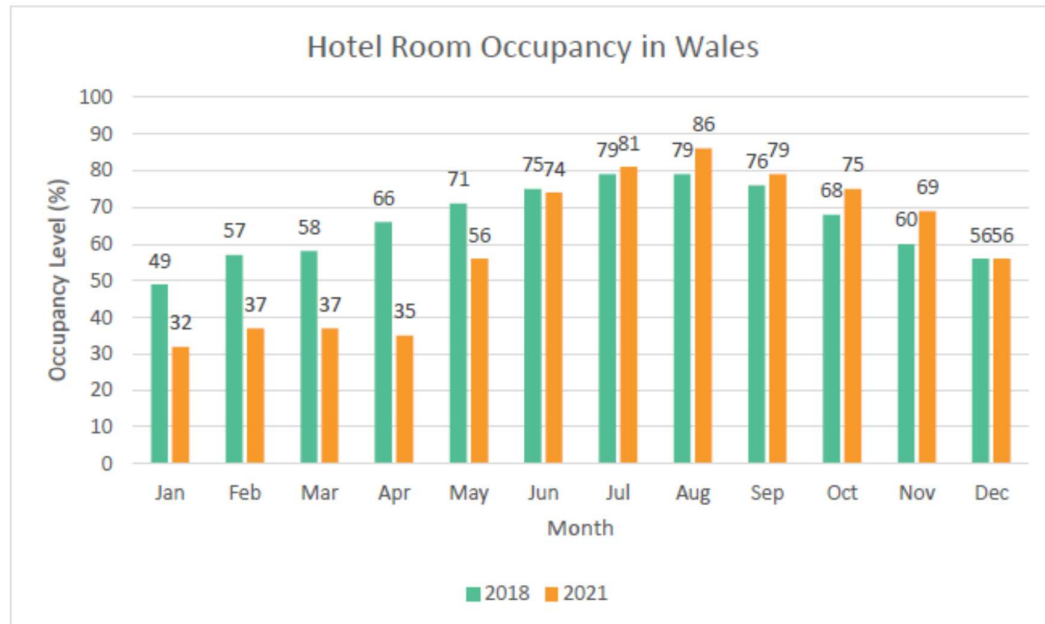
Figure 4 Hotel Bedspace Occupancy in Wales 2018 and 2021

Figure 4 Hotel Bedspace Occupancy in Wales 2018 and 2021



Source: Visit Wales Accommodation Occupancy Surveys 2019 & 2021

Figure 5 Hotel Room Occupancy in Wales 2018 and 2021



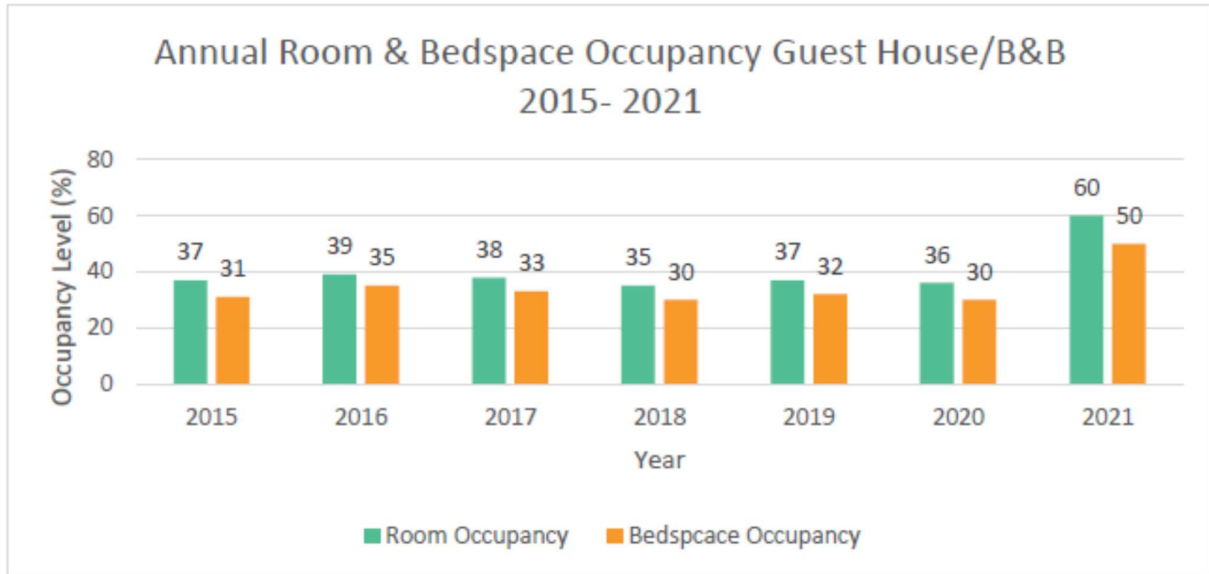
Source: Visit Wales Accommodation Occupancy Surveys 2019 & 2021

- 3.28 The Visit Wales (2021) data identified that travel restrictions and reduced leisure and hospitality operations during the first four months of 2021 caused a long period of low occupancy of under 40% for hotels in Wales. The data from May 2021 onwards reflected a more typical pre-COVID-19 level of demand with seasonality leading to increased occupancy during the summer months (with room occupancy reaching 86% and bedspace occupancy reaching 63% in August) and then declining occupancy in the last four months of the year.
- 3.29 The Visit Wales (2021) survey went on to find that larger hotels with over 100 rooms achieved lower room and bedspace occupancy compared to smaller hotels with 100 rooms or less. The data identifies hotels with 11-25 rooms achieved the highest bedspace occupancy which implies that they were attracting more leisure guests who stay in groups of two or more. Whereas the lowest bedspace occupancy was achieved by hotels with over 100 rooms, which implies that these hotels attract more corporate and business guests who tend to travel alone.
- 3.30 The Visit Wales (2021) survey found that from May to December 2021, North Wales was the highest performing region in Wales, with an average room occupancy of 79%. A summary of key regional findings relating to hotel occupancy trends presented in the 2021 survey include:
- North and South West Wales were the highest performing regions in May to December 2021, achieving room occupancy of 79% and 76%, respectively.
 - Hotels in Mid Wales and South East Wales achieved the lowest room occupancy of 69%.
 - South East Wales achieved the lowest bedspace occupancy of 48% across the four regions.
 - The overall trend in 2021 was the same as in 2020 whereby hotels in North and South West Wales achieved the highest room occupancy, and Mid and South East Wales hotels recording the lowest room occupancy.

Serviced Accommodation - Guest Houses and B&B's

- 3.31 According to the Wales Tourism Occupancy Surveys (2021), the average annual room and bedspace occupancy across guest houses and B&Bs in Wales was 60% and 50% respectively - this is comparable with hotel occupancy. The average room occupancy and bedspace occupancy for 2017 to 2019 was 35-38% and 30-33% respectively, which is significantly lower than hotel occupancy. It is important to note that due to the COVID-19 pandemic the sample size in 2021 was very small and caution should be used when using these results.
- 3.32 North Wales was the best performing region for room occupancy (81%) and bedspace occupancy (79%) but the data for 2021 is unweighted and must be used with caution. In comparison, the room occupancy and bedspace occupancy in North Wales from 2017-2019 was 35% and 31% respectively. Data from the Visit Wales Occupancy Survey's 2019 and 2021 has been collated and presented in Figure 6. Annual room occupancy between 2015 and 2021 was relatively stable between 35% and 39% apart from in 2021 where occupancy rose to 60% on average in Wales. Bedspace occupancy between 2015 and 2021 was also relatively consistent, ranging between 30 and 35%, although there was an increase in 2021 to 50%.

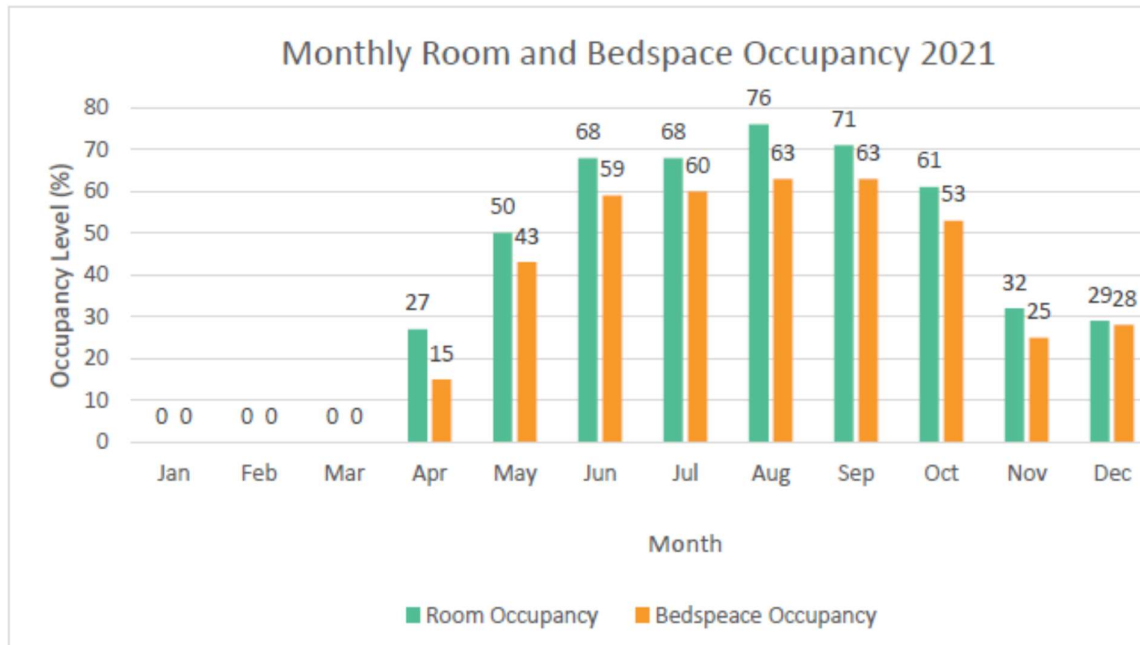
Figure 6 Room & bedspace occupancy 2015-2021



Source: Visit Wales Accommodation Occupancy Survey 2019 & 2021

3.33 Figure 7 illustrates data presented in the Visit Wales Survey (2021). Figures indicate that travel restrictions at the beginning of 2021 and the temporary closure of accommodation businesses meant data was not available for January, February and March when travel restrictions were lifted. The data indicates the best performing months for room occupancy were August and September at 76% and 71% respectively.

Figure 7 Monthly Room and Bedspace Occupancy 2021



Source: Visit Wales Accommodation Occupancy Survey 2019 & 2021

Summary of Current Occupancy Trends:

- Pre-covid, room occupancy rates for serviced accommodation in Wales recorded 66% (hotels) and 37% (Guest House/B&B's).
- Post-covid, room and bedspace occupancy across the Guesthouse and B&B sector was 60% and 50% respectively, double that of 2017/2019 figures.
- In 2021, North Wales was the highest performing region with an average room occupancy rate of 79%. The data does not identify the rate by Local Authority area.
- In 2021, larger hotels achieved lower room and bedspace occupancy rates when compared with smaller hotels.
- It is difficult to draw longer term trend conclusions with a high degree of confidence from the data available.
- It is not possible to draw conclusions about Llandudno from the data that is available.
- It is therefore not possible to conclude whether the reduction in visitors staying in serviced accommodation in Conwy has been caused by a reduction in availability in bedspace or by drivers of demand by visitors.

Current Visitor Market*Visitor Demographic and Origin*

- 3.34 The Visit Wales Tourism Market Demand Report (2022) found that the gender split of the domestic holiday market is relatively even (51% male/49% female). These figures are slightly different when compared against The Wales Visitor Survey (2019), which found that women accounted for 59% of UK staying visitors. This may be a reflection of how the trips are recorded, it was suggested.
- 3.35 According to figures released in the Tourism Profile- North Wales 2017-2019 (2021), the lifestage accounting for the largest proportion of overnight domestic GB holiday trips taken in North Wales during 2017-2019 was 'Empty Nesters'¹⁶ (37 per cent of holiday trips), followed closely by the 'Family' life stage, accounting for 35 per cent of holiday trips.
- 3.36 The Visit Wales Tourism Market Demand Report (2022)¹⁷ found that families made up the largest life stage (38%), 'Pre Nesters' made up the smallest life stage (13%), with those at retirement age and older independents making up the remainder 23% and 26% respectively.
- 3.37 Comparatively, the Llandudno Tourism Study (2022) states that Llandudno's visitor profile contains a large proportion within the 65+ age category (42%) and in the 55-64 age category (18%). Conversely, just 15% of visitors were reported to be between the ages of 18 and 34. Visitors tend to be couples (65%) or singles (24%) with a relatively small proportion of visitor's families with children (10%). The study goes on to state that whilst the lack of families may have an adverse knock-on effect in terms of future visitors, the dominance of couples and singles has a positive short-term impact due to these visitors having a higher associated spend. The study suggests that whilst the current performance of the tourism sector is positive, a lack of focus on attracting younger generations, particularly within the family bracket, could be damaging in the future.

¹⁶ Page 15 of the Tourism Profile- North Wales 2017-2019 categorises Empty Nesters as those in the 55+ age group. Families are those who are 16-34 years old with children, or 35-54 with children. Pre-Nesters are those 16-34, unmarried or married with no children.¹⁷ Visit Wales Tourism Market Demand Report- UK June 2022

- 3.38 The Llandudno Tourism Study (2022) also indicated that much of the tourism market is driven by the North West, Wales and the West Midlands, suggesting that the development of the tourism sector should look to broaden and diversify its offer to appeal to a broader geographic spectrum.
- 3.39 Visit Wales (2022) identified around half of the domestic holiday market is in full time employment, with a further 1 in 7 employed part-time. This data also suggested that the majority (61%) of the domestic holiday market fall into social grades ABC1 (upper middle, middle and lower middle class).
- 3.40 Data from Visit Wales (2022) also suggested that visitors to Wales residing from South East England made up the highest representation of the domestic holiday market (14%), closely followed by visitors from London/Greater London (13%) and the North West of England (11%). The Llandudno Tourism Study (2019) suggests that around half of all visits to the coast in Wales originate from the North West of England and the West Midlands. 19% come from within Wales, demonstrating the importance of the 'home' market to domestic seaside tourism. Just 4% came from London, 5% from the South East and 6% from the South West, suggesting the opportunity to attract more visitors from these regions, particularly should proposed improvements to transport infrastructure come to pass.
- 3.41 The Wales Visitor Survey (2019) identified the proportion of Welsh residents holidaying in Wales was higher in the peak summer months than in the shoulder period. Conversely, there were higher proportions of staying visitors from England in the shoulder months than during peak months¹⁸. The survey also identified the majority (84%) of UK staying visitors to Wales in 2019 came from England, as in previous years.

Summary of Current Visitor Market

- Total number of overnight domestic trips to Wales, and Llandudno in particular has increased between 2009 and 2019.
- Empty nesters made up the largest proportion of overnight trips to Wales.
- 65+ age category made up the largest proportion within Llandudno's visitor profile.
- Much of Llandudno's tourism market is driven by the North West, Wales and the West Midlands.

Current Market Demands

- 3.42 According to the Visit Wales Tourism Demand Report (2022), 1 in 4 (24%) of the UK domestic holiday market (which in itself is 15% of the UK population) claim to have taken a short break or holiday in Wales so far in 2022 (between January and June), with 26% stating they have either already booked or will definitely take a Wales trip in the next 12 months. Residents of Wales, the North West of England and the West Midlands exhibit the strongest desire to do so. Further market trends identified in the report include:
- Wales trip intenders are most likely to be planning their Wales trip in August or September, family segments indexing higher in August, non-family segments generally higher in September.

¹⁸ Wales Visitor Survey 2019 UK Staying Visitors (Gov.Wales)

- ‘Trying local food and drink’ and ‘visiting outdoor visitor attractions’ are the experiences the UK holiday market are most likely to do on a UK holiday or short break, followed by ‘visiting heritage sites/cultural attractions’ and ‘walking, hiking or rambling’.
- ‘Out of season’ trip-takers to Wales would be most likely to stay in a ‘hotel/motel/inn’, followed by a ‘guest house/B&B’ and a ‘rented house/cottage’.
- Snowdonia is regarded as the most appealing destination for a Wales out of season trip, followed by Cardiff, Llandudno & Colwyn Bay and Pembrokeshire.
- Older life stages are more likely to stay in serviced accommodation, in particular hotels. Families index higher on a number of different accommodation types, particularly those relating to camping and caravans.

3.43 The Wales Visitor Survey (2019) also states that Wales is primarily a short-break destination rather than a main holiday destination for UK staying visitors: almost six in ten (56%) described their current trip to Wales as a short break, more than double the proportion saying it was their main holiday (24%). These proportions have changed very little over time.

3.44 The Llandudno Tourism Strategy (2022) identifies the key driver of tourism in Llandudno is the landscape and scenery, while the history, culture and beaches are also important factors. Only 12% of visitors cite outdoor activities as an “attractor”.

3.45 The Wales Visitor Survey (2019) suggests that the most popular motivations for coming to Wales were to enjoy the country’s natural landscape (mentioned by almost eight in ten visitors), to visit particular places, historical and religious sites or attractions (mentioned by almost six in ten) and to take part in outdoor or sporting activities (mentioned by over four in ten). Around one in five came to visit friends or relatives, to shop or for a city break.

3.46 While the pattern of results in 2019 is similar to previous waves, there has been an increase in mentions of coming to Wales to enjoy the natural landscape (up from 67% in 2016 to 79% in 2019) and to take part in outdoor or sporting activities (up from 32% to 44%)¹⁹.

Summary of immediate market demands

- Wales is primarily a short break destination.
- Visitors are most likely to be planning a trip to Wales in August or September.
- Snowdonia is regarded as the most appealing destination for an out of season trip to Wales.
- Visitors in older life stages are most likely to stay in serviced accommodation.
- Motivators to visit Wales include the natural landscape and outdoor sport.

¹⁹ Wales Visitor Survey 2019 UK Staying Visitors (Gov.Wales)

Drivers of Change / Future Market Trends

Visitor Forecasting

- 3.47 For the UK, Visit Britain²⁰ is forecasting 35.1 million visits in 2023 (86% of the 2019 level and 18% higher than in 2022) and £29.5 billion spend (104% of the 2019 level and 14% higher than in 2022). If the latter figure is achieved, it would be a record for the value of inbound spend in the UK in nominal terms, although adjusting for inflation it would be 87% of the 2019 level in real terms, in line with the trend in visitor volumes.
- 3.48 The Wales Tourism Business Barometer (2022) found that for the previous two summers, during the pandemic, operators had to rely heavily on domestic tourism as international leisure travel at various times and from various places was either awkward or not allowed at all. In summer 2023, the Barometer (2022) suggests that the Welsh tourism industry will be depending on domestic visitors once more as overseas visitors are not yet expected back at pre-pandemic levels. This is consistent across all regions and sectors.

Cost of Living

- 3.49 The Wales Tourism Business Barometer also suggested that operators are waiting with some degree of unease to see whether domestic tourists will (a) find the money for holidays and (b) choose to spend it in Wales instead of abroad. Recent flight delay and cancellation chaos at airports may push some holidaymakers in Wales' direction.
- 3.50 The Visit Wales Tourism Market Demand Report (2022) noted that finances play an important role in trip choice with 49% of respondents having a cautious attitude to the cost-of-living crisis. 'Great value for money' is the number one destination influence for domestic holidays/short breaks in the next 12 months. Whilst 'great value for money' does not necessarily mean 'low-cost trips', with two thirds of the UK holiday market stated that they have either been 'hit hard' by the cost of living crisis or 'have to be careful', and costs cited as a leading barrier to visiting Wales, it's likely lower cost trips will also be favoured.
- 3.51 The Wales Tourism Business Barometer (2022) builds on the above stating that the outlook as of June 2022 is tinged with slight disappointment as domestic holiday demand was very high last summer, but it appears that businesses will have to strive harder to fill the bed spaces in 2022-2023. The two key factors are thought to be the cost of living and the opportunity (if holidays are affordable) to start holidaying abroad again.
- 3.52 The Wales Tourism Business Barometer (2022) also predicts that future booking trends lead towards last minute, with some degree of cancellations. Although businesses are experiencing significant rises in operating costs, these increases are not yet being passed onto customers. Close to half (46%) of businesses are not changing their prices for 2022-2023, and a similar proportion (45%) are only raising them 'slightly'. Many operators recognise that there is a limit to what consumers can afford and do not want to price themselves out of the market²¹.

²⁰ Visit Britain (2023)

²¹ Tourism Barometer (June 2022)

- 3.53 The Seventy Ninth Group (2022)²² have produced an article on the rise of UK staycations; the ongoing demand in a rapidly changing tourism landscape. This report identified the ongoing war in Ukraine and Brexit have led to supply chain issues around the world, driving up the cost of many things including jet fuel. As such, prices for international holidays are only set to increase into next year (2023). The article suggests that this will lead to a large portion of the population being unable to afford holidays abroad and find themselves booking alternative ways to enjoy a holiday in the UK. Furthermore, the Office for Budget Responsibility (OBR) (2023) reported that living standards won't return to pre-covid levels for at least 5 years, suggesting that the cost-of-living crisis is likely to extend into the next plan period.

Out of season trips

- 3.54 The Visit Wales Tourism Market Demand Report (2022) suggests that there is a high level of potential interest in attending festivals on a Wales out of season trip - 'local produce/arts/crafts events' the most appealing followed by 'food and drink festivals' and 'agricultural/countryside/garden shows'. This report found that of those surveyed, 'Sports events' appeal the least when considering an out of season trip.

International trips

- 3.55 The Great Britain Tourism Survey (2019) indicated that the number of international trips to Wales during 2019 rose by 3.6% to 1,023,000. Visitor spending was £515 million, which was an 18.8% increase on the same time last year.
- 3.56 Similarly, The Visit Wales Tourism Demand Report (2022) also suggested that international demand will grow provided efficient digital marketing and social media is used effectively. Development and marketing will be focused on the core growth international markets (Ireland, Germany, other European countries, and the USA).
- 3.57 The developing attractions of North Wales, and Conwy in particular, have meant that an increasing number of international visitors are spending time in the county. International visitors have increased by almost 50% between 2011 and 2016 to 80,000 visitors a year (Destination Conwy Management Plan 2019).

Changing Visitor Expectations

- 3.58 The Drivers of Change in Hospitality document by IHG²³ outlines the drivers of change in the hospitality industry. The document introduces the 'Rise of Tech-Augmented Hospitality', 'Achieving Cult Status at Scale' and 'the Beginning of the End for Room Types' as the key drivers of change in the sector. The following consumer trends identified in the document are outlined below:
- 1 Visitors now expect super-fast wifi, the latest tech in rooms, modern design, and personalized service. Indeed, the rise of the smartphones and social media, combined with technological amenities like AI-enabled chatbots and in-room technology, make it ever more likely that guests of the future will place much higher demands on the travel and hospitality industry.

²² The rise of UK staycations: the ongoing demand in a rapidly changing tourism landscape - The 79th Group (September 2022)

²³ Drivers of Change in Hospitality - IHG

- 2 More than ever, the human touch of hospitality must be integrated with technological innovation - be it devices, platforms or applications to meet modern consumer expectations.
- 3 Some forms of automation will be essential to optimize service at scale, which is vital as the number of guests continues to grow.
- 4 Human service is still valued. In 2018 nearly two thirds of hotel guests globally (63%) preferred interacting with hotel staff than self-service technology. A further 67% of guests like talking to staff for emotional interactions, whether that's to arrange a celebration or make a complaint.
- 5 The traditional room type will no longer be the core product offered by hotels, instead, guests will choose from room configurations that match their needs. This is known as attribute-based booking (in room amenities, non-room inventory and even tickets for out of hotel activities).

Unregulated growth in the tourism industry

3.59 The Local Government Association (LGA) (2022) provided a response in developing a tourist accommodation scheme in England²⁴. Although this blog piece focuses principally upon non-serviced accommodation, and of course it is made with respect to England, it provides a useful insight into the impacts of unregulated growth for the tourism industry which in turn, have the risks of impacting the provision of serviced accommodation. By way of an overview, key messages resulting from the increase of short term lets in the tourism accommodation sector presented by the LGA include:

- 1 *Increasing house prices beyond those affordable to local residents.*
- 2 *Increased evictions of tenants to convert to more profitable short-term lets, including those vital to running the visitor economy such as chefs and hospitality workers, undermining the ability of the local visitor economy to recruit and retain staff.*
- 3 *Failure of many businesses to be correctly registered for business rates.*
- 4 *An unequal playing field between different parts of the visitor accommodation sector, disadvantaging existing business.*

3.60 It is also noteworthy that there is a recent consultation in Wales on draft regulations to extend exceptions to second home premiums and guidance. The Welsh Government is of the view that properties let out as self-catering accommodation on an infrequent basis should be liable for council tax. The Government has therefore legislated to increase the number of days for which self-catering properties must be available to let or actually let in order to be classified as non-domestic.

3.61 This new letting criteria will apply from 1 April 2023 and will ensure that self-catering properties are classed as non-domestic only if they are being used for business purposes for the majority of the year. The Government has also legislated to increase the maximum level at which local authorities can decide to apply council tax premiums to second homes and long-term empty dwellings to 300% from 1 April 2023.

²⁴ LGA response: Developing a tourist accommodation scheme in England, 21 September 2022 (Local Government Association)

3.62 The draft Council Tax (Exceptions to Higher Amounts) (Wales) Regulations 2023 seek to extend the existing exception to apply to properties with a planning condition which specifies that the property may only be used for short term holiday lets or which prevents their permanent occupation as a person's sole or main residence. Such properties would become liable for council tax at the standard rate if they do not meet the letting criteria for classification as non-domestic property, but they could not be charged a premium. This is consistent with the Government's policy view that property owners should make a fair contribution to local communities either through local taxation or through the economic benefit they bring to an area.

3.63 To control growth, the Welsh Government has introduced three new use classes for 'dwellings houses, used as sole or main residences' (class C3), 'dwellinghouses used otherwise than as sole or main residences' (class C5) and 'short-term lets' (class C6). The General Permitted Development Order (GDPO) has been amended to allow permitted changes within the new use classes C3, C5 and C6. Local planning authorities have the ability to make local amendments to the planning system through an article 4 direction, to remove permitted development rights, and require planning permission to be sought to change from one use class to another.

Statutory Licensing scheme for all visitor accommodation providers in Wales

3.64 Visit Wales operates both a quality grading scheme and verification scheme for visitor accommodation however, participation is voluntary, with different schemes for different types of accommodation.

3.65 In July 2022, the First Minister and the Leader of Plaid Cymru announced plans to introduce a statutory licensing scheme for all visitor accommodation in Wales, including short-term holiday lets. The proposal is to make it a requirement for providers to obtain a licence to operate, which would help raise standards across the industry, ensure visitor safety and provide a level playing field for all operators. One of the primary aims of a new statutory licensing scheme would be to establish a level playing field for all visitor accommodation providers operating in the sector.

3.66 A statutory licensing scheme would give the Welsh Government and relevant authorities enhanced intelligence and a comprehensive register, which is not currently available, of exactly who is operating in the industry. It is currently not possible to determine how many visitor accommodation providers there are in Wales, or in any given community. Understanding the scale and nature of the sector will be an important tool in the deployment and development of policies and services, either at a local or national level.

3.67 A consultation on this closed in March 2023 and the outcome unknown although it is expected that a form of licencing/registration similar to the Rent Smart Wales scheme for residential letting will be introduced.

Summary of Future Trends

- 35.1 million visits to Wales are forecasted for 2023.
- The cost-of-living crisis is likely to influence domestic holidays/short breaks over the next 5 year horizon.
- International visitors to Wales is likely to grow.

- The need to offer high quality accommodation is expected to increase.
- Visitors expect quality levels of technology through the booking and serviced accommodation experience.
- Other factors including wider regulation of the holiday accommodation sector specifically through the Regulations to extend exceptions to second home premiums may influence efficiency and delivery of service within the serviced accommodation sector.
- It is too soon to understand the impact of the separate use classes for holiday lets and the ability for local authorities to restrict free movement between relevant use classes.
- Some form of registration for self-catered accommodation is likely to come into force.

4.0 **Review of planning challenges related to the existing policy**

4.1 Policy TOU/3 within Conwy Local Development Plan 2007-2022 states:

Holiday Accommodation Zones are designated in Llandudno and shown on the proposals map. To safeguard an appropriate level of serviced accommodation for tourism, proposals for the redevelopment or conversion of existing serviced accommodation to other uses will not be permitted.

4.2 The development plan policy does not allow any flexibility for the loss of existing serviced accommodation within the HAZ. Nevertheless, an applicant can seek to change the use of such accommodation through the planning process and the LPA would need to make a decision as to whether there are material considerations that would outweigh the conflict with the adopted policy.

4.3 CCBC provided us with a list of change of use applications from serviced accommodation within the HAZ over a 5 year period between 2017 and 2022. Further information on these can be found at **Appendix 2**.

4.4 In total 10 applications were submitted, 2 were withdrawn, 1 was refused and the remaining were approved. Two of those approved were resubmissions of the earlier withdrawn applications. This is a relatively small sample but there are some clear conclusions that can be made from the committee or delegated officer reports and/or decision notices for the applications. These are:

- 1 The material submitted was of varying quality.
- 2 A variety of supporting documents were submitted to seek to demonstrate for how long a property had been marketed.
- 3 Some applications were accompanied by financial statements and/or viability reports, some were not.
- 4 There was no consistency in the information accepted.
- 5 It is unclear how the Council has reviewed, critiqued and challenged marketing and viability evidence in the documents.
- 6 There is little in the way of justification around statements by officers in their reports suggesting the loss of serviced accommodation is unlikely to cause a detrimental impact on the HAZ.
- 7 There is a dearth of any figures (evidenced or otherwise) on the supply and demand for serviced accommodation reported in the delegated or officer reports.

Analysis of the recent refusal

4.5 The most recent application relating to the temporary change of use from a hotel to a house of multiple occupation at a premises within the HAZ was refused by committee members, against the Case Officer's recommendation (Application reference O/49626) The reasons for refusal were:

- i *The quality of the accommodation is sub-standard and not fit for purpose: and*
- ii *The proposal is contrary to policies TOU/3 and HOU/10 of the Local Development Plan, which seek to safeguard tourism accommodation and resist the provision of HMO's."*

- 4.6 The Officers' Report (**Appendix 3**) confirms that the proposal was contrary to policy TOU/3 and informed Members that no details of the viability of the existing business or any marketing of the hotel had been provided as part of the application.
- 4.7 The report outlined comments from the Housing Strategy team within CCBC stating that *"meeting the housing needs to the county's citizens is becoming increasingly difficult and is best described as a housing crisis. The impact of the pandemic led to Welsh Government directing local authorities to ensure that anyone rough sleeping or precariously housed was provided with accommodation, effectively suspending the priority need test contained in the current legislation".*
- 4.8 The comments continued by stating *"the strength of the housing market, changes to household incomes and other external factors are also putting increasing pressure on already limited resources... The demand is increasing as there is a lack of available affordable housing across the county leading to families spending long periods in temporary accommodation and it is for this reason that the Council is in need of a range of temporary accommodation".*
- 4.9 The Officer concluded *"whilst the application is a departure from policies HOU/10 and TOU/3, officers consider that the need to provide emergency/temporary accommodation is an exceptional circumstance to over-ride policy concerns to allow the property to be used as a HMO for a temporary period".*

Other reflections on the adopted policy

- 4.10 Having considered the policy further, the other points of note are:
- 1 The term serviced accommodation has not been defined in the policy.
 - 2 The policy is absolute and as such inflexible. It does not help the Council to provide a framework to respond to changing circumstances over the plan period.
 - 3 As a result, there is no criteria within the policy, or within its supporting text, to set out what might be needed as part of any application for a change of use, in the event that such an application was made. Whilst not exhaustive, examples of such information might include:
 - a how long an existing serviced accommodation property should be marketed for and documentation the Council would accept to support an application for change of use.
 - b the type of viability appraisal required to support an application.
 - 4 The lack of this information means that the CCBC has had to rely on ad hoc decision-making which can lead to inconsistent approaches being taken. It also means that it's difficult for officers and members to refuse applications where some degree of information is provided.

5.0 Other Considerations

Llandudno Hospitality Association Policy Paper LPD SPG 19 Tourism Development (2017)

- 5.1 Llandudno Hospitality Association (LHA) represents a significant proportion of the serviced accommodation, hospitality and retail businesses in Llandudno and across the wider Conwy area. The paper was written in response to the draft Tourist Accommodation SPG published for consultation in 2015 but not formally adopted (see section 2). Much of the content is relevant for the purposes of this report.
- 5.2 The paper suggests that although Llandudno can be said to have “*held its own*” against the decline of other seaside resorts, it should be recognised that the town’s tourism accommodation has reduced significantly over the past 50 years. The paper goes on to state that at the time it was written (2017), there were over 220 serviced accommodation establishments (hotels, guest houses, bed and breakfasts, etc) and over 100 self-catering establishments (cottages, apartments, etc) in the town. The report states that this represents around 6,000 room nights or accommodation for 15,000 people every night of the year.
- 5.3 The paper states that national figures show an increasing demand for domestic breaks and holidays. It states in addition, figures from Visit Wales and Llandudno Tourist Information Centre indicate a growing demand for accommodation [type not specified] in the town, with occupancy levels in recent years having exceeded 95% during summer months, suggesting that the town is fully booked and that there is a demand for further serviced accommodation.
- 5.4 The LHA believes that Llandudno’s position as the premier seaside resort in Wales must be protected and enhanced to ensure the well-being of the local economy. As such, the LHA set out a series of recommendations to inform future content of (at the time) SPG LDP19. Please refer to **Appendix 4** for LHA’s recommendations.

Other tourist accommodation related supplementary planning documents

- 5.5 As part of this study, we have undertaken a review of a couple of tourist related supplementary planning documents prepared by other local planning authorities on how to retain appropriate levels of serviced accommodation. A summary of the key findings are detailed below.

Eastbourne’s Tourist Accommodation Retention SPD (February 2017)

- 5.6 Since the 1970, Eastbourne has had a strict policy around the loss of all types of tourist accommodation. The Eastbourne Borough Local Plan (adopted 2003) designates an area known as the Tourist Accommodation Area, which represents what is considered to be the area where visitors would most expect to find visitor accommodation. Within this area, applications that would result in the loss of tourist accommodation would only be permitted if it can be demonstrated that the tourist accommodation is unviable (**Appendix 5** for Eastbourne Borough Plan Policy TO1 and TO2).

- 5.7 The SPD was produced in response to hoteliers suggesting that the quality of tourist accommodation offer has diminished due to the oversupply of accommodation. Due to the alignment of the concerns with the plan-making timetable the SPD was produced, not to change the policy, but to add guidance on how the policy should be implemented in light of changes to the tourism market and current trends. Stakeholders felt that the quality of the tourist accommodation needed to be improved and to retain those which are currently good quality (hotels, guest houses, holiday lets and bed and breakfast accommodation).
- 5.8 The ultimate objective of the SPD is to release poor quality holiday accommodation in order to reduce the availability of bedspace. The retained bed space could charge a higher room spend which would increase the viability of the operations. The operators would then invest more in the properties and the offer which in turn would attract more visitors to the area.
- 5.9 The Council reports that the following issues needed to be addressed through this SPD:
- Retaining an appropriate amount of accommodation;
 - Rebalancing stock to meet market demands. At the time the SPD was written, smaller independent hotels towards the lower end of the quality spectrum were struggling to compete and deliver the quality visitors expect. This, in turn created implications on how visitors perceive Eastbourne. The requirement to reduce accommodation stock to stimulate investment in a better-quality offering;
 - Protecting the character of the seafront. Well-maintained hotel facades are considered crucial to the character and appearance of the seafront.
 - Clear and consistent policy. The Council considers that the SPD needs to be easily understood with policies allowing for an element of sensitivity as to how they are implemented to reflect changing circumstances. Regular monitoring of changes in occupancy levels and room rates is required to establish how successful the policy is.
 - Encourage owners to run their businesses appropriately. Increasing demand for housing puts pressure on lower value uses to convert, meaning a hotel could be worth significantly more than its business value if it becomes available for residential development. This does not mean that hotels are no longer commercially viable and/or would not find buyers if they were put onto the market as tourist accommodation.
- 5.10 The SPD places great weight on viability and economic sustainability. The SPD outlines extensive and clear evidence that is required to demonstrate that the premises is not economically viable, to justify a change of use planning application.
- 5.11 There are comparables between the context of Eastbourne and Llandudno.
- 5.12 Eastbourne's intention was to ensure that tourist accommodation that is within the prime and more popular areas is retained, and poor-quality stock in less prominent locations can be reduced over time. As such, the tourist accommodation area is divided into Primary (seafront) and Secondary (behind the seafront) sectors.
- 5.13 It is noted that Eastbourne has a further policy that states a change of use to a House in Multiple Occupation will not be permitted, even if a tourist accommodation establishment can demonstrate that it is no longer viable under the criteria set out in the SPD.

- 5.14 Eastbourne's criteria can be found at **Appendix 6**. In summary, in Eastbourne, any application for the loss of tourist accommodation within the Primary sector will be required to meet criteria demonstrating that existing tourist accommodation is not viable through specified evidence and consider the implementation of tourist accommodation uses through a sequential approach to alternative uses. Evidence would be required to demonstrate that the premises are not economically viable in the current use (stage one) and is incapable of being made viable in its current use (stage two).
- 5.15 In the secondary sector, proposals for the loss of serviced accommodation to unserviced accommodation or other uses will be supported.
- 5.16 The SPD highlights the importance of regular monitoring of changes in occupancy levels and room rates in order to understand how successful the policy is. A review of the effectiveness of the SPD has not yet taken place, however.

**Hastings Borough Council Retention of Visitor Accommodation SPD
(December 2015)**

- 5.17 Hastings SPD reports that it was important to ensure an adequate supply of visitor accommodation, and that existing visitor accommodation premises is protected where there is a good prospect of the use continuing. The SPD was considered necessary to provide certainty and detail for potential applicants in terms of the evidence the Council requires in support of any planning applications for the change of use away from visitor accommodation. Please refer to **appendix 7** for Policy E4 of the Hastings Planning Strategy.
- 5.18 In this instance, the primary and secondary zoning approach was not applied. Applications are required to submit evidence, depending on the size of establishment (3 or fewer guestrooms and 4 or more guestrooms). The criteria required to support any application in this regard can be found at **appendix 8**.

6.0 Site Visit and mapping

Method

- 6.1 Without an existing record of serviced accommodation within the HAZ it was necessary to build a record afresh.
- 6.2 External observation of each property within and immediately adjacent to the HAZ took place and each property or group of properties was photographed and recorded. After the site visit, each unit was colour coded on the map to reflect its use as serviced accommodation, non-serviced accommodation, residential or other use. Two site visits took place to understand Llandudno's physical context and aid in mapping the location of serviced accommodation.
- 6.3 In terms of distinguishing between serviced accommodation, non-serviced accommodation and residential properties, the following was considered:
- 1 Was the property explicitly named a hotel, guest house or B&B?
 - 2 Did the property have marketing material outside the property showing that it was operating as a hotel, guest house or B&B?
 - 3 Was there evidence that the property had multiple 'addresses' e.g by door numbering, multiple letter boxes, etc? (We would not expect this for serviced accommodation)
 - 4 Were there other features suggesting that the property was part of a single establishment e.g. have a single front door serving multiple adjacent buildings?
- 6.4 The first site visit was undertaken on 22 August 2022. The initial mapping was presented at the stakeholder events. A number of stakeholders identified some discrepancies in the use of some properties. As such, a second site visit was undertaken on 13 December 2022 to consider any discrepancies noted at the stakeholder event. The mapping was then amended accordingly.
- 6.5 The amended mapping was presented at the second stakeholder meeting whereby stakeholders indicated further amendments were required. Stakeholder input was requested via email and all updates were collated.
- 6.6 The final updated mapping can be found at **Appendix 9**.

Limitations

- 6.7 Without an up-to-date record of all registered serviced accommodation, in some cases it was difficult to establish from the outside what the confirmed use of a premises is. Indeed, in a small number of cases there was discrepancy between the stakeholders. A judgment was taken regarding these properties based upon the criteria above.
- 6.8 The main difficulty was differentiating between residential and non-serviced accommodation (typically operating through peer-to-peer accommodation due to lack of signage and no distractive evidence from the property frontage). Therefore, the mapping should only be used as the assumed record for serviced accommodation and not a record confirming the presence of non-serviced accommodation or private residential properties.

- 6.9 The second site visit took place in December (low season). Many of the serviced accommodation providers close for a break and/or to make the necessary maintenance upgrades to their premises. This can make it more difficult to determine if the premises is still operating. The property was still marked as service accommodation if it met the criteria above, however.
- 6.10 The mapping only provides a snapshot of the serviced accommodation position at that moment in time. The position can change, especially with regard to premises that undergo a change of use without the necessary planning permissions in place.

7.0 Early Stakeholder Engagement

- 7.1 Two stakeholder events took place on 12 and 13 December 2022. The first was attended by external stakeholders including representatives from Mostyn Estates, local hoteliers, local tourism facility operators and members of Llandudno Town Council. The second was attended by internal stakeholders including the Llandudno Council Members and officers from various CCBC departments (economic development, tourism and regeneration).
- 7.2 The purpose of the events was to obtain views on views of key stakeholders with regard to:
- The current provision of holiday accommodation inside and outside the Llandudno HAZ and the anticipated changes expected in the future;
 - Their future plans in the Llandudno HAZ (investment/improvements, expansion, closure/relocation);
 - Their views on whether existing serviced accommodation stock is fit for purpose;
 - Their experiences of the current planning policy for the Llandudno HAZ and the impact on serviced accommodation businesses;
 - Challenges affecting serviced accommodation businesses in Llandudno;
 - Their views on the strengths/weaknesses of Llandudno as a tourism centre; and,
 - Their thoughts for future strategy/planning policy for holiday accommodation in the Llandudno HAZ.
- 7.3 Prior to the event, a series of prompt questions were circulated to the stakeholders so that participants had opportunity to collate their views in advance. Each event started with a presentation to outline the purpose of the study and give context to the existing policy background. The events took place as roundtable discussions, and each table was chaired by Lichfields to ensure all participants had an opportunity to contribute, and that all comments were recorded. The key findings are discussed below:

Aspirations

- 7.4 When asked what Llandudno's aspirations should be, both internal and external consultees presented similar answers. Internal stakeholders voiced the aspiration to maintain and attract quality guests and to attract visitors who stay overnight in the town, rather than day trippers. Increasing the length of the season to provide a year-round resort was also important to participants.
- 7.5 Across the External stakeholders, there was a clear aspiration to increase the quality of the serviced accommodation offer in Llandudno. There was an intention to attract visitors who can spend money which will in turn, require increased quality of supply. Attracting evening entertainment and large-scale conferences and events were also important to some of the external stakeholders. One stakeholder suggested that Llandudno needs to aspire to retain its reputation as the best tourist destination.

Current Provision of serviced accommodation

Range

- 7.6 Internal stakeholders suggested that there is a good range of accommodation on offer in Llandudno, noting that the self-catering offer has increased over time. Some internal stakeholders suggested that the family market is attracted to non-serviced accommodation, and the serviced offer needs to better accommodate families and younger people. Other internal stakeholders suggested that Llandudno lacks provision of “top-end” hotels.
- 7.7 Similarly, one external stakeholder suggested that visitors want to see a bigger floorplate to accommodate family needs, with another stakeholder noting that the range of accommodation in Llandudno has widened but there are too many “Airbnb’s”.
- 7.8 A further external stakeholder added that the serviced accommodation provision has to reflect the customer needs and evolve according to trends over time. This stakeholder went on to note that Llandudno’s range of serviced accommodation offering addresses the demand for both low and high price point offers.
- 7.9 External stakeholders noted that the serviced accommodation offer is concentrated to the middle class, adding that Llandudno attracts coach holidays that are not cheap suggesting that the type of visitor on different budgets should be accommodated for. In addition, other external stakeholder suggested that the lack of larger hotels means the town loses out on business conferences and events. This opinion was not shared across all the external stakeholders with another suggesting that when conferences come to Llandudno, a wide variety of accommodation is needed, a large hotel chain would not provide the range of accommodation required by conferences.

Amount

- 7.10 A number of internal stakeholders highlighted the difficulty in quantifying the current supply in terms of addressing the need. Another internal stakeholder noted that part of the ability to maintain good room rates is to ensure the supply is slightly under the demand. Some internal and external stakeholders suggested that there is not enough serviced accommodation provision, and that a critical mass is needed to keep attracting visitors and events to Llandudno.
- 7.11 Some external stakeholders suggested that there is not enough accommodation at peak times during the summer which saturates the market, and there is no branded group accommodation to cater for larger conferences and events at Venue Cymru. Another external stakeholder suggested that that fact that bigger providers, including the Premier Inn, now operate in the town demonstrates there is strong demand for serviced accommodation and that the town could absorb a larger offer. One external stakeholder suggested that there is a risk that under provision will lead to turning customers away with another stakeholder suggesting that the market will determine if the quantity is correct. Other internal and external stakeholders were concerned that once there is a loss of serviced accommodation it’s unlikely to be re-provided at the same quantum elsewhere in the town.

Quality

- 7.12 Internal stakeholders suggested it was hard to establish if the current supply addresses the need in terms of quality. They also noted that the quality of serviced accommodation provision is improving, particularly referencing the 4* Dunoon Hotel. Another internal stakeholder suggested that hoteliers will spend money to improve their offer, and that this is reflected in rising room rates in the town.
- 7.13 External stakeholders questioned if 4* hotels are genuinely 4* suggesting that quality is generally lower than what is expected. Another external stakeholder stated that value is more important over volume, however there are challenges around delivering quality. One participant explained that there is insufficient return on investment and any gross profit is spent on repairs to the buildings. Conversely, another external stakeholder suggested that the industry has adapted to provide quality standards and trends that visitors expect (e.g. good Wi-Fi and quality range of facilities within serviced rooms).

Threats to serviced accommodation

- 7.14 Internal stakeholders suggested that attracting staff to work in the serviced accommodation sector is difficult due to “harsh” hours, Brexit, the volatile tourism sector, and wages. In addition, they also suggested that ensuring staff can live close to workplaces is essential to service the current provision.
- 7.15 Other external stakeholders indicated that:
- 1 The increase in numbers of Houses of Multiple Occupation (HMO) is a significant threat to serviced accommodation.
 - 2 The lack of scrutiny undertaken to establish if serviced accommodation is viable, or not, poses a significant threat to serviced accommodation stock levels.
- 7.16 Both sets of stakeholders indicated that there is a lack of clarity regarding the numbers of Airbnb’s operating in Llandudno, as well as their compliance to legislation. One external stakeholder went on to suggest that there is a need to implement a local process of registering accommodation so that the amount and owners can be monitored and logged.

Definition of Serviced Accommodation

- 7.17 All stakeholders were presented with the Llandudno Hospitality Association’s definition of serviced accommodation. The wording is as follows:
- 7.18 *“All types of accommodation that provide sleeping accommodation and (usually) some form of meal plan offered as part of the visitor’s stay. This would encompass accommodation defined by Visit Wales as hotels (of all types), guest houses, bed & breakfasts, guest accommodation, hostels and similar accommodation.”*
- 7.19 Overall, both sets of stakeholders indicated that refinement is needed to the current definition of serviced accommodation. Internal stakeholders suggested that the definition of serviced accommodation should include the provision of food, reception/concierge desk and restaurant facility. Some external stakeholders suggested they needed a more detailed review of the wording before offering comments. Other external stakeholders suggested

that the use of the words ‘meal plan’ is too ambiguous and it is unclear as to why some uses have been excluded.

- 7.20 One of the external stakeholders highlighted that this definition was taken from Visit Britain (rather than Visit Wales) and no amendments have been made since it was issued.

Wider Hospitality in Llandudno

- 7.21 Internal stakeholders noted that the quality of the wider hospitality offer is good and maintaining the offer is vital to ensure the town remains a successful holiday destination. Some internal stakeholders also noted that although the quality is good, restaurants shut early which limits the potential to promote a night time economy. In addition, they suggested that more could be done to encourage families to stay in the town, and that they support the use of Article 4 directions to restrict permitted development away from tourism associated uses.
- 7.22 External stakeholders noted that parking and second homes are issues in Llandudno. One external stakeholder went on to suggest that those with second homes in Llandudno, operating as non-serviced accommodation do not contribute or support the local economy through taxes and in some cases, local employment. Both internal and external stakeholders suggested that the night time economy could be improved, stating that people want to eat, drink and stay in quality establishments.
- 7.23 Both internal and external stakeholders were resolute in their views that there is a fundamental link between the provision of a sufficient quantum of accommodation and the success of the wider hospitality industry in Llandudno.

Jobs

- 7.24 Internal stakeholders felt it was important to note that there are nearly 5,000 jobs in tourism in Llandudno which contributes £300m a year to the Welsh Economy. External stakeholders noted that it is difficult to get people to work in tourism related roles due to poor quality public transport, limited options to reside in, unsociable working hours and lower pay.
- 7.25 One external stakeholder suggested that consideration should be given to the impacts of the HAZ upon employment Llandudno and for the borough as a whole.

Trends

- 7.26 Internal stakeholders stated that international visitors spend a lot in the town and the lack of a Tourism Minister in Wales means that Visit Wales is currently not being promoted to its full potential with regard to the international market²⁵.
- 7.27 One of the external stakeholders highlighted that the Covid-19 pandemic created a dramatic shift away from international travel and serviced accommodation breaks. The number of self-catering options increased however this trend is now reverting with self-catering properties reportedly going up for sale in Llandudno. This stakeholder suggested that

²⁵ This position has now changed given w/b 6 February 2023 it was announced Deputy Minister for Arts, Sport and Chief Whip, Dawn Bowden, will now take the lead on matters relating to tourism ‘in and to Wales’.

decisions should not be based on the past few years and that it is important the industry takes time to resettlement to establish what the longer-term opportunities are.

- 7.28 Prior to the Covid-19 pandemic, one external stakeholder suggested that over the past 10 years, there have been fluctuations but trade has been good. In addition, an external stakeholder also suggested the shift towards a demand for adventure breaks (in Snowdonia for example) has increased the demand for self-catered accommodation.

Policy TOU/3

- 7.29 Internal stakeholders felt that the policy in its current form is not working, and is not able to safeguard an appropriate level of serviced accommodation, it is too black and white, too strict, and needs to be strengthened. One internal stakeholder suggested that the policy needs to allow genuine viability constraints to be explored which should be addressed through the policy wording.
- 7.30 External stakeholders felt that after reviewing the policy wording, it is not as strong as had been assumed, albeit it had served its purpose well over the years. Concern was raised around how the policy is policed, and that the policy in its current form does not encourage and support new operators.
- 7.31 One external consultee also suggested that the policy is easily manipulated but has also at times worked well to protect serviced accommodation from being converted into HMO's. This stakeholder stated that the policy is valuable but needs to include a clear process to facilitate change (if the serviced accommodation is genuinely unviable).
- 7.32 It was noted across both sets of stakeholders that any amendments to policy TOU/3 and the HAZ boundary should be considered in the context of Conwy's housing supply position, town centre regeneration schemes and the issue of HMO's within Conwy.

Holiday Accommodation Zone Boundary

- 7.33 Some internal stakeholders suggested that some serviced accommodation operators within the boundary may not know that they are within the designation. Other internal stakeholders noted that it was difficult to identify any benefits of being an operator in the HAZ, emphasising that it is a restriction making a premises harder to sell on. On the other hand, some internal stakeholders suggested that a benefit of operating within the HAZ included being close to likeminded businesses, it protects culture and allows protection in respect of neighbouring properties being unable to be converted into HMO's.
- 7.34 Some internal stakeholders suggested that the HAZ must have room to grow and change as consumer needs advance over time, whilst maintaining a balance of accommodation. It was stated by one internal consultee that the implications of amending the HAZ boundary remain unclear so its difficult to confidently suggest any amendments.
- 7.35 Some internal stakeholders suggested that the St David's Road area within the HAZ should be retained as there is a market for visitors who don't want to be near the bars or bustle of the sea front. Another stakeholder suggested that an option could be to protect the promenade area, and allow for flexibility for changes of use in other areas of the HAZ. Other stakeholders agreed that a primary and secondary criteria-based policy for the HAZ would help to protect key areas, but further understanding of the difference in value

between residential and serviced accommodation premises is required, as well as the support for new holiday accommodation to open in the HAZ.

- 7.36 In line with some internal stakeholder views, some of the external stakeholders also noted that there is a cost, but no benefit to being within the HAZ. One stakeholder suggested that the HAZ cannot be viewed in isolation and the LDP needs a stronger emphasis on drivers of the economy. One stakeholder suggested that the HAZ boundary should not be changed, another noting there could be amendments to include all existing serviced accommodation premises. Some external stakeholders agreed that a primary and secondary zone policy would work well to emphasise how important the sea front is and retain the Victorian character of the town.
- 7.37 One external stakeholder emphasised that the principle of defining a HAZ is valuable and provides a structure for planning control to not allow change of use without certain criteria being met, or no change permitted at all. This stakeholder also noted they are unsure if its right to say where there has been erosion of serviced accommodation, these areas should no longer be in the HAZ, or if these are the areas that should be further protected to avoid completed losses in parts.
- 7.38 One external stakeholder also noted that the boundary should be refined to include the serviced accommodation that was accidentally excluded when the boundary was remapped in 2013/14. One internal stakeholder went on to note that there could be complexities in putting a red line around certain properties and consideration should be given to protecting hotels/serviced accommodation further afield (Colwyn Bay).
- 7.39 It is also important to mention that some stakeholders highlighted the need to consider Mostyn Estates influence in Llandudno as the main landowner to ensure alignment with the planning system.

Viability

- 7.40 Both internal and external stakeholders agreed that in its current form, the policy allows applicants to submit weak viability information which is not rigorously challenged. Internal stakeholders agreed that the process and marketing of existing serviced accommodation properties should be set out clearly in policy, and require the property to be advertised at market value. Other ideas put forward by internal stakeholders included the concept of peer review, independent viability assessors and/or utilising experts operating in Conwy.
- 7.41 External stakeholders suggested that B&B's are selling, and consideration should be given to how best protect neighbouring properties. It was also noted that some premises do not convert well into residential accommodation, and the change of use would be detrimental to the character of Llandudno.
- 7.42 Both sets of stakeholders were in agreement that applicants should be required to demonstrate they have tried to sell the premises at market value for an agreed amount of time. Opinions regarding the amount of time a property should be up for sale before the applicant should reduce the price varied from 12 months to 3 years.
- 7.43 One external stakeholder suggested a panel to assess each application should be established and be required to assess any application for change of use away from serviced

accommodation. This panel would provide a level of experienced scrutiny. External stakeholders agreed that to avoid manipulation, the quality of the submissions need to be high, and scrutinised by a panel that the planning authority respects.

Summary

7.44 Following the two engagement events, consistent views across stakeholders included:

- Aspiration for Llandudno to retain its identity as the best tourist destination and improve the quality of the overall hospitality and tourism offer in the town.
- Overall, there is a good range of serviced accommodation on offer in Llandudno but the range needs to evolve over time to meet changing visitor needs.
- It is unclear if the supply of serviced accommodation is meeting demand as there is no evidence to support a clear over or under provision of serviced accommodation.
- There is a lack of clarity regarding the numbers of peer-to-peer providers operating in Llandudno, as well as their compliance to legislation.
- The definition of serviced accommodation needs refinement.
- There is a fundamental link between the provision of a sufficient quantum of accommodation and the success of the wider hospitality industry in Llandudno.
- Amendments to policy TOU/3 and the HAZ boundary should be considered in the context of Conwy's housing supply position and town centre regeneration schemes.
- Policy TOU/3 allows applicants to submit weak viability information which is not rigorously challenged.
- There is no explicit policy support for the creation of new or upgrading of serviced accommodation in the town.

8.0 **Main findings**

8.1 Having considered the policy and strategy review, the desk-top data analysis, and the first stakeholder engagement, there are consistent messages identified as shaping the outcome of this study. These are:

Importance of tourism

- 1 Tourism is vital to the social and economic well-being of Llandudno;
- 2 Ensuring the right quantum and quality of holiday accommodation is critical to the continued vitality and viability of the town;

Type of accommodation

- 3 Non-serviced accommodation is still the most significant type of holiday accommodation in Conwy;
- 4 Llandudno is the key serviced accommodation centre in Conwy;
- 5 There is a good range of serviced accommodation in the town from smaller to larger properties and from unrated to marketed 4* properties;
- 6 There appears to be a gap of 'highest-end'/5* serviced accommodation in the existing provision;
- 7 A range of size and quality currently attracts a range of visitor types albeit there is a greater demand from the over 50's than from younger people and families;
- 8 The seafront with its Victorian character is one of the strongest assets of Llandudno town;
- 9 The serviced accommodation along the seafront provides a critical hub of activity and a unique sea view offer;
- 10 Key properties within Llandudno's serviced accommodation offer, such as the Dunoon and the Premier Inn, are located outside the defined existing holiday accommodation zone;
- 11 The further from the seafront, the more fragmented the serviced accommodation becomes within the defined zone;

Changing aspirations, trends and challenges

- 12 Visitors have changing aspirations in terms of types of holidays they want to go on, the nature of the accommodation they seek, and the quality of the facilities available;
- 13 Conwy is committed to attracting visitors out of the traditional season so that an all-year round offer will provide greater economic and social opportunity for those who live in Llandudno and the wider county;
- 14 There is no overwhelming data that suggests there is a current overprovision or under provision of serviced accommodation in the town during the main holiday season from March to November but accurate data is sparse.

- 15 A year round holiday season would support higher occupancy rates during the traditionally quieter periods;
- 16 A wider societal shift in holiday accommodation preferences over the last 10 years has supported growth in non-serviced accommodation, particularly the unregulated market.
- 17 The Welsh Government is examining proposals to regulate currently unregulated parts of the non-serviced market which, if brought into force, could well see a reduction in non-serviced accommodation provision and therefore total bedspace across the town and county.
- 18 Further, the Covid-19 pandemic has had an effect on trend-based data, creating significant uncertainty in terms of where the serviced accommodation market is likely to need to be over the plan period;
- 19 There is a need for serviced accommodation operators to respond to visitor expectations and demands to keep attracting new and repeat visitors to the town;
- 20 Older properties require significant maintenance efforts and are more challenging to convert e.g. to create the larger floorplates sought by families;
- 21 There are extensive concerns by stakeholders that properties lost to alternative uses, e.g. residential, particularly on the seafront, will rarely be returned to serviced accommodation in the future.

A positive policy framework

- 22 The emerging development plan needs to continue to provide a positive framework to support tourism in Llandudno (and across Conwy);
- 23 The plan should offer flexibility for the county, for operators, and for property owners to respond to longer term trends once the market settles again;
- 24 A policy is needed to support the provision of new or enhanced serviced high quality accommodation in the town;
- 25 Policies need to provide a transparent approach to help the Council determine applications in a consistent way;
- 26 Losses of serviced accommodation must be strictly controlled as there is little evidence of sufficient future gains in serviced bedspace at this time;
- 27 Losses of serviced accommodation from the right places should not be entirely prohibited as the provision of quality accommodation is a primary goal for the Council. Releasing some accommodation should assist directly and indirectly with driving up quality;
- 28 Operators and owners must not be allowed to take advantage of any flexibility in the policy through deliberate mismanagement of properties or businesses;
- 29 Applicants must submit planning applications of a high quality with robust evidence to inform decision-making;
- 30 Stakeholders are willing to contribute professional insights to aid the Council in its decision-making process;

- 31 The monitoring of losses and gains of serviced accommodation should be embedded into the plan, with data collected used to inform future decision-making on planning applications and plan review.
 - 32 The planning system is only one tool in the Council's control to support the tourism sector in Llandudno. The Council has a number of strategies in place which need time to be delivered.
- 8.2 There is significant unanimous support for promoting tourism from Mostyn Estates and the Llandudno Hospitality Association and from individual owners and operators. It is evident that these groups and individuals are passionate about the importance of tourism and its benefits to people who live, work and visit Llandudno.

9.0 Initial Policy Options

9.1 The main findings informed a series of options for the stakeholders to consider as part of a second stakeholder engagement exercise. Each option is set out and evaluated below.

Option 1: No fundamental change to TOU/3 (Strengthen policy through definition of serviced accommodation and localised amendments)

9.2 Benefits of this option:

- The policy provides a clear statement of intent for operators and prospective applicants.
- The policy has been successful and effective to date. There have not been numerous planning applications that have sought the change of use away from serviced accommodation in the last 5 years. In one case, the policy has worked effectively to protect serviced accommodation uses in the Holiday Accommodation Zone.
- The principles of the Holiday Accommodation Zone are consistent with Council and stakeholder aspirations to retain Llandudno as a tourist destination, to continue to reinforce its role within North Wales, and to see a reduction in seasonal fluctuations.
- The visitor stay data, coupled with emerging changes to regulations, means that there is an unclear trajectory for serviced accommodation demand over the plan period. This means uncertainty around the need to protect or release serviced accommodation in the short, medium and longer term at this time.
- Boundary amendments will reflect an up-to-date position to include key bedspace providers in the town.
- The incorporation of a new clear definition of serviced accommodation would minimise interpretation challenges.

9.3 Reasons against this option:

- The LDP Manual Edition 3 (March 2020)²⁶ identifies a series of questions to assist in indicating those matters that may be relevant under each test of soundness. A key test when assessing how effective a plan will be is to consider if it is sufficiently flexible and establish if there are there appropriate contingency provisions. In its current form, policy TOU/3 has no flexibility to deal with changing circumstances in the tourism sector over the plan period.
- The policy in its current form does not set criteria in which would allow inevitable change of use applications which would provide a higher and consistent level of scrutiny through the determination of planning process.
- This option provides no differentiation between primary serviced accommodation areas (such as the sea front) and other areas.
- The policy does not include a framework to monitor the amount of serviced accommodation change or its reasons for it.

²⁶ Guidance document prepared by Welsh Government to help with the preparation of development plans in Wales.

- The policy gives all serviced accommodation the same weight and does not consider number of rooms, quality, etc.

Option 2a: Remove Holiday Accommodation Zone Boundary and create a single criteria-based new policy

9.4 This option seeks to remove all boundaries and provide a general policy comprising a positive framework for applications to improve serviced accommodation, change the use of buildings to serviced accommodation and change the use of premises away from serviced accommodation.

9.5 Reasons in favour of this option:

- All serviced accommodation in Llandudno (and within the wider Conwy Borough) would be covered under this policy not just those within the HAZ.
- The new policy could provide an emphasis on operators improving existing serviced accommodation establishments in the first instance before a change of use is considered.
- The positive framework would allow for a better level of scrutiny towards application submission material (i.e., viability assessments and business cases).
- This option aligns with local policy aspirations set within the Conwy LDP Preferred Strategy and the Llandudno Regeneration Plan to maximise and improve the existing serviced accommodation offer.
- The existing boundary already excludes some of the larger serviced accommodation providers (i.e. Premier Inn and The Dunoon) and therefore these would be automatically covered by the new policy.
- This option provides an opportunity to differentiate between higher quality or larger serviced accommodation provision.
- This option allows for flexibility to respond to drivers of change over the plan period.

9.6 Reasons against this option:

- The option does not allow for differentiation between primary serviced accommodation areas (e.g. the seafront) and other areas of the town.
- This option indirectly allows the market to decide on the use of the properties which risks undermining the ability of Llandudno to be a tourist focused town. There is a risk that changes of use to higher value residential accommodation along the seafront could be permitted and the loss of total serviced accommodation bedstock undermining the critical mass for the town.
- Removing the Holiday Accommodation Zone boundary could erode the character and nature of key seafront areas in Llandudno and for the wider Conwy Borough that retain the Victorian and seaview settings of the offer.

Option 2b: Remove Holiday Accommodation Zone Boundary and have no policy (let market decide)

9.7 Reasons in favour of this option:

- All serviced accommodation in Llandudno (and within the wider Conwy Borough) would be covered under this policy.
- This option allows for flexibility to respond to drivers of change over the plan period.
- This option gives the Council the opportunity to prioritise other Local Plan objectives.
- This option would release buildings for residential use which would relieve (some) pressure on housing supply.

9.8 Reasons against this option:

- The option does not allow for differentiation between primary bed supply areas (e.g. the seafront) and other areas.
- This option allows the market to decide which risks undermining the ability of Llandudno to be a tourist focused town. There is a risk that changes of use to higher value residential accommodation along the seafront could be permitted and the loss of total serviced accommodation bedstock undermining the critical mass for the town.
- Removing the Holiday Accommodation Zone boundary could erode the character and nature of key seafront areas in Llandudno and for the wider Conwy Borough that retain the Victorian and seaview settings of the offer. This option is likely to change the character and nature of key seafront areas.
- This option provides no framework to assess applications in terms of the loss of the existing use.
- Further, there would be no framework for consistency when applications are being determined.
- Within the settlement boundary, almost any urban use would be considered acceptable in principle and subject to other plan policies.

Option 3: Keep existing boundaries (with localised amendments) and create a new criteria-based policy to permit changes of use.

9.9 Reasons in favour of this option:

- This option would provide a higher quality and consistent scrutiny of submission material (i.e., viability assessments and business cases).
- The principles of the Holiday Accommodation Zone are consistent with the Council and stakeholder aspirations to retain Llandudno as a tourist destination, to continue to reinforce its role within North Wales, and to see a reduction in seasonal fluctuations.
- This option allows operators to respond flexibly to drivers of change over the plan period.
- This option provides opportunity to support improvements to serviced accommodation, as well as applications for new serviced accommodation.
- The incorporation of a new clear definition of serviced accommodation will minimise interpretation challenges.

- Boundary amendments will reflect an up-to-date position.
- Operators previously excluded could now be included within the Holiday Accommodation Zone.
- This option allows opportunity to differentiate between higher quality or larger serviced accommodation provision.
- A monitoring framework could be worked into the policy.

9.10 Reasons against this option:

- This option does not define primary and secondary areas to reflect the prominence of the serviced accommodation provision e.g. on the promenade - all areas and properties will be treated equally, with no regard to the protection of primary provision.

Option 4a: Define seafront and other areas based on existing boundaries (with localised amendments) and implement a criteria-based policy - a two-tier system.

9.11 This option seeks to retain a Holiday Accommodation Zone boundary (based upon the existing with localised amendment to include serviced accommodation previously excluded) with a two-tier policy criteria approach. A primary and secondary area would be identified and the ability to change the use of serviced accommodation would vary in dependant on location.

9.12 The intention under this option was for the primary area to comprise the seafront and no changes of use away from serviced accommodation would be permitted in this location. The secondary area would comprise all other areas away from the sea front whereby change of use applications away from serviced accommodation would be permitted subject to compliance with a set of criteria.

9.13 Reasons in favour of this option:

- The principles of the Holiday Accommodation Zone are consistent with Council and stakeholder aspirations to retain Llandudno as a tourist destination, to continue to reinforce its role within North Wales, and to see a reduction in seasonal fluctuations.
- The primary frontage is retained, the character of the seafront is protected, and the town's Victorian heritage offer remains a key selling tool for attracting visitors.
- Properties with sea views are protected to contribute to an ongoing range of accommodation options for visitors.
- A higher quality and consistent scrutiny of submission material (i.e., viability assessments and business cases) for applications within the secondary areas.
- This option allows the Council and operators to respond flexibly to drivers of change.
- This option provides the opportunity to differentiate between higher quality or larger serviced accommodation provision.
- A monitoring framework could be worked into the policy.

9.14 Reasons against this option:

- Flexibility to allow changes of use (subject to criteria) in secondary areas could lead to further erosion of some areas.

Option 4b: Seafront only boundary and implement a criteria-based policy for all other areas in Llandudno - a two tier system.

9.15 Reasons in favour of this option:

- The principles of the Holiday Accommodation Zone are consistent with Council and stakeholder aspirations to retain Llandudno as a tourist destination, to continue to reinforce its role within North Wales, and to see a reduction in seasonal fluctuations.
- The primary frontage is retained, the character of the seafront is protected, and the town's Victorian heritage offer remains a key selling tool for attracting visitors.
- Properties with sea views are protected to contribute to an ongoing range of accommodation options for visitors.
- A higher quality and consistent scrutiny of submission material (i.e., viability assessments and business cases) for applications within the secondary areas.
- This option allows the Council and operators to respond flexibly to drivers of change.
- This option provides opportunity to differentiate between higher quality or larger serviced accommodation provision.
- Boundary amendments will reflect an up-to-date position.
- A monitoring framework could be worked into the policy.

9.16 Reasons against this option:

- Flexibility to allow changes of use (subject to criteria) in secondary areas could lead to further erosion of some areas.

10.0 **Second Stakeholder Engagement**

10.1 A second stakeholder session took place on 7 March 2023. This session was attended by a mix of external and internal stakeholders including representatives from Mostyn Estates, the Llandudno Hospitality Association, local B&B operators, and a member of Llandudno Town Council, one County Councillor, and officers from various CCBC departments (economic development, tourism and regeneration).

10.2 The purpose of this second stakeholder session was to:

- Present the key messages established through the policy review, supply and demand data, discussion with Eastbourne Council and the previous stakeholder engagement sessions.
- Test the proposed options and recommendations to stakeholders and obtain feedback.

10.3 Options 1 to 4b were presented to the stakeholders who were then invited to voice their views through a round table discussion. At this meeting, Lichfields presented 4b as a preferred strategy.

10.4 The key points of discussion relating to the options and wider, associated topics have been collated and summarised below.

Protection of seafront and other areas

10.5 Stakeholders had divided views in respect of placing a ‘no loss’ policy on the seafront and allowing a criteria-based approach elsewhere.

10.6 Some stakeholders suggested that by only protecting the seafront, a ‘golden mile’ is created which means quality along the seafront could come down. Other stakeholders felt that operators who are not located on the seafront would feel undermined and would be unprotected. Some stakeholders suggested there should be no difference between the seafront and other areas, suggesting everywhere should be protected (referencing Deganwy Avenue specifically). One stakeholder concurred and suggested that an option could be to reduce the size of the HAZ, identify key streets whereby a no loss policy applies, and apply a criteria-based policy to the rest of Llandudno.

10.7 One stakeholder suggested the HAZ should cover the whole town whereby a robust policy would prevent erosion of serviced accommodation across Llandudno.

10.8 Other stakeholders were supportive of protecting a defined area of the seafront and applying a criteria-based policy elsewhere in Llandudno. Stakeholders with this view suggested that a group of serviced accommodation is better than a scattered approach, adding that the protection of the seafront promotes the vitality of the town.

10.9 A stakeholder noted that the amount of serviced accommodation is interlinked with licencing, and that the option to control the amount of serviced accommodation within a given zone should be explored. A further stakeholder suggested that an option could be to protect key buildings and/or listed accommodation from changes of use.

Wider Issues

- 10.10 Stakeholders felt that protecting serviced accommodation and protecting residential stock needs to be viewed as a whole, and not as individual issues within the Local Plan review process.
- 10.11 One stakeholder stated that the operation of a HMO next to a serviced accommodation operator will lead to significant issues, and potentially force the serviced accommodation to close. The option to exclude HMO's from operating within the HAZ should be explored further to protect the serviced accommodation sector.
- 10.12 Another stakeholder highlighted the importance of protecting residential stock from peer-to-peer accommodation to allow tourism workers to live and work within the town. There was consensus across the stakeholders of the difficulty in balancing and supporting competing interests through the planning process.

Criteria Based Policy

- 10.13 Lichfields led a discussion around what a criteria-based policy could include. Elements to consider that could be incorporated into a policy comprised:
- Marketing
 - Character
 - Review Panel
 - Structural/Cost of repairs
 - Business Plan
 - Credentials of Operator
 - Room and Occupancy Rates
 - Upgrades to Premises

Principle of Criteria Based Policy

- 10.14 Some stakeholders initially viewed a criteria-based policy as allowing too much flexibility to change the use of serviced accommodation. Once it was explained that flexibility within a new policy is required to align with the tests of soundness in the plan making process, there was consensus that this approach, subject to the correct criteria being formulated, would provide an appropriate policy framework.

Applicant Submission Material

- 10.15 A stakeholder indicated there may be limitations to a Case Officer assessing a business plan. Another stakeholder voiced concern around any criteria as it was felt it would be too easily manipulated without the correct expertise at the Council being able to scrutinise the applicant's submission material. This stakeholder went on to suggest that the submission material should be judged against baseline information which would be agreed through the formation of a new policy/supplementary planning guidance.

- 10.16 One stakeholder queried if the planning application fee would cover the resource required by the Council to consider application submission material thoroughly against a criteria-based policy. A stakeholder from the Council indicated that there may be a mechanism to recoup costs to support the review of an application, and that this would be considered in more detail internally.
- 10.17 Other stakeholders suggested that the criteria should include guidance on what marketing material should be provided, the requirement to market a premises for more than one season, and the requirement to market a premises at a realistic value.
- 10.18 Conversely, one stakeholder noted that sometimes a full set of marketing material is not produced if an opportunity requires a landowner or operator to 'seize the moment' to secure a deal. This stakeholder went on to suggest that the criteria should include a degree of flexibility and acknowledge that development can bring positive impacts to the town and that decisions should be based on the long-term prospects, highlighting that some opportunities would be lost if the premises needed to be, for example, marketed for a year.
- 10.19 Another stakeholder suggested that the option to include a time-based criterion should be explored (i.e. if a building has operated as serviced accommodation for 10 years, that property has to remain in this use). This suggestion was deemed unsuitable by the Council given the complexities that would arise around viability.
- 10.20 The stakeholders engaged in discussion around the use of the word 'quality'. It was agreed that quality was a view that reflects the price paid against the provision of facilities offered rather than requiring all serviced accommodation providers to be 4* or 5* offers. The stakeholders noted that quality is determined differently by each individual so the use of the word should be reconsidered.

Panel of Industry Experts

- 10.21 There was general consensus across stakeholders that the inclusion of a review panel within the criteria would be a beneficial and fundamental to the success of a criteria-based policy. It was agreed across stakeholders that a panel of industry experts would be crucial to the scrutiny of material submitted as part of change of use applications concerning the potential loss of serviced accommodation premises. One stakeholder highlighted that industry experts do not want to keep genuinely unviable premises in operation.
- 10.22 Some stakeholders noted that the weighting of the panel's views in the determination of planning applications would need to be established through the policy to ensure their input would be appropriately considered by a Case Officer.
- 10.23 It was noted by a stakeholder at the Council that although the panel approach has worked well previously (referencing the conservation panel), the formation of a panel could not be guaranteed at this stage, albeit would be explored in due course.

Definition of serviced accommodation

- 10.24 Through the two events, Lichfields and stakeholders were keen to explore whether a definition of serviced accommodation would be helpful. It was evident through discussions that stakeholders definition of serviced accommodation was not consistent and should be refined to inform and strengthen a policy recommendation going forward. The following

four options were proposed to stakeholders to explore ways to define serviced accommodation:

- a Do not defined Serviced Accommodation:
 - i Determine on a case-by-case basis.
- b Define Serviced Accommodation e.g.:
 - i Offer of at lease one meal capable of being prepared in a kitchen on the premises.
 - ii Daily housekeeping.
 - iii Reception.
 - iv Staff cater for needs during the stay.
 - v Restriction in rental period.
- c Name Types of Serviced Accommodation:
 - i Hotels.
 - ii Guest Houses.
 - iii B&B.
- d Exclude types of holiday accommodation:
 - i Self-catering accommodation.
 - ii Caravan parks.
 - iii Peer-to-peer accommodation.

- 10.25 All stakeholders were made aware that there are weaknesses to each options. Some stakeholders suggested that the length of stay is a fundamental element to consider when defining serviced accommodation. One stakeholder noted that the length of stay may be dictated by insurance which only permits stays in serviced accommodation for 12 weeks.
- 10.26 Other stakeholders noted that hoteliers are more than happy to accommodate long stays, highlighting that both leisure and business stays contribute to towards the local economy so both types of visitor should be given equal weighting. It was noted that business stays are likely to occupy serviced accommodation during the week and through the out of season months which contributes to the local economy throughout the year.
- 10.27 One stakeholder highlighted that serviced accommodation is not defined in case law, with another stakeholder adding that the definition needs to accommodate for evolving trends. One stakeholder also noted that there is a lack of 'glamping' pods, cabins and yurts' in Llandudno which may also fall under the serviced accommodation definition.
- 10.28 A discussion took place around whether aparthotels should be included within the definition. Although stakeholders acknowledged that there is a robust market for aparthotels, it is unclear what the offer includes. One stakeholder noted that 10 years ago, aparthotels did not exist which demonstrates the need to accommodate evolving trends within a policy.

- 10.29 A stakeholder suggested that there is added difficulty in determining the use class of some premises given that the wording of some leases, dating back 150 years, comprise historic terms including 'boarding houses' which no longer reflect today's offer.
- 10.30 One stakeholder suggested that the definition of serviced accommodation should protect the features of the offer. Some hotels, guesthouses and B&Bs are using other restaurants, hotels or dark kitchens to prepare breakfasts and deliver them elsewhere so that meals are not necessarily prepared on-site anymore. Another stakeholder added that some premises don't have a person at reception and check in is facilitated by ipads (or other electronic means) which adds a further complexity around defining serviced accommodation.
- 10.31 In terms of the options presented to define serviced accommodation, one stakeholder noted that the STEAM (2021) data identifies serviced accommodation as hotel, guesthouse and B&B.
- 10.32 There was no consensus around which option presented is most appropriate to take forward in any new policy.

Summary of second engagement session

- Why is the seafront so important, or more important than other areas of the town? A future policy should not only protect the sea front, but other key areas offering serviced accommodation provision.
- Protecting clusters of serviced accommodation was preferred to retain serviced accommodation provision in key areas.
- It is difficult to balance competing interests through the planning process, particularly around providing enough housing stock to support those who work in the tourism sector in Llandudno.
- Stakeholders accepted the need to allow flexibility within a policy to align with the tests of soundness in the plan making process.
- Consideration should be given to restrict the operation of HMO's within the HAZ or adjacent to serviced accommodation operators as it was felt that the impact of how HMOs operate would affect the amenity of tourist accommodation.
- The requirement for quality submission material to support change of use applications should be included to aid decision making and would avoid applicants manipulating the process.
- Industry experts providing a view on applications would allow for an appropriate level of scrutiny from those who know the industry the most.
- Further consideration is needed to define serviced accommodation and identify what should be included.

11.0 Revisions to initial options

11.1 It was evident from all stakeholder discussions that protecting Llandudno's tourism offer is paramount. The main findings reported earlier remain key considerations along with the additional comments from the second stakeholder session, in the section above, for informing the way forward for Policy TOU/3.

11.2 Lichfields' preferred 'Option 4b' comprised a two-tier approach comprising a seafront-only boundary where no losses would be acceptable, in conjunction with a criteria-based policy for all other areas in Llandudno where losses may be acceptable in certain circumstances in order to provide the Council with flexibility to respond to changing circumstances. It also widens the protection to properties not within the existing HAZ.

11.3 Following the second round of discussions with stakeholders, the following aspects needed to be considered further and, where relevant, incorporated into the policy recommendation. Lichfields has given further thought to each of these matters:

Should a definition of serviced accommodation be provided in policy?

11.4 No. Having considered and tested the options with stakeholders, it is evident that there are challenges with all the options. The STEAM reports use three categories to define serviced accommodation: hotels, guest houses and B&Bs. However, fixing a definition may result in losses where despite a property playing a significant role in the serviced accommodation provision of Llandudno would fail to meet strict definitions and therefore might not be protected by the policy. Further, as the types of accommodation evolve, e.g. aparthotels, not having a definition in the policy will provide flexibility for the Council to respond to inevitable changes in the market offer over the plan period. This would include the blurring of boundaries between serviced and non-serviced accommodation.

11.5 Whilst not in policy, we recommend that the justification text accompanying the policy references types of operations sought to be protected under the policy. This will allow the Council to make judgments on a case-by-case basis depending on the characteristics of the existing use of a property. The Council may wish to include clarification text based upon the options presented to stakeholders at the second engagement event.

Is there a need to protect clusters of serviced accommodation? Do the impacts of alternative adjacent uses to serviced accommodation need to be considered to avoid unintended consequences of any policy change?

11.6 The clustering of serviced accommodation is not as vital as, say, the clustering of high street uses. There are good examples in the town of successful serviced accommodation not part of an immediate cluster. Further, with all the town centre being in walking distance of the key facilities and tourist offering, arguably, the cluster is the town centre itself.

11.7 However, there are benefits to sub-town scale clusters of serviced accommodation properties. The seafront is an excellent example of how the cluster provides a vibrant space with the promenade linking Venue Cymru with the base of the Great Orme, and the connecting roads to key hospitality and retail venues of the town. The clustering also provides a clear character for an area. This goes beyond the seafront to areas such as Deganwy Avenue. The clustering also means a synergy of uses in terms of neighbouring

amenity. With clusters of properties of the same use, there are less likely to be tensions related to operations e.g. noise, parking, servicing, etc which might adversely impact upon the ongoing viability of operations.

- 11.8 For these reasons, where properties seek a change of use, the potential impacts upon existing neighbouring serviced accommodation provision ought to be considered to ensure that the new activities do not have any unintended consequences to amenity or to the character of an area.

Should changes of use from serviced accommodation to any other use be permitted?

- 11.9 There is an adjustment taking place in terms of the types of accommodation that are popular with visitors. Over the past 5-7 years there has been a decline in stays at serviced accommodation and a significant growth in stays at non-serviced accommodation. With changes to council tax regulations and the ability for authorities to introduce article 4 directions to restrict self-catering dwellings, along with the expected changes which would see a form of registration required for non-serviced accommodation, there is insufficient confidence that these trends will continue. They may well reverse, particularly if serviced accommodation providers invest and adapt their properties to provide spaces that meet more of the expectations demanded by non-serviced accommodation visitors e.g. floorspace, or suite-type arrangements.
- 11.10 There is unanimous agreement from stakeholders and from the data analysed that the tourist sector is significant to the economic and social well-being of the town and community. All CCBC strategies aim to grow the tourism offer of the town, to extend the holiday season to an all year round provision, and to invest in opportunities that will see more visitors arriving. Mostyn Estates also shares these aims. Within this context, the loss of total bedspace for holiday stays should be avoided wherever possible, particularly to uses that are less likely to revert back to tourism use.
- 11.11 For these reasons, Lichfields suggests that if a loss is necessary, non-serviced accommodation should be the first alternative use tested. The Council could add a sequential test into the criteria if it's felt necessary as part of prioritising other LDP objectives.

What makes the protection of the seafront necessary?

- 11.12 None of the Council's recent strategies explicitly highlight the need to protect the seafront's serviced accommodation provision. However, there can be no doubt that the seafront, with its history etched with the character of hotels, guesthouses and B&Bs, should be retained for this use at this time. Losses to, say residential use, would significantly reduce the town's bedspace provision owing to the larger properties. It will probably also reduce the vitality of the seafront/promenade area. There may also be changes to the character of the buildings albeit some of this could be mitigated through the strongest planning controls in legislation or policy.

In addition to the sea front, should other key areas providing serviced accommodation have the strongest level of protection?

- 11.13 Based upon the discussions and key messages shared at the second stakeholder event, there was notable concern about the loss of protection of some areas away from the seafront and whilst not expressed explicitly, stakeholders preferred Option 4a to Option 4b. Not limiting the strongest policy protection to only the seafront would be an appropriate approach at this time. This approach would provide a balance between introducing flexibility into a revised policy to adapt to changing visitor demands while protecting clusters of accommodation that risk being undermined by unacceptable changes to those areas.
- 11.14 Consideration has been given as to how the area is to be defined. The revised area proposed is shown in **Appendix 9**. It uses a judgment approach based upon the existing HAZ boundary. It focuses on areas of clustering and the largest bedspace provision in the town.

Recommended way forward

- 11.15 In devising a new policy, the Council should ensure that the policy is clearly linked to objectives of the emerging local plan as well as wider Council strategies in place for the town and county.
- 11.16 There is no clear option for a way forward at this time given the uncertainty around future serviced accommodation demands. There is a reasonable argument to retain the existing policy and boundary (or with an enhanced boundary) and to review the policy again at the plan review period for the RLDP. However, that might well be 6-8 years from now and there could be significant changes to the tourist sector in that time. There is no flexibility in the policy at the moment and, in a worst-case scenario, an influx of change of use applications in the areas most valued for serviced accommodation would be detrimental to Llandudno. The introduction of flexibility into the policy will provide the Council with a mechanism to allow some releases where it is appropriate to do so. The releases would go through rigorous testing, using a clear set of criteria, on a consistent and transparent basis.
- 11.17 For these reasons, a balanced approach is now recommended through Option 4a.

12.0 Policy Recommendation

12.1 Lichfields recommends that the Council adopts the following six elements for a revised policy:

- 1 Explicit support for the erection of or conversion to serviced accommodation within Llandudno.
- 2 Support for existing operators and owners to undertake works to serviced accommodation to improve the quality of existing premises to support the town with enhancing its tourist accommodation offer.
- 3 Retain a position of no loss of serviced accommodation along a defined area along the sea front and in other clustered areas.
- 4 Set a position of a presumption against the loss of serviced accommodation outside of the defined area unless there is robust evidence to demonstrate that certain conditions can be met, based upon three core criteria:
 - a The use of the accommodation is unviable and has no realistic prospect of being made viable; and
 - b There will be no adverse effect on the appearance and character of the resort and immediate locality.
 - c There will be no unacceptable impact upon the amenity of neighbouring uses, including the ability of adjacent serviced accommodation to continue operating.
- 5 Applicants who seek to change the use of a property away from serviced accommodation should be required to submit robust information to justify the position to assist the LPA in its determination of the application. In relation to point 4a above this should include:
 - a Evidence that the character of the area has changed to such an extent that it is no longer suitable for serviced accommodation use.
 - b Evidence that the property has been genuinely marketed for at least 2 full years, with a set of minimum evidence requirements set out in supplementary planning guidance.
 - c Evidence of a well-executed marketing and business promotion exercises for at least 1 year prior to the marketing of the property for sale and during the 2 years the property has been marketed for sale.
 - d Evidence of occupancy and room rates over the past 5 years, including the 2 years where the property has been marketed for sale.
 - e Evidence of attempts to upgrade the premises and/or business by the current owner aimed at attracting greater occupancy and room rates to a position that provides a viable business.
 - f Evidence of costs where structural repairs are needed to the property to maintain its use.

- g Support by an expert panel²⁷ who could review and provide the LPA advice on the above.
- 6 The changes to serviced accommodation stock under this policy should be monitored annually by the Council. The policy should then be reviewed at the next plan review point so that the uncertainty within the data at this time is re-evaluated.
- 12.2 If the Council accepts that a criteria-based policy is appropriate to support the loss of serviced accommodation in limited cases, the policy could also introduce:
 - 1 A sequential approach to alternative uses. This could promote other tourism and/or tourist accommodation uses and then alternative uses identified as priorities by the Council and objectives in the local development plan.
 - 2 A criterion differentiating the size of accommodation/number of bed space to control the scale of loss.
- 12.3 The policy could be supported in greater detail through the production of a supporting Supplementary Guidance Document (SPG). Lichfields would encourage the use of an SPG to provide a clear, supporting framework to determine the detail of the submission material, as well as guidance on governance to manage the stakeholder panel.

Holiday Accommodation Zone Boundary

- 12.4 In order to protect the areas with existing clusters of serviced accommodation, Lichfields advises the HAZ boundary should be redefined to include roads and locations within Llandudno whereby a large number of properties on any road are serviced accommodation. Serviced accommodation providing 10 or more bedrooms should be included to protect providers excluded in the boundary but make an important contribution to the provision in Llandudno.
- 12.5 This would ensure a balanced range of types of serviced accommodation is included within the HAZ, and the character and predominant use of specific roads in Llandudno is protected.

²⁷ A panel/group could be formed of industry experts with local knowledge. Their role would be to assess the calibre of proposals, scrutinise submission material, identify opportunities for improvement of the existing use and provide a recommendation which will form a material consideration in the determination of the application.

13.0 Conclusion

- 13.1 Tourism has a significant direct and indirect role in the economic and social well-being of Llandudno. National policy supports a range of tourism facilities for economic prosperity, requires a response to the needs and types of visitors and ability to adapt to market demands, and seeks the promotion of tourist accommodation all year round. Over at least the past 20 years, serviced accommodation in some parts of Llandudno town has been protected through planning policy. However, CCBC's current strategies identify a need for tourist accommodation stock to be improved and diversified so Llandudno remains a competitive tourist destination.
- 13.2 Existing Policy TOU/3 prohibits the loss of serviced accommodation within a defined HAZ boundary. The policy provides no flexibility, meaning that applications determined against this policy are considered in an inconsistent manner.
- 13.3 This study has sought to understand the effectiveness of the existing Policy TOU/3, establish an up-to-date record of serviced accommodation within the existing HAZ boundaries, establish trends in supply and demand for serviced accommodation within Llandudno and engage with stakeholders to reach a recommendation to CCBC on what a new policy should comprise.
- 13.4 The data analysis shows that stays in serviced accommodation have been gradually reducing over the past 5-7 years while stays in non-serviced accommodation have increased considerably. However, the recent introduction of the Council's ability to introduce higher Council Tax rates and the expected new requirement for a registration system for non-serviced accommodation are likely to temper the further growth of non-serviced accommodation; this provision may even contract. Llandudno needs to ensure that it has sufficient total bed space to meet the quantitative requirements of visitors.
- 13.5 There will remain the need to offer a mix of accommodation types to meet the variety of guest requirements across a range of costs and so both serviced and non-serviced accommodation will be needed in the town. There is expected to be a greater blurring of lines between the two types of accommodation over the coming years.
- 13.6 Taking into account national planning policy, Council strategies, data analysis, trends in the aspirations of visitors, stakeholder engagement and site visits, it is considered that CCBC should introduce a mechanism to enable the town and Council to changing market demands over the plan period in areas of the town that are away from main clusters of activity. The strong protection against the loss of serviced accommodation in key areas should remain. There should be a consistent, transparent and robust approach to the determination of any applications for the loss of serviced accommodation.
- 13.7 In order to meet the qualitative demands of visitors, there should be support for serviced accommodation providers to invest, adapt their properties, and to take a responsive approach to the expectation changes over the plan period.
- 13.8 Lichfields therefore recommends that adopted Policy TOU/3 is amended so that there is:
- 1 Support for the erection or conversion to serviced accommodation within Llandudno town centre.

- 2 Support for improvements to existing serviced accommodation to enhance the accommodation offer.
 - 3 Retain a position of no loss of serviced accommodation within the key areas defined in a smaller HAZ boundary, including the seafront.
 - 4 A presumption against the loss of serviced accommodation outside of the defined area unless there is robust evidence to demonstrate that certain conditions can be met.
 - 5 Applicants who seek to change the use of a property away from serviced accommodation should be required to submit robust information to justify the position to assist the LPA in its determination of the application. Along with the scrutiny of the evidence from an expert panel.
 - 6 The changes to serviced accommodation stock under this policy should be monitored annually by the Council.
- 13.9 The Council may also wish to adopt a sequential approach to alternative uses and the extension of the no loss criterion to include all serviced accommodation with 10 bedrooms or more in the town in order to ensure that any losses do not undermine the overall provision.
- 13.10 A definition of serviced accommodation within the policy is not recommended but the justification text should include details to help applicants and decision-makers with policy application decisions as the blurring between serviced and non-serviced accommodation takes place.
- 13.11 A small reduction in unviable serviced accommodation could have a positive effect on the remaining provision which would assist the Council and stakeholders with its wider aspirations for the town.

As a final note, other serviced accommodation in Conwy is currently not protected by policy in the LDP and the Council may wish to consider this as part of its plan preparation.

