

EP 01

Ymchwiliad i eiddo gwag

Inquiry into empty properties

Ymateb gan: Harlech in Action

Response from: Harlech in Action

1. **Harlech in Action** is an “umbrella” group in Harlech, Gwynedd. It aims to spearhead action to regenerate Harlech following a long period of economic decline. In particular the group campaigns for, and supports, national and local government efforts to address the impact of empty buildings in Harlech. As such we believe we have experience on the impact of empty properties, the difficulties of dealing with them and possible changes to legislative powers which may be of assistance to the inquiry.

2. **Question** : Is enough being done to tackle empty properties in Wales? If not, what needs to change?

Response :

2.1. Empty property can be a major problem for communities which we believe requires greater attention at national and local level. Our focus in this response is to highlight how empty properties of a commercial nature can be just as detrimental to an area as empty residential ones. From our experience local authorities and statutory bodies recognise the problems created by empty properties and, within the statutory powers and resources available to them, are actively attempting to address the situation. However, progress is often slow and we believe that local authorities and statutory bodies could achieve more if they had additional legislative powers and resources.

3. **Question** : What impact can empty properties have on a community ?

Response :

3.1. Our small town community has been blighted by the impact of empty properties for many years. Two very prominent buildings, the former St. David’s Hotel and former Coleg Harlech accommodation block, have been vacant for ten years and have become increasingly derelict. Another very prominent building, the former Coleg Harlech, is now vacant and also becoming derelict. Additionally a number of commercial premises in prominent positions in the town are vacant. This in a town which is designated as part of a UNESCO World Heritage site, and in a National Park, National Nature Reserve, Special Area of Conservation and Site of Special Scientific Interest.

3.2. The empty buildings were once important economic assets which contributed to the prosperity of the community. Not only are they no longer making any economic contribution but their dereliction creates an ambience of pervasive neglect, decline and privation in the town. It deters tourism, on which the town’s economy depends. It discourages investors who see evidence of a failure to thrive. It also has a psychological impact on residents who feel overlooked, powerless and disappointed by the failure of property owners to fulfil their promises.

3.3. A petition entitled “Demolish and Redevelop Harlech Eyesores” has secured over 1,000 signatures (on-line and paper version combined) from local residents and visitors to Harlech and illustrates the strength of feeling. A sample of comments people made is attached at Annex A.

4. **Question:** How effectively are local authorities using the statutory and non-statutory tools at their disposal to deal with empty properties?

Response:

4.1. In our experience Gwynedd Council and Snowdonia National Park Authority (SNPA) as the local planning authority have actively used their statutory powers in attempting to address the problems of empty and derelict properties in Harlech. Harlech in Action has established a very positive relationship with both bodies and appreciate the efforts they have been making. These include:

- Gwynedd has worked to improve the security of the derelict buildings and to prevent unauthorised access. However, the buildings cannot be made totally secure and concerns remain about the continuing risk that they represent to public safety due to unauthorised access.
- SNPA served a demolition order on the St David's Hotel in 2015 and has successfully prosecuted the owners on two occasions for failing to implement the order. Despite this, the hotel has not yet been demolished. In addition, the hotel is owned by a company registered in Gibraltar and we understand that this has made it very difficult to enforce the second larger fine for failing to demolish.
- Because the owners of the St David's Hotel have failed to demolish the hotel within the specified time limit, SNPA now has the statutory power to carry out the demolition and charge the cost to the owner. We are very pleased that SNPA has been progressing this option with assistance from the Welsh Government. This is a positive development but there are still some hurdles, particularly around the availability of funding for the demolition, which still have to be overcome.

5. **Question:** Do local authorities need additional statutory powers to deal with empty properties? If yes, what powers do they need?

Response:

5.1. Our experience in Harlech is that even with responsive public bodies, progress in addressing the problems of empty and derelict buildings can be very slow under current legislative powers. We have identified a number of issues around the statutory powers of local authorities and local planning authorities which we would like to raise with the Committee.

Issue 1

5.2. The St David's Hotel and accommodation block of the former Coleg Harlech are owned by a company registered in Gibraltar. The Gibraltar Company Register is far less transparent than the UK register. It is not possible to obtain the names of the company's directors and the company does not have a UK business address. This makes communication and enforcement action against the company by public bodies very difficult. For example, we understand that there have been difficulties in communicating with the owners in relation to the public safety of the buildings and enforcing appropriate action. We also understand that the Court Service has found it extremely difficult to enforce the second fine on the company of over £20,000 imposed for failing to demolish. If there was an accident in one of the buildings leading to a claim against the owners there would clearly be significant difficulties in pursuing this through the courts. We believe that it is a matter of serious public concern that a company is allowed to carry on business in the UK and yet appears to be largely outside the jurisdiction of public enforcement bodies and the courts. This is a major legal loophole that needs to be closed. In particular, any company operating in the UK should have a UK business address and the names of the directors should be on the public record. There should be a clear route for carrying out enforcement or legal action against the company and its directors.

Issue 2

5.3. A demolition order was placed on the St David's Hotel by SNPA under s215 of the Town and Country Planning Act (TCPA) 1990. Under the Act if the owner fails to carry out the demolition SNPA has the power to carry out the demolition and charge the cost to the owner. If the owner fails to pay then the cost becomes a charge on the site. However, the charge comes after any existing charges on the site. In the case of the St David's Hotel there are two existing charges. This means that if the existing charges exceed the site value there is little likelihood that the demolition costs will be recovered. This is in contrast to the powers in s79 of the Building Act 1984 under which the cost of works carried out by local authorities to remedy ruinous and dilapidated buildings become a first charge on the site and take precedence over any existing charges. We believe that the TCPA should be amended so that costs incurred by a local planning authority under the TCPA become a first charge on the site, bringing it into line with the Building Act powers.

Issue 3

5.4. Although local authorities have powers under s79 of the Building Act 1984 to require works to be carried out by property owners to remedy ruinous and dilapidated buildings which are seriously detrimental to the amenities of the neighbourhood, this does not include the power to enforce demolition where demolition rather than remedial works would be the better option. For example, in the case of the former Coleg Harlech accommodation block SNPA did not feel that its powers under s215 of the TCPA were suitable for imposing a demolition order. Local authority powers for addressing the problem under s79 of the Building Act only provide for the specification of remedial works, such as installation of new windows, which would simply be a waste of money, rather than outright demolition. This is despite the fact that, in the case of the accommodation block, the owner had already received planning consent to demolish the building and redevelop the site. As a result the building remains a derelict eyesore, seriously detrimental to the amenities of the neighbourhood. It cannot sensibly be improved and enforced demolition is not possible under existing legislation. We consider that local authorities need a specific power under the Building Act to require the demolition of buildings that are derelict, potentially dangerous and where it is clear that any remedial improvement work would be fruitless. We also consider that the legislation should contain a new broader test of the serious adverse economic and/or environmental impacts of derelict buildings on local communities which would allow local authorities to take stronger enforcement action in situations similar to that which has arisen at Harlech.

Issue 4

5.5. The owners of the old St David's Hotel and college accommodation block received planning consent from SNPA in 2009 for a highly ambitious re-development scheme involving a new 130 bedroom hotel and 76 holiday apartments. This would have transformed the site and provided a massive economic boost for Harlech. The planning application provided only limited evidence of the financial viability and fundability of the scheme. With hindsight it appears to have been an over-ambitious scheme. A smaller scheme is likely to have had a much better chance of proceeding. Under current planning law it is our understanding that the financial viability and fundability of a scheme does not feature as a major factor in a planning authority's decision on a planning application. Whilst we appreciate that this is a potentially difficult area for planning authorities to get into, we believe that where proposals are being put forward which have significant economic

implications for the surrounding community, more substantive evidence of the financial viability, funding and deliverability of schemes should be provided at planning application stage and be taken into account in the planning decision.

Issue 5

5.6. A planning consent is given for a limited period of time but once work on a scheme has started it becomes indefinite. In the case of the St David's Hotel, when the 2009 planning consent for the new hotel was about to expire the owners carried out some initial work on the foundations for a bat house which had to be built prior to the demolition of the hotel. The foundation works would have cost only about £40,000 and once completed work on the bat house was discontinued. These works were deemed to represent the start of works for the whole scheme and the planning consent became indefinite. A system under which carrying out some very minor works allows a planning consent to become indefinite seems to us to be unduly favourable to the landowner. Once this has occurred there is no further incentive from the planning system to get on with the development and allows the landowner to leave the site undeveloped for an extended period of time with no penalty. We consider that the ability of landowners to carry out minor works which result in planning consents becoming indefinite is a loophole which ought to be closed. In addition, we consider that there should be conditions attached to planning consents which incentivise landowners to carry out their developments within clearly defined time periods. The cost to communities of allowing prominent, important sites to remain derelict for very long periods of time, as has occurred at Harlech, should be much better reflected in planning law and in the conditions attached to planning consents.

Issue 6

5.7. In the continuing absence of any action by the landowners to demolish the St David's Hotel despite the demolition order and two successful prosecutions, Harlech in Action strongly supports the work now being undertaken by SNPA to take forward the demolition of the St David's Hotel with support from the Welsh Government. This is likely to be quite expensive and we recognise the constraints on public funding. Nevertheless, demolition of the derelict hotel and clean up of the site would make a massive difference to Harlech by removing a notorious eyesore. It could also help to kick start further regeneration in Harlech. We consider that in situations such as that at Harlech there should be a presumption in favour of providing funding for public bodies to demolish derelict buildings where there is no prospect of enforcing action by the landowner and where demolition would result in major regeneration benefits to the wider community. Such funding could be provided from existing regeneration programmes. This is more a matter of public policy than statutory powers.

6. We are unable to comment on the remainder of the Committee's questions as they are outside the experience of Harlech in Action. We very much hope that the Committee will address in its report the issues raised above in relation to empty and derelict buildings and their adverse impact on the surrounding community.

Harlech in Action
May 2019

Annex A: "Demolish and Redevelop Harlech Eyesores" Petition – Some of the comments

Not just an embarrassment to the area, it's also a death trap to the local children who frequently explore the site.

Will be happy to see the demolition of St.Davids hotel. The whole area has a very creepy-vibe, which makes the whole of Harlech less appealing.

These vandalised buildings are a real blot on the landscape of the very historic and beautiful Harlech and surrounds. Take action NOW!

Harlech and its castle, in a beautiful setting, should be one of the world's great tourist attractions. It beggars belief that the old hotel, now one of the world's great eyesores, has been left to rot for so many years. Shameful.

Knock it down. What other World Heritage site has an eyesore like the ruin of the old St David's Hotel. The dormitory college block also wants taking down.

As a frequent visitor to Harlech I feel these buildings are an absolute disgrace in one of the most beautiful surroundings in the whole of Wales. This blight on the beautiful landscape has gone on far too long.

In Snowdonia National Park, an area of outstanding natural beauty, locals & visitors alike have endured the continued dilapidation of both the old St David's Hotel & Harlech College's accommodation block for years! They're an absolute disgrace, dangerous, and stand out "like a sore thumb" from the beach.