

Agenda – Economy, Trade, and Rural Affairs Committee

Meeting Venue:

Committee room 5 – Tŷ Hywel
and video conference via Zoom

Meeting date: 18 December 2025

Meeting time: 09.30

For further information contact:

Robert Donovan

Committee Clerk

0300 200 6565

SeneddEconomy@senedd.wales

Hybrid

Private pre-meeting

09.15 – 09.30

Public session

09.30 – 12.35

1 Introductions, apologies, substitutions, and declarations of interest

09.30

2 Local Growth Fund: Panel 1

09.30 – 10.30

(Pages 1 – 23)

Meirion Thomas, Wales Director, Industrial Communities Alliance

Professor Kevin Morgan, Professor of Governance and Development – School
of Geography and Planning, Cardiff University

Professor Paul Boyle, Vice-Chancellor (Swansea University), Universities Wales

Attached Documents:

Research brief



Break

10.30 – 10.40

3 Local Growth Fund: Panel 2

10.40 – 11.25

Councillor Jake Berriman, Leader of Powys County Council, and Chair of the Mid Wales Corporate Joint Committee

Councillor Rob Stewart, Leader of Swansea Council, and Chair of the South West Wales Corporate Joint Committee

Break

11.25 – 11.35

4 Local Growth Fund: Panel 3

11.35 – 12.35

Brian Hughes, Founder, Energy Box

Joshua Miles, Head of Wales, FSB Wales (Federation of Small Businesses)

Lowri Owain, Manager, Cadwyn Clwyd

5 Papers to note

12.35

5.1 Development of Tourism and Regulation of Visitor Accommodation (Wales)

Bill: follow-up from the evidence session held on 13 November 2025

(Pages 24 – 26)

Attached Documents:

Response letter from Rent Smart Wales – 28 November 2025

5.2 Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill consultation: written evidence

(Pages 27 – 79)

Attached Documents:

Consultation response (late submission) – Swansea Council – 28 November 2025

Additional evidence – Booking.com – 28 November 2025

Additional evidence – MWT Cymru (Mid Wales Tourism) – 28 November 2025

Additional evidence – North Wales Holiday Cottages – 27 November 2025

Additional evidence – PASC UK – 28 November 2025 (1)

Additional evidence – PASC UK – 28 November 2025 (2)

Additional evidence – Short Term Accommodation Association – 28 November 2025

5.3 The Biocidal Products (Data Protection Periods) (Amendment) Regulations 2025

(Pages 80 – 81)

Attached Documents:

Letter from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs – 2 December 2025

5.4 Inter-Institutional Relations Agreement

(Page 82)

Attached Documents:

Meeting of the Inter-Ministerial Group for Environment, Food and Rural Affairs – Letter from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs to the Chair of the Legislation, Justice and Constitution Committee – 5 December 2025

5.5 EU–MERCOSUR Free Trade Agreement

(Pages 83 – 85)

Attached Documents:

Response letter from the Cabinet Secretary for Economy, Energy and Planning
– 11 December 2025

5.6 Follow–up information from the Welsh Government Draft Budget 2026–27 scrutiny session held on 26 November 2026

(Pages 86 – 90)

Attached Documents:

Letter from the Cabinet Secretary for Economy, Energy and Planning and the
Minister for Culture, Skills and Social Partnership – 11 December 2025

6 Motion under Standing Order 17.42(ix) to resolve to exclude the public from the remainder of the meeting

12.35

Private session

12.35 – 13.05

7 Local Growth Fund: Consideration of evidence

12.35 – 12.50

8 Food Processing: Consideration of Draft Report

12.50 – 13.05

(To Follow)

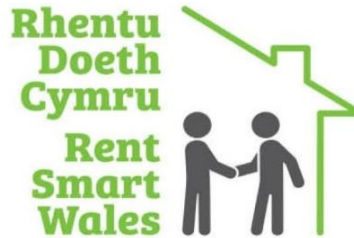
Attached Documents:

Draft report

Agenda Item 2

Document is Restricted

Agenda Item 5.1



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Date: 28/11/2025

Mr Andrew R T Davies
Economy, Trade, and Rural Affairs Committee
Welsh Parliament
Cardiff Bay,
Cardiff,
CF99 1SN

Dear Andrew RT Davies MS,

Senedd's Economy, Trade and Rural Affairs Committee: Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

In response to your letter dated 18th November 2025, I have set out some information below.

1. Enforcement steps

It is important to make a distinction between enforcement activities and compliance activities. For the Rent Smart Wales project enforcement activities relate to offences which arise because of non-compliance with specific offences contained in the legislation. However, compliance activities are those activities which influence the behaviours of the licensees who are already compliant with the need to register and become licensed. The Housing (Wales) Act 2014 does not make it an offence to fail to comply with licence conditions. The only sanctions available if licensees fail to comply with licence conditions are to amend or revoke a licence. The proposals in the Visitor Accommodation Bill will provide more choice and will likely be more effective in this regard. Compliance activities are all undertaken by Rent Smart Wales except where evidence is being sought to inform a decision to revoke or refuse a licence. In these circumstances a specific request for information will be sent to the local authority.

Our [Enforcement Policy](#) is available on the Rent Smart Wales website. This sets out how the partnership between Rent Smart Wales and local authorities work for enforcement.

This policy has been adopted in accordance with the Cardiff Council constitutional arrangements and has been endorsed by Directors of Public Protection for Wales.

The partnership with LAs is captured in a memorandum of understanding (MOU) signed by each party which outlines the roles and responsibilities of each party in relation to the promotion and delivery of the legislation and responsibility of each for enforcement activities. It also outlines arrangements for information sharing. This document has

been provided to Welsh Government officials.

To facilitate this partnership Cardiff Council has provided its general consent to each Council to undertake the following activities:

Pursuant to Section 28 (2) and (3) of the Housing (Wales) Act 2014, to bring criminal proceedings in respect of any offence under Sections 4(2), 6(4), 7(5), 9(2), 11(3) or 13(3) of the Act, if the alleged offence arises in respect of a dwelling in their respective area.

Pursuant to Section 30 (2) of the Housing (Wales) Act 2014, to make an application for a Rent Stopping Order to the Residential Property Tribunal in respect of an offence under Sections 7(5), or 13(3) of the Act, if the alleged offence arises in respect of a dwelling in their respective area.

Pursuant to Section 31 (3) of the Housing (Wales) Act 2014, to make an application to revoke a Rent Stopping Order to the Residential Property Tribunal in respect of an offence under Sections 7(5), or 13(3) of the Act, if the offence arose in respect of a dwelling in their respective area, and is no longer being committed.

Pursuant to Section 32 (2) of the Housing (Wales) Act 2014, to make an application for a Rent Repayment Order to the Residential Property Tribunal in respect of an offence under Sections 7(5), or 13(3) of the Act, if the alleged offence arises in respect of a dwelling in their respective area.

In addition, individuals within each local authority have been authorised under section 29 (Fixed Penalty Notices) of the Act.

There are some additional offences which have been reserved for the single licensing authority (Rent Smart Wales) but they relate to duties to update the register and provide information, in the main.

Appendix 1 of the Enforcement Policy provides a detailed breakdown of the split of responsibilities by offence type.

Local authorities normally notify the central authority of non-compliance where they find it, unless they are taking a criminal case for offences under the Housing Act 2004, where it makes sense to roll all the offences into one prosecution file. This is because taking action for an offence under the Housing (Wales) Act 2014 is an additional workload involving different timeframes for actions being needed. In my view this approach is a sensible one, as the central authority has efficient, streamlined processes to chase this compliance as their day-to-day job.

Enforcement activity levels can be viewed on our [Enforcement interactive dashboard](#). Currently this is showing 367 prosecutions undertaken by Rent Smart Wales and 21 by local authorities. The number of fixed penalty notices served by local authorities over the last 10 years is less than 5.

Caiff eich gwybodaeth ei phrosesu dan Ddeddf Diogelu Data 2018 i gyflawni tasgau cyfreithiol a rheoliadol Cyngor Caerdydd fel awdurdod lleol. I gael rhagor o wybodaeth am y data personol sydd gennym ac am ba hyd y byddwn yn ei gadw, gweler ein Polisi Preifatrwydd; www.caerdydd.gov.uk/hysbysiadpreifatrwydd.

Os oes gennych bryderon am y modd y cafodd eich data ei drin, cysylltwch â Swyddog Diogelu Data'r Cyngor yn diogeludata@caerdydd.gov.uk.

Mae eich gwybodaeth wedi cael ei rhannu â PSL er mwyn cysylltu â chi heddiw. I gael rhagor o wybodaeth am y ffordd y mae PSL yn rheoli data personol, gweler y Polisi Preifatrwydd; <https://pslprint.co.uk/privacy-policy/>

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If you have concerns about how your data has been handled, contact the Council's Data Protection Officer via dataprotection@cardiff.gov.uk.

Your information has been shared with PSL in order to contact you today. For further information on how PSL manage personal data, please view Privacy Policy; <https://pslprint.co.uk/privacy-policy/>

2. Financial claims

As part of the MOU, a reimbursement process has been established. Claims can be submitted quarterly in arrears and are based on an hourly rate with on-costs and overheads included. The Rent Smart Wales website is the vehicle used to capture the activities as local authorities have direct access to provide and update the information. Any claim is based on cases closed in-year. The information for the claim is produced by Rent Smart Wales based on the interaction the local authority has had with the database, the agreed claim activities (captured by coding) and hourly rates. This makes the claim process easy; it only requires the authority to check and confirm accuracy before payment is made.

The recent [evaluation of Rent Smart Wales](#) may be of interest in your deliberations.

This can be viewed on the Welsh Government website.

If you require any further information, please do not hesitate to contact me.

Yours sincerely,



Bethan Jones
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Caiiff eich gwybodaeth ei phrosesu dan Ddeddf Diogelu Data 2018 i gyflawni tasgau cyfreithiol a rheoliadol Cyngor Caerdydd fel awdurdod lleol. I gael rhagor o wybodaeth am y data personol sydd gennym ac am ba hyd y byddwn yn ei gadw, gweler ein Polisi Preifatrwydd; www.caerdydd.gov.uk/hysbysiadpreifatrwydd.

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Consultation on the general principles of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

Submission from Swansea Council

1. What are your views on the general principles of the Bill, and whether there is a need for legislation to deliver the stated policy intention?

Swansea Council supports the general principles of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill and believes legislation is necessary to achieve its aims. The introduction of a licensing regime and a public directory will provide accurate data on bed stock, including undeclared accommodation, which is vital for effective destination management and strategic planning.

Bedstock data is a key input for STEAM (Scarborough Tourism Economic Activity Monitor), which is an economic model that provides statistics on the volume and value of tourism to an area, so accurate bedstock information is vital in order to achieve a clear picture of tourism at a local level. The economic value of tourism (provided by STEAM) is a KPI of Swansea Council.

This transparency will help us understand the true scale of the sector and manage visitor flows responsibly. We also welcome the Bill's role in creating a level playing field for accommodation providers who operate ethically and invest in quality and required health and safety standards, ensuring fairness and consistency across the industry. Voluntary schemes have not delivered universal compliance, so statutory measures are essential to protect consumer confidence, uphold safety standards, and maintain Wales' reputation as a high-quality destination. Overall, the Bill represents a positive step towards sustainable tourism development and fair competition within the sector, whilst providing Local Authorities with a clearer picture of Bedstock at a local level.

2. What are your views on the Bill's provisions, including whether they are workable and will deliver the stated policy intention?

We believe the Bill's provisions are broadly workable and will deliver the stated policy intention if implemented with clear guidance and proportionate requirements. The licensing regime and directory will improve transparency and consumer confidence, while aligning standards with the private rented sector ensures consistency. However, success depends on a streamlined application process, affordable fees, and robust communication to avoid placing undue burden on small operators.

Also, LAs do not have the resources or capacity to deal with the proposed Licensing Scheme requirement and this would require additional funding to resource.

The legislation setting out the inspection regime, to ensure that the standards of Private Rented Sector properties, does not include guest accommodation of this type and so outside the remit for the Private Sector Housing Team.

Further details will need to be provided from WG to set out the extent to which the requirements of housing standards will go.

3. In your view, are there any potential barriers to the implementation of the Bill's provisions?

The main barriers include administrative complexity for smaller or micro businesses, limited digital access for some providers, and the capacity/ability to enforce compliance effectively. Without adequate resourcing and support, enforcement could be inconsistent, undermining confidence in the system. Clear timelines, training, and transitional arrangements will be essential to overcome these challenges. It will also be important to monitor the cumulative impact of the Bill and the other policies (such as the 182-day rule, tourism levy etc.) on the viability of the businesses and assess if there is there a risk that smaller or occasional accommodation providers will leave the market due to new requirements.

4. Do you feel there will be any unintended consequences arising from the Bill?

There is a risk that increased compliance costs could lead some small or occasional providers to exit the market reducing accommodation supply and impacting visitor choice. What are your views on the Welsh Government's assessment of the financial and other impacts of the Bill as set out in Part 2 of the Explanatory Memorandum? (no more than 500 words)

The Welsh Government's assessment appears reasonable, but the cumulative impact of this Bill alongside other measure, such as the 182-day rule, council tax premiums, and potential visitor levies must be monitored. For many small businesses, even modest additional costs can be significant. We recommend ongoing review and support to ensure financial sustainability across the sector.

5. What are your views on the appropriateness of the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Part 1: Chapter 5 of the Explanatory Memorandum)? (no more than 500 words)

We consider the powers granted to Welsh Ministers to make subordinate legislation appropriate, provided they are exercised transparently and with sector consultation. Flexibility is necessary to adapt standards and processes over time, but changes should be subject to scrutiny to maintain fairness and proportionality.

6. Are there any other issues you would like to raise about the Bill and the Explanatory Memorandum or any related matters?

We urge the Welsh Government to ensure that the licensing scheme supports wider destination management goals, including sustainability and the promotion of the Welsh language. Clear bilingual guidance, strong engagement with DMOs, and integration with marketing initiatives will help maximise the benefits of the Bill for both visitors and communities. Communication is key – for both businesses and visitors about the reasons for the scheme. Also communication between Welsh ministers and within LA departments – if Env Health & Housing become responsible for local implementation and delivery.

Supplementary Evidence by [Booking.com](https://www.booking.com) following Oral Evidence: Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

Overview

Following our written and oral evidence to the Economy, Trade and Rural Affairs Committee (week commencing 17 November 2025), we provide additional information to support points raised in our session and to respond to subsequent comments made by the Cabinet Secretary.

Tax Obligations

We committed to follow up on a question from Jenny Rathbone MS regarding tax obligations for operators using digital platforms.

From 1 January 2024, UK digital platform operators must collect, verify and report specified seller information to HMRC, including income, transaction volumes and identifiers for reportable sellers. Reports for each calendar year must be submitted by 31 January of the following year, and platforms must share reported information with sellers to support tax compliance. These rules apply to platforms facilitating short-term accommodation.

<https://www.gov.uk/guidance/selling-goods-or-services-on-a-digital-platform>

This means income generated via Booking.com is captured under HMRC's platform reporting regime, supporting accurate tax compliance.

Cabinet Secretary's Comments (20 November 2025)

During our evidence session we noted the Cabinet Secretary's earlier characterisation of the Bill as primarily health and safety focused. His later comments following our evidence session referenced a dual purpose of housing and health and safety. Had this been stated earlier, we would have addressed both in greater depth, including the data below on housing and the case for a proportionate registration scheme.

As highlighted in our evidence, and echoed by Alun Davies MS, our concern about the Bill's pace relates to the limited time for scrutiny and the increased risk of unintended consequences. Experience shared by Fiona Campbell MBE and Marc Crothall MBE regarding Scotland illustrates that such issues can arise even with longer scrutiny periods; a shorter timetable increases this risk further. We welcome Welsh Government's initial intention to ensure that self catering business operators are compliant with relevant health and safety regulation, our cause for concern relates to the speed at which legislation is to pass through the Senedd and able to be commented and scrutinised not just by Members of the Senedd but by industry and businesses as well and of the changing perspective on what the purpose of the Bill is by Welsh Government itself.

We would appreciate clarification on the true policy intention of the Bill following the differing statements by the Cabinet Secretary.

Registration Scheme

We support a national registration scheme as the fastest way to create an authoritative dataset of all visitor accommodation, which has already been passed via the Visitor Accommodation (Registration and Levy) Etc. (Wales) Act 2025. We recommend using this scheme to underpin enforcement of existing health and safety requirements. As discussed with DCMS on their English scheme, we would support a document-upload model enabling businesses to demonstrate existing compliance. This would reduce administrative burdens, avoid the need for a national licensing authority, lower costs, and allow operators to evidence compliance directly, including the ability to update documents at the time of their renewal. We can provide further information on how we see such a scheme could operate.

Given the Cabinet Secretary's additional comments on housing, we are concerned that the number of licences could become restricted over time, preventing long-standing, compliant businesses from operating despite meeting all legal obligations.

Fitness for Visitor Accommodation (Section 7)

We note the requirements outlined within the Bill on Section 7 do not always relate to health and safety requirements but on subjective standards to supply visitor accommodation. We note that additional evidence on these points is made by both the Professional Association of Self Caterers and the Short Term Accommodation Association and defer to their evidence on this matter.

Platform Obligations on Display of Registration Numbers

Further to our written and oral evidence on Sections 46 and 47, these provisions remain a concern. The issue affects not only larger platforms but also smaller ones that also rely entirely on operator-provided information. We strongly recommend amending these sections to reflect concerns raised across platforms of all sizes.

We wish to underline our existing processes to remove unlawful or non-compliant listings. We take compliance seriously and are in discussions with the Welsh Revenue Authority on steps to minimise errors in registration-number entry with a meeting having taken place on Tuesday 25 November following our evidence session and further discussions planned. However, as a third-party advertising service, platforms should not be held liable for inaccurate registration numbers supplied by operators.

Housing

It is essential to distinguish between the private rented sector and short-term visitor accommodation. Self-catering accommodation serves visitors, holidaymakers, workers, patients and people visiting family, on short stays with no long-term tenancy characteristics. Their regulatory needs align more closely with other visitor accommodation sectors than with primary residences.

Welsh Government's *Evaluation of Rent Smart Wales: final report, 2025* shows that between 2019 and 2024, the number of private rental properties increased, indicating that perceived

growth in short-term lets has not reduced availability of housing within the private rental market. This demonstrates the need for accurate data when assessing links between housing pressures and short-term rentals. The registration scheme, combined with Rent Smart Wales data, will enable clearer evidence-based policy in future.

Looking beyond the private rental sector to housing in Wales more broadly, the ONS reported 102,875 empty homes in Wales in 2021, the most up to date data available. Housing shortages are influenced by multiple factors, including empty homes, missed housing-supply targets and population growth, and occur in regions with and without significant tourism.

Importantly, not all self-catering units are suitable for long-term housing supply as they can involve:

- primary residences let out only when the owner is away;
- individual rooms within occupied homes;
- second homes used by owners for part of the year; and
- properties of a size, location or standard unsuitable for long-term habitation.

While localised issues may exist, this reinforces why we have consistently advocated for registration schemes globally: policymakers should base decisions on reliable data. Most operators are part of the communities in which they operate, and their businesses support wider local employment: from cleaning and maintenance services to the many local shops and businesses that depend on visitor spending. Reducing the supply of self-catering accommodation without robust evidence risks harming those same communities.

Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill - Committee submission (supplementary evidence – Mid Wales Tourism)

Dear Committee Members,

Thank you for your time and engagement with us at the Committee session on 20 November 2025. We appreciate the opportunity to contribute to your scrutiny of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill.

We support the Cabinet Minister’s aims and recognise the reasoning behind the Bill.

We agree that Wales needs strong, clear minimum standards and a fair, transparent system for visitor accommodation. Our concerns are not about the direction of policy, but about how the policy will operate in practice once it becomes law.

Tourism regulation has a “butterfly effect.” A change made in one part of the system, such as licensing or numbering, can create knock on impacts elsewhere, including undermining Visit Wales quality grading, insurance liability, national and local marketing platforms, local authority enforcement, destination partnerships, and visitor communication. These impacts may not be obvious from the licensing provisions alone, but they are predictable when the whole tourism system is considered.

That is why we are urging Welsh Government to look very carefully at policies that could create unintended consequences across the wider visitor economy.

We also want to highlight the difference between intentions and statutory drafting. We understand and support much of the Ministerial intent, but legislation is interpreted by how it is written, not by what was intended.

If wording is unclear or creates overlap with existing systems, it can be interpreted in ways that cause avoidable risk, cost, or confusion. In this context, “unintended” does not mean “unforeseen.” The consequences we outline below are foreseeable now and can be addressed through straightforward amendments.

We set out our requested changes below.

1. One coherent licensing approach aligned with registration

We strongly recommend that Wales adopts one coherent licensing approach that aligns with the registration system already being developed. Registration covers all accommodation types, including temporary and ad hoc accommodation such as event based provision. It is therefore not clear why

licensing would apply only to self catering, as this creates a two tier system that will confuse visitors and businesses.

A single coherent approach would:

- provide one consistent national standard and visitor expectation
- avoid mixed requirements across the sector
- support one authoritative national database and numbering system
- prevent complexity for multi use businesses and sites

We are particularly concerned about multi use sites where some parts of a business would require licensing and others would not. This creates confusion not only for visitors but also for operators trying to comply, and increases risk of error across marketing and enforcement systems.

2. Tighten subjective drafting in Section 7

Section 7 relies on subjective terms such as *appropriate* design or layout, *adequate* lighting, *adequate* heating, and *appropriate* sleeping space. These phrases are open to interpretation, overlap with established minimum standards already used by Visit Wales 'Approved Listings' and Star Grading in Wales, and risk inconsistent enforcement and disputes.

We ask that Section 7 is amended to replace subjective wording with objective measurable requirements, or that Ministers are required to publish binding minimum specifications aligned to the national minimum standards already used through Visit Wales Star grading and *Approved Listings*.

3. Define reasonable repair time and continuous fitness duties in Sections 15 and 44

The Bill requires providers to ensure fitness throughout the stay and refers to repair within a reasonable time, but reasonable time is not defined. Without definition, this creates legal uncertainty and will invite disputes even where businesses act responsibly, particularly in rural areas or where contractors are not immediately available.

We ask that a clear definition or test for reasonable time is added through regulations or statutory guidance, taking account of seriousness of the defect, interim mitigation, contractor availability, rural and seasonal constraints, and time remaining in the stay. A safe harbour should protect those who act promptly and proportionately.

4. Add a safeguard to Section 42 to prevent multi claim liability and insurance conflict

We support extending protection to all visitors staying under a booking. However, Section 42 currently allows multiple parallel contractual claims from a single party booking because any visitor can rely on the fitness term even if they are not a contracting party. This conflicts with how public liability

insurance and standard accommodation contracting operate, where the contract sits between the named booker and the provider.

We ask that Section 42 is amended to provide a proportionate safeguard that preserves visitor rights but avoids unintended litigation. A workable approach would be:

- one claim per booking brought by the contracting party or a nominated representative, who may recover losses for the group
- a materiality threshold so trivial or preference based complaints do not trigger liability

We also ask that Welsh Government consults the insurance sector on the operation of Section 42 and publishes guidance before commencement, so that the intended protections can be delivered without creating uninsured exposure for compliant Welsh businesses.

5. Make clear that providers are solely responsible for displaying and maintaining accurate registration and licensing numbers in all marketing

We support the principle of accurate public information. However, the Bill's directory and advertising rules risk creating implied responsibility on third parties for business supplied data. DMOs and destination platforms are collaborative, not for profit bodies. Many receive no core public funding, operate with limited capacity, and have no enforcement powers. Their boards are largely made up of non executive directors and volunteers giving their time to support the visitor economy.

If DMOs, local authority sites, or other marketing platforms face real or perceived liability for incorrect or outdated registration or licensing numbers supplied by businesses, there is a serious risk of deterring volunteers from serving on boards, weakening local leadership, and damaging the collaboration that destination marketing depends on.

We therefore ask for an explicit statutory statement that accommodation providers are solely responsible for displaying a valid registration or licensing number wherever they advertise, and for ensuring that their listing information, registration status, and licence numbers remain accurate and up to date at all times.

Third party marketing bodies, including DMOs and local authority platforms, should be required only to provide a clear place for numbers to be shown and to communicate regularly to their member businesses that the duty to keep numbers accurate sits with the provider. They must not be responsible for verifying provider data and must not be liable for inaccuracies supplied by businesses. This should be supported by a single authoritative national data source that marketing platforms can reference safely and consistently.

There is also a practical data matching issue with major implications for deliverability and cost. At present, when a business is graded and holds a current grading number, that grading number is the single recognised identifier within the Visit Wales quality assurance system. Once issued, it links automatically to VisitWales.com so the business can be published consistently across national and partner marketing platforms.

If the Bill introduces a second tier of identifiers alongside grading numbers, these systems will not align easily. A business may have one registration or licence number under the Bill but still hold one or even two grading numbers depending on how its accommodation is structured. Existing platforms have no automated way to determine which identifier is the primary record, or to reliably link a Bill registration number to the correct grading record across multiple properties or mixed sites. The likely outcome is clashing datasets, inaccurate listings, and uncertainty for both businesses and visitors.

To make two numbering systems work together would require significant technical development for VisitWales.com, local authority platforms, DMOs, and any other marketing site listing Welsh accommodation. Without that investment, it will be extremely difficult to cross match, verify, and keep records accurate over time, especially for multi site operators. This creates avoidable cost for Welsh Government and Visit Wales, and pushes risk and complexity onto local marketing partners who do not have the capacity or powers to manage it.

We therefore ask that the Bill includes a clear duty on Welsh Ministers to ensure that registration, licensing, Visit Wales *Approved Listings* and star grading, and the public directory are technically integrated, with a single identifier flowing through to marketing platforms. This is essential if the national directory and advertising requirements are to work in practice without costly duplication.

6. Use the Visit Wales Quality Assurance system as the licensing standard

We ask that the Bill uses the existing Visit Wales Quality Assurance framework as the licensing standard. In practice, this means making the current *Approved* listing the legal minimum licensing gateway, and strengthening its safety and compliance checks where Ministers consider necessary. Businesses could then choose to move up to full grading to demonstrate higher quality.

Wales already has the trained Quality Assurance team, sector by sector minimum standards, inspection processes, a formal complaints procedure, and national systems linked into VisitWales.com. *Approved* is the minimum standards tier, and grading provides the route to level up quality beyond the minimum. Expanding *Approved Listings* as the licensing gateway avoids reinventing the wheel or creating a parallel inspection and complaints regime that would duplicate effort, cost more to deliver, and risk confusing or weakening the recognised national quality framework.

Approved Listings and star grading also solve a practical standards issue across sectors. The Bill uses broad concepts such as adequate sleeping provision, appropriate facilities, and suitable structures. These terms mean very different things depending on whether the accommodation is a cottage, a hotel room, a touring pitch, a tent, or a glamping unit. A single generic test will inevitably be interpreted inconsistently. The *Approved Listings* and grading framework already provides harmonised sector specific minimum standards and guidance for every accommodation type, including camping, touring and glamping, and is recognised nationally and across the UK. Using this framework as the baseline ensures that fitness expectations work properly across all sectors without ambiguity or inconsistent enforcement.

7. Handling sectors already regulated through statutory licences (conditional on a single all sector system)

We recognise that holiday parks and other site licensed sectors are currently excluded from licensing in the Bill. The point below relates to how these sectors should be handled if Government adopts the single all sector licensing approach we recommend in Section 1, so that Wales ends with one coherent system and avoids mixed requirements for multi use sites.

We do not believe holiday parks, caravan sites, touring sites, and camping or glamping sites need to be re licensed. These sectors already operate under statutory site licensing and existing inspection systems. Within a single national system, they should be recognised through a simple upload and verification route. Where premises already hold a valid statutory licence or regulated approval, the operator should upload that licence, have it verified once, and automatically receive a recognised number within the national system.

This is consistent with the existing Visit Wales WATO approach, where businesses with AALA accreditation upload that evidence once and receive a recognised Visit Wales identifier for national listing and marketing purposes. This demonstrates that an upload and recognise model already works in Wales, reduces burden, and supports a single verified database.

Conclusion

We support the policy objectives of the Bill. Our requested changes are intended to ensure the Bill is clear, consistent across sectors, deliverable in practice, and built on the effective Welsh Government quality assurance systems already in place.

In summary we ask for amendments to:

1. Establish one coherent licensing approach aligned with registration and applying consistently across all accommodation types, to avoid a two tier system and multi use site confusion.
2. Tighten subjective drafting in Section 7.
3. Define reasonable repair time and realistic continuous fitness expectations in Sections 15 and 44.
4. Add a safeguard to Section 42 to avoid multiple contractual claims arising from one booking and to resolve associated insurance conflict, supported by insurer consultation and guidance before commencement.
5. Place sole responsibility for displaying and maintaining accurate registration and licensing numbers on accommodation providers, protect DMOs and local authority platforms from liability, and require a single integrated identifier and dataset across registration, licensing, *Approved Listings*/star grading, and the directory.

6. Make the *Approved Listings* the national minimum licensing gateway and strengthen its safety checks where needed, with grading remaining the route to level up quality beyond the minimum.
7. Where sectors already hold statutory licences, recognise these through upload and verification within the single national system, rather than re licensing.

We would welcome continued engagement to assist with developing precise amendments.



Zoe Hawkins

Chief Executive

Mid Wales Tourism (MWT Cymru)

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Further submission relating to the Tourism and Regulation of Visitor Accommodation Bill

From: Barbara Griffiths, North Wales Holiday Cottages

Thank you for the opportunity to submit further evidence. As a long-established holiday letting agency, we work directly with self-catering owners across North Wales and see, first-hand, the positive impact that clear regulation can have on safety, guest confidence and fairness across the sector. With that experience in mind, I would like to highlight some concerns and suggest an amendment that I believe would support the Welsh Government's stated aims.

I would strongly welcome an amendment to the Bill, and to the Explanatory Memorandum section 3.9, so that non self-contained self-catering accommodation, guest houses and B&Bs, and spare rooms are included from the start. These categories should be required to provide exactly the same documentation as self-contained self-catering properties.

At the heart of this Bill is visitor safety, and the reassurance that booked accommodation is safe and fit to occupy. Guests already assume this is the case wherever they stay. By covering only self-contained self-catering at this stage, many small guest houses, B&Bs and spare rooms are left outside the scope of the initial requirements. My concern is that, once public communications around the scheme begin, visitors may understandably assume that all accommodation in Wales is fully compliant, when this may not be true.

Since all accommodation should be registered before the Bill comes into force, it seems reasonable that all providers could be required to evidence the same core documents prior to receiving a licence. These include Gas Safe certification, Electrical Safety certification, Public Liability Insurance and a Fire Risk Assessment.

There is no need to create new safety criteria to include these other sectors, as they are already covered by existing legislation. The Welsh Government's own publication, *A Guide to Making Your Guest Accommodation Safe from Fire*, states that:

“The Fire Safety Order applies if anyone pays to stay in your premises or in a room within your premises, other than to live there permanently. The Fire Safety Order applies to all short-term lets that are not let as a principal residence, even if you rent out a room in your premises only once...”

The same guidelines require interconnected smoke or heat detectors in all rooms except bathrooms, and carbon monoxide detectors where gas, oil or solid fuel appliances are present. This is already a higher standard than that required by Rent Smart Wales for long-term tenancies.

Statutory Registration will help identify operators who occasionally offer whole homes or second homes on OTA platforms and may be unaware of their legal responsibilities. However, by excluding spare rooms and B&Bs at this stage, we will not achieve the level playing field or fair competition that the Bill aims to create. Operators who have made the effort to comply with updated 2023 fire regulations, including in B&B and spare-room settings, have already faced considerable cost. Continuing to exclude some sectors prolongs competitive disadvantage for compliant businesses.

Welsh Ministers have committed to delivering a Licensing scheme within the current Senedd term. This could have been incorporated into the Visitor Levy and Registration Bill. Instead, it has arrived at the last moment, with significant detail left to secondary legislation. Despite years of discussion, there has been no public consultation on this Bill itself, and most contributors had less than three weeks to assess its implications before giving evidence. This

reinforces the perception that the drafting has been rushed, leaving insufficient time for proper engagement across all accommodation types.

The Cabinet Secretary noted that including B&Bs and spare rooms would require further consideration, and that these were beyond the scope of the Bill. They also indicated that there are “particular characteristics” that must be worked through with the industry. In practice, the fundamental requirements for these sectors are the same as self-catering: Gas Safe, Electrical Safety, Fire Risk Assessment and appropriate insurance. These are simply the essentials required to ensure a home is safe to stay in, which is what every guest expects.

An assumption appears to have been made that the growth in self-catering properties increases the likelihood of non-compliance. However, spare-room accommodation has expanded dramatically in recent years, from almost non-existent to a substantial and rapidly growing sector. It is unclear whether Welsh Government or the Cabinet Secretary has reliable data on the scale of this sector in Wales. If numbers have grown quickly, the same assumption about potential non-compliance could logically apply.

The Cabinet Minister has expressed support for including occasional providers, noting the expectation that they also hold all relevant documentation. If this is the expectation, it should apply consistently across all types of visitor accommodation, whether fully self-contained or a single room.

The Bill currently anticipates an annual licensing fee of around £75. However, there is a risk that the true cost of setting up and administering the scheme could drive this significantly higher. With the lowest Scottish fee standing at £205 for three years, Wales could find itself with an annual fee closer to £200. Over three years this would amount to £600, a very different proposition from the figure initially referenced.

The argument for annual renewal, partly because some certificates last longer than a year, could equally support a longer licence period. Many new operators would prefer a multi-year licence to reduce administrative burden as they establish their business.

There is also concern regarding the amount of information that will be made publicly available. It should be straightforward for guests to check whether a property is registered and licensed, for example through a licence number displayed in advertising. However, publishing personal details such as an owner's name or home address could expose them to harassment or online accusations. All guests already receive contact details for the owner or responsible person once they have booked and paid, particularly when booking through an agency. Full operator details should certainly be available to Local Authorities, but not necessarily to the wider public.

There is a misconception that if some self-catering owners withdraw, others will fill the gap. In reality, there is very little spare capacity during high-demand periods, such as school holidays and major events. Some properties achieve 182 days, but many in remote areas struggle to attract guests between November and March, and multi-generational properties rarely fill outside the school holidays. While off-season capacity may be plentiful, peak-season capacity is not. Any significant reduction in operators would mean losing visitors during the periods Wales relies on most.

Finally, agencies, DMOs and marketing platforms cannot reasonably be held responsible for incorrect information supplied by providers. Checking a single vehicle's road tax status is entirely different from checking hundreds or thousands of registration or licence numbers

across multiple agencies. While information may be publicly available, there is no existing software capable of carrying out such checks at scale. Manual checking would be unmanageable except for the smallest operators. It remains essential that the provider themselves is responsible for ensuring the accuracy of information they publish.



**Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill – PASC UK
comments on draft Section 7: November 2025**

1. Overall position

- The self-catering (and wider short term let) sector already has to operate within a robust health and safety framework of legislation and Government (both Welsh and UK) guidance.
- PASC UK have always sought to uphold this existing, important Health and Safety standards and advocated for the upload of legally required certificates and assessments to be included in the Welsh Registration Scheme to ensure that:
 - New entrants are made aware of these requirements as soon as possible (especially those not marketing through a traditional agent who would ensure the accommodation provider was aware of these requirements); and
 - There is a level playing field, based on existing legal requirements, for all short term let operators.
- The Bill, however, introduces additional layers of subjective and, in places, inconsistent requirements that risk overreach and confusion. And it fails to create a level playing field by not addressing providers of spare rooms (who are likely to be less aware of their existing legal requirements to keep guests safe).

We would prefer the Bill to be paused and revisited following full consultation and detailed scrutiny. However, if the Welsh Government proceeds regardless, substantial redrafting is needed.

2. Core ask on the structure of the Bill

If the draft Bill is to continue, **section 7 should be deleted in full** and instead and replaced with a **delegated power** to introduce further amenity/harm conditions in future, when there is sufficient time to ensure the appropriate balance is met to achieve a proportionate approach.

Provisions introduced by that delegated power would need **Senedd approval** and **formal consultation** with the sector.

This would:

- Reduce the immediate subjectivity and uncertainty around “fitness” standards.

- Avoid rushed, poorly targeted quality requirements.
- Limit the risk of scope creep and arbitrary local interpretations.

It would also allow time to **review sections 8–12 comprehensively** to ensure it aligns with:

- Existing health and safety law, and
- Welsh Government guidance for visitor accommodation.

3. Why PASC UK considers section 7 is unnecessary

Short-term lets are not long-term tenancies

- Guests see extensive information before booking (photos, layouts, amenity lists, guest reviews etc).
- If the property does not meet guests expectations when they arrive, they can:
 - Leave,
 - Raise the issue with the owner, agent or platform,
 - Post a negative review, and/or
 - Seek a credit card chargeback.

In contrast, a long-term tenant may be stuck in substandard housing. That dynamic simply does **not** apply here. Poor quality short-term lets tend to fail commercially without the need for regulatory intervention.

Market vs. regulation

- The Bill should limit itself to **objective safety requirements**, not subjective notions of quality.
- Market feedback mechanisms (reviews, ratings, repeat bookings) already regulate quality in a proportionate way.
- Introducing broad “amenity” and “quality” tests risks turning a safety scheme into a housing or control tool, something the Cabinet Secretary and WLGA evidence now hints at.

4. Specific subjectivity concerns with section 7

Section 7(1)(a) and (b) contain terms that are inherently subjective and operationally unclear:

- **“Appropriate” layout and construction**
 - What is “appropriate” when comparing a rural bothy, a shepherd’s hut, a city apartment or a castle? Who would be making that decision, and what qualifications would they have to do so?

- **Structural stability**
 - How is an operator expected to prove this? Who would be making that decision, and what qualifications would they have to do so?
 - Would a structural survey be needed for every property?
- **Duplication of fire and CO provisions**
 - Fire and carbon monoxide are already dealt with in sections 8–12; repeating them in section 7 is unnecessary and confusing.
- **Hygiene and security**
 - Framed in broad terms that will require extensive guidance to avoid arbitrary enforcement.

Overall, section 7 goes beyond what is reasonably required to secure safe visitor accommodation and embeds too much subjectivity into the licensing test.

5. Concerns about sections 8–12 and consistency with existing rules

We support the principle that the Bill should reflect existing legal standards on fire, gas, electrical and carbon monoxide safety. And we welcome the inclusion of public liability as an additional specific requirement. However, elements of the current drafting seem inconsistent with current Welsh Government guidance. They also run the risk of becoming outdated with changes in Government guidance and accepted market standards. For example:

- **Minimum smoke alarm coverage (section 9(3)(b))**
 - The Bill suggests at least one alarm per floor.
 - Government fire guidance expects alarms throughout the property in all rooms except bathrooms and toilets. (P17 of Wales, A Guide to making your guest accommodation safe from fire2023).
https://www.gov.wales/sites/default/files/https://www.bbc.co.uk/news/articles/c62d9nv1pp4os/publications/2023-09/guest-accommodation-safe-from-fire_0.pdf
 - This lower standard risks misleading operators who rely on the Bill rather than guidance.
- **Hard-wiring of smoke alarms (section 9(4))**
 - The Bill appears to require hard-wired alarms wherever there is an electrical supply in a property.
 - Existing guidance allows Grade F1 long-life sealed battery alarms as an acceptable short-term (2-3yr) measure.
 - An operator following that guidance in good faith could find themselves unintentionally non-compliant with the licensing rules.

Clause 9(3)(b) and (4) are otiose but worse than that:

- the Fire Guidance can be changed easily as fire safety recommendations are updated - this could leave the Bill even more disconnected with the Guidance and **primary legislation** would then need to be amended, and
- these subsections dangerously give the impression that these are the key fire safety measures (and standards) above other measures or guidance.

The Bill should not be trying to replicate fire guidance - it should refer to complying with the Fire Safety Order as it does elsewhere in that clause and leave it at that.

These examples also raise a broader question: has there been a full compatibility check between the Bill and the existing regulatory framework for visitor accommodation? If not, such a review is essential before the Bill is finalised and should be made available as part of the scrutiny process.

Conclusion

We support proportionate policy to ensure all guests are safe and legal. These legal requirements already exist and a more proportionate manner to create a level playing field would be to add the requirement to upload the necessary safety certificates and assessments as part of the Registration Scheme. Local Authorities could then take a risk based approach to enforcement checks, with full data and details on the operator and contemporaneous evidence of their safety certificates and assessments that were submitted as part of the registration scheme.

Section 7 of the Bill goes too far and is not required for a sector where the market dictates the appropriate standards are being met from a quality perspective.

This Bill is not Emergency Legislation, it is Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill and there is simply no reason to rush this Bill through. As stated above considerable work is still needed in order for this Bill to create that safe and legal level playing field that was promised, and to make the Bill proportionate and workable for the businesses that will be impacted.



Cangen Cymru  Wales Branch

Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

“Licensing” Bill

SUPPLEMENTARY EVIDENCE

(post Oral Evidence Session)

PASC UK Cymru

Introduction

PASC UK Cymru has been invited by the ETRA Committee to submit supplementary evidence on our recommendations for Section 7. We include comprehensive feedback below.

There are a number of other matters which we do not feel were subject to the appropriate scrutiny, or where we believe significantly more work is required.

We have therefore provided a series of Addenda to address each of these priority areas in order to apply the appropriate scrutiny.

Should you require further information, please do not hesitate to contact us.

28th November 2025

On behalf of PASC UK Cymru

support@pascuk.co.uk

Contents

Introduction	1
Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill – PASC comments on draft section 7	3
1. Overall position	3
2. Core ask on the structure of the Bill	3
3. Why PASC UK Cymru considers section 7 is unnecessary.....	3
4. Specific subjectivity concerns with section 7.....	4
5. Concerns about sections 8–12 and consistency with existing rules	4
Conclusion.....	5
Addendum A: DTRVA – The Haste of the Bill.....	6
Conclusion.....	8
Addendum B: DTRVA – The argument for inclusion of ‘Spare Rooms’.....	10
Addendum C: DTRVA - Clarity required on the policy intent.....	12
Addendum D: DTRVA - PASC UK Cymru follow up on licence application Fee assumptions	13
Addendum E: DTRVA - Apply and Go.....	17
Addendum F: DTRVA - Transfer of Ownership	18
Addendum G: DTRVA - Platform Liability	19
Addendum H: DTRVA – Use of Artificial Intelligence.....	20
Addendum I: DTRVA - HMRC Tax Reporting Requirements - Why ‘Tax Dodging’ is no longer possible for Short-Term Rentals	21
Addendum J: DTRVA - Evidence relating to movement of property from the private rental sector to short-term lets	22
Addendum K: DTRVA – How Owners Information should be displayed.....	24

Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill – PASC comments on draft section 7

1. Overall position

- The self-catering (and wider short term let) sector already has to operate within a robust health and safety framework of legislation and Government (both Welsh and UK) guidance.
- PASC UK have always sought to uphold this existing, important Health and Safety standards and advocated for the upload of legally required certificates and assessments to be included in the Welsh Registration Scheme to ensure that:
 - New entrants are made aware of these requirements as soon as possible (especially those not marketing through a traditional agent who would ensure the accommodation provider was aware of these requirements); and
 - There is a level playing field, based on existing legal requirements, for all short term let operators.
- The Bill, however, introduces additional layers of subjective and, in places, inconsistent requirements that risk overreach and confusion. And it fails to create a level playing field by not addressing providers of spare rooms (who are likely to be less aware of their existing legal requirements to keep guests safe).

We would prefer the Bill to be paused and revisited following full consultation and detailed scrutiny. However, if the Welsh Government proceeds regardless, substantial redrafting is needed.

2. Core ask on the structure of the Bill

If the draft Bill is to continue, **section 7 should be deleted in full** and instead replaced with a **delegated power** to introduce further amenity/harm conditions in future, when there is sufficient time to ensure the appropriate balance is met to achieve a proportionate approach.

Provisions introduced by that delegated power would need **Senedd approval** and **formal consultation** with the sector.

This would:

- Reduce the immediate subjectivity and uncertainty around “fitness” standards.
- Avoid rushed, poorly targeted quality requirements.
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It would also allow time to **review sections 8–12 comprehensively** to ensure it aligns with:

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- What is “appropriate” when comparing a rural bothy, a shepherd’s hut, a city apartment or a castle? Who would be making that decision, and what qualifications would they have to do so?

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- How is an operator expected to prove this? Who would be making that decision, and what qualifications would they have to do so?
- Would a structural survey be needed for every property?

Duplication of fire and CO provisions

- Fire and carbon monoxide are already dealt with in sections 8–12; repeating them in section 7 is unnecessary and confusing.

Hygiene and security

- Framed in broad terms that will require extensive guidance to avoid arbitrary enforcement.

Overall, section 7 goes beyond what is reasonably required to secure safe visitor accommodation and embeds too much subjectivity into the licensing test.

5. Concerns about sections 8–12 and consistency with existing rules

We support the principle that the Bill should reflect existing legal standards on fire, gas, electrical and carbon monoxide safety. We welcome the inclusion of public liability as an additional specific requirement. However, elements of the current drafting seem inconsistent with current Welsh Government guidance. They also run the risk of becoming outdated with changes in Government guidance and accepted market standards. For example:

Minimum smoke alarm coverage (section 9(3)(b))

- The Bill suggests at least one alarm per floor.

- Government fire guidance expects alarms throughout the property in all rooms except bathrooms and toilets. (See P17 of Wales, A Guide to making your guest accommodation safe from fire2023). https://www.gov.wales/sites/default/files/publications/2023-09/guest-accommodation-safe-from-fire_0.pdf
- This lower standard risks misleading operators who rely on the Bill rather than guidance.

Hard-wiring of smoke alarms (section 9(4))

- The Bill appears to require hard-wired alarms wherever there is an electrical supply in a property.
- Existing guidance allows Grade F1 long-life sealed battery alarms as an acceptable short-term (2-3yr) measure.
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These examples also raise a broader question: has there been a full compatibility check between the Bill and the existing regulatory framework for visitor accommodation? If not, such a review is essential before the Bill is finalised and should be made available as part of the scrutiny process.

Conclusion

We support proportionate policy to ensure all guests are safe and legal. These legal requirements already exist and a more proportionate manner to create a level playing field would be to add the requirement to upload the necessary safety certificates and assessments as part of the Registration Scheme. Local Authorities could then take a risk-based approach to enforcement checks, with full data and details on the operator and contemporaneous evidence of their safety certificates and assessments that were submitted as part of the registration scheme.

Section 7 of the Bill goes too far and is not required for a sector where the market dictates the appropriate standards are being met from a quality perspective.

This Bill is not Emergency Legislation, it is Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill and there is simply no reason to rush this Bill through. As stated above considerable work is still needed in order for this Bill to create that safe and legal level playing field that was promised, and to make the Bill proportionate and workable for the businesses that will be impacted.

Addenda

Addendum A: DTRVA – The Haste of the Bill

The proposed timeline for the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

The draft Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill was laid before the Senedd on **3rd November 2025**.

With the next Senedd election expected to take place on **7th May 2026**, it is anticipated the last day of the Senedd will be **27th March 2026** and we have estimated that means there will be approximately **34 sitting days** of the Plenary (accounting for expected recess days) from its initial introduction until the expected last day of the Senedd.

Paragraph 6 of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill Summary [development-of-tourism-and-regulation-of-visitor-accommodation-wales-bill-bill-summary.pdf](#) states that Economy, Trade and Rural Affairs (ETRA) Committee have been set a deadline of **19th December 2025** for it to report on the general principles of the Bill.

However, it has been indicated in the oral evidence sessions, that the ETRA Committee will issue their final report on the Bill in [January 2026](#). That appears to already be beyond the deadline assumed in the Bill's progress. It also seems to further reduce the **number of sitting days** for debate and scrutiny of the Bill, with the benefit of that report, to **c20 days** (or less depending how far into the January it will be published).

Businesses were **only given 2 weeks** (from 3rd November to 17th November) to provide written evidence on the Bill and the Explanatory Memorandum. This was part of the rushed consultation on the drafting of the Bill which coincided with 3 expert oral evidence sessions taking place on:

- 5th November (2 days after the Bill was laid before the Senedd);
- 13th November; and
- 20th November.

In the rush to finalise the sessions, the Cabinet Secretary gave his return evidence on the same date as the last expert witness sessions. We struggle to understand how he, and his team, had any time in which to digest their evidence as part of his return session.

The limited **2-week consultation** gave trade associations no time to consult members on matters that are incredibly important to these micro size businesses that it will have significant effect on.

Furthermore, the rush to bring the Bill to the Senedd seems to have been a driving factor in it failing to accommodate spare rooms, which we understand was due to the complexity for the drafting team to define providers of spare rooms, and scope the further provisions of the Bill accordingly to cater for them, within the timeframe.

We struggle to understand this given the definition of a spare room has been quite adequately covered in Scottish legislation. However, if that is the case the Bill has to be withdrawn if the drafting team have not had sufficient time to include spare rooms. That part of the short-term rental sector is most likely to be at risk of not understanding their existing legal requirements or be

in possession of the appropriate documents, certificates and risk assessments. Therefore, they are the first part of the sector that needs to be brought in scope.

The contrast with the Visitor Accommodation (Register and Levy) Etc. (Wales) Bill

In contrast, the Visitor Accommodation (Register and Levy) Etc. (Wales) Bill, which included measures on Registration supported by the sector, was laid before the Senedd on **25th November 2024**.

The Finance Committee's final Stage 1 oral evidence session (with the Cabinet Secretary) for the Registration and Levy Bill took place on **12 February 2025, 79 days after** the Bill was introduced on **25 November 2024**. Unlike **the 17-day** window between when the licensing Bill was laid before the Senedd on 3rd November 2025 and the final evidence session (with the Cabinet Secretary) on 20th November 2025.

The Visitor Accommodation (Register and Levy) Etc. (Wales) Bill did not reach stage 1 debate until **Tuesday 1st April 2025** and was eventually approved by the Senedd on **8th July 2025**.

Unhelpful timing for the sector to provide detail scrutiny on a Bill with many failings

Whilst the Cabinet Secretary thought it was a [“very curious suggestion that the legislation has been rushed when it has been five years in the making”](#), we would submit the legislation itself (both in policy scope and intent and in execution through the drafting) is being rushed.

Whilst the ambition to introduce legislation in this regard was signalled in the Labour party's manifesto in early 2021, it was not **until July 2022** (just over 3 years ago), that 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.

A 13-week consultation was launched in December 2022 by the Welsh Government to collect views on its proposal to establish a statutory licensing scheme for all visitor accommodation providers in Wales.

In July 2023, the Welsh Government published a summary of the responses to the consultation which were largely supportive of a registration scheme and not of a licensing scheme with overriding themes summarised in the Government response being:

- the proposed statutory licensing scheme would create significant administrative and financial burden.
- the visitor accommodation market is highly competitive and thus already operates efficiently.

Against this backdrop, a draft Bill is then being laid with **c34 days** of sitting for the Plenary.

And all this at a time when the sector is facing numerous regulatory interventions, including responding to a 182 consultation that coincidentally closed on 20th November (just 3 days after the deadline to submit written evidence on the contents of long, wide ranging Bill).

An accelerated timeline to scrutinise the drafting of the Bill (first laid on 3rd November 2025) is not appropriate in this case. Particularly, when there are serious concerns about:

1. The robustness of the financial assumptions in the Explanatory Memorandum, in particular in relation to the assumed application fee and resources required to process applications which goes to the root of the financial proportionality of the Bill.

2. Confusion and misunderstanding of the stated policy intent of the Bill, which appears to us to have been expanded by the Cabinet Secretary on the 20th November 2025 to include housing. This came after all of the oral evidence sessions by expert witnesses and after the 17th November deadline for businesses to submit evidence as part of the 2-week consultation. All of which will have been given by the sector on the assumption this Bill was about health and safety (alone) and not housing.
3. The feasibility and suitability of the proposed apply and wait process.
4. The subjectivity of the fitness standards in section 7 of the draft Bill.
5. The inconsistencies of the specific standards in section 8 with existing health and safety legal obligations and Welsh Government guidance, particularly in relation to fire standards.
6. Ensuring the transfer of ownership provisions allow a seamless transfer of a compliant business, without business disruption, uncertainty of trading and the risk of consumer harm with the forced cancellation of bookings
7. The misunderstanding this can potentially help tax compliance when HMRC reporting already covers that.
8. The lack of robust data and misconceptions on the number of long-term landlords “flipping” to short term lets.
9. The weight placed on the use of untested, unproven (and we understand so far undeveloped) AI solutions.

Conclusion

This Bill is not Emergency Legislation, it is the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill and there is simply no reason to rush this Bill through, prior to the elections, just to meet manifesto pledges to do so almost 5 years ago.

As stated above, and in various pieces of written and oral evidence provided by the Sector, considerable work is still needed in order for this Bill to create that safe and legal level playing field that was promised, and to make the Bill proportionate and workable for the businesses that will be impacted.

In giving her expert oral evidence on 5th November, Fiona Campbell MBE, CEO of the Association of Scotland’s Self-Caterers was asked by Jenny Rathbone MS:

“So, were you not involved in the legislation in Scotland before, whilst it was under consideration?”

Fiona Campbell’s response was:

“Absolutely, I’ve been involved in the legislation since 2016, and they unilaterally ignored the whole lot. So, if you look at the 2021 ‘Short-term lets: licensing scheme and planning control area legislation—Draft Business and Regulatory Impact Assessment (BRIA) for consultation’ at Annex E, you will see all of the concerns of the Association of Scotland’s Self-Caterers, and every single one of those concerns has become a reality.”

See para 306 of the transcript onwards from [here](#)

We strongly urge the Economy, Trade and Rural Affairs Committee to learn from the Scottish example of not listening to the sector.

Complex licensing schemes rushed through without sufficient co-design and testing have already ended up in **costly legal challenges** in Scotland, with more expected to follow.

A compressed timetable for this Bill increases the risk that Wales repeats those mistakes – both in terms of human rights / proportionality grounds and in terms of irrational or inconsistent policy design.

As a sector, we uniformly believe in keeping guests safe and legal and we have done so for decades. At PASC UK, we asked for document uploads to be included in the Registration Bill alongside a risk-based approach to enforcement, but we were ignored.

Now this Bill, in its current draft form, fails to achieve a safe and legal approach in a proportionate way that will support the Development of the Tourism (as the Bill is named to do).

But fundamentally, the Bill, as currently drafted, fails to achieve a level playing field on health and safety in short term rental accommodation. It **falls at the first hurdle** by not including spare rooms. Therefore, it should not pass Stage 1 as the principles of the Bill are not adequate and should not be supported.

Addendum B: DTRVA – The argument for inclusion of ‘Spare Rooms’

Increased Health and Safety Risk

PASC UK Cymru are deeply concerned about the omission of spare rooms in the Bill. Any property or part property let to paying guests should come under the same rules. Health and Safety and a level-playing field were policy objectives of this Bill, and neither will be met if ‘spare rooms’ are not included. Domestic properties are not obliged to have the same fire, gas and electrical safety measures in place that professionally let self-catering must have.

Self-catering businesses have to have linked fire alarm systems in all rooms except bathrooms and toilets, keyless exits, gas testing, electrical testing and much more. The Bill will ask for Public Liability Insurance, which we support. Some property types need much more to comply with Fire Regulations, such as emergency lighting, fire doors, and misting systems.

The vast majority of domestic homes, let as spare rooms, simply will not have any of the above in place, and if exempted because the Bill team do not have time to include them is unacceptable.

This presents a real risk to paying guests, who will be misled by the health and safety promises and assume that **ALL** short-term accommodation is included.

It also presents an opportunity for property owners to ‘self-identify’ as only letting rooms and not therefore being required to have the same measures in place. Who could ever check or verify that?

Fire in domestic properties remain the most widespread incidents that the Fire and Rescue Services need to attend to. The key sources of fire are in kitchens and failing electrical and gas devices. Professionally let self-catering has to address these risks, in writing and by certification. Domestic properties, casually listed as spare rooms will not.

We can provide further data on fire incidents if required and provide below some information and data on sources of fires in Wales, showing why mandatory fire detection systems and the testing and checking of equipment is appropriate, and that no part of the short-term lets market should be excluded from the Bill. Here is a short summary:

Welsh Government fire statistics clearly show that residential dwellings remain the location for a large share of serious fire risk: in 2022-23, the majority of fire-related fatalities in Wales occurred in dwellings, and in recent years around **85% of dwelling fires are contained to the room of origin**.

1. Causes of fire (cause, ignition source)

- For **accidental primary fires** in Wales (2023-24):
 - The largest identified cause is **faulty leads/appliances** (17%).
 - **Misuse of equipment or appliances** accounts for 16% of accidental primary fires.
- **Source of ignition** (2023-24):
 - **Cooking appliances**: 26% of accidental primary fires.
 - **Electrical distribution**: 11%.
 - **Smokers’ materials** (“smoking-related”): ~5% of accidental dwelling fires in 2023-24.

Ease of Inclusion

We cannot understand why the Bill team say that spare-rooms are difficult to define. They have managed to do this in the Scottish legislation providing a clear and workable model. Furthermore, existing health and safety law already requires that all areas accessible to guests within a property meet appropriate standards. It is not difficult to define spare rooms, thereby ensuring that the whole premises accessible to the guest is covered from a health and safety perspective.

This omission is purely driven by the haste at which this Bill is being driven through the Senedd, spare rooms are not being omitted because they are not in scope, or the Welsh Government does not want to include them, it is purely down to the Bill team not being given time to include. It is a clear regulatory gap.

If the Bill continues with this omitting 'spare rooms' we will hold the Government to account on this should any incidents occur as a result.

- Welsh Government: *Fire and Rescue Incident Statistics, April 2022–March 2023* (full report).
- Welsh Government PI report: Dwelling fires contained to room of origin.
- South Wales Fire & Rescue Service Improvement Plan (2024) — data on fire containment vs alarms.
- Inspection report: “Responding to domestic dwelling fires” (South Wales FRS) – spread beyond room of origin analysis.
- Electrical Safety First – Wales data on electrical-origin fires, misuse, appliance faults.

Addendum C: DTRVA - Clarity required on the policy intent

We were very surprised with, what appeared to us, as a shift in the Cabinet Secretary's position on the policy intent of the Bill when he returned to give evidence to the Economy, Trade, and Rural Affairs Committee on 20th November 2025.

When the Cabinet Secretary presented the Bill to the Plenary, he is on record as saying "The policy intention here is to develop a broad suite of best practice guidelines for the sector." <https://record.assembly.wales/Plenary/15432#C717201#:~:text=The%20policy%20intention%20here%20is%20to%20develop%20a%20broad%20suite%20of%20best%20practice%20guidelines%20for%20the%20sector.>

We think it is important to note the Cabinet Secretary said "**the**" policy intention. Not "the primary purpose" or "primary lens" as he later referred to on 20th November 2025.

We were then pleased to hear, in response to Cllr Huw Thomas' comment about the licensing scheme being a "lever of control", that the Cabinet Secretary was stated to be on record to say this Bill was about Health & Safety not housing. [Senedd.tv - Economy, Trade, and Rural Affairs Committee](https://www.senedd.tv/Meeting/Clip/f08d6f42-ce81-4314-90da-2477e30f8c24?inPoint=04:14:15&outPoint=04:16:10)

PASC UK have been very concerned Local Authorities will scope creep and use this as a "lever of control" as we are seeing in Scotland, leading to costly legal disputes.

However, the Cabinet Secretary appears to have shifted in his assessment of the intention of the Bill. In his return evidence he said the policy intention was **both** health and safety and housing. <http://www.senedd.tv/Meeting/Clip/f08d6f42-ce81-4314-90da-2477e30f8c24?inPoint=04:14:15&outPoint=04:16:10>

That is of deep concern to us and it will be to the wider sector once they are aware too. We have all collaboratively engaged with the evidence sessions on the stated policy intent from the Cabinet Secretary (and confirmation through the rapid oral evidence sessions) that this Bill was about health and safety, not housing.

Had we all known the dual intent, we would have presented our evidence very differently. And I am sure colleagues in the sector that rushed to prepare for these sessions would have done also.

Moving forwards

As you are aware, PASK UK Cymru, support the policy intention of properties being safe and legal. However, we fear:

- this Bill is being rushed;
- this Bill is not based on robust evidence even when looking at the learning from RSW a scheme introduced by the Welsh Government in 2015; and
- the sector seems to have been misled on the policy intent of the Bill when giving oral evidence.

We therefore request the Welsh Government make clear whether the policy intent of this Bill is to include housing. If it is to include housing, we request the Committee seek further evidence from the sector. We imagine the Committee would welcome that further evidence too if indeed they were also under the same impression as us that this Bill was not about housing (as suggested by Jenny Rathbone, in the PASC UK Cymru evidence session, which was the final industry evidence session, immediately ahead of the Cabinet Secretary).

Addendum D: DTRVA - PASC UK Cymru follow up on licence application Fee assumptions

As part of the Cabinet Secretary's return evidence on 20th November 2025, Luke Fletcher MS mentioned a concern raised from numerous parts of the sector about the time to process licence applications.

This was based on:

- Rent Smart Wales stating publicly it takes up to 8 weeks for them to process applications. <https://rentsmart.gov.wales/en/waitingforyourlicence/#:~:text=Licence%20applications%20are%20normally%20processed%20within%208%20weeks>; and
- An assessment from the sector that, on average, RSW process c 6,000 landlord licence applications each year.

Whilst both Bethan Jones ([see extract from 13th November transcript here](#)) and the Cabinet Secretary ([see extract from the 20th November transcript here](#)) referred to the fact the RSW scheme applies to c200k properties, we do not think that is the right comparison when considering **the applications** that will need to be processed by RSW each year.

Similarly, the Cabinet Secretary seemed to indicate that the 6,000 annual licence application figures were the number of agents licences (see transcript link above) and Bethan Jones also indicated this figure was likely to be related to the agents' licences. We do not think that is correct but we would like the opportunity to discuss this further and establish the correct figures so the Economy, Trade, and Rural Affairs Committee has the correct evidence to include in its final report.

Data and evidence we have reviewed

The Welsh Government appear to carry out/commission very detailed evaluation reports for Rent Smart Wales. The latest 2025 edition is here [Evaluation of Rent Smart Wales: final report, 2025](#)

We are obviously not familiar with the Rent Smart Wales scheme that applies to long term landlords. And given the limited amount of time we have had to consider the details of the Bill, the explanatory memorandum and the impact assessment, we have had limited time to research the RSW scheme. However, we have tried to understand it as best we can in the limited time available.

Para 4.3 of the Welsh Government's 2025 Evaluation Report states that "Tables 4.1 and 4.2 present an overview of RSW registration and licensing activity respectively from 2019 to early 2024, highlighting total registrations and licenses issued by quarter, informed by the 'RSW licensing and registration dashboards'"

Table 4.2 is copied out below and we have attached a separate excel document with our analysis.

Table 4.2 Total number of licenses issued (RSW), per quarter, 2019 to 2024

Year	Quarter	Agent Licenses (Total Issued in Quarter)	Landlord Licenses (Total Issued in Quarter)	Total Licenses Issued
2019	Q1 (Jan)	191	1,533	1,724
2019	Q2 (Apr)	213	1,686	1,899
2019	Q3 (Jul)	206	3,732	3,938
2019	Q4 (Oct)	287	3,272	3,559
2020	Q1 (Jan)	256	2,316	2,572
2020	Q2 (Apr)	151	664	815
2020	Q3 (Jul)	138	1,445	1,583
2020	Q4 (Oct)	141	1,318	1,459
2021	Q1 (Jan)	127	1,099	1,226
2021	Q2 (Apr)	121	1,224	1,345
2021	Q3 (Jul)	140	1,376	1,516
2021	Q4 (Oct)	120	1,067	1,187
2022	Q1 (Jan)	184	1,030	1,214
2022	Q2 (Apr)	232	1,077	1,309
2022	Q3 (Jul)	177	1,137	1,314
2022	Q4 (Oct)	154	1,098	1,252
2023	Q1 (Jan)	164	1,614	1,778
2023	Q2 (Apr)	172	1,246	1,418
2023	Q3 (Jul)	207	1,496	1,703
2023	Q4 (Oct)	123	1,076	1,199
2024	Q1 (Jan)	114	918	1,032

The most appropriate comparisons

We are unsure why both Bethan Jones and the Cabinet Secretary assumed the 6,000 **annual** applications referenced in the written submissions referred to agents’ licenses.

It seems clear, from the Welsh Government’s figures, that **only 3,618** agent licences have been processed **in total in 5 years** from Q1 of 2019 to Q1 of 2024. Plus, we assume agents licenses will be very different to landlords’ licenses and are therefore not an appropriate comparison to what a short term rental licence application may require.

That is why we, and others in the sector, instead focussed on the landlord licenses processed by Rent Smart Wales at a current cost of £254 per licence.

<https://rentsmart.gov.wales/en/licensing/#howmuch:~:text=of%20additional%20assistance.-,How%20much%20does%20a%20licence%20cost%3F,-Rent%20Smart%20Wales>

Based on the Welsh Government’s published figures above, it appears to us and the sector more widely, that RSW have issued an average of 5,986 landlord licences each year from 2019 to 2024 (please see the excel for workings).

The number of properties within the RSW scheme is irrelevant when considering the number of applications that are required to be processed and issued. Especially when it appears the majority of properties and landlords are covered by agents’ licences.

Why are the number of licence applications significantly lower than the total number of landlords or properties?

Firstly, it does not appear that every single property (or landlord) needs a licence.

The Rent Smart Wales guidance appears to suggest that, if a Landlord is not involved with the management of the property and instructs a licenced agent instead, the landlord does not need a licence themselves. Please see here:

<https://rentsmart.gov.wales/en/licensing/#:~:text=Landlords%20who%20are%20not%20involved%20in%20issuing%20contracts%20and%20managing%20their%20rental%20properties%20do%20not%20need%20a%20licence>

This would (and appears to from Welsh Government data) significantly reduce the number of licences processed each year, as the majority of properties appear to be covered by agent licences (see further below).

Secondly, under RSW the landlord licenses are granted for 5 years. This obviously significantly reduces the number of licence applications processed by the RSW team **each year** as a landlord (who is not covered by an agent licence) is only required to apply once every 5 years, not every year as proposed for short term lets.

Additional complexity in the proposed short term let licence process

It appears from the [Landlord licence application form](#) on the RSW website and the evidence given by Bethan Jones, that the RSW landlord licence is self-declaratory with no requirement to upload documents.

Bethan Jones, herself, admitted that the requirement to upload documents would be a “time consuming thing” to review requiring “significant resources” [Senedd.tv - Economy, Trade, and Rural Affairs Committee](#)

This requirement to check (to some level) documents that are not required to be submitted for RSW will surely impact the processing time, resource and cost when compared to a RSW landlord licence?

As you are aware we are very supportive of the requirement to upload legally required documents and we recommended this should have been included in the Registration Scheme.

So, we are not saying this should not be required from operators. We are simply saying:

- the additional resource burden to upload and check these documents has not been adequately factored into the timing or cost analysis of the proposed licence scheme for short term lets, when compared to the RSW scheme;
- the cost to store these documents does not appear to have been factored in additional costs not currently born by RSW; and
- it would have been more proportionate (and quicker) to add document upload to the Registration Scheme, so that Local Authorities could take a risk based approach to enforcement on Health and Safety.

Moving forwards

We **are not** trying to determine **who is right** or who is wrong on the Rent Smart Wales figures.

We would just like the opportunity to discuss with both Bethan Jones and the Cabinet Secretary (or their respective teams) **what is right** in terms of the appropriate comparison with RSW and the number of comparable licences processed each year. As this clearly goes to the root of the

robustness of the assumptions in the explanatory memorandum and the impact it may have on our members and the Welsh tourism economy.

We would be delighted to meet (virtually or in person) with Bethan Jones and the Cabinet Secretary or their teams to discuss this further so that the Economy, Trade and Rural Affairs Committee can have a concrete answer on the time and number of applications processed by Rent Smart Wales to then assess the assumptions in the Explanatory Memorandum.

Addendum E: DTRVA - Apply and Go

Applying for a licence and then having to wait creates uncertainty and burden for operators, uncertainty for guests and burden for authorities having to process.

Applying to seek approval means that the authority has to spend resources wading through, and processing, every single application and associated documents to find the ones that are riskier holiday lets (from an anti-social behaviour or health and safety perspective).

A new operator would have to have the property ready, with all certificates in place, sitting idle, unable to operate while the application is determined. The requirement to determine the application “as soon as reasonably practicable” does not resolve this. Hundreds of applications in Scotland under this model are yet to be determined two years later.

This approach is incompatible with a sector where bookings are taken up to two years in advance. Visitor numbers are already in decline in Wales. Apply and wait means operators and guests have even less certainty over whether future bookings can go ahead. This is even more the case where local authorities’ view of the purpose of the scheme is that the granting or not of licences will help them control the sector.

Even a perception that owners will have to wait for months to be able to operate would risk a black-market developing – we have seen this in Scotland where a thriving black-market now exists.

If there’s a concern about liability for potentially cancelled stays under a notification system, transitional provisions don’t help because you’re enabling existing operators to continue operating pending determination anyway – so that liability remains. There is in effect no advantage to apply and wait over the notification system.

Notification (which is used in food safety where e.g. someone wants to start selling cookies baked at home) enables a number to be issued straight away and then a risk-based, resource-focused approach to document and property checking so that the riskier (large city centre property?) can be looked into as a priority.

In this way it would be better to grant an automatic licence number on submission of the application. This could then be followed by a risk-based approach to document checks and a right to rectify any mistakes before a license is revoked. This notification system is better for resources, for speed of determination and business certainty.

If having annual renewal, the renewal process should be automatic after the initial application process, with licenses automatically granted (unless previously revoked) at a lower fee and a risk-based approach to checking.

Addendum F: DTRVA - Transfer of Ownership

It is essential to exercise caution when creating provisions relating to the transfer of businesses as going concerns, in order to ensure that no licence requirements attach to the individual owner, for example, training obligations or personal criteria. Licence conditions must relate solely to the property itself.

This is necessary to enable a transfer to take effect at the point the sale of the property is completed.

The Scottish system illustrates the risks of an alternative approach. While Scottish legislation has been amended to allow for the transfer of a licence (rather than requiring the new owner to apply afresh), the process still obliges the licensing authority to make enquiries of the Chief Constable, who has four weeks to respond. In practice, this results in a minimum delay of around six weeks between applying for the transfer and the transfer being completed. This raises significant practical questions:

- Should the vendor apply for the transfer at exchange of contracts? If so, what happens if the sale subsequently falls through?
- If the application is made at completion, the property may face a period - potentially up to six weeks - during which new bookings cannot legally be taken.

This framework does not support business continuity.

The process must therefore enable frictionless transactions. Without such provision, both sellers and prospective buyers of trading accommodation businesses will face uncertainty.

Poorly designed legislation by the Government could blight these properties and make transfer of a business a barrier to sale or impossible.

This is another example of how rushing the legislation through means that critical details such as this are not covered adequately. Once again, it is not Emergency Legislation

Addendum G: DTRVA - Platform Liability

We do not accept that it should be the liability of the Platform to check the validity of the Licence for the following reasons:

"The wording of clauses 29 (power to require information) and 46 (advertising and marketing) is sufficiently vague as to make it unclear whether they apply to platforms listing holiday lets. It is also unclear as to whether clause 46 relates to registration numbers that are missing, incorrect or invalid.

We note the admission from the WRA at the 5 November 2025 meeting of the Economy, Trade, and Rural Affairs Committee that the WRA expects "online travel agents to use some technology in order to validate things" with no assessment in the impact assessment of the high cost that would be incurred (in developing, implementing and maintaining technology / systems to meet these obligations) and impracticality in doing so, particularly by smaller agencies.

Agencies and platforms are no doubt happy to be required to list registration numbers on all adverts and respond to takedown requests from the authority to ensure listings that are non-compliant are removed. However, it is unreasonable to expect them to take on criminal liability for ensuring the correctness and validity of all registration numbers provided by owners when they cannot control this.

Platforms are not held liable in this way in Scotland, in the proposed English scheme nor in the Member States of the EU under the EU Short Term Rental Regulation, which was confirmed just last year.

From a PASC UK Cymru perspective it is entirely inappropriate that platforms would have liability for checking the compliance of individual properties. Displaying and checking licensing numbers are valid in itself will be an additional and expensive burden.

Expecting platforms to check details of properties is just not appropriate. The Liability for Health and Safety and the declarations on Registration and Licensing should remain with the owner of the property. They have the Duty of Care, and they are the Responsible Persons under law.

Platforms come in all shapes and sizes, from the huge multinational OTA's (Online Travel Agents) to the much smaller and more local platforms in Wales. These include some that gave evidence at the Scrutiny Sessions, Visit Pembrokeshire, North Wales Tourism, Mid Wales Tourism and North Wales Holiday Cottages.

These businesses simply would not have the capacity to make compliance checking part of their remit. They would be left with no option but to not include our sector on their websites, and that would in turn threaten their viability.

Visit Wales – a Government body, would also be legally liable under the current wording.

This is another example of how a longer Consultation process would allow for more discussion and therefore improvement of the Bill.

Legal liability for the accuracy of registration numbers should ultimately rest with the Visitor Accommodation Provider. We would request that the wording in clauses 29 and 46, is amended to reflect this, which we would hope and expect is the policy intention."

Addendum H: DTRVA – Use of Artificial Intelligence

The government has put a large emphasis on the use of artificial intelligence (AI) to ease the operational and administrative burden of the scheme, yet there has not been thorough consideration for how AI application and implementation would work in practice. While AI can bring operational advantages, the government must be more specific about exactly how AI would be deployed in relation to the operation of the scheme, not least as the Impact Assessment sets an intention to use AI to reduce costs. All concerns about the likely financial and operational burden posed by administration of the scheme cannot be assuaged by the promise of utilising AI until its use has been sufficiently scrutinised. The UK Government’s Artificial Intelligence Playbook sets out many considerations¹—notably lawful and ethical use, human control, and procurement—which we would encourage the Welsh Government to consider before assuming that the use of AI is an operational panacea.

The same can be said for the expectation that online platforms readily have resources, capabilities and systems available to comply with proposed new legal obligations. If the Bill seeks to bring new obligations on platforms, such as the validation of licences (which we oppose), then it is incumbent on the government to consult with the sector to understand how those obligations can be achieved and the necessary costs would need to be reflected in the Impact Assessment – to-date, these discussions have not happened and there are no costs to platforms identified in the Impact Assessment.

¹ [Artificial Intelligence Playbook for the UK Government \(HTML\) - GOV.UK](#)

Addendum I: DTRVA - HMRC Tax Reporting Requirements - Why 'Tax Dodging' is no longer possible for Short-Term Rentals

During the Scrutiny Sessions, it was suggested that the short-term rental sector suffered from tax dodging. We refute this, and once again bring to your attention how other legislation is already in place that makes this extremely unlikely.

The UK Government has introduced HMRC Intermediaries Reporting. Effective 1 January 2024, UK and international online platforms are mandated to automatically share data, including income earned, about all property owners ('sellers') with HMRC, replacing the prior selective approach.

Aligned with Organisation for Economic Cooperation and Development ('OECD') rules, this measure targets global tax evasion and underpayment. HMRC will cross-reference the data with existing records for income verification.

For our sector the regulation covers Agencies and digital platforms (such as Airbnb, Booking.com, VRBO, Sykes Cottages, Travel Chapter, Awaze and all the self-catering agencies that take bookings and transact payments on behalf of owners.

The regulation also applies to platforms like eBay, Etsy, Vinted, UberEATS, Deliveroo, and Just Eat as well as services for renting or hiring spaces.

All these 'platforms' are required to report all owner income directly to HMRC and this comes into full effect from January 2026.

Platforms based in the UK for tax purposes must report seller data to HMRC, which can be shared globally as per OECD guidelines.

Intermediaries must collect and verify detailed seller information from 1 January 2024, but reporting to HMRC begins on 31 January 2025. Required data includes personal details such as address and National Insurance numbers, business registration numbers for business sellers, and bank account information for income. Platforms must keep and share this data with sellers, supporting accurate tax reporting.

There are penalties for intermediaries that fail to comply with the new regulations. If the owners do not provide the detail, platforms should not continue to advertise and take bookings.

The scheme is governed by:

- The "OECD Model Rules for Reporting by Platform Operators with respect to Sellers in the Sharing and Gig Economy", and a range of accompanying documents; adopted almost in their entirety by the UK. Referred to officially as MRDP

<https://www.oecd.org/en/topics/tax-transparency-and-international-co-operation.html>

- A range of MRDP supplementary documents, such as the official FAQs. All available at the same link.
- UK Statutory Instrument (SI) No. 817 2023: "The Platform Operators (Due Diligence and Reporting Requirements) Regulations 2023"; The SI adopts some 99% of the OECD Model Rules.

<https://www.legislation.gov.uk/uksi/2023/817/contents/made>

HMRC is continuing to update its pages on the scheme in 2025.

Addendum J: DTRVA - Evidence relating to movement of property from the private rental sector to short-term lets

Data on movement from the long-term to short-term sector: Welsh and UK Government Data

On a number of occasions, the Cabinet Secretary and policy documents refer to a large rise in the number of short term lets and the apparent shift in long term lets to short term lets as a justification for further regulation and controls on short term lets. The Cabinet Secretary referred to a 60% growth since 2019 in his return evidence on 20th November.

<https://record.assembly.wales/Committee/15701#:~:text=60%20per%20cent%20growth%20beyond%202019.>

We cannot corroborate that percentage increase with publicly available data issued by the VOA (details below). However, when considering the potential impact in housing supply (of c1.5m homes in Wales) it is **more appropriate to look at the number of units**, rather than a percentage increase. A large percentage of a small number is still a small number.

During the period from Q1 2019 to Q1 2024 (the latest data we can find published by the Welsh Government in their 2025 RSW Evaluation report) the number of properties registered as long term rentals **increased by 14,657 from 199,827 to 214,484**.

During the period from 1st April 2019 and 1st April 2025, the VOA figures show a much **smaller increase of 2,360** properties registered as self-catering businesses in Wales from 7,000 to 9,360.

Therefore, not only does the **increase (alone)** in long term rentals during 2019-2024 exceed the **total number** of short term rentals registered with the VOA in 2025, it is clear from Welsh and UK Government data there is not a significant shift in the number of properties from long term rental to short term rental as these numbers would be drastically different.

Furthermore, a large proportion of those 2,360 properties will not be capable of being primary homes due to planning restrictions or they will be in remote locations that are not desirable to local residents. So we do continue to struggle with the concept put forward that these small numbers of short term lets are a material contributory factor in the housing crisis.

Data on movement from the long-term to short-term sector: PASC UK survey (March 2024)

At PASC UK we have carried out an extensive survey of short-term rental property owners to ask directly for information about how many of their properties were previously used for long-term rental. Our survey in March 2024 included the question "How did your property become a short-term let?". This survey was based on 7,593 responses from property owners, and the results for this question are reproduced below:

Q: How did your property become a short-term let?	%	Responses
I bought an existing holiday let	23.25%	1765
I bought it as an investment property	26.12%	1983
I inherited it	5.78%	439
I used to live in it	5.99%	455
I used to let it long term	1.88%	143
It's part of a farm diversification strategy	6.20%	471
I Converted old/redundant building	11.00%	835
It's an alternative accommodation unit - e.g. glamping, shepherds huts, cabin, yurts etc	1.04%	79
It's an annexe to my property	6.33%	481
Other	12.41%	942
Total		7593

The information we cite above is the most comprehensive assessment of the level of transfer from the long-term to the short-term sector. It shows that the movement is low and cannot be considered a significant factor that threatens the long-term rental market. This is especially the case given that the size of the long-term rental sector is approximately 20 times that of the short-term, which means that a 1.88% transfer equates to just 0.09% of long-term rental properties having flipped to short-term.

This is why we consider it is essential, in being able to examine the proportionality of this Bill, that the registration scheme is introduced first and the data from that scheme is used to consider future, proportionate regulation on the housing impact of short term lets (if indeed any are needed).

A 2024 PASC UK survey of 7,593 owners showed that only 1.88% of short-term rental properties were previously used for long-term rental. This is totally at odds with the notion that long term landlords are flipping to short term lets in large numbers

Addendum K: DTRVA – How Owners Information should be displayed.

How Owner information should be displayed

At PASC UK Cymru we are extremely concerned about the public display of owner details that may come about as a consequence of this Bill.

Whilst this information should be available to Welsh Government and Local Authorities, and if required by enforcement such as Fire safety, there is no compelling need to display owner detail publicly.

All the public need to know is that the property is legitimate and part of the Registration and Licensing Scheme. They do not need their contact details. Many operators legitimately operate their business through platforms and do this so that the platforms deal with most guest enquiries.

Platforms and agents have to provide owner details if they are requested by a guest

There is also good precedent, with the way that Valuation Office displays property details.

A simple search for a Postcode on <https://www.gov.uk/find-business-rates> takes you to:

Find a business rates valuation

Use this service to find the 'rateable value' of a property in England or Wales. This is set by the Valuation Office Agency (VOA) and used by the local council to work out the business rates bill for the property.

You can also:

- check the rateable value of similar properties
- check how the rateable value was calculated
- get an estimate of your business rates bill for the 2026 to 2027 tax year

If you want to report a change to your property or challenge its rateable value, use your [business rates valuation account](#).

This service is also available [in Welsh \(Cymraeg\)](#).

Start now >

Which takes you to:

Related content

[Business rates](#)

[Business rates relief](#)

Find a property

Select an option to search for property information:

- Postcode Street and town Advanced

Postcode

Search

Other useful information

- [Valuation scales](#)

Enter Postcode, (example used is Exec Chair of PASC UK's property) and a list of Businesses in the rating system come up.

Search results

[Search again](#)

Address	Description
Blackbury Farm, Southleigh, Colyton, Devon, EX24 6JF	Cafe, farm shop and premises
Higher Wiscombe, Southleigh, Colyton, Devon, EX24 6JF	Self catering holiday unit and premises (3)
Radish Plantation, Southleigh, Colyton, Devon, EX24 6JF	Communication station and premises
Stables, Land At Rakeway Head, Southleigh, Colyton, Devon, EX24 6JF	Stables and premises

Showing 1 - 4 of 4 items

[▶ My property does not appear on the list](#)

Click on the link and you get all the detail needed to see the property is in the system:

Higher Wiscombe, Southleigh, Colyton, Devon, EX24 6JF

Valuation [Help with current valuation](#) [Compare properties](#)

Valuation

Current rateable value (1 April 2023 to present)
£18,000

This is the rateable value for the property. It is not what you pay in business rates or rent. Your local council uses the rateable value to calculate the business rates bill.

[Estimate your business rates bill \(opens in new tab\)](#)

Valuations for this property

Valuations [?]	Effective date [?]	Rateable value
Future from 1 April 2026	1 April 2026	£25,750
Current 1 April 2023 to present	1 April 2023	£18,000

No personal contact details are provided. The systems that platforms provide enable this from a guest perspective.

This is a proportionate and appropriate level of information to display.

Table 4.2	Agent Licences (Total Issued in Quarter)	Landlord licenses (Total Issued in Quarter)	Total Licences (including agents)
Q1 2019	191	1533	1724
Q2 2019	213	1686	1899
Q3 2019	206	3732	3938
Q4 2019	287	3272	3559
Q1 2020	256	2316	2572
Q2 2020	151	664	815
Q3 2020	138	1445	1583
Q4 2020	141	1318	1459
Q1 2021	127	1099	1226
Q2 2021	121	1224	1345
Q3 2021	140	1376	1516
Q4 2021	120	1067	1187
Q1 2022	184	1030	1214
Q2 2022	232	1077	1309
Q3 2022	177	1137	1314
Q4 2022	154	1098	1252
Q1 2023	164	1614	1778
Q2 2023	172	1246	1418
Q3 2023	207	1496	1703
Q4 2023	123	1076	1199
Q1 2024	114	918	1032
Quarterly Average	172	1496	1669
Annual Average	689	5986	6675

Total Agent Licences 3,618

Raw data from Welsh Government

[Evaluation of Rent Smart Wales: final report, 2025](#)



Short Term Accommodation Association
310 Vox Studios, Durham Street
London
SE11 5JH

For the attention of the Economy, Trade and Rural Affairs Committee

Dear Committee members,

Following on from the oral evidence provided to the Committee by STAA Board Member and Policy Working Group Co-Chair, Charlie Reith, and the written evidence submitted by the STAA to the Committee on 5 November 2025, please find below further comments from the STAA on the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill. These cover the general and specific fitness standards for visitor accommodation, contractual terms and fitness for visitor accommodation, liability on advertisers, licence numbers estimates, and the scope of the Bill.

Fitness for visitor accommodation: general standard (7)

The STAA believes in the principle that accommodation providers should provide safe premises for guests and the sector and the accommodation providers already take safety seriously. As the Committee heard in oral evidence from STAA member, Airbnb, complaints relating to compliance or safety concerns in Wales are negligible or non-existent. This is a view our other members would echo. However, based on feedback we have received since the evidence session, it is now clear that our members believe that section 7 of the Bill unnecessarily goes beyond existing legal obligations for accommodation providers in respect of health and safety.

Feedback has been that requirements set out in section 7 come across as “subjective” or are worded too vaguely. To begin with, we must note that the vagueness of the standards hindered members’ ability to provide feedback, when already dealing with the rushed timeline was a significant obstacle. We have not had a chance to hear from all our members on these points so additional concerns may be raised in the coming weeks / months, as the Bill progresses through the Senedd.



In terms of specific comments we have received, the use of terms such as ‘appropriate’ or ‘adequate’ in the fitness standards leads to ambiguity. For instance, saying that the layout and construction should be ‘appropriate’ does not provide a clear standard in a sector where premises range from shepherds huts and bothies on mountainsides to luxury properties and castles. It is also not clear what ‘appropriate’ space for sleeping means. Mentions of ‘adequate’ lighting, heating, drainage, and other amenities are equally vague. Similarly, what constitutes ‘hygienic’ or ‘secure’ premises is largely subjective and it is unspecified whether other conditions would require any certifications (e.g. whether owners need to obtain a structural survey to declare premises ‘structurally stable’). Accordingly, most requirements set out in section 7 would benefit from specification and concrete benchmarks in further guidance. In particular, members would welcome guidance that clarifies what constitutes compliance, particularly with reference to existing legal standards or buildings regulations. If a general fitness standard cannot be clearly articulated, then we would advocate for its removal from the legislation. Indeed, some members have already questioned the need to include carbon monoxide and fire conditions in section 7 when these are covered in sections 8 - 12. Others suggested replacing a requirement to be ‘free’ of carbon monoxide with specifications around types of alarms and detectors needed and testing.

Members have also suggested removing section 7 (b) altogether on the grounds of it being wholly reliant on subjective terms and beyond what is legally required to provide a safe environment. At the least, it could be removed from the face of the bill and become the subject of a further regulation and associated consultation process. We would argue that regulating the quality of amenities is not necessary in the short-term rental market. Typically, before booking, guests have access to significant amounts of information on the layout, design and amenities before booking the property. They will have had access to photos on the website, property descriptions and reviews from previous guests. And if the property is not as expected, from a quality perspective, guests can leave, complain to the agent or platform, leave a negative review, and/or issue a claim for a credit card charge back. This is quite different from the situation of long-term tenants who may find themselves unable to easily leave a sub-standard property due to lack of options or a restrictive tenancy agreement. Thus, the market automatically regulates quality standards for short-term lets. Moreover, certain off-grid accommodation is sought after precisely because it might be of a nature which does not have some of the described elements. Providing guidance for such subjective measures would also require a disproportionate effort that is simply not necessary.

Furthermore, these subjective elements create additional uncertainty for operators as well as a risk that local authorities (or the main license scheme administrator) would exploit them to



deny licenses and limit short-term lets numbers unfairly. Whilst we had welcomed the declared policy intent as improving health and safety, the Cabinet Secretary subsequently claimed during a Committee evidence session on 20th November that the policy intent is not just promoting health and safety but also tackling housing pressures. We would note that currently the license conditions do not include anything that could be used to assess housing concerns (should they exist), so we are concerned that an over-zealous interpretation of the fitness standard could be used to achieve this aim. The WLGA also said during the oral evidence sessions that they see the Bill as a control mechanism for housing but did not specify the lever within the license conditions that would allow them to refuse a license application on grounds relating to housing. This heightens the need for the Bill provisions to be tightly scoped and drafted. Policy intent must be clear and provisions should be proportionate with that intent - the sector is keen to avoid the issues which plagued the Scottish licensing scheme and led to costly, albeit successful, Judicial Reviews to the licensing scheme and the way it has been implemented and administered.

Fitness for visitor accommodation: specific standards; fire prevention (8-9)

Whilst we agree in principle with the provisions of section 8, which set out what is already legally required in respect of fire, electrical, gas and carbon monoxide risk, the wording could be improved. We are concerned that the provisions of some of the specific standards are not consistent with current regulations and Welsh Government guidance. Two examples of this can be found in section 9. Section 9(3)(b) seems to suggest the minimum requirement for smoke alarms is at least one on each floor. However, on page 17 of the Welsh Government's "A guide to making your guest accommodation safe from fire", the guidance states that "smoke alarms should be installed in hallways, corridors, staircases, lounges, dining rooms and bedrooms". This inconsistency in the Bill could lead an operator to be misled on what is required. Secondly, section 9(4) seems to suggest that the smoke alarms also need to be hard wired where there is an electrical supply. Again, this is inconsistent with guidance on page 17 of the Welsh Government's fire guidance that says "all smoke and heat alarms should be mains powered with a tamperproof standby power supply consisting of a battery. These are technically known as Grade D1 alarms. However, long-life, sealed battery alarms (known as Grade F1 alarms) may be acceptable as a short-term measure (say, around 2-3 years)." There is then a risk that an accommodation provider who has relied on the Welsh Government's detailed fire guidance may inadvertently be in breach of licensing rules. These inconsistencies lead us to question whether a full review of compatibility and consistency with the existing legal framework for short-term lets has been carried out. If not, it is essential that one is carried out as part of the Bill drafting scrutiny process and its results published. It is



yet another example of the provisions of the Bill potentially being rushed as they do not take into account these inconsistencies, and risk storing up problems for compliance in future. Inconsistencies like this will also inevitably slow the approvals process for a license, compounding the well-articulated concerns of many of your witnesses that the time it will take for the authority to grant licenses has been understated in the impact assessment.

Contractual terms and fitness for visitor accommodation (42-43-44)

Agents, platforms and property managers typically include provisions in the contract for the accommodation confirming that the property complies with the relevant statutory requirements. Therefore, provided the scope of the fitness standards is amended to focus solely on what is legally required to provide a safe environment, the STAA has no concerns on the principle of section 42. However, if the scope of the fitness standards remain as wide and subjective as they are, we would need to revisit this wording.

Liability on advertisers (46-47)

We note the Cabinet Secretary's comments in the evidence session on 20th November 2025 concerning these sections. As the Committee knows, we had raised concerns both in our written and oral submissions about the disproportionate level of liability being placed on websites that advertise or otherwise promote accommodation listings. These comments were echoed by other witnesses including representatives of property managers and Destination Management Organisations.

We were therefore disappointed at the evidence given to the Committee by the Cabinet Secretary on 20th November noting that those raising concerns are "not organisations that readily want to accept new responsibilities". This does not accurately reflect the position of booking websites of any size. Our members include booking platforms, large and small and they take the accuracy of the information on their site extremely seriously. Indeed it would be fair to say that they would not be as commercially successful as they are if the information they provide to their customers is regularly inaccurate. Our members are keen to do what they can to help ensure compliance with the registration requirement and as an association we have long supported registration schemes in all nations of the UK.

But that is not the same as our members accepting criminal liability, against individual senior officers of the company, for ensuring all registration numbers are entered correctly on their websites, when this is not something they have control over. It would be counter to the normal



functioning of online regulation for platforms to be liable in this way and marks Wales out as having a very different and aggressive approach to booking platforms when compared to England, Scotland and the Member States of the EU via the EU Short Term Rental Regulation, which was confirmed just last year. As many witnesses said, legal liability for the accuracy of registration numbers should ultimately rest with the Visitor Accommodation Provider.

Companies running booking websites and platforms are keen to work with the Welsh Government to help ensure compliance with the requirement to ensure all listings have a registration number displayed. Discussions have already taken place with the Welsh Revenue Authority about what steps can be taken in respect of the registration scheme. This might include ensuring that a registration number is mandatory on all listings and responding to takedown requests from a relevant authority, to ensure listings that are non-compliant are removed. In practice it may be that this is the type of reasonable 'compliance by design' activity that would be compliant with sections 46 and 47. If so, our members and the Welsh Government are in alignment. But due to the vague wording of section 46, it potentially creates a very deep obligation that our members are concerned they will not be able to comply with and therefore risk being criminalised for something out of their control. We would encourage the Committee to press the Welsh Government for more clarity about what is being required by this clause, in order to reassure the sector and for the wording to be changed by amendment so that Visitor Accommodation Providers are ultimately responsible for the accuracy of the information they provide.

Impact assessment – Forecast licence application numbers

We thank the Committee for considering and raising the point we made in our written evidence on the number of licence applications processed by Rent Smart Wales. We found the responses from both Ms Bethan Jones and the Cabinet Secretary in their oral evidence sessions unclear.

They both pointed to the number of properties covered by the scheme, rather than the number of applications the scheme administrator processes each year. Both Ms Jones and the Cabinet Secretary referred to the c. 100k landlords and c. 200k properties covered by the scheme. This does not reflect the number of applications actually processed by Rent Smart Wales as (i) landlords do not appear to need a licence if they do not manage the property themselves and instead use a licensed agent and (ii) licenses last for 5 years, meaning the number of applications made and processed each year are significantly reduced. Both of those elements mean the number of applications processed by the Rent Smart Wales team

each year is lower than the total number of landlords or the total number of properties that fall within the scheme. We would consider the licence application type closest to what is being proposed for short-term lets to be that of the single landlord licence (we assume the agent licence, covering the management of multiple properties, will be different).

In our written evidence we pointed to Table 4.2 of the Welsh Government's [Evaluation of Rent Smart Wales: final report, 2025](#) (see below). This contains the figures we used to calculate the average of just under 6,000 landlord licenses issued each year by RSW since 2019. We find that the data does not corroborate Ms Jones or the Cabinet Secretary's reference 6,000 applications per year referred to agent licences - the table referred suggests the highest number of agent licenses issued in any quarter between 2019 and 2024 was 287. In fact, it appears that only 3,618 agent licences have been issued in total in the 5 years from 2019 to 2024.

Table 4.2 Total number of licenses issued (RSW), per quarter, 2019 to 2024

Year	Quarter	Agent Licenses (Total Issued in Quarter)	Landlord Licenses (Total Issued in Quarter)	Total Licenses Issued
2019	Q1 (Jan)	191	1,533	1,724
2019	Q2 (Apr)	213	1,686	1,899
2019	Q3 (Jul)	206	3,732	3,938
2019	Q4 (Oct)	287	3,272	3,559
2020	Q1 (Jan)	256	2,316	2,572
2020	Q2 (Apr)	151	664	815
2020	Q3 (Jul)	138	1,445	1,583
2020	Q4 (Oct)	141	1,318	1,459
2021	Q1 (Jan)	127	1,099	1,226
2021	Q2 (Apr)	121	1,224	1,345
2021	Q3 (Jul)	140	1,376	1,516
2021	Q4 (Oct)	120	1,067	1,187
2022	Q1 (Jan)	184	1,030	1,214
2022	Q2 (Apr)	232	1,077	1,309
2022	Q3 (Jul)	177	1,137	1,314
2022	Q4 (Oct)	154	1,098	1,252
2023	Q1 (Jan)	164	1,614	1,778
2023	Q2 (Apr)	172	1,246	1,418
2023	Q3 (Jul)	207	1,496	1,703
2023	Q4 (Oct)	123	1,076	1,199
2024	Q1 (Jan)	114	918	1,032

Scope of the Bill

As noted above, we had accepted the government's statement that the policy intent of the Bill was to promote health and safety. The written and oral evidence we provided (in the short window allowed) was drafted under that assumption. We were therefore disappointed to note the pivot made by the Cabinet Secretary in his evidence on 20th November to include housing, and not just health and safety, as the policy objective of the Bill. Had this clarification been made when the Bill was first introduced to the Senedd, rather than in the last evidence session, our evidence and feedback on the principles of part of the Bill would have been changed accordingly. Moreover, powers to address housing supply and control housing use



are already catered for with the separate planning use classes and ability to make Article 4 directions.

We would appreciate formal clarification of the policy intent of the Bill, and the opportunity to provide further evidence, if indeed the intent is to tackle both housing and health and safety. We also believe all members of the sector, including the experts that were invited to give oral evidence, deserve that opportunity to resubmit evidence. The Committee also appeared to operate under the same assumption and we therefore assume it approached its scrutiny without concerns over the Bill's impact on housing. As we note above, if this is indeed the policy intent of the Bill, there are no explicit levers in the provisions that would enable a licensing authority to make a determination on an application based on housing 'concerns'.

To reiterate, we do not believe that a licensing scheme is the right way to implement housing policy, but we were left more unclear by the Cabinet Secretary's final evidence session and more concerned about what Welsh Ministers might seek to add to the Bill at a later date, providing even less time for effective scrutiny.



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: MA/HIDCC/2537/25

Andrew RT Davies, MS
Chair,
Economy, Trade, and Rural Affairs Committee
Senedd Cymru
SeneddEconomy@senedd.wales

2 December 2025

Dear Andrew,

The Biocidal Products (Data Protection Periods) (Amendment) Regulations 2025

I refer to my letter to you of 11 November 2025. I wish to inform the Committee I have given my consent to the Secretary of State to make the Biocidal Products (Data Protection Periods) (Amendment) Regulations 2025 (“the Regulations”). I have laid a Written Statement which can be found here [The Biocidal Products \(Data Protection Periods\) \(Amendment\) Regulations 2025](#).

The Regulations intersect with devolved policy and apply to Wales (they also apply to England and Scotland). The Regulations are subject to the negative procedure and were laid before Parliament on 25 November 2025 with a commencement date of 30 December 2025.

Although the Welsh Government’s general principle is that statutory instruments relating to devolved matters should be made by the Welsh Ministers, on this occasion it was considered appropriate for the Regulations to be made by the Secretary of State for the reasons outlined in my letter of 11 November.

I have written similarly to the Chair of the Chair of the Legislation, Justice and Constitution Committee.

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Yours sincerely

A handwritten signature in black ink, consisting of several fluid, overlapping strokes that form a stylized representation of the name 'Huw Irranca Davies'.

Huw Irranca Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd a Materion
Gwledig

Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs

Agenda Item 5.4

Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros
Newid Hinsawdd a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate
Change and Rural Affairs



Llywodraeth Cymru
Welsh Government

Mike Hedges MS
Chair
Legislation, Justice and Constitution Committee
Welsh Parliament
Cardiff Bay
CF99 1SN

5 December 2025

Dear Mike,

In accordance with the inter-institutional relations agreement, I wanted to report on the latest meeting of the Inter-Ministerial Group for Environment, Food and Rural Affairs on 24 November 2025.

I chaired the meeting which was attended by attended by Jim Fairlie MSP, Minister for Agriculture and Connectivity of the Scottish Government, and Gillian Martin MSP, Cabinet Secretary for Climate Action and Energy also for the Scottish Government. Andrew Muir MLA, Minister of Agriculture, Environment and Rural Affairs attended for the Northern Ireland Executive. The UK Government was represented by Emma Reynolds MP, Secretary of State for Environment Food and Rural Affairs, and Baroness Sue Hayman, Parliamentary Under-Secretary of State at the Department for Environment, Food and Rural Affairs.

I have issued a Written Ministerial Statement summarising the discussions.

I have also copied this letter to the Climate Change, Environment and Infrastructure Committee and the Economy, Trade and Rural Affairs committee.

Yours sincerely,

Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd
a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs

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Economy, Trade, and Rural Affairs Committee
Senedd Cymru,
Cardiff Bay,
Cardiff
CF99 1SN

Llywodraeth Cymru
Welsh Government

SeneddEconomy@senedd.wales

11 December 2025

Dear Andrew,

Thank you for your letter on the EU-MERCOSUR Free Trade Agreement.

As you will know, the EU and the MERCOSUR countries reached a political agreement in December of last year and speculation is that the agreement will be signed in December 2025.

Whilst this represents a step forward in the trading arrangements between the respective parties, after around 20 years on negotiations, the agreement has not yet entered into force and will require ratification from at least 15 EU member states. There also remain potential challenges to the agreement fully entering into force, and many aspects of the agreement in relation to market access are to be phased in over 15 years.

From a Welsh perspective, the EU continues to be the largest export market for Wales, with 56.8% of Wales' goods exports heading there in the year ending June 2025. This is higher than the 48.4% at the UK level, suggesting Wales is more dependent on the EU export market than the UK as a whole. Latest data for the year ending June 2025 show the value of Wales' goods trade to the EU was £17.6bn, of which imports and exports were valued at £7.9bn and £9.7bn, respectively.

In the year ending June 2025, Welsh goods trade with MERCOSUR was valued at £351.6m, of which imports and exports were valued at £172.6m and £179.1m respectively. This latest data shows around 1.0% of Welsh goods exports and 0.8% of Welsh goods imports are with Mercosur partner countries.

At this stage any analysis that could be undertaken on potential future market shifts resulting from an EU-MERCOSUR agreement that is yet to enter into force would be highly speculative and dependent on a significant number of variables.

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The UK's exit from the EU also excludes us from seeking any measures, such as tariff rate quotas, to be included to offer some protection or safeguarding of our industries in a trade agreement which the UK is not a party to.

I have spoken to members of the Trade Policy Advisory group (TPAG) to gather views on a UK-MERCOSUR, including its potential impacts on Wales. Concerns were raised by some members that the EU-MERCOSUR deal could be a competitive disadvantage to Welsh exporters once the deal is ratified, including the increased competition within the EU market from Mercosur imports

As with any agreement that the EU concludes, there are potential impacts on UK and Welsh business. Any disproportionate or unfair trading practices or shifts in the market that unfairly increase competition for our farmers or food producers can be escalated through the UK's Trade Remedies Authority. The UK-EU Trade and Cooperation Agreement also includes mechanisms to discuss any unfair practices.

We will work with all parties to ensure that we can review any changes and take appropriate action as needed.

A handwritten signature in black ink that reads "Rebecca Evans". The signature is written in a cursive, flowing style.

Rebecca Evans AS/MS

Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

Agenda Item 5.6

Rebecca Evans AS/MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

Jack Sargeant AS/MS
Minister for Culture, Skills and Social Partnership
Y Gweinidog Diwylliant, Sgiliau a Phartneriaeth Gymdeithasol



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref

Andrew RT Davies MS
Chair, Economy, Trade, and Rural Affairs Committee

11 December 2025

Dear Andrew,

Thank you for your letter seeking further information following our appearance before the Economy, Trade, and Rural Affairs Committee on 26 November 2025 for Draft Budget scrutiny.

Our responses to your queries are provided in Annex 1 below.

Yours sincerely,

Rebecca Evans

JACK SARGEANT

Rebecca Evans AS/MS
Cabinet Secretary for
Economy, Energy and
Planning
Ysgrifennydd y Cabinet dros
yr Economi, Ynni a
Chynllunio

Jack Sargeant AS/MS
Minister for Culture, Skills
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Y Gweinidog Diwylliant,
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Rebecca Evans AS/MS

Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

Jack Sargeant AS/MS

Minister for Culture, Skills and Social Partnership
Y Gweinidog Diwylliant, Sgiliau a Phartneriaeth Gymdeithasol



Llywodraeth Cymru
Welsh Government

Annex 1

Trade and Borders

Freeports

Freeports involve a mix of reliefs, which cut across different Cabinet portfolios. I have asked my officials to coordinate the preparation of a note working across those different areas, which I will forward once received.

Economy and Skills

Local Growth Fund

We are currently consulting on our proposed delivery model for the Local Growth Fund in Wales. The consultation asks for our stakeholder's views on our proposal that following a transition year which will support the CJsCs to develop capacity and capability, the CJsCs will be responsible for prioritising and funding projects that best meet the region's economic needs.

The CJsCs would provide political leadership and accountable decision-making within the region, overseeing the delivery of a portfolio of regional and local projects, working with local authorities and other delivery partners.

The consultation proposes we agree regional allocations for the post-transition period of the Local Growth Fund in Wales for each CJC. Those allocations would be subject to agreement of a regional plan, with the Welsh Government setting out their priorities, needs and opportunities and how they will invest their allocation to deliver the objectives in the programme. Monitoring of the delivery of those regional plans will be between the CJC and the Welsh Government. The Welsh Government will remain accountable to the Senedd as Accounting Officer for this funding in Wales.

The Local Growth Fund will take forward the UK Government and the Welsh Government's shared objectives to support growth, tackle economic inequalities and address barriers to productivity. This aligns with our Economic Mission and with the UK Government's growth mission and Industrial Strategy.

It sees the return of decision making on investments in regional economic development to the Welsh Government, enabling a joined-up approach to funding that works alongside other key investments such as Growth Deals and Investment Zones.

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In line with the previous EU model, the agreement we reached with the UK Government is for us to develop and agree with them an investment plan which aligns with a UK Government framework. To track progress across the UK for these funds, we expect to provide monitoring information to the UK Government, which will also be used to inform analysis across the UK and learn lessons. There will be an annual review process between the Welsh and UK Governments to consider progress against the agreed Investment Plan, in the same way we had an annual review with the European Commission. The annual review will precede the annual release of funding to Welsh Government via budget cover transfer. The specifics of these arrangements are being discussed with the UK Government and will be set out in a Memorandum of Understanding which we will publish, in line with our commitment to the Senedd. Once funding is released from the UK Government to the Welsh Government, the Welsh Government will be Accounting Officer for those funds and accountable to the Senedd for their effective use. We expect and welcome scrutiny from the Senedd on the development and delivery of these programmes.

Tech Valleys

The amount of funding spent on the Tech Valleys programme from 2019 to 2024-25 is £40,517,000. Current budget allocation is £5 million capital and £1.765 million revenue annually. Arrangements are being put in place to replace staff who have moved on to increase delivery capability.

Tech Valleys funding is used for a wide range of projects such as creation of new floorspace, business and skills development, and not all funding allocated is directly aimed at job creation. For example, the Business Productivity Enhancement Programme helps SMEs to invest in new technology to improve productivity. No conditions are placed on companies to create new jobs, but evaluation takes place after a period to track employment numbers. Current direct job creation as a result of funded projects stands at 56 but this number will increase as projects mature.

In addition, the Tech Valleys programme has enabled broadly 700 jobs primarily because of investment in the creation of new or refurbished floor space using standard occupation metrics for mixed-use developments.

Flexible Skills Programme

Regarding central skills support, the £7.5m **Flexible Skills Programme** (FSP) includes a dedicated strand funding green and net zero skills training. The grant covers 50% of accredited training costs (up to £50,000 per application).

This enables businesses across any sector to quickly access support for workforce development in areas such as decarbonisation plans and carbon accounting, renewable energy, low-carbon technologies, and sustainable construction.

We are investing more than £2.3m extra in the **apprenticeship programme** for 2026/27, taking total investment to more than £146m. Welsh Government, working closely with Medr, is prioritising investment in apprenticeships that support Wales' transition to net zero and the development of a green economy. Apprenticeship frameworks are being actively reviewed and adapted to ensure they equip learners with the skills needed for sustainability and decarbonisation, particularly in sectors such as construction, engineering, and energy. Apprenticeships are fully funded for training costs for all ages and businesses, ensuring that employers can access high-quality training in green and emerging sectors without financial barriers. Shared Apprenticeships are being expanded into green skills sectors, enabling employers, especially SMEs, to offer placements in areas aligned with net zero objectives,

while sharing employment risk and supporting workforce development in new and emerging green industries.

Since Academic Year 2024/2025, the **Personal Learning Account programme** has been incorporated within the overarching FE part time funding allocations by Medr. In AY25/26, the total FE part time allocation was £74.5m. In AY24/25, colleges used £15.2m of their FE part time funding for PLA delivery; this aligns with the PLA allocations in the previous year

Medr has worked to get the PLA programme recognised as vocational training by HMRC, which means delivery is now VAT exempt, increasing the value for money of the programme. In addition to the PLA Net Zero provision, Medr's occupational qualifications funding (also part of the FE PT allocations) can now also be used for Net Zero-related qualifications, extending the number of ways in which colleges can seek to meet the needs of employers in this area

In addition to investing significantly in skills, we are taking active steps to link individuals to roles that need specific skills.

We leverage Careers Wales, Business Wales, and the Apprenticeship Vacancy Service, alongside Regional Skills Partnerships (which are supported by Welsh Government funding of £1.16m per annum), to match individuals to roles and training aligned with employer demand. These gateways simplify access and ensure workers are directed to relevant opportunities

The Welsh Government and Medr are collaborating with Careers Wales and Business Wales to ensure that information about apprenticeship opportunities, including those in green skills is embedded in careers advice, guidance materials, and employer-facing resources. This helps match workers to roles where specific skills are in demand. The Apprenticeship Vacancy Service enables businesses to advertise apprenticeship roles, making it easier for employers to recruit apprentices with the skills needed for green and technical roles.

Careers Wales offers professional, impartial careers guidance to young people and adults across Wales. The 2025/26 revenue budget for CW and its Working Wales service is £29.664m. Careers Wales plays a critical role in supporting young people's transitions into education, training, and employment.

Skills planning is embedded in a number of policy areas across government to good effect, for example in our housing decarbonisation programmes.

Workforce modelling for retrofit and modular nuclear projects includes qualification requirements, apprenticeship pathways, and regional labour supply analysis, ensuring alignment between housing policy and skills delivery.

A new national skills audit is being developed to consolidate evidence on current and future skills needs across Wales. This will support strategic planning, reduce mismatches, and inform targeted interventions for priority sectors.

Inspiring Skills Excellence in Wales

Inspiring Skills Excellence in Wales (ISEiW) has a budget of £1.26m in 2026-27. The programme allocates £1.01m (80% of its budget) to activities that strengthen vocational education, training, and career pathways. By supporting young people to develop world-class skills through competitions and professional development, it directly enhances the talent pool available to Welsh businesses. This leads to a more skilled workforce, which is

attractive to employers and investors, and can drive productivity and innovation. Annually around 1,400 Welsh young people are supported by the programme through Skills Competition Wales. This broad reach means the programme's benefits are felt widely, helping to build a culture of aspiration and achievement across the country, and many of the participants in the world skills competition remain a firm part of the scheme, passing their skills on to others and talk about the impact they have in the companies for which they work or the enterprises they set up themselves.

ISEiW is a key contributor to the Young Person's Guarantee, helping young people choose pathways suited to their needs—whether education, employment, training, or entrepreneurship. The programme drives skills improvements across key industry sectors and aligns with wider policy aims such as promoting green jobs and inspiring the next generation of apprentices and vocational learners.

The remaining £250,000 (20% of the budget) covers the UK WorldSkills licence fee, enabling Welsh participants to compete internationally and enabling access to a range of services including: the Centre of Excellence Programme and the Learning Lab (online training). This exposure helps benchmark Welsh skills against global standards, encourages best practice, and can lead to new opportunities for collaboration and economic growth. In November 2025 and again in 2026, Wales will host the UK Skills Competitions National Finals raising Wales' profile as a centre of Skills excellence, attracting international attention and investment.