

Senedd Cymru | Welsh Parliament

Pwyllgor yr Economi, Masnach a Materion Gwledig | Economy, Trade, and Rural Affairs Committee

Bil Datblygu Twristiaeth a Rheoleiddio Llety Ymwelwyr (Cymru) | Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

Evidence from Awaze

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?

(We would be grateful if you could keep your answer to around 500 words).

At Awaze, we believe that legislation and policy on STRs must be guided by objective data on specific local impacts. With this in mind, we note that the Explanatory Memorandum and Impact Assessment concede that it is difficult to quantify the impact of STRs on tourism and local communities due to the lack of available data. As such, we propose that the government considers the introduction of a Licensing Scheme only once the Registration Scheme has been fully implemented, as this would give government and the sector access to empirical data on STRs across Wales. If the government introduces licensing in the absence of objective data, then it risks bringing unintended consequences to the sector, the wider tourism industry and local communities; this is particularly concerning given that overnight visitor numbers to Wales are on a downward trend.

Like the government, we are committed to ensuring our STR owners operate lawfully and provide accommodation to guests that is safe and of the highest quality – in a sector that relies on reputation and reviews, this is a shared interest of guests, owners, and platforms alike. While we are aligned with the intention of the Licensing Scheme in this regard, we would like to underline that it is already a legal requirement that STR owners meet the specific visitor accommodation standards outlined in Sections 9-12, and we already require all our owners to have insurance, as proposed in Section 13. In this way, the proposed scheme would not materially raise any safety or quality standards for our accommodation providers, despite increasing financial and administrative burdens for owners. If the government is keen to ensure that all accommodation providers are meeting this standard, then we question why this could not instead be achieved by adapting the Registration Scheme to allow document uploads. Finally, if the policy intention really is to ensure that visitors have access to safe and high-quality accommodation, then it should also be necessary to include other

types of accommodation not yet covered by the proposed scheme, such as spare rooms, rather than limiting it to self-contained accommodation.

We do welcome the proposal to have a national administrator of the scheme (and welcome the government's recent proposal that this would be the Welsh Revenue Authority (WRA)), which should ease the implementation and operation of the process for platforms and operators. Having one administrator (as opposed to a locally administered scheme, as in Scotland) would ensure consistency across Wales and make it easier to comply with the scheme for owners and platforms that operate STRs in multiple local authorities.

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

(We would be grateful if you could keep your answer to around 500 words).

As currently drafted, we have some concerns with the Bill's provisions relating to the license application. Firstly, unless the expectation is that licences will be renewed automatically after each year (and at a reduced cost to owners), then we feel the one year validity period is too short – it is unreasonable to expect owners to expend the same administrative and opportunity costs each year to obtain a licence when it is unlikely that their circumstances will have substantially changed. We are also concerned by the “apply and wait” approach taken to granting licenses – this could leave owners unable to operate for significant amounts of time and impact prospective bookings while they wait for their licence.

We encourage the Committee to note that this same approach was taken in Scotland where over 11% of applications submitted on time were still pending determination 15 months later – delays like this will drive many owners out of the sector. If this scheme is to go ahead, then we strongly recommend that provisional licences are granted to owners while their applications are considered, with these only being revoked if a determination is then made that an owner is operating unlawfully.

We question the need for the Bill to introduce statutory training for owners as a licensing condition. Our owners pride themselves on operating accommodation of the highest standards of safety and quality; we do not see the need to provide training in the absence of evidence of serious non-compliance. We suggest removing this provision from the Bill entirely or reserving the training requirement only for remedial instances where the enforcement body judges that an owner's licence is at risk of removal. This could also save the government £0.08 million in year 2027/28 as per the current Impact Assessment .

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

(We would be grateful if you could keep your answer to around 500 words).

Our central concern regarding implementation is that the government has introduced this legislation on an expedited timeframe (without first opening a formal consultation, or the Senedd considering a draft Bill). By following an expedited process, there is considerably less time for owners and platforms to understand their obligations under the Bill and implement compliance processes, significantly increasing the risk of non-compliance and diluting the effectiveness of the Bill.

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

(We would be grateful if you could keep your answer to around 500 words).

We believe there is a risk that the cumulative impact of increasing regulation of the STR sector in Wales drives owners out of the sector, and / or deters new entrepreneurs and investment. Even if owners decide to remain in the sector despite additional obligations, there is a risk that new regulations increase operating costs that are subsequently passed onto guests, such as the incoming tourist tax and any renovations required to comply with the proposed EPC reforms. While these costs may appear negligible in isolation, the cumulative impact on guests could result in Wales becoming a less attractive tourist destination, driving a further reduction in the visitor economy thus making it less viable for owners to continue operating.

5. 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?

(We would be grateful if you could keep your answer to around 500 words).

We question the validity of the Impact Assessment on the basis that the assumed licence fee is currently £75 per premises per annum, which the government maintains is based on 'similar licensing and accreditation schemes elsewhere' (8.32). We would like to underline the concerns raised by the Association of Scotland's Self-Caterers (ASSC) in the Committee's Evidence Session of 5 November 2025, whereby owners in Edinburgh are paying licence fees of up to £,6,000 , despite the government proposing a max fee of £436. That Welsh ministers would have powers to subsequently increase the fee at a later date is further cause for concern.

As set out under Q2, the current drafting of the Bill implies that there will be a role for platforms in checking and validating the registration numbers of STR owners in their

advertising, which the WRA expects platforms to meet through developing their own systems and technology. However, this assumption is not reflected in the Impact Assessment, where no costs to platforms are currently envisaged. If the Senedd endorses the WRA's interpretation of the Bill in this regard, then we feel it is incumbent on the WRA and the government to consult with platforms on how they must develop technology to meet these obligations and ensure that the Impact Assessment accurately reflects these costs.

6. 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)?

(We would be grateful if you could keep your answer to around 500 words).

Broadly, we share some of the concerns raised in the Senedd Legislation, Justice and Constitution Committee concerning some operational considerations of the scheme, such as scope, licensing conditions, and offences may be altered by successive governments through secondary legislation without sufficient scrutiny .

- 5(1)(b): As raised under Q1, in the expectation that ministers would use this power to extend the scope of the Bill to other types of visitor accommodation at a later date, such as spare rooms, we feel it would make more sense to include these accommodation types within the scope of the Bill as it is introduced, rather than singling out self-contained STRs from the outset.
- 16(1): We approve of the consultation duty with regard to this power, acknowledging that those working in the sector are best placed to advise on the standards and skills necessary to provide safe and quality accommodation.
- 17(1): We would caution that leaving the addition of further licensing conditions to regulation (outside of the Bill's scrutiny) risks further invalidating the Impact Assessment of the Bill. For example, were ministers to decide to include EPC ratings as a licensing requirement (as raised in the 5 November 2025 Committee Session), there could be significant financial impact on owners who might need to undertake considerable renovations to meet the specified EPC rating. Such considerations would require material revisions to the present Impact Assessment and alter the impact of the legislation, thus requiring greater Senedd scrutiny.
- 38(1): As set out under Q5, we are concerned that allowing Welsh ministers to increase the licence fee post-adoption of the Bill risks significantly increasing operating costs to owners at a time where the sector is already dealing with financial impacts from increased regulation and lower overall visitor numbers.

- 55(1): We note the requirement for Welsh ministers to issue guidance on the operation of the licensing scheme, though we would welcome a statutory timeframe / transition period for the publication and communication of such guidance to ensure owners and platforms have sufficient time to understand and query the guidance if necessary.

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

(We would be grateful if you could keep your answer to around 500 words).

Awaze supports the Welsh Government's ambition to promote a safe and sustainable visitor accommodation sector. However, effective policy must be grounded in robust evidence. We urge the Committee to prioritise full implementation and evaluation of the Registration Scheme before introducing any licensing requirements. This will help to provide the data needed to design fair, workable regulation that protects guests, supports responsible STR operators, and sustains the vital contribution of tourism to the Welsh economy and communities, while also giving the Senedd and the sector more time to fully consider the government's proposals on licensing.