

DTRVA 15 Sykes Holiday Cottages

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 Sykes Holiday Cottages

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).

I support a registration scheme with health and safety requirements that are already required. This would meet the policy aims without need for a separate licensing scheme and all that comes with it i.e. costs, additional resource, uncertainty and burden for operators, uncertainty for guests (because of the apply and wait approach rather than notification).

It was useful to hear the Cabinet Secretary and the Chair of the Economy, Trade and Rural Affairs Committee, confirm the policy objective of the Bill is focused on health and safety and quality of accommodation. However, it contrasts with the evidence given by Cllr Huw Thomas on 13/11/2025 that Local Authorities see this as a “lever of control”. Licensing should be about health and safety; we understand local plans and article 4 directions were introduced for this type of control.

Without proper scrutiny, detailed revisions and guidance, local authorities will overreach the health and safety policy aim and look to use it as a “lever of control”. That would lead to significant business uncertainty and potentially costly litigation, like in Scotland.

The Bill states it aims to ‘Address concerns that for some property owners it may seem easier to operate as a short-term let than as a long-term tenancy.’ According to Valuation Office data, numbers of holiday lets have fallen in Wales over the last two years due to other policies. Evidence suggests the number of landlords turning to self-catering (or thinking of doing so) is tiny and this is not surprising because it’s a completely different proposition – an active tourism business rather than a passive investment. Turnovers (and all that entails) every week rather than every 4.4 years. Paying all the bills v tenant paying the bills etc.

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).

Two huge problems with the scheme as devised:

1. Limiting to “self-contained” self-catering. Spare rooms that are holiday let out are more risky from a health and safety perspective and yet haven't been included, despite H+S being the aim of the scheme. It is bizarre.

It would not be difficult to define them to be included (see e.g. the Scottish legislation), nor is it problematic to require the rest of the premises accessible to the guest to be covered by these health and safety measures, indeed that is what H+S legislation already requires.

Leaving it up to a future Senedd to decide whether to include them is not acceptable as it runs the risk they won't be.

As well as not including actual spare rooms, it will incentivise operators to list their property as not having exclusive access to either the kitchen or bathroom in order to remain outside scope and it will be very difficult to identify from online listings where this is being done.

2. Apply and wait. Applying to seek approval means that the authority has to spend resources wading through every single application to find the ones that are riskier holiday lets (from an anti-social behaviour or health and safety perspective). It means operators and guests have no certainty as to whether bookings will be able to go ahead. Hundreds of applications in Scotland under this model are yet to be determined two years later.

Notification (which is used in food safety) enables a number to be issued straight away and then a risk-based, resource-focused approach to document and property checking so that the more risky (10-bed city centre house?) can be looked into as a priority.

So would be better to grant an automatic licence number on submission of the application with the required documents. 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.

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 anyway – so that liability remains.

In short, there is no benefit to apply and wait with transitional provisions compared with

notification. Notification means micro-businesses can carry on and authority can apply a risk-based/resource-based approach like is done with food safety for micro-businesses in the catering sector.

Separately:

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.

Trying to re-write/duplicate existing legislation such as going into what fire safety measures should be included – better to leave that to the existing fire legislation and guidance which already requires this of operators and just refer to it.

Training requirements for operators who've been operating years seems over-burdensome.

The explanatory memorandum notes that listings must include “advice on how to access information [...] on the visitor accommodation directory”. It is not clear what this would mean in practice for booking sites in terms of wording, phrasing, positioning, and location (e.g. loading pages), bearing in mind such an inclusion would require product changes to global platforms, this could create unintended costs that are not reflected in the current impact assessment. Is this necessary - a registration number would be already clearly displayed, pointing to a registration scheme which a traveller could look up.

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).

Licensing scheme for visitor accommodation should not be legislated for without the data of the registration scheme. That licensing won't actually be in effect until after registration is in effect isn't relevant. The policy cannot be determined as sound or not sound without the data from registration i.e. post-implementation. Otherwise you cannot do an impact assessment based on evidence. Currently it is finger in the air.

In that context, it being rushed through the Senedd is even more inappropriate.

The expectation is that applications will be processed “as soon as reasonably practicable” but the numbers don't add up. Best case estimate is 30,000 applications. RentSmart applications take 8 weeks but don't include document upload and average c6000 licences granted per annum. So 5x as many for £75 a time, with 30-35 staff.

Local authorities lack capacity, expertise, and resources for enforcement.

Exclusion of key accommodation types creates loopholes and undermines compliance and guest confidence.

Micro-businesses already struggling under cumulative regulation may be unable to comply.

Absence of a cumulative impact assessment means barriers cannot be fully evaluated.

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).

“Apply and wait and see” approach is incompatible with a sector where bookings are taken up to two years in advance. Visitor numbers are already in decline in Wales. This means operators and guests have even less certainty.

Money spent by government, councils, operators and platforms on the various aspects of this scheme that would be better spent elsewhere (e.g. on education, services, renovation, innovation respectively) means unknown unintended consequences as a result of those opportunities lost.

Incentivising people to either let spare rooms or pretend they are, as opposed to “self-contained” self-catering means health and safety risks could worsen.

Even a perception of over-regulation leads to risk of black-market and increased health and safety risk – we have seen this in Scotland.

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).

I accept that Government is trying to keep the costs down but believe the estimates are wildly unrealistic e.g. impact assessment assumptions on staffing and processing capacity are not credible, particularly compared to RentSmart Wales. (£254, with fewer checks).

Explanatory Memorandum repeatedly acknowledges data gaps yet the policy proceeds undeterred.

Ministers have powers to raise fees or introduce premiums. So too much is unknown currently.

Impact assessment needs to be cumulative to include other regulatory interventions being introduced at the same time e.g. what if EPC minimum C comes in in 2028? Visitor levies? Combined with council tax premiums because of unrealistic 182 threshold.

Estimates for public liability costs (para 8.34 explanatory memo) as £200-£300 are low.

In light of all this, the Senedd is being asked to make a decision without the appropriate evidence. I'd respectfully suggest, that on this basis the Bill ought not to proceed.

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).

Many key aspects of the scheme are delegated e.g. parts of scope, fees, renewals, training requirements, premiums. This is likely due to the constricted timetable and risks huge change to the costs or scope without appropriate scrutiny. This creates even further uncertainty which is terrible for micro-businesses and agencies alike.

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).

I absolutely appreciate the chance to feed in thoughts, thank you, and am grateful for any time spent reviewing this submission but I am hugely concerned, mainly due to:

- Apply and wait
- Spare rooms not being included
- Costs – being based on insufficient evidence, likely to grow