

DTRVA 18 Travel Chapter

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 Travel Chapter

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).

- As a longstanding traditional holiday cottage agent that has been operating since the 1980s, Travel Chapter supports proportionate regulation and high quality standards. We currently act as agent for nearly 17,000 properties across the UK and over 2,600 in Wales. We are the home to dedicated Welsh brands such as FBM Holidays, Dyfi Cottages and Wales Cottages Holidays. Therefore, we have a lot of experience of the sector, it's importance to, and evolution in, Wales and the current challenges it faces.
- We are pleased to hear that the Cabinet Secretary has gone on record to confirm the policy intention of Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill is Health and Safety and not housing.
- However, we have great concerns that:
 - o the scope of the Bill does not achieve a proportionate approach to Health and Safety, particularly given the omission of people renting out spare rooms which will be higher risk than traditional short term let operators;
 - o Local Authorities will see this as an additional control mechanism, as inferred by Cllr Huw Thomas in his oral evidence session on 13th November 2025; and
 - o the rush to introduce the Bill, with a large number of delegated powers, will not ensure it has sufficient scrutiny or tightness to achieve the stated policy intention without a significant risk of scope creep.
- Short term rental operators already have to comply with numerous health and safety obligations in relation to gas safety, electrical safety, fire safety etc. Local Authorities already have existing enforcement powers in relation to anti-social behaviour, waste management etc.

- The issue so far is lack of data on where these properties are and the solution there is already in progress with the Registration Scheme. The government's own impact assessment also concedes the short term rental sector and its local effects are hard to quantify due to limited data.
- Therefore, we do not consider there is need for further legislation with the costs, bureaucracy and scope creep that will follow to achieve the policy intention of improving Health and Safety standards.
- The overwhelming majority of self-contained, self-catered properties will already be compliant with their existing legal requirements to have the appropriate certificates and risk assessments. This Bill does nothing to address the higher risk categories of spare room operators.
- The Welsh Government should pause licensing until registration data is collected (including understanding the number of operators that rent out spare rooms) and use that to design evidence based, proportionate policy, if indeed it is needed beyond what already exists.

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).

- We do not consider the Bill's provisions are workable nor will they deliver the stated policy intention.
- The Bill falls at the first hurdle of looking to improve Health and Safety in the short term rental sector and creating a level playing field, by excluding operators who let out one or more spare rooms.
- These operators are higher risk than traditional, professional operators who market their properties through traditional agents (rather than direct only on platforms). Traditional agents will visit the properties they market (they are not list anything models) and ensure the accommodation provider is aware of the various legal requirements.
- By limiting the scope to "self-contained" types of accommodation, it creates scope for abuse with difficulties for platforms to verify if a property meets the self-contained criteria. Particularly the larger OTAs that allow people to list anything and do not visit the property.
- However, there are many more parts of the Bill that will make this even more unworkable:

- o The “apply and wait” approach to granting licenses will create unnecessary uncertainty for existing operators (potentially on an annual basis when they take bookings up to 2 years in advance). It will add considerable costs to the administrator having to check documents (a process not covered in Rent Smart Wales and acknowledged by Bethan Jones in her Oral evidence submission to be a time consuming process). Scotland’s rollout shows the risk: 18,149 applications (Jul–Sep 2023) and 2,049 were still pending by Dec 2024—>11% unresolved 15–18 months later (Short Term Lets Licensing Statistics Scotland, Table 2).
- o The large number of measures that are delegated does not ensure that the Bill and the powers granted by it are sufficiently tight and subject to the scrutiny that is required. Instead, it adds continued uncertainty and business concern of scope creep.
- Whilst we do not consider the license scheme proposed by this Bill is required or proportionate, a far better more proportionate approach would be to:
 - o Include all self-catered accommodation types, including spare rooms;
 - o Grant automatic licences on submission (with required documents).
 - o Carry out risk based post submission checks and a right to rectify before any revocation.
 - o Provide for simple, low cost automatic annual renewals, provided the operator has not had a licence revoked due to breach of any of the conditions.

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).

- The main barrier to the Bill’s implementation is the lack of time for robust scrutiny prior to the next Senedd elections.
- This is accompanied/exacerbated by:
 - o Lack of robust data in the explanatory memorandum;
 - o Lack of understanding of the sector;
 - o Lack of understanding of the processes and resources needed to deliver the proposed licensing scheme with the resultant cost and time implications that naturally follow.

Processing time & capacity — the core gap

- The Explanatory Memorandum lacks clear timeframes/SLAs for application decisions; “as soon as reasonably practicable” is inadequate for planning, costing, or assessing the proportionality of an apply and wait model (especially with annual renewals).
- The system must be designed for the projected 30,000 applications/year with explicit assumptions about decision times, backlogs, and business disruption.

Comparators suggest current resourcing is unrealistic

- The Memorandum references Rent Smart Wales (RSW) which claims processing times of up to 8 weeks. Yet RSW is less onerous than what is being proposed in the Bill (there is no requirement to upload or check documents etc).
- Whilst we noted Bethan Jones comment in her oral evidence that 100,000 landlords/200,000 properties are covered by RSW scheme, annual licence volumes are reduced because landlords may not need a licence if using a licensed agent, and licences last 5 years—both of these materially lower the need for the number of applications to be processed.
- From the Evaluation of Rent Smart Wales: final report 2025 (Table 4.2): an average of 1,496 landlord licences have been granted per quarter (Q1 2019–Q1 2024) equating to 5,984/year—far below the 30,000 anticipated as the “best estimate” for annual short term rental licenses and at a general costs of £254 per landlord licence (v the assumed £75 application fee in the Explanatory Memorandum). We have focussed purely on the number of Landlord Licences (and not agent licences) as we thought that would be the most comparable type of application to what is proposed in the Bill for short term rental operators. Equally, the number of agents licenses each year are notionally smaller.
- The proposed 30–35 staff seems to be a serious mismatch when compared to the RSW team of c.100 (evidence from Bethan Jones, 13 Nov 2025) and seems very light even with the, yet unproven and unused in this regard, desire to utilise AI.

Marketing & verification provisions need specificity

- Platforms, agents and property managers need a scalable way to verify registration numbers; manual checks per listing are infeasible to be able to comply with section 47 of the Bill. This requires clear rules and a full cost assessment, which we could not see in the impact assessment.

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).

The rise of a Black Market

- Given that the Bill focusses on self-contained, self-catered properties only, there is a very real risk of a rise in the Black Market as seen (and explained by the ASSC and STA) in Scotland.

Negative impact on Tourism and the Welsh Language

- Additional legislative burdens, at a fragile moment for the sector, may push operators out of the market, cutting visitor capacity and hurting the wider visitor economy (the pubs, restaurants and tourist attractions reliant on the visitors that stay in short term rentals in Wales).
- Welsh language use is markedly higher in north-west and rural Wales, where tourism and self-catering are also concentrated. The impact of this Bill is likely to result in greater job losses and financial harm in areas with the most prevalent number of Welsh speakers, leading to these residents needing to look for jobs in less prevalent Welsh speaking areas (or in other parts of the UK). Therefore, threatening the continued use of the Welsh language.
- Due to the character and nature of successful short term rentals it is likely that, if operators do decide to close due to the cumulative impact of the increased regulatory costs, they will either remain empty as second homes for the owner, or be sold to someone else as a second home or to retirees from outside the region where house prices are higher. This will provide much less economic benefit than a successful short term rental employing local people and encouraging guests to use and visit local businesses and attractions. It is also a further risk to the Welsh language by facilitating inward migration of retirees.

Risk of costly legal challenges

- The Explanatory Memorandum (para 10.11) states the Government is satisfied the Bill aligns with Article 1 Protocol 1 (peaceful enjoyment of possessions) but does not explain how this conclusion was reached.
- We have already seen costly successful Judicial Reviews in Scotland and one successful Judicial Review in Wales in respect of the Gwynedd Article 4 direction.
- Given the rushed scrutiny process and lack of robust data, we fear further legal challenges may be brought in respect of this Bill, resulting in unnecessary costs and uncertainty for businesses and local authorities.

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).

- Given we have only had 14 days to review the 167 page explanatory memorandum and accompanying risk assessment, it is impossible to sense check or try to validate all of the assumptions.
- However, as noted above in answer to question 3 (box 12 of the online form), we find the assumptions made to resource and finance the scheme lack credibility or comparability with other schemes (like Rent Smart Wales or other short term rental scheme licenses in Scotland or Europe).
- We simply cannot see how a scheme which appears to be more onerous than Rent Smart Wales can be delivered for £75 v £254 for Rent Smart Wales. Nor can we understand how it can be resourced by a team one third the size of Rent Smart Wales when it appears it might have to process 5 times as many applications each year (due to the structure of RSW granting 5 year licences and the ability for landlords to rely on an agents licence rather than apply themselves).
- Equally the reference to public liability policies typically costing £200-£300 does not fit with our understanding of the market for robust policies specifically designed for short term rentals. We have not had sufficient time to research this in detail but we would encourage the scrutiny committee to do so to ensure these are credible assumptions.
- The apparent misguided assumptions above, particularly on the application fee which would have been very easy to compare to comparable information, does then put tension on the robustness of any figure in the report if a similar approach to research and validation has been applied throughout.
- We also could not see any impact assessment on the costs to agent and platforms of these measures, which is a significantly gap in the economic assessment, if indeed they have not been considered.

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).

- We have not had sufficient time (in the 14 days since the Explanatory Memorandum and Impact Assessment were published) to assess the many delegated powers of the Bill. However, we are concerned about the level and degree of discretion left to Ministers under the Bill. That avoids the necessary scrutiny/consultation to ensure the scope is tightly focussed on Health and Safety and we fear is just because of the desire to rush the primary legislation through before the next election.

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).

- Whilst we support proportionate measures to provide safe and high quality accommodation, this Bill is not a proportionate measure to deliver that aim.
- There are sufficient health and safety rules and regulations that already exist. The issue is with effective enforcement (both resources and data) where a small number of operators are found not to have met the required standards.
- The Bill is an excessively bureaucratic lever to cover this gap that would naturally come from a well designed Registration Scheme.
- The Bill is also not targeted at the higher risk part of the sector (spare rooms). Therefore, it will not achieve a proportionate approach to addressing Health and Safety concerns whilst supporting a vibrant Tourism sector. It is targeting, and threatening the viability of, the professional operators who are lower risk on Health and Safety measures but provide a greater contribution to the tourism economy.