

DTRVA 33

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**

Ymateb gan: Bythynnod Gwyliau Gorllewin Cymru

Evidence from: West Wales Holiday Cottages

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

Written response

By: West Wales Holiday Cottages

West Wales Holiday Cottages welcome the opportunity to provide this written evidence to the Committee's scrutiny of the Visitor Accommodation Licensing (Wales) Bill. We support the Welsh Government's objective of ensuring **safe and legal visitor accommodation** and have support the creation of a **national statutory registration scheme** requiring all Visitor Accommodation Providers to demonstrate compliance with existing legal obligations (fire, electrical, gas safety and public liability insurance).

However, we have significant concerns regarding the timing, scope, design and likely impacts of the proposed licensing scheme. We believe the scheme, as drafted, is premature, disproportionate, and risks harming the visitor economy, Welsh businesses, and local communities.

General principles of the Bill

We support the policy aim of ensuring visitor accommodation is safe and compliant. This could be fully met through a **robust National Registration Scheme**, with document upload and enforcement of existing regulations. A licensing scheme is not required to achieve this aim.

The Bill's purpose is not consistently stated. Committee evidence has referenced objectives including health and safety, local authority "control", market management, planning enforcement and tourism balance. These are not clearly defined.

We do not believe the Bill is being introduced at an appropriate time:

- It is being taken forward at the end of the Senedd term, compressing scrutiny and limiting amendment.
- The sector was given only three weeks to respond during an extremely busy policy period (including the 182-day consultation).
- Essential operational detail remains undefined.
- The national registration scheme will shortly provide accurate data, yet the Bill is proceeding without that foundational data.

Given the sector's economic importance reforms of this magnitude require a considered timetable and full engagement.

Evidence base

We agree that it's unfair for rule-abiding operators to be undercut by those who ignore the law. But this can be fixed simply by having a proper registration system and enforcing the rules that already exist. A full licensing scheme goes much further than what's needed to achieve that.

Recent interventions (taxation changes, planning rules, 182-day threshold, NDR changes, waste regulations) have created significant pressure on self-catering providers. There is no evidence that substantial numbers of landlords are switching from long-term letting to short-term letting and this is not something we are seeing.

Despite 19 separate regulatory interventions in recent years, no cumulative impact assessment has been undertaken. The Bill does not reflect the current downturn (29% fall in overnight stays 2022–2024) or the fragility of sector confidence.

Licensing

Leaving spare rooms out of the scheme is unfair, ignores higher safety risks in ordinary homes, and creates loopholes that people could exploit to avoid the rules, including whole homes subdivided into unlicensed rooms.

Fees

The proposed £75 fee is not credible when benchmarked against RentSmart Wales (£254) and Scottish licensing costs. On top of that, ministers would have the power to change the fees or add extra charges in future without full scrutiny, which creates a lot of uncertainty for businesses who won't know what the real costs might become.

We agree that renewing licences every year is important to keep the national register up to date. But the problem is that the key details about how renewals will actually work haven't been set out in the Bill and will be decided later in regulations. This leaves operators unsure about what will be expected of them. It is also unclear what the key purpose of the Licensing Scheme is. The validity of a License will differ dependent on the purpose.

Too many important details are being left to be decided later through separate regulations. This makes the process less transparent, reduces proper scrutiny, and could allow the scheme to grow in ways that were never clearly explained in the Bill.

Enforcement and advertising

Section 46: Premises registration number

We support the idea of making accommodation more transparent, but the rules about displaying registration numbers aren't clear about who's legally responsible and we as a booking platform could be unfairly exposed to legal risks.

The Bill also makes it an offence to get this wrong, yet responsibilities aren't clearly set out, which could lead to accidental breaches. More broadly, it's still unclear who will enforce the rules. Local authorities are already stretched.

Fitness for visitor accommodation

Section 7: General fitness standard

We agree in principle that a property should meet a general fitness standard. However the rules about what counts as 'fit' visitor accommodation are vague, which means different people could interpret them differently. This creates uncertainty for operators and may lead to uneven enforcement.

'Fitness' cannot be enforced unless it is clearly defined.

The Bill also adds a new legal obligation that isn't clearly explained and could leave operators open to unfair claims even if they've followed all the rules. While we support having a proper complaints process, it needs clear guidance, so genuine safety issues are dealt with properly without allowing the system to be misused for general complaints or personal preferences.

Impact on operator numbers

The statement that very few operators will leave the industry is not supported by sector experience. Many micro-businesses already report aspects of the cumulative burden as "the final straw".

Financial impacts

The estimated £4.5m annual compliance cost will:

- Reduce margins,
- Increase prices (reducing competitiveness with England),
- Disproportionately affect larger multi-unit operators and rural economies.

Training powers

Any mandatory training must be proportionate. Experienced, long-established compliant operators should not be compelled to undertake unnecessary training.

Barriers to implementation

- Rushed legislative timetable, resulting in lack of required time for proper scrutiny, or the ability to work through the detail required.
- Significant data gaps—registration must precede licensing.

- Local authority capacity constraints.
- Exclusion of spare rooms creating loopholes and enforcement challenges.
- Potential duplication for multi-unit businesses across local authority areas.
- Unclear advertising liability on third-party platforms.
- Absence of cumulative impact assessment, limiting policy robustness.

Unintended consequences

- Operators exit from the sector, reducing accommodation supply and competitiveness.
- Disproportionate impacts on older operators, women, and Welsh-speaking communities.
- Negative impacts on rural and coastal economies.
- Further erosion of trust in Welsh Government.
- Legal exposure for DMOs, local authorities and other platforms.

Financial assessment

While keeping fees low is welcome, the cost estimates don't seem realistic. Staff, processing, and document checks are underestimated, paper-based systems aren't fully costed, and ministers could raise fees later, creating uncertainty. The impact on prices, competition, and larger businesses hasn't been considered. A strong national registration scheme could have avoided many of these costs.

Delegated powers

The Bill gives ministers a lot of powers over fees, renewals, training, and licence rules. This reduces parliamentary oversight, creates uncertainty, and could let the scheme expand beyond its original safety focus. It seems rushed rather than well-designed, so more details should be included in the Bill itself.

Additional issues

No assessment has been done of how this Bill adds to the other rules already affecting the sector. Many operators are reporting serious stress from the 182-day rule.

If licences can't be transferred, it could hurt business sales.

The Bill may unfairly affect small businesses, especially those run by older people, families, women, and local residents.

A national 'apply and operate' system is essential so businesses can operate legally without delays.

We welcome ongoing engagement with Welsh Government and support a consistent national system.

Conclusion and recommendations

We support the goal of safe and legal visitor accommodation, but a strong national registration scheme could achieve this more fairly.

Licensing should wait until registration data is available and a full data-led impact assessment can be completed.

The omission of 'spare rooms' risks undermining the scheme. All visitor accommodation should meet fitness standards. This omission is clearly due to a rushed process with compressed time constraints.

The Bill needs considerable work to provide clarity, close loopholes, clarify enforcement and advertising rules, reduce reliance on ministerial powers, and make requirements fair and predictable.

As it stands, the Bill risks hurting the visitor economy, undermining trust in Welsh Government, and placing unnecessary burden on operators.

We recommend delaying or heavily revising the Bill to develop a data-driven, safety-focused approach, rather than this rushed approach.