



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

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### 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

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# 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.
- 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 Cymru 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. 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 fire 2023). [https://www.gov.wales/sites/default/files/publications/2023-09/guest-accommodation-safe-from-fire\\_0.pdf](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.
- 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.

# Addenda

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## 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 **3<sup>rd</sup> November 2025**.

With the next Senedd election expected to take place on **7<sup>th</sup> May 2026**, it is anticipated the last day of the Senedd will be **27<sup>th</sup> 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 **19<sup>th</sup> 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 3<sup>rd</sup> November to 17<sup>th</sup> 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:

- 5<sup>th</sup> November (2 days after the Bill was laid before the Senedd);
- 13<sup>th</sup> November; and
- 20<sup>th</sup> 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 **25<sup>th</sup> 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 3<sup>rd</sup> November 2025 and the final evidence session (with the Cabinet Secretary) on 20<sup>th</sup> November 2025.

The Visitor Accommodation (Register and Levy) Etc. (Wales) Bill did not reach stage 1 debate until **Tuesday 1<sup>st</sup> April 2025** and was eventually approved by the Senedd on **8<sup>th</sup> 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 20<sup>th</sup> 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 3<sup>rd</sup> 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 20<sup>th</sup> November 2025 to include housing. This came after all of the oral evidence sessions by expert witnesses and after the 17<sup>th</sup> 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 5<sup>th</sup> 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.

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## 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 20<sup>th</sup> 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 20<sup>th</sup> 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](#)

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 20<sup>th</sup> 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 13<sup>th</sup> November transcript here](#)) and the Cabinet Secretary ([see extract from the 20<sup>th</sup> 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 considerations<sup>1</sup>—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.

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<sup>1</sup> [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 20<sup>th</sup> 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 1<sup>st</sup> April 2019 and 1<sup>st</sup> 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:

<b>Q: How did your property become a short-term let?</b>	<b>%</b>	<b>Responses</b>
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
<b>I used to let it long term</b>	<b>1.88%</b>	<b>143</b>
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
<b>Total</b>		<b>7593</b>

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
<a href="#">Blackbury Farm, Southleigh, Colyton, Devon, EX24 6JF</a>	Cafe, farm shop and premises
<a href="#">Higher Wiscombe, Southleigh, Colyton, Devon, EX24 6JF</a>	Self catering holiday unit and premises (3)
<a href="#">Radish Plantation, Southleigh, Colyton, Devon, EX24 6JF</a>	Communication station and premises
<a href="#">Stables, Land At Rakeway Head, Southleigh, Colyton, Devon, EX24 6JF</a>	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 <a href="#">from 1 April 2026</a>	1 April 2026	£25,750
Current <b>1 April 2023 to present</b>	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 Licenses (Total Issued in Quarter)		Landlord licenses (Total Issued in Quarter)		Total Licenses (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](#)