

21 October 2022

Dear

Request for Information – ATISN 16681

Thank you for your request for information dated 23 September relating to regarding the let rule for furnished self-catering properties.

Information requested

Relating to the Visit Wales Quality Assurance Scheme for the hospitality industry in Wales:

1. What is the definition of a furnished self catering holiday let used by the Welsh Government
2. Has an Economic Impact Assessment been carried out region by region for the impact of both/either pieces of legislation? If so please provide a copy
3. Can you provide the number of self catering operators that there are in Wales broken down county by county
4. Can you provide the number of self catering properties in Wales broken down county by county
5. How many of the above are classed as self catering businesses and how many as second homes generating an additional income to cover running costs?
6. Does the proposed changes cover hotels, guesthouses, caravan and camping parks? If not why not
7. What consultation process did you adopt? Please provide a copy of the findings.
8. What form will statutory registration take?
9. Why is the proposal to backdate the 182 day rule to April 2022 and not start April 2023?
10. Does the Welsh Government recognise that the tourism industry is an important part of the Welsh economy and in which way are these regulations designed to enhance the product?

Our response

1. Welsh Government uses specific definitions for different purposes. For local taxation purposes, properties are either classified as non-domestic and liable for non-domestic rates (NDR), or domestic and liable for council tax. Self-catering holiday lets are required to meet certain criteria to be classified as non-domestic. This is not the same as defining a 'furnished self-catering holiday let'. A definition will be developed and used for statutory licensing in line with the purposes of licensing all visitor accommodation in Wales.
2. The Welsh Government carried out a Regulatory Impact Assessment in preparing the Non-Domestic Rating (Amendment of Domestic Property) (Wales) Order 2022, which can be found at: <https://senedd.wales/media/40gf3dzl/sub-ld15122-em-e.pdf>
3. This is a link to the Compendium of visitor and visitor accommodation provider data sources which includes the information you have requested - [Compendium of visitor and visitor accommodation provider data sources \(gov.wales\)](https://gov.wales/compendium-of-visitor-and-visitor-accommodation-provider-data-sources)

4. This has been answered at Question 3 above
5. For local taxation purposes, if a self-catering property meets the criteria it will be classified as non-domestic. If the criteria are not met, it will be classified as domestic and will become liable for council tax. If classified as domestic, a property may be subject to a council tax second home premium. The Welsh Government does not hold data on whether properties classified as domestic are being used to provide self-catering accommodation.
6. These criteria apply only to self-catering properties, as classified by the Valuation Office Agency (VOA). The criteria define a key aspect of the system, specifically whether a relevant property is treated as a domestic dwelling or a non-domestic holiday let for local tax purposes.
7. Views on the policy behind these plans were invited as part of a 12-week [consultation](#) which looked at local taxes for second homes and self-catering accommodation. The consultation was open from 25 August to 17 November 2021 and received almost 1,000 responses. A summary of responses was published on 1 March. A [technical consultation](#) on the draft Non-Domestic Rating (Amendment of Definition of Domestic Property) (Wales) Order 2022 ran from 1 March to 12 April 2022.
8. The legislation came into force on 14 June 2022 and will have practical effect from 1 April 2023, applying the amended criteria from that day onwards. Property owners intending to meet the amended criteria should aim to do so during the 2022-23 operating year, but compliance with the criteria will not be assessed until after 1 April 2023. Properties not meeting the new criteria will not be liable for council tax prior to 1 April 2023, unless they do not meet the criteria currently in place.
9. The Welsh Government will be consulting on proposals for a statutory licensing scheme for all visitor accommodation in Wales.
10. The Freedom of Information Act provides a right to ask for recorded information held at the time a request is made and does not require an authority such as the Welsh Government to provide views or opinions where those views are not already recorded. This is confirmed by the Information Commissioner's guidance 'The Guide to Freedom of Information', page 7:

"The Act does not cover information that is in someone's head. If a member of the public asks for information, you only have to provide information you already have in recorded form. You do not have to create new information or find the answer to a question from staff who may happen to know it."

On this basis, I can confirm that no recorded information is held for question 10, however you may be interested in the following - [Welcome to Wales: priorities for the visitor economy 2020 to 2025 \(gov.wales\)](#) which sets out the vision and priorities for Visit Wales.

If you are dissatisfied with the Welsh Government's handling of your request, you can ask for an internal review within 40 working days of the date of this response. Requests for an internal review should be addressed to the Welsh Government's Freedom of Information Officer at:

Information Rights Unit, Welsh Government, Cathays Park, Cardiff, CF10 3NQ
or Email: Freedom.ofinformation@gov.wales. Please remember to quote the ATISN reference number above.

You also have the right to complain to the Information Commissioner. The Information Commissioner can be contacted at: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF. However, please note that the Commissioner will not normally investigate a complaint until it has been through our own internal review process.

Yours sincerely