



**RTPI Cymru**

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28 March 2022

**e-mail response sent to: [LTTConsultation@gov.wales](mailto:LTTConsultation@gov.wales)**

**Dear Sir/Madam,**

**Response to: Second homes: local variation to land transaction tax rates**

The Royal Town Planning Institute (RTPI) is the largest professional institute for planners in Europe, representing some 27,000 spatial planners. RTPI Cymru represents the RTPI in Wales, with 1,300 members. The Institute seeks to advance the science and art of planning, working for the long-term common good and well-being of current and future generations. The RTPI develops and shapes policy affecting the built environment, works to raise professional standards and supports members through continuous education, training and development.

Thank you for the opportunity to comment on the proposals set out in the above consultation. Our general comments on the planning issues around second homes are set out below.

RTPI Cymru has taken a keen interest in the recent Welsh Government consultations on second homes. You might be interested in our previous responses to the following consultations:

- Local taxes for second homes and self-catering accommodation (November 2021) [RTPI | Local taxes for second homes and self-catering accommodation](#)
- Planning legislation and policy for second homes and short-term holiday lets (February 2022) [RTPI | New from the RTPI](#)

RTPI Cymru also published a paper in December 2021 exploring the issues and potential solutions in relation to second homes, with specific relevance to planning. [RTPI | Holiday Homes in Wales](#)

Pressure on housing in Wales is a well-documented and discussed issue and there are many factors contributing to this. The spiralling use of housing for short-term holiday lets and second homes, particularly in rural areas, is one such factor. The impact on rural areas is felt more intensely because it is these areas which are most in demand for tourism accommodation and because these areas feel the impact more given the relative scale. They tend also to be the heartlands of Welsh speaking communities and to sustain the Welsh language there needs to be a threshold of the population to maintain its live usage.

This is a complex matter and as such will require multi-faceted solutions, many of which will not be planning, such as taxation and licensing. The key issues for planning are the delivery of housing and the lack of affordable housing; the impact of holiday lets/second homes on the rural economy, services etc.

RTPI Cymru supports the Welsh Government's three-pronged approach incorporating taxation measures, a registration scheme and planning measures. We also support ongoing actions to address housing supply and affordability.

The planning measures which could be taken forward are not straightforward and none offer quick solutions to effectively managing the use of market homes for holiday use, whether second homes or short-term lets. In any solution, it is easier for planning to restrict new homes in relation to becoming second homes or holiday lets, but not the older housing stock.

Our recommendation to Welsh Government is to focus their efforts on the planning measures to amend legislation to change the definition of development, to include short-term holiday lets, as part of the three-pronged strategy. This however would not be a quick solution. In September 2021, the Counsel General and Minister for the Constitution announced the legislative programme which would include a draft consolidation Bill to bring the law on planning into a single statute, and RTPI Cymru welcomes this. This would provide the opportunity to also include the change in the definition of development and we would recommend this is brought forward at the earliest opportunity. Regulations to implement this legislative change would also need to be brought forward and would therefore require investment in time by Welsh Government. This proposal for planning would however, only be effective if accompanied by a licencing scheme and taxation changes, as well as resourcing Local Planning Authorities to be able to implement the changes.

If you require further assistance, please contact RTPI Cymru on 020 7929 8197 or e-mail Roisin Willmott at [walespolicy@rtpi.org.uk](mailto:walespolicy@rtpi.org.uk)

Yours sincerely,



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**Director**  
**RTPI Cymru**