

Monmouthshire Destination Policy Impact Assessment



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bello.

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Executive Summary

Monmouthshire remains a strong visitor economy. In 2024, it generated £352 million in visitor economy value and supported around 3,422 full-time equivalent jobs, equivalent to roughly 15% of employment in the county, while overnight visitors accounted for 78% of total visitor economy value. The county also has a large non-serviced accommodation base, with self-catering and other non-serviced provision accounting for 72% of paid accommodation capacity, which means recent policy and regulatory change is landing heavily on a part of the market that matters directly to delivery of the Destination Management Plan 2025 to 2030.

This assessment was commissioned to examine what that means in practice. Drawing on visitor economy and accommodation data, business survey evidence and detailed business interviews across the county, it finds not a weak destination, but one that is still performing while part of the accommodation base underpinning that performance is operating under conditions that have become harder, more expensive and more uncertain.

No single policy explains the position on its own. What businesses described was cumulative pressure, with the 182-day letting threshold, the risk of council tax and premium treatment where properties fall short, the end of furnished holiday lettings tax treatment, higher payroll costs, reduced rates relief and wider uncertainty about future regulation all arriving together on top of a more competitive market for overnight stays.

Visitor economy value has grown strongly since 2019, but visitor numbers in 2024 were broadly the same as in 2019, which means growth has been driven more by higher spend per visit than by a larger visitor base. At the same time, accommodation supply has expanded, particularly in self-catering. Lighthouse monitoring shows active listings in the short-term rental market running around 35% above 2019 levels, while occupancy across most of the monitoring period has remained slightly below the 2019 comparator, leaving more properties competing for broadly the same pool of overnight demand.

The 182-day threshold was the issue raised most often in the business evidence, and not in abstract terms. Businesses described pricing below break-even to remain compliant, changing use because the interaction between the threshold and VAT exposure made continued letting irrational, and in documented cases being wrongly removed from the non-

domestic rates list despite meeting the threshold. The evidence also includes cases of direct financial harm arising from VOA administrative error, including backdated council tax demands on compliant operators, with one liability paid from personal pension savings.

Other pressures came through clearly, especially for staffed hospitality businesses. Employer National Insurance changes, minimum wage increases, reduced business rates relief and energy costs have all added to operating pressure, while grant schemes requiring upfront expenditure before reimbursement were widely described as inaccessible to businesses already managing tight cash flow. The visitor levy is not yet locally in force and MCC has confirmed it will not be an early adopter, but uncertainty about it is already affecting sentiment and planning.

None of this points to a sector in uniform retreat. Some businesses remain resilient, some still plan to grow and some parts of the market, particularly stronger or more distinctive products, are performing relatively well. The tourism team itself was named positively and unprompted by multiple interview participants, who described it as accessible, knowledgeable and effective, although concern was also raised about what reduced capacity means for what MCC can now deliver. Delayed investment, tighter margins, staffing restraint and growing caution are visible across a substantial part of the accommodation base, with businesses more likely to talk about holding back, adapting and carrying more risk themselves than about confident expansion.

The pressure is not falling evenly. Smaller self-catering and holiday-let operators in rural, valley and border locations are the most directly exposed to the threshold and council tax regime, while larger serviced businesses face a different pressure profile driven more by labour costs, margin compression and deferred investment than by threshold compliance. Budget and lower-cost accommodation has less room to pass on additional cost to price-sensitive customers, and Monmouthshire's border geography adds another layer because businesses in and around Chepstow, Tintern, Monmouth and Abergavenny are competing directly with nearby English destinations operating under a different policy framework.

Taken together, the evidence points away from any simple reading of sector health. Monmouthshire remains a substantial and attractive destination, but part of the business base beneath that headline performance is under sustained strain, and the effects are uneven enough that a single uniform response would miss the problem.

Many of the biggest pressures identified here arise from national policy and tax decisions rather than from local choices, which limits what MCC can resolve directly. Even so, the council has a clear opportunity to act as both advocate and facilitator by using the evidence gathered here more actively and more specifically. Immediate priorities include making a stronger case to Welsh Government on the 182-day threshold, including the position of seasonally and geographically constrained properties, collating and escalating VOA administrative errors as a systemic issue, and reducing avoidable uncertainty through clearer communication and practical guidance for businesses.

Businesses were not mainly asking MCC to fix every national policy problem, but for clearer information, more accessible support, visible attention to infrastructure and a more reliable route into decisions affecting their trading conditions. The evidence supports clearer communication on the visitor levy and registration timetable, a plain-language guidance note on the main current policy changes, a review of grant accessibility, a more structured engagement mechanism linked to DMP delivery, closer alignment between destination activity and DMP priorities, and better joined-up monitoring of accommodation, planning and housing change over time.

Monmouthshire's visitor economy is not failing, but headline destination performance is not a reliable guide to the pressures now facing a substantial part of the accommodation base. The response needs to be specific, practical and proportionate, using the evidence gathered here not simply to describe the problem but to strengthen the conditions in which the sector is expected to operate. The full recommendations register, including timing, dependencies and evidence links, is set out in Appendix F.

I. Introduction

Monmouthshire approved a new Destination Management Plan in 2025, setting out clear ambitions for the visitor economy through to 2030. The Plan points to sustained growth in tourism value over the past decade and identifies further potential, particularly in overnight stays, shoulder season activity and higher-quality visitor experiences.

At the same time, a package of policy and regulatory change has emerged. Some of it sits with Welsh Government, some with UK Government and some within local authority discretion. Monmouthshire County Council commissioned this Destination Policy Impact Assessment to understand what that combination of changes means for the county's visitor economy and for its ability to deliver the ambitions set out in the Destination Management Plan (DMP).

The assessment draws on a layered evidence base, described in full in Section 2, including the STEAM visitor economy data series from 2019 to 2024, short-term rental monitoring data, business survey evidence from three instruments collected between 2021 and 2026, and an interview programme with accommodation businesses across the county. The assessment focuses primarily on accommodation businesses, where policy effects are most direct, though the wider visitor economy picture is considered throughout.

It does not evaluate the Destination Management Plan itself and it does not attempt to produce a precise count of business exits or properties moving into residential use. Where those issues arise, they are addressed cautiously and with clear caveats.

Monmouthshire's border position with England is relevant to much of what follows. For businesses in Chepstow, Tintern, Abergavenny and the surrounding areas, policy differences between Wales and England are not abstract. They affect how competitive the county is as a place to book, invest and operate.

The report is structured in two parts. Sections 2 and 3 set out the method and evidence base and the policy and destination context. Sections 4 to 7 cover the findings on business viability, accommodation market conditions, destination performance and how impacts differ across business types, scales and locations. Section 8 considers the implications for local housing supply. Section 9 covers what businesses need and what sits within MCC's powers. Section 10 sets out funding and destination management options. Section 11 draws together the wider social, economic, environmental and equality impacts. Section 12 contains the

conclusions and recommendations. The appendices provide the supporting evidence and detail behind each section.

2. Methodology and evidence base

This assessment combined existing evidence supplied by MCC and other secondary sources with additional primary research undertaken for the commission. The existing evidence covered a review of policy and regulatory changes in scope; visitor economy and accommodation data including the STEAM series from 2019 to 2024 and Lighthouse short-term rental monitoring data from February 2025 to May 2026; and survey evidence from instruments collected between 2016 and 2026. The primary research consisted of an accommodation business interview programme, where around 160 businesses were contacted and 31 responded across around 22 distinct interview sessions, and a March 2026 accommodation survey producing 9 responses. Appendix A sets out the full method, source list, triangulation approach and limitations in detail.

Evidence strand	Period	Purpose in the assessment
Stakeholder feedback survey	2016	Historic baseline for destination management issues and stakeholder sentiment
Visitor survey	2019	Pre-Covid visitor profile and satisfaction context
Destination business questionnaire	c.2021	Post-Covid business comparator on confidence, bookings and future intentions
Business questionnaire	2024	Broad visitor economy business snapshot
Accommodation business interview programme, 31 records	2024 to 2026	Primary research carried out for this assessment. Around 160 businesses were contacted and 31 responded. In-depth evidence on trading, policy effects, business responses and forward intentions across around 22 distinct interview sessions.
Accommodation business survey (March 2026), 9 responses	March 2026	Primary research carried out for this assessment. Current accommodation-focused survey evidence on business sentiment and policy concerns, used alongside the interview programme.
Policy and regulatory review	2025 to 2026	Review of measures in force, emerging and recently implemented
STEAM data series	2019 to 2024	County-wide visitor economy trend line
Lighthouse monitoring data	February 2025 to	Monthly short-term rental monitoring with 2019 comparators

	May 2026	
Accommodation stock review	2024 to 2026	Review of published accommodation stock and category sources

Findings that appeared in multiple strands of the evidence carried more weight than those resting on a single source. The survey instruments were not designed as a consistent time series, the interview programme is accommodation-heavy and cannot be read as representative of the whole visitor economy, and the STEAM data is modelled rather than an administrative count. Where limitations affect interpretation, this is noted in the relevant section.

3. Policy and destination context

Monmouthshire is a substantial rural visitor economy. In 2024, the county welcomed 2.28 million visitors, generated £352 million in visitor economy value and supported around 3,422 full-time equivalent jobs, equivalent to roughly 15% of employment in the county. Overnight visitors are central to that picture, generating 78% of total visitor economy value. The county is also structurally reliant on non-serviced accommodation. Self-catering and other non-serviced provision now accounts for 72% of all paid accommodation capacity, following strong growth in self-catering since 2015. These are real strengths, but they also shape how exposed Monmouthshire is to the policy changes now affecting the sector.

The policy environment affecting visitor economy businesses in Monmouthshire has changed substantially since 2022. The changes come from more than one level of government, affect different parts of the sector in different ways and are at different stages of implementation. Some create direct cost increases. Some add new compliance requirements. Some create forward uncertainty that is already affecting business planning. Taken together, they have changed the operating conditions for a large part of Monmouthshire's visitor economy.

This matters particularly in Monmouthshire for two reasons. The county's accommodation base is weighted toward the part of the market most directly affected by the 182-day threshold, council tax treatment and the abolition of the furnished holiday lettings tax regime. A destination where self-catering makes up nearly three quarters of paid accommodation capacity is structurally more exposed to those changes than one with a

predominantly serviced base. And Monmouthshire is a border county. Businesses in and around Chepstow, Tintern, Monmouth and Abergavenny compete directly with nearby English destinations not operating under the same Welsh-specific policy framework. For those operators, the comparison is not abstract. Guests can and do book across the county boundary, and any cost or compliance burden that applies in Wales but not in England has a direct commercial consequence.

Main policy changes in scope

- Self-catering thresholds and council tax treatment, including the 182-day letting requirement and the 100% second-home premium Monmouthshire applies from April 2024.
- The Welsh visitor levy framework, statutory registration opening in October 2026 and emerging licensing requirements.
- UK tax changes affecting the furnished holiday lettings regime, abolished from April 2025.
- Employer National Insurance increases, minimum wage increases and reduced business rates relief from April 2025.
- Planning use classes and Article 4 powers affecting future accommodation supply decisions.
- Other cumulative compliance pressures, including workplace recycling and energy performance requirements.

The policies in scope do not all carry the same weight for every business. The 182-day threshold bears hardest on small rural self-catering operators. Payroll and National Insurance changes bear hardest on staffed hospitality businesses. The visitor levy, though not yet locally in force, is already affecting sentiment and planning decisions across most of the accommodation base, and its impact would be proportionately greater for businesses competing with England across the border.

One specific policy design issue raised in interviews concerns the visitor levy and data obligations. Operators managing bookings across multiple platforms frequently do not know the full composition of a party staying in their property and are unwilling to hold and remit per-guest data without clarity on the legal basis and their liability. This is not a general objection to regulation. It is a specific design problem that MCC is well placed to raise with Welsh Government as the registration process opens.

Appendix C provides the full policy review, including lead responsibility, implementation status and a more detailed assessment of likely effects by business type. In Monmouthshire, the issue is not any one policy in isolation. It is the way these changes interact with the county's accommodation mix, its border geography and its destination ambitions.

4. Business viability and operating conditions

The following findings draw on 31 interview records with accommodation businesses across Monmouthshire, the 2024 business questionnaire and the March 2026 accommodation survey. The interview programme is the primary source for the business-level findings in this section. The interview set is weighted toward self-catering and holiday-let operators, with smaller numbers of hotel, pub-with-rooms, glamping, caravan, camping and bunkhouse businesses across Abergavenny, Monmouth, Chepstow, Tintern, Usk and rural Monmouthshire. Appendix B sets out the full profile.

Monmouthshire's visitor economy increased in value between 2019 and 2024. Total economic impact rose from £245 million to £352 million. At business level, the interview programme, the March 2026 accommodation survey and the 2024 questionnaire together point to a more uneven picture, with rising costs, weaker margins and inconsistent confidence across the sector. The increase in value has not been driven by a comparable increase in visitor numbers. Total visitors in 2024 were broadly similar to 2019, while accommodation supply, particularly self-catering, has expanded substantially. That combination helps explain why destination-level growth can sit alongside weaker business-level trading conditions, particularly where more businesses are competing for overnight demand and facing higher operating costs.

4.1 Trading confidence and performance

The 2024 business questionnaire provides the clearest cross-sector snapshot of trading sentiment. The table below summarises responses across the main themes.

Theme	Positive	Mixed or neutral	Negative	Basis

Own business performance, last 12 to 18 months	31 good or very good	20 neither poor nor good	10 poor or very poor	Q7 business performance
Destination performance, last 12 to 18 months	31 good or very good	21 neither poor nor good	8 poor or very poor	Q8 destination performance
Shoulder-season growth	22 yes	1 unsure	37 no	Q9 shoulder-season growth
Growth plans, next 12 to 18 months	29 plan to grow	12 unsure	20 no plans to grow	Q11 future intentions
Travel trade engagement	22 yes	1 unsure	37 no	Q10 travel trade engagement

Source: 2024 Business Questionnaire (n = 61). Appendix B.

The March 2026 accommodation survey and the interview evidence complicate that picture. Most March 2026 respondents described performance as weaker or stable compared with two years earlier. Of the 9 survey respondents, three described the combined impact of policy changes as severe or notable, and two said they were not at all confident about viability over the next two years. Two were actively considering exiting the market. Among interview participants, several long-established operators described steady or gradually declining trade, and pub-led businesses reported needing to shrink turnover and cut staff to return to break-even as wage, National Insurance and rates increases bit into margins.

One pub calculated that deliberately reducing its turnover by £280,000 would make the business more profitable, because it would no longer need the staffing required to service that volume. The operator estimated that this contraction would cost the government approximately £56,000 in VAT and £77,000 in income tax and National Insurance that the business would otherwise have paid. This was not business decline caused by weak demand. It was a rational decision to trade less because the cost structure made fuller trading less viable.

The 2024 questionnaire also showed that only 22 of around 60 businesses were seeing shoulder-season growth, against 37 who were not.

4.2 Cost pressures and cumulative burden

The most consistent finding across all strands of the evidence is not any single cost pressure but their combination. What businesses described, across the interview programme and the March 2026 accommodation survey alike, was a stack of changes arriving at the same time, and the recurring concern was less about any one measure than about managing all of them at once.

The employer National Insurance increase and minimum wage rises directly increased payroll costs for any business with staff. Several hospitality operators described this as the most immediate financial pressure they faced. One pub operation described its effective business rates burden practically doubling following the reduction in rates relief, from around 12.5% to 22.5% of rateable value. Energy costs were raised in almost every interview, the consistent problem being that guests have no incentive to manage consumption while the operator absorbs the bill.

Grant schemes requiring upfront cash before reimbursement were raised independently by multiple operators as effectively inaccessible to businesses managing tight cash flow, regardless of eligibility. One hotel group did not proceed with two grants with a combined project cost of £80,000 because the reimbursement-after-completion model required full upfront payment the business could not support. The renovation those grants would have funded has not happened. Several operators contrasted this directly with the COVID-era model where grants paid upfront, noting that the current model excludes the businesses most in need of support.

For accommodation operators, those pressures sit alongside the 182-day letting threshold, the abolition of the furnished holiday lettings tax regime and uncertainty about the visitor levy. These are examined further in the housing supply and policy sections, but they affect viability in ways that cannot be separated from the wider operating cost picture.

A structural issue raised in multiple interviews concerns how checkout days are counted under the threshold rules. A Friday to Sunday booking produces two countable letting days, not three. Sunday is a checkout day and does not count, even though the property is operationally unavailable for re-letting that day. For properties that run predominantly on weekend bookings, this gap between operational days and countable days can produce non-

compliance through no commercial failure. A busy property that fills every weekend through the season can still fall short of 182 days for structural reasons unrelated to demand.

VOA administrative errors have caused direct financial harm in documented cases from this assessment. In at least two instances, properties were incorrectly removed from the non-domestic rates list and hit with backdated council tax demands despite the operators consistently meeting the 182-day threshold. In one case the operator paid the backdated bill from personal pension savings. The correction process was unresolved at the time of interview. These were not businesses that had failed to comply. They were compliant operators caught in an administrative error, with no clear or timely route to resolution. MCC has the specific cases and they are the material for a formal escalation to Welsh Government and the Valuation Office Agency (VOA), not just a general representation about system problems.

"Payroll was the single largest cost pressure. National Insurance and wage increases made labour substantially more expensive. Cumulative pressure is real. Investment is paused, staffing trimmed."

Full-service hotel operator

"I will have to absorb this cost, as I don't think I can pass this on. I think people won't come."

Bunkhouse and low-cost accommodation operator

"The current environment actively discourages business owners and tourists alike."

Self-catering operator, rural Monmouthshire

4.3 Staffing, investment and adaptation

Businesses were more likely to talk about delayed upgrades, reduced staffing and holding back discretionary investment than about expansion. A hospitality business described cutting opening days and menu range to bring costs back to a manageable level, not because demand had collapsed but because margins had narrowed to the point where trading at full

capacity was loss-making. Many operators were taking on more work themselves, reducing staff hours, or simply deferring decisions about whether to invest further.

Of the 61 respondents to the 2024 questionnaire, 29 planned to develop and grow in the following 12 to 18 months, often through new accommodation units, events, food and drink experiences or digital improvements. Operators with distinctive, higher-demand products and stronger market positioning were generally more confident. Most businesses are continuing. The concern is that a large part of the existing stock is under sustained pressure, and the businesses most exposed tend to be smaller, more rural and less able to absorb costs or adapt quickly.

The distinction between revenue holding up and profit deteriorating also matters. Some larger serviced businesses described broadly positive income while acknowledging that costs had risen faster. Rising value at destination level is consistent with margin compression at operator level, and the evidence shows both.

Implications for MCC

The business-level evidence is specific enough to use directly. MCC's formal submission to Welsh Government on the 182-day threshold should not lead with general statements about sector pressure. It should lead with documented cases: properties meeting the threshold and still facing VOA reclassification, operators pricing below break-even to remain compliant, businesses caught between the threshold floor and the VAT ceiling, and the structural undercounting of checkout days that leaves a compliant, busy property short of 182 through no commercial failure. The specific case MCC should make is for a lower threshold for seasonally and geographically constrained properties, a formal review of how checkout days are counted toward the threshold, and a systemic investigation into VOA reclassification errors affecting compliant operators.

5. Accommodation capacity and market conditions

Accommodation is central to Monmouthshire's visitor economy. In 2024, overnight visitors generated 78% of total visitor economy value. The health of the accommodation market is therefore central to the health of the destination, and the Lighthouse short-term rental

monitoring data and the STEAM accommodation figures together give a more detailed picture of how that market is performing.

The monitored market shows an uneven picture. The short-term rental market in Monmouthshire is larger, higher-yielding and generating more reserved nights than in 2019. At the same time, occupancy rates remain slightly below 2019 levels across most of the monitoring period. Supply has grown, rates have risen and revenue per property is well above the pre-Covid baseline, but demand has not strengthened at the same pace as supply.

The interaction between the 182-day threshold and the VAT registration threshold has already produced documented accommodation supply changes. A self-catering property generating around £25,000 a year in holiday let income was converted to a workshop generating approximately £8,400, not because demand fell but because the structure of the two thresholds made continuing in the holiday let market financially worse than closing. One accommodation unit is gone. The income reduction is documented. The policy mechanism that produced it is specific and traceable.

5.1 Short-term rental market: supply, occupancy and yield

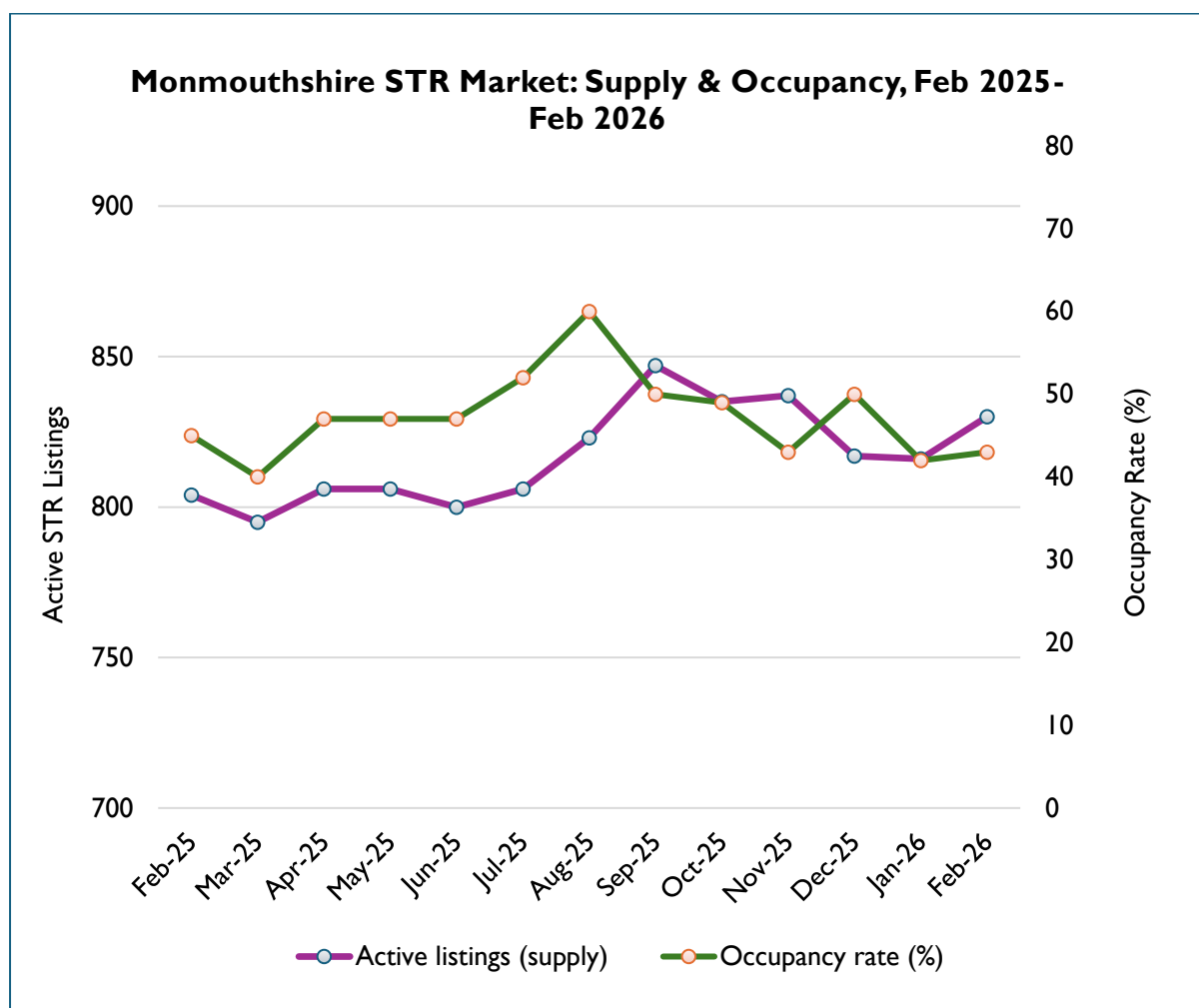
The Lighthouse data covers the monitored short-term rental market in Monmouthshire from February 2025 to May 2026, with comparators against 2019. It does not cover the whole accommodation base, but it provides a consistent monthly read on the segment most directly affected by the policy changes under review.

Supply has grown substantially. Active listings in February 2026 stood at 830 properties, around 35% above the 2019 comparator for the same month. That growth has been broadly sustained across the monitoring period, ranging from 15% above 2019 in November 2025 to 35% above in February 2026. The STEAM data adds wider context: non-serviced accommodation now accounts for 72% of all paid accommodation capacity in the county, with self-catering provision having grown 121% since 2015.

Reserved nights are well above 2019 levels across the monitoring period, ranging from 34% above in October and November 2025 to 99% above in January 2026, with most months running 45% to 86% higher than the 2019 comparator.

Occupancy tells a different story. Despite higher reserved nights, occupancy rates across most of the monitoring period have been at or slightly below 2019 levels. In August 2025,

the peak summer month, occupancy was 60% but still 6 percentage points below the 2019 comparator. In the shoulder and quieter months, the gap was generally 3 to 8 percentage points below 2019. October 2025 was the only month to show occupancy above 2019, at 1 percentage point above. With more properties active in the market, bookings are spread across a larger base, so individual property occupancy remains lower even where total reserved nights are higher.



Indicator	Latest value (Feb 2026)	Change versus 2019	Comment
Active listings (supply)	830 properties	+35%	Supply well above 2019 benchmark
Reserved nights	Not available in absolute terms	+81%	Reserved nights materially above 2019
Occupancy rate	44%	-4 percentage points	Slightly below 2019
Average daily rate	£339	+115%	ADR materially above 2019

Average revenue per property	£4,062	+127%	Revenue per property materially above 2019
Average length of stay	5.4 nights	+43%	Longer stays than 2019

Source: Lighthouse / VisitBritain short-term rental data for Monmouthshire. Appendix D.

5.2 Reading the market data

Average daily rates have risen sharply. In February 2025 the average daily rate was £392, which was 149% above the 2019 comparator for the same month. Across the monitoring period, monthly ADR ranged from £308 in October 2025 to £392 in February 2025, with all months running 58% to 149% above their 2019 equivalents. Revenue per property has followed a similar pattern, with August 2025 reaching £5,621 and most months well above £3,000.

The average length of stay has also increased, running 43% above the 2019 comparator in February 2026. Longer stays generate more revenue per booking and reduce the number of bookings needed to meet the 182-day threshold, though they also reduce the total number of letting opportunities in a fixed period.

Taken together, the Lighthouse data points to a short-term rental market generating more value per property than in 2019, despite slightly lower occupancy. For properties with strong market positioning and consistent year-round demand, that is a positive picture. A property achieving £339 per night in February in a well-located market town is in a materially different position from a rural valley property trying to sustain occupancy through a short letting season at lower rates. The headline average masks materially different trading realities.

The STEAM accommodation figures add a further dimension. In 2024, average self-catering occupancy across the county was 52%, compared with 72% for serviced accommodation. Self-catering bedspaces continued to increase between 2023 and 2024, but demand did not keep pace with that supply growth. At 52% average annual occupancy, some individual properties are likely to be operating below the 182-day threshold, or close enough to it that compliance depends on active management of pricing, availability and booking patterns rather than market demand alone.

Implications for MCC

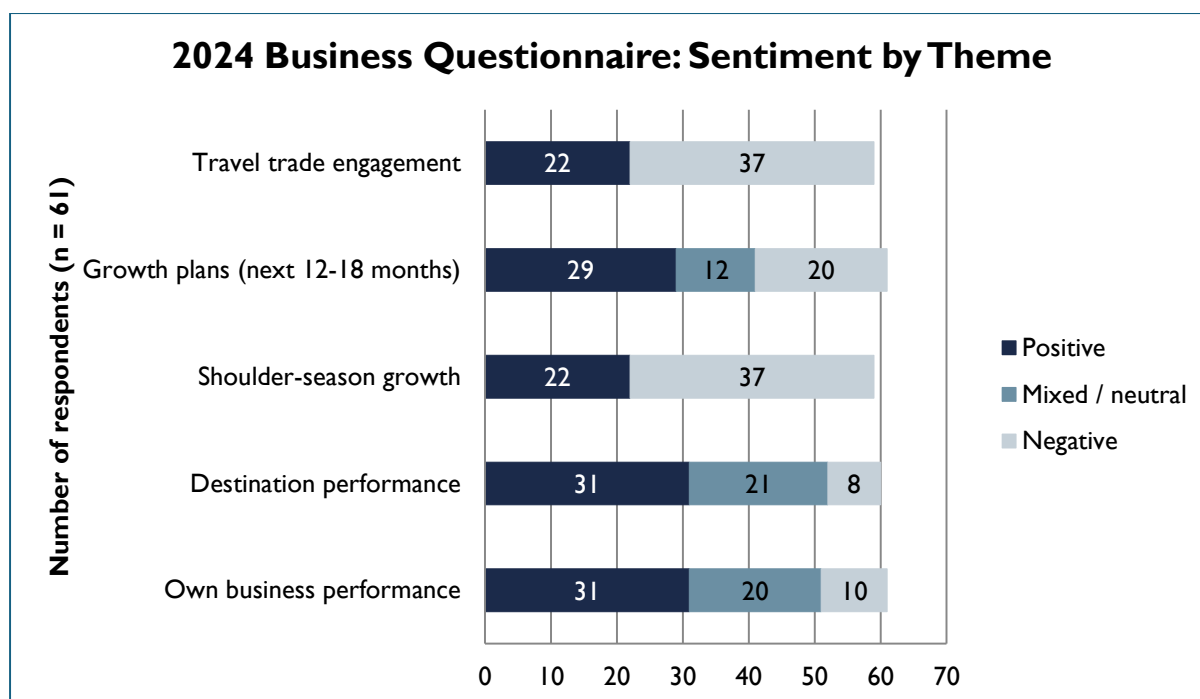
The accommodation market data does not support a negative reading in simple terms. The short-term rental market is larger, more valuable per property and attracting longer stays than in 2019. But the same data shows that supply growth has outpaced demand growth in occupancy terms, that headline performance figures mask wide variation across property type and location, and that the policy environment is bearing most heavily on the segment where market conditions are already least favourable. When making representations on the 182-day threshold, the gap between average self-catering occupancy at 52% and the 182-day compliance requirement is a concrete, data-backed argument for threshold reform. When targeting support, the difference between a well-located property achieving £339 a night and a rural valley property trying to sustain occupancy through a short season is the difference between a business managing pressure and one approaching a decision about whether to continue.

6. Destination performance and what it looks like on the ground

What the aggregate figures show less clearly is how that growth has been distributed, and whether the conditions producing it are sustainable across the accommodation base.

Year	Total visitors (m)	Total value (£m)	Overnight visitors (m)	Day visitors (m)	Overnight value (£m)	Total FTEs
2019	2.28	245.0	0.56	1.73	185.4	3,119
2020	0.54	81.2	0.20	0.34	69.1	1,614
2021	1.50	182.8	0.33	1.17	140.8	2,336
2022	2.34	285.1	0.58	1.76	216.9	3,356
2023	2.29	329.8	0.58	1.72	254.4	3,462
2024	2.28	352.4	0.61	1.67	275.2	3,422

Source: Global Tourism Solutions, Monmouthshire STEAM series, 2019 to 2024. Historic prices throughout.



Total visitor numbers recovered to broadly the 2019 level by 2022 and have remained there. In 2024, total visitors were 2.28 million, the same as in 2019. Growth since recovery has been in value, not volume. Average spend per visit rose from around £107 in 2019 to around £155 in 2024, an increase of 44% in historic prices. The destination is generating more value from roughly the same number of visitors.

Overnight visitors have become more important to the value picture over time. In 2024, 0.61 million overnight visitors generated £275 million of the total £352 million in visitor economy value, equivalent to 78% of the total. Day visitor numbers have dipped slightly since 2022, from 1.76 million to 1.67 million, while overnight visitor numbers have edged up from 0.56 million in 2019 to 0.61 million in 2024.

Employment has recovered but not grown strongly. Total FTEs reached 3,462 in 2023 before falling slightly to 3,422 in 2024. Over the full period from 2019 to 2024, employment is up around 10% while total value is up 44%. Value per job supported has risen considerably. Whether that reflects a shift toward higher-value products, the effects of labour cost pressure on staffing decisions, or some combination of both is not something the STEAM data can resolve on its own.

6.1 What the destination data does not show

STEAM is a modelled dataset. It is appropriate for trend analysis and broad comparison but should be treated as an estimate rather than an administrative count. Year-on-year movements in employment and value, particularly where changes are small, should be read with that in mind.

Aggregate destination data cannot show how value growth has been distributed across the accommodation base, whether individual businesses are more or less financially sustainable than the headline suggests, or how the gap between total visitor economy value and individual operator margins has widened or narrowed. The business-level evidence in the preceding and following sections sits alongside the STEAM data, not in place of it. Both are relevant to how MCC makes its case to members and to Welsh Government.

7. Differences by business type, scale and location

The pressures described in Section 4 do not fall evenly. There is consistent variation by business type, by scale and by location, and those differences matter for how MCC responds. A policy or support intervention designed for a mid-scale self-catering operator in Abergavenny may be largely irrelevant to a small bunkhouse in a rural valley, and vice versa.

Dimension	Who is most affected	Main pressures	Typical response
Self-catering and holiday lets	Small to mid-scale operators, especially rural and seasonal	182-day threshold, FHL tax abolition, council tax premium, visitor levy uncertainty	Discounting to hit threshold, reconsidering use, some considering exit
Serviced accommodation and hotels	Larger staffed businesses	Payroll, NI increases, minimum wage, energy, deferred investment	Staffing restraint, frozen investment, margin compression
Pubs with rooms and hospitality	Mixed scale, town and rural	Rates relief reduction, payroll, energy, reduced opening	Cutting covers, hours and menus to restore viability

Glamping and cabin operators	Newer, often smaller	Energy, planning constraints, visitor levy proportionality	Generally more optimistic but exposed on levy and infrastructure
Caravan, camping and bunkhouse	Budget end, often rural	Price sensitivity, levy proportionality, rates relief	Limited ability to pass on costs, absorbing pressure
Attractions and activity operators	Mixed	Staffing, infrastructure gaps, access issues	Less directly hit by accommodation policy but affected by destination conditions

7.1 By business type

Self-catering and holiday-let operators are the most directly exposed to the policy package under review. The 182-day threshold was the most consistently raised issue among self-catering operators and featured prominently in the accommodation survey evidence. The threshold drives behaviour the DMP is trying to move away from, pushing operators toward volume bookings and below-break-even pricing rather than the quality offer the plan depends on. The abolition of the furnished holiday lettings tax regime compounds this by removing financial advantages that had, for many operators, been part of the case for remaining in the sector.

Serviced accommodation and hotel operators are less exposed to the threshold but more exposed to payroll pressure. National Insurance and minimum wage increases have directly increased the cost of every member of staff, and in businesses where labour accounts for a large share of operating costs that is felt immediately. The pattern in the interview evidence is not one of crisis but of managed restraint: investment deferred, staffing kept lean, discretionary spending held back. The revenue line has often held, but profit has not kept pace.

Pubs with rooms and hospitality-led businesses face the full weight of payroll and energy cost increases, the reduction in business rates relief and the effects of tighter consumer spending on food and drink, all at once. Several operators described cutting opening days, reducing menu range or closing parts of the operation to get costs back to a level the business could sustain.

Glamping and cabin operators were generally among the more optimistic voices in the evidence, often because their product is newer, more distinctive and attracting a clear

market. They raised consistent concerns about energy costs, planning constraints and the proportionality of the visitor levy on lower-price outdoor accommodation.

Caravan, camping and bunkhouse operators raised a distinct concern about levy proportionality. A levy of 75 pence per person per night represents a very different proportion of a £5 camping pitch than it does of a £150 hotel room. Several operators in this category said they would have to absorb the cost rather than pass it on, because demand at the budget end is more price-sensitive and the margin available is thin.

7.2 By scale

The clearest distinction by scale is not between those who are struggling and those who are not, but between how pressure is absorbed and what it costs to absorb it. Larger businesses are more likely to have management capacity, reserves and the ability to cross-subsidise across departments or properties. They feel the pressure through margin compression, deferred investment and staffing restraint, which are real problems but not immediately existential ones.

Smaller owner-operated businesses have less of a buffer. Several interview participants described drawing on personal savings, doing cleaning and maintenance work themselves to avoid labour costs, or delaying their own income to keep the business solvent. For some, continuation in the sector depends less on confidence in the market than on whether a clean exit route exists and what the mortgage position allows.

7.3 By location

Three location patterns emerged consistently from the interviews.

Border-area operators raised the strongest concerns about the visitor levy and about Welsh-specific policy divergence from England more generally. Businesses in and around Chepstow, Tintern and other areas close to the border described guests making explicit booking decisions based on where the levy applies, and expressed concern that even the possibility of a future levy was affecting how they positioned themselves commercially. The border dynamic also has a specific implication for the housing policy rationale of the 182-day threshold and council tax premium. Interview participants near the English border were explicit: if their properties were sold, buyers would most likely come from Bristol and

surrounding English counties. Local estate agents, cited by one operator, confirmed that border-area properties sell quickly to buyers from across the border. The policy assumption that reducing holiday let supply would increase housing availability for local Welsh households does not hold in these areas.

Rural valley and remote farm operators raised the sharpest concerns about the 182-day threshold. The argument, made independently by multiple operators, is that the threshold was not designed with short-season, hard-to-access rural properties in mind. A property in a valley location with poor road access, limited passing trade and a constrained letting season faces a structurally different task in reaching 182 days than a well-located property near a market town with year-round appeal. The averaging provisions introduced from April 2026 help at the margin, but operators in this group were not confident they resolved the underlying problem.

Town-linked businesses in Abergavenny and Monmouth were more likely to connect their accommodation performance to the wider health of the town centre. The condition of local high streets, the loss of banks and local services, parking provision and the evening economy all featured in how operators in these locations described their trading context. Several described a sense that the infrastructure supporting the visitor experience was under strain.

A border-specific employment disadvantage adds further texture. For businesses trying to train hospitality staff, the nearest Welsh-approved training facility can be forty miles away when an equivalent English facility is seven miles across the border. Apprenticeship funding in Wales cannot follow the student to an English provider. This is a structural disadvantage with no equivalent elsewhere in Wales, and it compounds the staffing pressure that hospitality businesses across the county are already describing.

Implications for MCC

The differences between rural valley operators, border-area businesses and town-linked businesses are not just contextual detail. They point to materially different situations requiring materially different responses. A business support offer designed around the needs of a mid-scale self-catering operator in Abergavenny will be largely irrelevant to a budget bunkhouse in the Brecon Beacons fringe or a sole operator in the Llanthony Valley. The evidence gathered here is detailed enough to design targeted responses, and using it that way is where MCC's limited capacity will have the most effect.

8. Implications for local housing supply

A reduction in self-catering capacity could affect local housing availability and affordability in Monmouthshire, although the evidence base for this assessment was designed to examine visitor economy and business impacts rather than housing outcomes. What it can show is that a number of accommodation operators are considering or have already taken steps that affect whether their properties remain in visitor use. What it cannot show, with the evidence available, is how many properties have moved, where they have gone and what effect that has had on local housing availability or affordability.

8.1 What the business evidence shows

The interview evidence includes clear signals of potential exit and use change. Several operators were not just expressing concern. They were actively considering, planning or in some cases already implementing a move out of holiday letting. The most common scenario described was a shift toward longer-term residential tenancy. The reasons given were consistent: the cumulative cost and compliance burden of remaining in the holiday let market, uncertainty about future policy, the loss of furnished holiday lettings tax advantages and, for some, the straightforward arithmetic of whether the income from holiday letting justified the effort and risk compared with a simpler residential tenancy arrangement.

A small number of operators described having already converted a property or part of a property out of holiday letting use. The most documented case is described in Section 5: a property generating £25,000 as a holiday let converted to workshop use generating £8,400, directly because of the threshold and VAT interaction. Others described holding properties that were effectively inactive in the letting market while they decided what to do with them.

A planning constraint raised in at least one interview adds a further dimension. Where a property was originally converted from agricultural or other use under a planning consent specifying holiday letting only, the condition that enabled the change of use also prevents conversion to residential. An operator whose property falls below the 182-day threshold faces a council tax liability, but cannot convert to residential use to avoid it and cannot easily sell to a residential buyer. The policy and the planning consent interact in a way that creates

no viable exit route. This is a structural trap that the policy design does not appear to have anticipated.

Signal	Description	Evidence source
Considering shift to residential tenancy	Operators describing long-term letting as a more viable alternative to holiday letting under current conditions	Multiple interview participants across self-catering and holiday let categories
Actively planning or exploring sale	Operators describing intention to sell the property, often linked to retirement or absence of succession	Interview evidence, smaller number of participants
Already converted part of operation	Property or unit removed from holiday letting use and repurposed, including to residential or non-visitor use	Individual interview cases
Holding inactive properties	Properties not currently let or actively marketed while operator decides on future use	Interview evidence
Continuing but with reduced investment	No change of use planned but capital investment paused or withdrawn	Majority pattern in interview evidence

The most common pattern in the evidence is not exit but retrenchment. Most operators described continuing in the sector, but with less investment, more caution and a lower threshold for reconsidering that position if conditions worsen. Exit is a minority position in the evidence, but the direction of travel among those who raised it was consistent.

8.2 What the wider evidence suggests

National-level research on the relationship between short-term letting regulation and housing supply points in a plausible direction but should be treated as context rather than as evidence specific to Monmouthshire. Studies from CPRE, Propertymark and RICS have found that tighter regulation and cost pressure on short-term lets can lead some owners to sell or shift to longer-term tenancy, with some effect on local housing availability. The same research is careful to note that selling does not automatically translate into affordable housing for local households, and that the causal chain between regulatory pressure, property market behaviour and housing outcomes is complex and varies by location.

That assumption does not hold automatically in Monmouthshire, especially in border markets. Properties leaving holiday use may not become affordable homes for local households. They may instead be sold at open market value to buyers from across the border or remain trapped by planning conditions that prevent residential conversion. That is a direct challenge to the housing rationale cited for several of the policies under review, and it is a point Monmouthshire is better placed to make than almost any other Welsh authority.

The county has a large self-catering base, concentrated in rural and border areas where housing affordability pressures also exist. The policy changes in scope, particularly the 182-day threshold, the council tax premium and the abolition of the furnished holiday lettings tax regime, have changed the financial case for remaining in short-term letting for a number of operators. Where that leads to real exit from the holiday let market, there is a plausible route through which some properties could become available for other uses, including residential. But whether those properties would be accessible to local households at affordable prices, or would instead be sold at open market values or converted to longer-term private rental, is not something this evidence base can determine.

Implications for MCC

The housing supply implications of current accommodation policy pressures are real enough to warrant monitoring but not yet evidenced strongly enough to support firm conclusions. MCC should be cautious about using this evidence either to argue that policy pressure is solving a housing problem or to argue that it is creating one. The border geography point is worth maintaining in any representation MCC makes on this issue, because it directly challenges the housing rationale cited for several of the policies under review and Monmouthshire is better placed to make that case than almost any other Welsh authority. On the balance of available evidence, reductions in self-catering capacity cannot be assumed to translate into an equivalent increase in affordable homes for local households, particularly in border and rural markets where the property and buyer dynamics differ substantially from the rest of Wales. MCC should ensure its monitoring of accommodation stock, planning use and housing availability is joined up enough to detect change through better use of council tax, NDR and planning data over time.

9. Business support needs and changes within MCC's powers

Businesses were not mainly asking MCC to solve national policy problems it does not control. They were asking for clearer information, more accessible funding, visible attention to infrastructure and a more reliable route into council decisions that affect their trading conditions. The same funding problem was raised independently by a sole operator in the Llanthony Valley and a hotel in Abergavenny, which points to a structural issue in how support reaches the businesses that most need it, not a series of isolated complaints.

Several businesses raised, unprompted, the reduction in MCC's tourism team. The team has contracted from fourteen people to effectively one. Businesses that expressed the most positive views of the council's tourism function were also those most likely to flag this reduction as a serious concern, and to describe its consequences as already visible in what MCC can and cannot do for the sector.

MCC cannot change the 182-day threshold, reverse the abolition of the furnished holiday lettings tax regime or redesign the employer National Insurance system. But it can reduce uncertainty, improve business confidence and demonstrate that it is a useful partner for the sector. Several of those things are not expensive. They depend on capacity, coordination and communication.

Support need	MCC's role	Realistic MCC response
Clear and current guidance on policy changes affecting accommodation businesses	Direct control	Develop and publish a plain-language guidance note on the main current changes, updated at least annually
Clearer information on the visitor levy registration timetable	Direct control	Communicate MCC's position on the levy clearly and provide a simple registration timeline for businesses
Help understanding VOA processes and resolving administrative errors	Influence	Collate evidence of errors and raise with Welsh Government and VOA as a systemic issue
More accessible grant funding	Influence	Represent the case for upfront grant models to Welsh Government and Visit Wales. Review any locally administered grants for accessibility

Stronger destination marketing and clearer brand positioning	Direct control	Review current marketing activity for alignment with the DMP's emphasis on quality and overnight stays
Better public transport and access to rural visitor sites	Influence	Work with transport authorities on rural connectivity and signpost existing resources to visitor-facing businesses
Improved basic visitor infrastructure including toilets, signage and waymarking	Direct control and influence	Prioritise basic infrastructure in the highest-footfall locations and coordinate with town council and community partners where responsibility is shared
Skills and staffing support, particularly for hospitality	Influence	Facilitate connections to training providers and explore whether a coordinated local response is viable
A clearer route into destination governance	Direct control	Establish a regular structured engagement mechanism for the sector linked to DMP delivery
Help with utilities and infrastructure constraints including electricity capacity	Influence	Raise capacity constraints with network operators and Welsh Government where they are limiting investment

9.1 What businesses are asking for

One of the clearest themes across the evidence is the need for better information on policy and compliance changes, rather than marketing alone. Many businesses described spending considerable time trying to understand the current landscape, often relying on fragmented or out-of-date sources, and sometimes making decisions based on misunderstandings of how the threshold, council tax treatment or VAT rules interact. A plain-language guidance resource maintained by MCC and updated when policy changes would reduce that burden directly.

The visitor levy is a specific case where early, clear communication from MCC can do real work. Business uncertainty about the levy is already affecting planning and sentiment, even though no local levy is in force and MCC has confirmed it will not be an early adopter. Several interview participants said they did not know MCC's position or were not sure whether that position was firm. Communicating it clearly and consistently, alongside a straightforward explanation of the registration timetable from October 2026, is a low-cost intervention that reduces avoidable uncertainty.

On funding, the interviews and the March 2026 accommodation survey point consistently to the same problem. The shift from upfront grants to reimbursement-after-completion models has made many grants effectively inaccessible to the businesses that most need them. A business managing tight cash flow cannot commit £80,000 in upfront costs before a grant is reimbursed, regardless of eligibility. The contrast with the COVID-era upfront grant model was raised independently by multiple operators. Under that model, grant money moved from funder to business before the work was done. Under the current model, businesses must fund the work entirely before any reimbursement arrives. MCC cannot redesign Welsh Government or Visit Wales grant schemes, but it can make the evidence on this clear and consistent when it has a voice in those discussions, and it can review any locally administered schemes for the same problem.

Infrastructure and access came through as a practical commercial issue rather than background context. Public toilets in high-footfall locations, waymarking on walking and cycling routes, brown tourist signs from main roads and town-centre conditions all featured in how businesses described what was holding the destination back.

Staffing and skills concerns were more prominent in serviced and hospitality businesses than in self-catering, though recruitment difficulties featured across the evidence. Facilitating connections to training providers and sector bodies, and exploring whether a coordinated local response is viable, are realistic contributions.

Several of the pressures businesses described most acutely sit beyond local authority reach. The 182-day threshold, the abolition of the furnished holiday lettings tax regime, employer National Insurance and minimum wage levels are all set at Welsh Government or UK Government level. The local response in these areas is therefore likely to depend on evidence-based advocacy alongside practical local support. Section 12 sets out the specific representations the evidence supports.

Implications for MCC

The businesses that provided evidence for this assessment are not asking MCC to solve problems it cannot solve. They are asking for clearer information, more accessible funding, visible investment in basic infrastructure and a reliable route to engage with the council on issues that affect their trading conditions. Most of those asks are within reach. A team that has been cut from fourteen people to effectively one is being asked to do more, against a

more complex policy backdrop, with businesses that are under greater pressure than they were five years ago. That constraint is real. What the evidence also shows is that several of the most valued interventions are not primarily resource-intensive. Clear communication on the visitor levy, plain-language guidance on policy changes, a structured engagement mechanism: these depend on coordination and follow-through more than headcount. The MCC tourism team was named positively and unprompted by multiple interview participants, described as accessible, knowledgeable and effective. The concern is not about quality. It is about what a depleted function cannot do.

10. Funding sources and destination management options

Destination management in Monmouthshire currently rests on council funding and officer capacity. That model provides a minimum operating base, but it is unlikely on its own to deliver the wider ambitions set out in the Destination Management Plan 2025 to 2030. The question is therefore not whether MCC should remain at the centre of destination management, but how it can build enough capacity, partnership and funding around that core to make delivery credible. The full options appraisal is set out in Appendix E. This section summarises the most realistic options, the route that best fits the evidence and the implications of inaction.

10.1 Funding options

The available funding options are not equally realistic. Core council funding remains the necessary base. It provides accountability, continuity and a clear home for destination management activity, but on its own it is unlikely to support the step-change implied by the DMP. If used alone, it is more likely to sustain minimum activity than to support a more ambitious destination management model.

Project grant funding should continue to be used for one-off investments in product development, infrastructure and campaign activity. It can help bring in external resource and support visible delivery in areas where the county needs to strengthen its offer. But it does not solve the recurring resource question and cannot be treated as a substitute for a stable operating budget. It is well suited to specific projects. It is not well suited to sustaining day-to-day destination management.

The most credible medium-term shift is a mixed model in which MCC retains a core budget while building toward some form of industry contribution over time. That does not require an immediate move to a fully self-funding destination body. It does, however, require a more structured relationship with the private sector than currently exists. A time-limited start-up investment could help create that transition by supporting the early development of an industry forum or partnership mechanism without expecting immediate private contributions from businesses already under pressure.

Business membership and sponsorship may play a supplementary role over time, but neither looks realistic as the main funding base in the current market, where business confidence and spare capacity are both constrained. Shared regional working may create efficiencies for selected functions, particularly where scale matters, such as research, data or some aspects of campaign production. The visitor levy is included for completeness, but it is not a near-term funding solution for Monmouthshire.

10.2 Destination management options

The delivery question is related to the funding question, but it is not the same thing. How destination management is organised shapes what funding is worth pursuing and what industry engagement is realistic to expect. The current council-led model provides a floor, but it is unlikely on its own to deliver the DMP's wider ambitions. A formal destination partnership with shared governance may be a longer-term option, but it is not the immediate starting point. The evidence points instead to a more practical near-term route: a council-led model with structured industry engagement.

Under that model, MCC would remain in the lead, retaining accountability, local knowledge, planning and infrastructure levers, and the ability to coordinate across council functions. What changes is that the current consultative relationship with the sector becomes more structured and more meaningful. A formal industry forum or similar mechanism would give businesses a clearer route into destination governance without requiring immediate structural transformation.

A formal destination partnership remains a medium-term option rather than an immediate one, because it depends on the trust-building, business engagement and governance groundwork that a structured forum would need to establish first. Selective shared working

at regional level may also be useful for specific functions such as research, data and digital activity, where economies of scale are real and local distinctiveness can still be protected. A minimal coordination model, in which MCC largely withdraws to a light-touch role, would not fit the evidence or the DMP.

10.3 The realistic path forward

Retaining MCC at the centre of destination management makes sense. It holds accountability, local knowledge, planning and infrastructure levers, and the ability to coordinate across council functions in ways a standalone industry body cannot. What is missing is the capacity to do more and a more structured form of industry participation that would signal shared ownership of the destination's future.

In practice, the route that best fits the evidence has three components. First, protect and clarify the core MCC role. Second, establish a more formal and trusted route for business engagement. Third, build the conditions for a more mixed and sustainable funding model over time rather than assuming that either the market or grant funding will solve the problem on their own.

A time-limited start-up investment to establish an industry forum could reduce the risk of business engagement remaining ad hoc and give the sector a formal route into destination decisions. Several interview participants described feeling disconnected from decisions that directly affect their trading conditions. A well-run forum with meaningful input would address that without requiring structural change beyond current capacity.

Project grant funding should continue to be pursued, particularly for product development, infrastructure and campaign activity. It will not fund the recurring costs of destination management, but it can fund the investments that make the destination more competitive and signal to businesses and to Welsh Government that MCC is investing in the visitor economy rather than simply managing a reduced offer.

10.4 What happens if nothing changes

If current trends continue without policy change or local action, the available evidence points toward gradual contraction rather than sudden collapse. The Lighthouse data shows supply in the monitored market running above 2019 levels while individual property

occupancy stays below it. Where more properties are competing for broadly flat demand, the operators least able to absorb sustained pressure are likely to be the first to consider exit. The interview evidence is consistent on who those operators tend to be: sole traders in their sixties and seventies, rural and valley properties with constrained letting seasons, and border-area businesses weighing up whether the regulatory burden justifies continuing.

If those operators exit, the cheaper and more accessible end of the accommodation offer is likely to narrow first. That does not necessarily mean immediate visible decline at destination level, but it does point toward a gradual erosion of diversity and resilience in the accommodation base, concentrated first among the businesses least able to absorb cumulative pressure.

If Welsh Government acts on the evidence and reduces the threshold for seasonally constrained properties, the immediate pressure on rural and remote operators would ease. The structural issue of more supply competing for broadly flat demand would remain, but the policy environment would become less hostile. If MCC acts on the recommendations in this assessment, the conditions in which the sector operates change in ways that are within local reach. A credible submission to Welsh Government on the 182-day threshold, backed by the specific cases documented here, strengthens the case for reform. None of those actions resolves the larger policy pressures, but they do change the relationship between MCC and the sector, and that relationship is part of what the evidence says businesses need.

10.5 Implications for MCC

The funding question comes down to what level of ambition the DMP represents and whether MCC is prepared to commit the resource to pursue it. A destination management function operating at minimum capacity can maintain existing activity, but it cannot drive the step-change the DMP sets out. Closing that gap requires two things that are within reach: a realistic internal assessment of whether the current staffing level is sufficient to deliver the DMP's stated ambitions, and a more structured relationship with the private sector.

There is appetite for a clearer route into destination governance. Several operators described feeling disconnected from decisions that directly affect their trading conditions. A well-run industry forum with genuine influence over DMP delivery is not a structural

transformation. It is a practical step that signals shared ownership and creates the conditions for a more sustainable mixed funding model over time.

The more immediate implication is that MCC needs to decide whether destination management is being treated as a minimum-maintenance function or as a delivery priority. If it is the latter, the current model is unlikely to be enough. The evidence supports a near-term move toward stronger industry engagement and a clearer internal commitment to destination capacity, while keeping the more formal partnership question as a later-stage option rather than an immediate requirement.

11. Wider impact assessment

The social, economic, environmental and equality dimensions of the findings are considered here. No new evidence is introduced. The concern is what the picture built across Sections 4 to 9 implies beyond the immediate visitor economy and business viability questions.

Economic impacts

In 2024, the visitor economy supported around 3,422 full-time equivalent jobs and contributed £352 million in economic value, accounting for approximately 15% of employment in the county. Sustained pressure on accommodation businesses is not a sectoral issue in isolation. It connects to employment, local supply chains, food and drink, retail, transport and the broader economic conditions of market towns and rural communities across the county.

The evidence points to a sector where headline value has grown while the conditions needed to sustain that value have weakened across part of the accommodation base. Margin compression, deferred investment and staffing restraint affect the quality and range of the visitor offer, the resilience of local employment and the ability of the sector to attract further private investment. Those are not the same conditions as growth matched by strong margins, sustained employment and continued reinvestment.

Social and community impacts

Tourism in Monmouthshire is not a separate economy. It shares infrastructure, services and workforce with the communities that host it.

Several interview participants described the condition of local town centres, the loss of banks and local services, and the general vitality of Abergavenny, Monmouth and other communities as directly relevant to their trading conditions. A visitor accommodation business depends on the places around it being attractive, functional and well-serviced. Where those places are under strain, the accommodation offer weakens alongside them.

The 182-day threshold and the council tax premium both have a stated housing rationale. The evidence in Section 8 suggests that some operators are considering or have already taken steps away from holiday letting, which could in principle contribute to local housing availability. The same evidence is clear that the scale and direction of that effect is uncertain and that properties leaving the holiday let market do not automatically become affordable homes for local households.

Equality implications

The policy pressures described in this assessment do not fall equally across accommodation businesses, and the businesses most affected are often those least able to absorb the costs. Small owner-operated businesses face the same compliance requirements and threshold pressures as larger operators but with less resource to manage them. The personal financial exposure of small operators, including drawing on savings, taking on labour themselves and delaying personal income, is qualitatively different from the margin compression that larger businesses describe.

The budget end of the accommodation market is also disproportionately affected by some of the changes under review, particularly the visitor levy framework. A levy of 75 pence per person per night represents a very different burden for a £5 camping pitch than for a £150 hotel room. Budget accommodation serves visitors who are themselves more price-sensitive, and any charge that reduces the accessibility of the cheapest accommodation options has an equality dimension.

Hospitality and accommodation is a sector with high proportions of part-time, seasonal and lower-paid workers. Staffing restraint, reduced hours and business contractions affect that workforce directly.

Environmental implications

Longer average stays in the short-term rental market, which the Lighthouse data shows running 43% above the 2019 comparator in February 2026, may be positive in per-visit environmental terms. Longer stays spread the carbon and infrastructure cost of travel over more nights and tend to involve more local spending.

Capital investment is being deferred across the accommodation sector. Upgrades to energy efficiency, insulation, heating systems and waste management infrastructure are among the kinds of investment that get delayed when operating margins are under pressure. Where that deferral extends over a sustained period, it affects both the environmental performance of the accommodation stock and the county's ability to meet future regulatory requirements, including those around energy performance.

Implications for MCC

The pressures described in this section connect to issues MCC already has a voice on. The disproportionate burden of the visitor levy on budget accommodation is a point MCC is well placed to raise with Welsh Government and the Welsh Revenue Authority as the registration process opens. Deferred energy investment across the accommodation stock is partly a grant design problem, and MCC can make that case when representing to Visit Wales and Welsh Government on grant accessibility. On the economic and social side, factoring operator-level margin compression into how MCC describes sector health to members and to Welsh Government gives a more accurate picture than headline STEAM data alone.

12. Conclusions and recommendations

Monmouthshire has a substantial visitor economy and a clear strategic ambition through the Destination Management Plan 2025 to 2030. The evidence gathered for this assessment does not contradict that starting point. It shows instead that the conditions needed to deliver those ambitions have become more difficult, more uneven and more uncertain across part of the accommodation base. Monmouthshire remains a performing destination, while part of the sector that underpins that performance is under sustained pressure.

The issue is not the effect of one policy in isolation, but the cumulative weight of several changes arriving together. Businesses did not generally describe one overwhelming measure that explained everything else. They described a stack of pressures: the 182-day threshold, the risk of council tax and premium treatment on properties that fall short, the abolition of furnished holiday lettings tax treatment, higher payroll costs, reduced rates relief and wider uncertainty about future regulation. That combination has altered the operating environment for a large part of Monmouthshire's accommodation base. It matters because the destination's reliance on overnight value means accommodation viability sits close to the centre of what the DMP is trying to deliver.

The impacts are not falling evenly, and those differences matter for how MCC responds. Rural valley operators face a structurally different challenge in reaching threshold compliance than a well-located market town property. Border-area businesses face a competitive disadvantage that does not arise in the same way elsewhere in Wales, because they compare directly with nearby English destinations not operating under the same Welsh-specific framework. Smaller owner-operated businesses, particularly those without staff, reserves or succession plans, are much less able to absorb the combined burden than larger and better-capitalised operators. The evidence does not support a one-size-fits-all reading of sector health, and it does not support a one-size-fits-all local response.

Aggregate value has increased, and Monmouthshire remains a significant visitor economy. But aggregate performance is not the same as evenly distributed business health. The evidence includes documented cases of operators pricing below break-even to remain threshold-compliant, pausing investment because cash flow has tightened, shrinking business activity because fuller trading no longer improves viability, and using pension savings to meet backdated liabilities created by administrative error on compliant properties. These are not background conditions. They are specific, traceable consequences of identifiable policy decisions, and they are the material for a credible formal submission to Welsh Government.

MCC cannot resolve the largest policy pressures directly. The main levers sit with Welsh Government and UK Government. But the evidence gathered here is specific enough to support a stronger local response than general statements of concern. The recommended response falls into three connected areas.

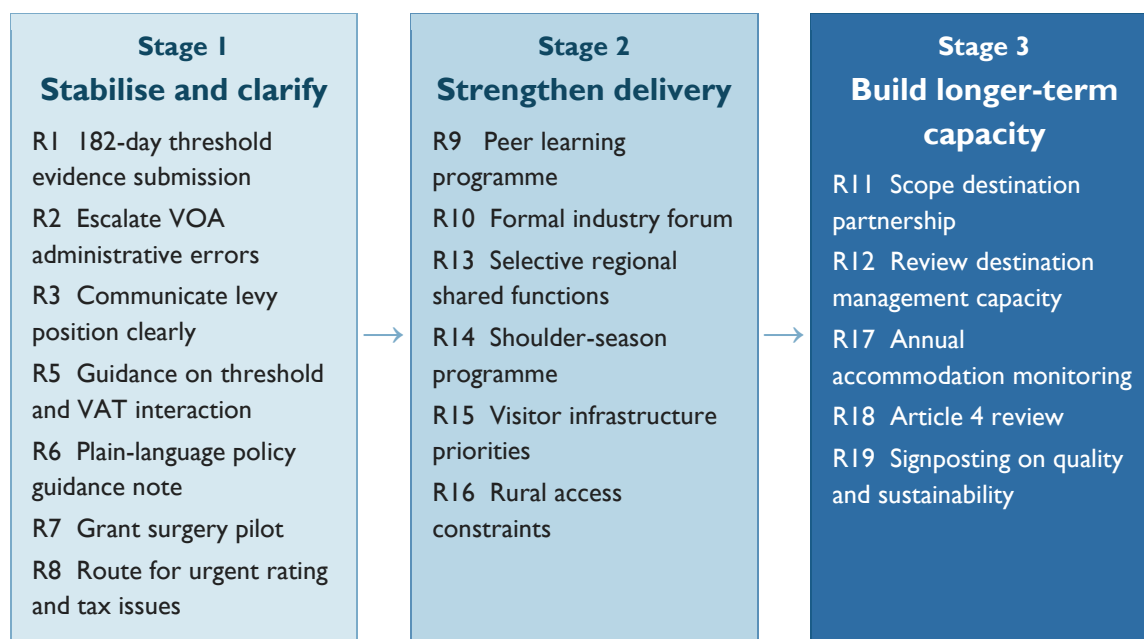
The most immediate priority is evidence-based advocacy and communication. MCC should submit formal evidence to Welsh Government on the 182-day threshold, using the specific

cases documented in this assessment rather than general representations about sector pressure. That submission should address the case for a lower threshold for seasonally and geographically constrained properties, the treatment of checkout days in the threshold count, and the structural interaction between threshold rules and VAT exposure. VOA administrative errors should be collated and reported as a systemic issue. On the visitor levy, MCC's position of not being an early adopter should be communicated clearly and consistently, alongside a plain explanation of the registration timetable. A plain-language guidance note on the main current policy changes should be published and maintained. These actions cost relatively little and address the most frequently raised sources of avoidable uncertainty in the evidence.

The second priority is practical business support and grant accessibility. Reviewing locally administered grant schemes for accessibility and making the case for more workable models, particularly the shift away from reimbursement-after-completion for cash-constrained businesses, is a direct response to what businesses said. A coordinated case with other border authorities on the competitive implications of Wales-specific policy divergence would carry more weight than Monmouthshire acting alone, and the evidence from this assessment supports that case.

The third priority is stronger destination governance. Establishing a regular, structured engagement mechanism linked to DMP delivery is the clearest near-term response. That should sit alongside a review of destination marketing activity for alignment with DMP priorities, targeted investment in basic visitor infrastructure in the highest-footfall locations, and better joined-up monitoring of accommodation stock, planning use and housing availability over time. A more formal destination partnership may become realistic later, but in the near term the evidence supports strengthening the current model rather than attempting to replace it.

The diagram below shows how the recommendations connect and sequence. The short-term actions create the conditions for the medium-term and longer-term work.



Stage 1 (short term): stabilise conditions, reduce uncertainty and build a more structured relationship with the sector. Stage 2 (short to medium term): strengthen delivery through marketing alignment, infrastructure and monitoring. Stage 3 (medium term and ongoing): build the conditions for a more sustainable and resilient destination management model. The full recommendations register, with suggested leads, timing, dependencies and evidence links, is in Appendix F.

12.1 Next steps

In the short term, the most important actions are communication, representation and governance. Communicating MCC's position on the visitor levy clearly costs little and addresses one of the most frequently raised sources of business uncertainty in the evidence. Submitting formal evidence to Welsh Government on the 182-day threshold, backed by the specific cases documented here, is a practical use of the assessment that directly serves the businesses that contributed to it. Establishing a structured industry engagement mechanism is the clearest local step toward a more resilient destination management model.

The medium-term actions depend on those foundations being in place. A clearer internal decision on destination management capacity, a stronger route for business engagement and better monitoring of accommodation and housing change are all preconditions for a more ambitious mixed-funding or partnership model later.

The cases documented in this assessment are specific, traceable consequences of identifiable policy decisions. They are the material for a credible submission to Welsh Government and

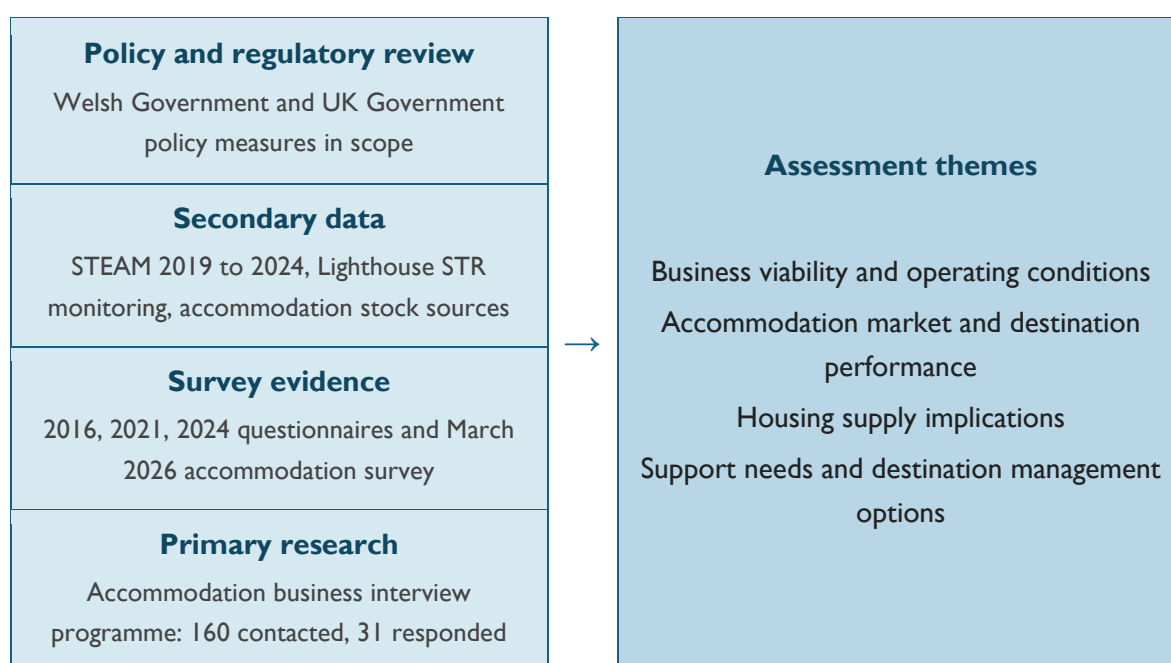
make the case for threshold reform more persuasively than a general representation would. The sector values the council's tourism function, wants more engagement than it is currently receiving, and is watching to see whether the reduction in the team's capacity continues or is reversed. The recommendations here reflect what is realistic and what the evidence supports. Acting on them, even selectively and in sequence, would strengthen the conditions in which Monmouthshire's visitor economy operates.

Appendix A. Methodology and evidence base

This appendix explains how the assessment was carried out, the main evidence used and the main limits that should be kept in mind when reading the findings. The assessment combined existing documentary and survey evidence with primary research carried out for the commission, consisting of the accommodation business interview programme and the March 2026 accommodation survey.

A1. How the evidence fits together

The diagram below shows how the four main evidence types feed into the assessment themes, with interview and survey detail set out in Appendix B, the policy review in Appendix C and supporting data and trend charts in Appendix D.



A2. Method

The assessment drew on six main strands of evidence. It began with a review of the policy and regulatory changes in scope, covering Welsh Government and UK Government measures affecting visitor accommodation and the wider visitor economy. It then examined visitor economy and accommodation data, including the GTS STEAM series for Monmouthshire from 2019 to 2024, Lighthouse short-term rental monitoring data from February 2025 to May 2026 and published accommodation stock sources. Existing survey evidence collected between 2016 and 2026 was used alongside this, drawing on stakeholder and business surveys covering destination management issues, trading conditions, confidence, growth plans, support needs and policy concerns.

Primary research for this assessment consisted of the accommodation business interview programme and the March 2026 accommodation survey. The interview programme produced records across around 22 distinct interview sessions covering around 31 named accommodation businesses or properties, while the March 2026 survey provided a small but current accommodation-focused check on business sentiment and policy concerns. These strands were then considered together against the Destination Management Plan 2025 to 2030 and the commission brief. The purpose was not to produce a statistically representative study of the whole Monmouthshire visitor economy, but to assess how recent policy changes are affecting the county's ability to deliver its destination ambitions, with particular attention to accommodation businesses where the policy effects are most direct.

A3. How the evidence was brought together

Findings were treated as stronger where they appeared across more than one evidence strand, while points raised in only one interview or one survey response were noted but treated more cautiously. Issues recurring across surveys, the interview programme, the March 2026 accommodation survey, policy review and secondary data were treated as better supported. The table below shows how the main report themes were supported across the evidence base.

Theme	Main evidence strands
Seasonality as a persistent structural issue	2016 stakeholder survey, 2021 destination business questionnaire, 2024 business questionnaire, accommodation business interview programme
182-day threshold as a material business pressure	Policy review, accommodation business interview programme, March 2026 accommodation survey
Infrastructure and access as direct commercial issues	2016 stakeholder survey, 2024 business questionnaire, accommodation business interview programme
Visitor levy concern among accommodation operators	Policy review, accommodation business interview programme, March 2026 accommodation survey
Cumulative cost pressure across NI, wages, rates and compliance	Accommodation business interview programme, 2024 business questionnaire, March 2026 accommodation survey

VOA administrative errors and backdated liabilities	Accommodation business interview programme, policy review
Adaptation and resilience among stronger operators	Accommodation business interview programme, 2024 business questionnaire, March 2026 accommodation survey
Expansion in non-serviced and short-term rental supply alongside weaker occupancy performance	STEAM 2024, Lighthouse data, accommodation business interview programme
Border competitive disadvantage from Wales-specific policy	Accommodation business interview programme, policy review, March 2026 survey
Frozen or deferred investment	Accommodation business interview programme, March 2026 accommodation survey and interviews
Marketing, coordination and business voice	2016 stakeholder survey, 2021 destination business questionnaire, 2024 business questionnaire, accommodation business interview programme

Where a finding rests mainly on one source type, that is reflected in the relevant appendix table or discussed more cautiously in the main report.

A4. Limitations

The interview evidence is weighted toward accommodation businesses, particularly self-catering operators. That is appropriate for an assessment focused on policy effects on overnight accommodation, but it means the evidence base does not provide equivalent depth on attractions, food and drink, retail or activity businesses. Where the report comments on the wider visitor economy, it relies more heavily on survey evidence and secondary data.

The survey sources used in the assessment were collected in different years and for different purposes. They share common themes, but they are not a single standardised time series. Direct comparisons across years should be treated as indicative rather than precise.

Some policy effects are reported through business perceptions, intentions and forward planning rather than through measured county-wide outcomes. Where businesses say they are considering exit, reducing investment or changing use, these are important planning

signals, but they are not the same thing as a confirmed count of properties that have already done so.

The GTS STEAM series is a modelled tourism dataset. It is the most consistent source for Monmouthshire's visitor economy trend line and is appropriate for that purpose, but it is not an administrative count of visitors or spending.

Lighthouse data covers the monitored short-term rental market rather than the full accommodation market. It is useful for directional monitoring of supply, occupancy, rates and revenue, but it should not be treated as a full census of all short-term letting activity in the county.

The assessment was drafted in March 2026. Policy details should be checked against the most recent Welsh Government and UK Government guidance before final publication.

A5. Expanded evidence base

The table below summarises each source, its date, what it was used for and its main limitation. Sources are listed in the order in which they appear in the method above.

Source	Date	Used for	Main limitation
Monmouthshire DMP 2025 to 2030	2025	Destination ambitions, growth framing, priority areas and accommodation baseline figures	Strategic rather than evaluative. Does not itself measure policy effects.
GTS STEAM series, Monmouthshire	2019 to 2024	Visitor economy trend line across visitors, value, employment and accommodation split	Modelled data, not administrative counts. Annual lag means latest full year is 2024.
Lighthouse / VisitBritain STR monitoring	Feb 2025 to May 2026, with 2019 comparators	Short-term rental supply, occupancy, ADR, reserved nights and revenue per property	Covers monitored STR platforms only. Some metrics only available to February 2026.
Published accommodation stock sources	2024 to 2026	Cross-checking accommodation mix by type and interpreting the county's accommodation structure	Not a single unified official dataset. Category coverage varies by source.
2016 stakeholder feedback survey	2016	Historic destination management baseline and long-run comparator for recurring themes	Older source and not designed as a policy impact study.

2019 Monmouthshire visitor survey	2019	Pre-Covid visitor profile and satisfaction context	Visitor-facing rather than business-facing. Contextual rather than core to the policy assessment.
2021 destination business questionnaire	c.2021	Post-Covid business comparator, especially on confidence and booking patterns	Conducted in unusual market conditions and not directly comparable with later surveys.
2024 business questionnaire	2024	Broad business sentiment, performance, plans, destination strengths and support needs	Not accommodation-only. Modest sample of 61 responses.
March 2026 accommodation business survey, primary research	March 2026	Current accommodation- focused policy temperature check, 9 responses	Very small sample. Accommodation businesses only. Best read as a current indicator rather than a statistically reliable result.
Accommodation business interview programme, primary research	2024 to 2026	Behavioural evidence on policy effects, business responses, support needs and forward intentions, around 22 distinct interview sessions and around 28 businesses or properties	Weighted toward accommodation businesses, especially self- catering. Around 160 businesses were contacted and 31 responded. Not a random or representative sample.
Welsh Government and UK Government policy materials	2022 to 2026	Policy summary, relevance and effects analysis in Appendix C	Legislative detail and guidance may continue to evolve after drafting.

Appendix B. Business interview and survey evidence

This appendix summarises the business interview and survey evidence used in the assessment. All material is anonymised. Quotations are attributed by broad business type and, where useful, broad location type only. The interview material and the March 2026 accommodation survey are weighted toward accommodation businesses, especially self-catering, which is appropriate for this assessment but should not be read as a representative picture of the whole visitor economy.

B1. Interview topics

The interview programme used a semi-structured guide applied consistently across accommodation businesses. Each interview note followed the same broad structure, covering business profile and context before moving through trading conditions, policy impacts, business responses, visitor levy views and support needs. The form was completed on a one-business-per-record basis, with cross-references where one operator held multiple properties.

Section	Main topics covered
Interview details	Business type, interviewee role, date, method, consent
Business profile	Number of units or rooms, bedspaces, years in operation, ownership model, staffing, any linked properties
Recent trading	Occupancy or bookings, comparison with prior years, strongest and weakest periods, current outlook
Policy impacts	182-day threshold, council tax and NDR treatment, VOA issues, FHL tax changes, payroll and NI, energy, planning, grant access, visitor levy
Business response	Price changes, staffing changes, investment delays, use changes, market pivots, direct bookings, travel trade engagement
Visitor levy	Awareness, likely impact on demand, preferred rate or exemptions, administrative concerns, border competition
Support needs	What MCC could do, what Welsh Government could change, what support would help most
Additional context	Infrastructure, town-centre conditions, environmental issues, transport and anything unexpected raised in interview

Not every prompt was relevant to every business. Larger serviced businesses tended to focus more on payroll, service standards, margins and deferred investment. Self-catering operators focused more directly on the 182-day threshold, council tax treatment, VOA administration and FHL tax changes.

B2. Survey coverage

The business evidence base draws on three survey instruments collected across different years and for different purposes. They are not identical and should not be treated as a single standardised time series. Used together, they show where concerns have remained consistent and where they have shifted.

Survey	Main areas covered
2021 destination business questionnaire	Business type and profile, whether open, current operating capacity, confidence over the next 12 months, bookings, booking trends, future plans, staffing, support and communication preferences
2024 business questionnaire	Business type, role, location, recent business performance, destination performance, shoulder-season growth, travel trade engagement, development plans, destination strengths and weaknesses, governance and support needs
2026 accommodation business survey	Business type, unit size, recent performance versus two years earlier, confidence, policy impacts, actions already taken or planned, support needs and free-text comments

The 2024 questionnaire also asked about the destination strategy, involvement in destination development and preferred ways of engaging with future tourism activity.

B3. Sample profile

The DPIA interview programme produced 31 records covering around 22 distinct interview sessions and around 28 named accommodation businesses or properties. Several records are linked sub-records where a single interview covered multiple properties under common ownership. The programme is heavily weighted toward self-catering and holiday-let operators, with smaller numbers of hotel, pub-with-rooms, glamping, caravan/camping, bunkhouse and cabin operators. Businesses were located across Abergavenny, Monmouth, Chepstow, Usk, Tintern and rural areas including the Brecon Beacons National Park and the Llanthony Valley.

The survey sources are broader in sector coverage, though none is accommodation-only except the 2026 survey. The table below shows the main research sources and their coverage. This appendix should be read as evidence on business pressures and responses rather than as a statistically representative picture of the whole visitor economy.

Survey source	Coverage
2024 business questionnaire	61 responses across visitor-facing businesses. Main accommodation categories were 4 serviced, 15 self-catering and 4 caravan/campsite/hostel, with the remainder covering attractions, activity operators, food and drink, retail and other sectors.
2021 destination business questionnaire	80 businesses, of which 74 were open at the time of fieldwork. Business categories included serviced accommodation, self-catering, caravan/campsite/hostel, attractions, food producers, retail and other sectors.
2026 accommodation business survey	9 responses: 4 self-catering, 2 glamping, 1 hotel, 1 caravan/camping and 1 narrowboats. Confidence was mostly fairly confident, but performance was more often weaker or stable than stronger compared with two years earlier.
2016 stakeholder feedback	108 tourism stakeholders. Used mainly as historic context on promotion, destination management and infrastructure priorities.

B4. Interview evidence by business type and location

The table below groups interview evidence by business type and location. The relative weight given to each issue varied by business model and geography, but several patterns were consistent enough to appear across multiple business types rather than just one or two.

Business type and location	Main pattern in the evidence
Self-catering, rural and valley locations	These businesses were most directly exposed to the 182-day threshold, council tax/NDR treatment and FHL tax changes. Common concerns included short seasons, pressure to discount to reach threshold compliance, personal financial exposure and consideration of long-term letting or sale. Remote valley operators were most likely to argue that the threshold is structurally misaligned with local seasonality and access conditions. Stronger products in this segment could still perform well, but the policy burden was described as a constant drag.
Self-catering, multi-property portfolios	Larger portfolios were somewhat better able to absorb pressure, but still reported stress from threshold tracking, VOA errors, backdated liabilities and cumulative tax changes. Some described changing the use of individual units or considering longer-term residential use for part of their stock.

	A few better-positioned operators were maintaining high occupancy where quality, repeat custom and investment remained strong.
Hotels and serviced accommodation	These businesses were less focused on the 182-day issue and more focused on payroll, National Insurance, service standards, margin compression, cash flow and deferred investment. Revenue was often described as holding up better than profit because costs had risen faster than income. Some stronger operators were adapting by targeting group, trade and international business rather than relying on late domestic bookings.
Glamping, camping and low-cost outdoor accommodation	The visitor levy was seen as proportionately more significant in low-cost segments. These operators also raised road closures, diversions, access problems and weather exposure more often than most other business types. At the same time, the outdoor offer remained a clear strength where access and infrastructure allowed businesses to capitalise on it, and some operators still reported strong repeat demand.
Bunkhouse and hostel / low-cost group accommodation	Lower-cost models were sometimes described as resilient because of repeat custom and relatively simple operations, but levy concerns remained strong, especially where operators believed they would need to absorb any charge rather than pass it on. Price sensitivity was a recurring issue.
Border locations	The strongest concern here was divergence from England, especially around a Wales-only visitor levy and the wider sense that Wales-specific policy burdens could influence booking decisions close to the border. This concern cut across business size and type. Border and Wye Valley locations were still seen as attractive products, but operators feared comparative disadvantage rather than lack of demand.
Town-linked businesses	These businesses were more likely to connect accommodation performance to the wider health of the town centre, including bank closures, independent retail decline, weak town-centre conditions and local place management. Some also pointed to good visitor interest in stronger town markets, but stressed the need to protect place quality and basic visitor infrastructure.
Smaller owner-operated businesses	Smaller owner-managed businesses appeared more financially exposed to policy change, especially where holiday letting income was tied closely to household income, pension

	planning or mortgage costs. This group was more likely to talk about personal financial risk, exit and curtailed investment.
Better-performing premium businesses	A smaller group of stronger businesses, often with a clearer product offer, stronger repeat custom or more established direct booking channels, appeared more resilient. These businesses were still critical of the policy environment, but were more likely to describe adaptation than immediate retrenchment.

B5. Main interview themes

The table below summarises the themes that recurred most consistently across the interview set. Cumulative pressure and the 182-day threshold were among the most widely shared across business types.

Theme	What businesses said	Raised most often by
182-day threshold	The main complaint was not regulation in principle but that the threshold is too high for seasonal, rural and remote businesses. Some described discounting below break-even to hit the target. Several argued that the burden was constant even where they were technically compliant.	Self-catering, especially rural and small-scale operators
Policy interaction	Several operators described tension between the 182-day threshold and VAT exposure, with pressure to let more while also trying to avoid crossing the VAT threshold. In at least one case this interaction was described as a direct reason for changing use.	Self-catering operators
VOA and administrative errors	Multiple interviews described incorrect removal from the non-domestic list, backdated council tax liabilities and long delays in correction. Administrative uncertainty was often described as almost as burdensome as the policy itself.	Self-catering portfolios and owner-operators
Payroll and NI	Labour cost increases were a major pressure for serviced businesses and larger operators. Some were managing through	Hotels, pubs with rooms and

	attrition, delayed hiring or reduced hours rather than overt redundancy.	larger businesses
Grant accessibility	Reimbursement-after-completion grants were described as inaccessible where businesses could not fund work upfront. This was presented as a practical design problem rather than a lack of interest in improvement.	Hotels and cash-constrained operators
Visitor levy	Objection was widespread and mainly practical: border competition, administrative burden, low-cost customer sensitivity and reputational confusion over whether the business was charging it directly.	Almost all business types, especially border and low-cost operators
Infrastructure and place management	Roads, landslips, transport, signage, flooding and town-centre decline were raised as direct commercial issues rather than background complaints.	Rural operators, caravan/camping businesses and town-linked businesses
Cumulative pressure	Businesses repeatedly described a stack of pressures arriving together rather than a single issue driving concern. This was one of the most consistent findings across the interview set.	Across the whole interview set
Frozen or diverted investment	More businesses talked about delaying upgrades, reducing staffing, changing use or exploring residential alternatives than about confident expansion.	Across multiple business types
Exit, retrenchment and optionality	Smaller owner-operated businesses were more likely to talk about personal exposure, pension or mortgage risk, using savings to meet bills and thinking seriously about exit or contraction.	Small self-catering and family-run businesses
Adaptation and resilience	Some businesses were still stable or growing. Stronger products and stronger market positions were more resilient. Reported responses included price changes, stronger direct booking strategies, travel trade or international activity, operational tightening, quality upgrades and product repositioning.	Stronger businesses across several types

Positive views of the destination	The destination itself was rarely described as weak. Operators often stressed that guests liked the area and that demand was present. Some also praised local officers, council listings and trade networks, even while arguing that support capacity had been reduced too far.	Across several business types
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B6. Selected anonymised quotations

Quotations have been lightly normalised for readability and are labelled only by broad business type and, where helpful, broad location type to reduce disclosure risk. They are included as illustrative evidence of recurring themes rather than as statistically representative views.

Label	Quotation
Self-catering operator, rural	"Caught between a rock and a hard place. Earning more risks VAT, less risks 182-day council tax."
Self-catering operator, rural	"The 182-day threshold produces irrational pricing, cutting rates below break-even to hit the number."
Self-catering operator, valley location	"We can't manufacture demand in the winter just because a threshold says we should."
Self-catering operator, multi-property	"Tracking the threshold is now almost a management task in itself."
Self-catering operator, border area	"It feels like Wales keeps adding layers that our competitors over the border just don't have."
Hotel operator	"Payroll was the single largest cost pressure. NI and wage increases made labour substantially more expensive."
Hotel operator	"Cumulative pressure is real. Investment paused, staffing trimmed."
Hotel operator	"The pipeline from April to September is strong. We're not sat here waiting for the phone to ring."
Hotel operator	"Turnover is holding up better than profit. That's the real story."
Glamping and camping operator	"Visitor levy at 75p per person is 15% of my £5 a night pitch. It's regressive for low-cost sites."
Glamping and camping operator	"Road closures add 1.5 hours. Guests won't return after diversions."
Glamping operator	"People love the product, but access is part of the product in a rural area. If access goes wrong, everything goes wrong."

Bunkhouse / low-cost accommodation	"I will have to absorb this cost, as I don't think I can pass this on as I think people won't come."
Bunkhouse / low-cost accommodation	"Our market is price-sensitive. Small changes matter more here than people think."
High-end self-catering operator	"We're consistently at about 85% occupancy. The market for a really good product is still there."
Glamping / self-catering operator	"Our guests absolutely love the valley. When people do find us, they tend to return and tell their friends."
Serviced accommodation operator	"Revenue isn't the problem in itself. It's how much more expensive it is to deliver the same service well."
Accommodation operator, town-linked	"Guests notice the town when they arrive. If the place looks tired, it affects how the whole stay feels."
Accommodation operator, rural	"We have held on for now, but we are far more cautious about spending than we were two years ago."
Accommodation operator, mixed view	"Demand is still there, but it is taking more work, more administration and more risk to turn that into a viable business."

B7. Survey results

B7a. 2024 business questionnaire

The 2024 business questionnaire provides the broadest recent cross-sector business snapshot in the evidence base. The data is not uniformly negative. While a visible minority reported poor performance, around half still described their own business performance as good or very good and nearly half reported plans to develop or grow.

Question	Result	Why it matters
Responses	61	Broadest recent visitor-economy business snapshot
Business performance, last 12 to 18 months	31 good/very good, 20 neither poor nor good, 10 poor/very poor	Mixed but not uniformly negative trading picture
Destination performance, last 12 to 18 months	Similar pattern, with a substantial neutral middle and smaller positive and negative minorities	Suggests the destination is not viewed uniformly badly, but there is visible caution
Shoulder-season growth	13 yes, 34 no, 14 don't know	Limited progress on seasonality and off-peak growth

Engage with travel trade	22 yes, 37 no, 1 don't know	Travel trade engagement remains limited overall
Plans to develop or grow	29 yes, 20 no, 12 don't know	Growth intentions persist despite pressure
Strongest aspects of the destination	Landscape, walking and cycling, heritage, food and drink, market towns	Reinforces the continuing strength of the destination offer
Weakest aspects of the destination	Public transport, roads, parking, public toilets, signage, town-centre vitality	Reinforces long-running infrastructure and place-management issues

B7b. 2021 destination business questionnaire

The 2021 questionnaire is mainly useful as a post-Covid business confidence and bookings reference point. It matters because it shows that confidence held up reasonably well in 2021, but by 2024 and 2026 the emphasis had shifted away from Covid uncertainty toward cost, policy and infrastructure pressures.

Question	Result	Why it matters
Responses	80	Earlier comparator survey
Currently open	74 yes, 6 no	Most respondents were trading at the time
Confidence over next 12 months	Around 63 of 80 fairly or very confident, 16 not very or not at all confident, 1 unsure	Confidence was relatively strong, but not universal
Advance bookings vs normal	Around 12 more than normal, 33 same as normal, 22 fewer than normal	Mixed recovery and ongoing uncertainty
Future intentions	12 of 80 expected future plans to require more staff, premises or relocation	Shows that growth ambition still existed in the post-Covid period
Additional business most needed	Winter, weekdays and shoulder periods	Useful baseline for understanding persistent seasonality issues

B7c. 2026 accommodation business survey

This is a small accommodation-only sample and should be read accordingly. Its value lies in sharpening the policy picture for accommodation businesses: the responses confirm directly

that operators were treating regulation, thresholds and levy issues as central current concerns rather than background noise.

Question	Result	Why it matters
Responses	9 accommodation operators	Small but policy-focused temperature check
Business types	4 self-catering, 2 glamping, 1 hotel, 1 caravan/camping, 1 narrowboats	Strongly accommodation-focused
Confidence	Mostly fairly confident, with two not at all confident	Confidence remains cautious rather than buoyant
Performance vs two years earlier	Weaker or same was more common than stronger	Suggests more pressure than growth momentum in this small accommodation subset
Most-requested support	Financial grants/funding, help understanding regulations, marketing support	Reinforces practical and policy support needs
Future intentions	Evidence of both retrenchment and adaptation, with some operators considering exit and others adjusting prices, staffing or business model	Supports the report's line on optionality rather than universal collapse

B8. Themes from open-text responses

The main themes from open-text survey responses ran broadly in the same direction as the interview evidence. Several of them appear consistently across all three survey instruments and multiple years.

Destination strengths and continuing confidence

Across the 2024 questionnaire and wider survey synthesis, businesses repeatedly cited landscape, walking and cycling, heritage, castles, food and drink and market towns as Monmouthshire's strongest assets. Operators do not describe the destination as unattractive. They point to strong product appeal and repeat demand while arguing that policy burden, infrastructure and operating costs are constraining what that appeal can deliver.

Persistent infrastructure weaknesses

Roads, potholes, public transport, parking, public toilets and signage recur across the 2016 stakeholder survey, the 2021 destination business questionnaire, the 2024 business questionnaire and the interview evidence. This is not a new concern.

Marketing and coordination

Businesses asked repeatedly for clearer destination branding, stronger marketing and more structured communication between the council, Visit Monmouthshire, tourism associations and operators.

Shift from crisis to cost squeeze

The evidence moves from Covid-era disruption and booking uncertainty in 2021 toward cumulative policy and cost pressure by 2024 and 2026, especially for accommodation businesses.

Uneven resilience

Stronger products and stronger locations remain more resilient. Smaller rural operators are closer to retrenchment, delayed investment or exit thinking.

Regulatory support needs

By 2026, accommodation operators were asking not only for marketing support but also for help understanding regulations, accessing grants and navigating policy changes.

Governance and engagement

Many respondents described themselves as mainly focused on their own business, but there was clear demand for regular communications, industry events and clearer routes into destination-level decision-making.

Appendix C. Policy and regulatory review

This appendix sets out the main policy and regulatory changes considered in the assessment and explains why they matter in Monmouthshire. It should be read alongside Section 3 of the main report, which summarises the same issues in shorter form.

C0. How the policy pressures are landing

The policies in scope do not all affect every business in the same way, but businesses described them as cumulative rather than separate pressures.

Tax and threshold pressures

- 182-day self-catering letting threshold
- 100% council tax premium on second homes in Monmouthshire
- Abolition of furnished holiday lettings tax treatment
- VAT threshold pressure for some operators



Compliance and regulatory pressures

- Visitor levy framework (enacted, not yet locally in force)
- Visitor accommodation register from October 2026
- Emerging licensing proposals
- Workplace recycling and other compliance requirements



Wider operating cost pressures

- Employer National Insurance increases
- Minimum wage increases
- Reduced business rates relief
- Energy and wider cost inflation



Combined effect in Monmouthshire

- Greater exposure due to the county's large self-catering base, border geography and reliance on overnight value

CI. Main policies in scope

The table below sets out each policy, its current status, why it matters for visitor accommodation businesses and why Monmouthshire is specifically exposed.

Policy	Status	Why it matters	Why Monmouthshire is exposed	Lead responsibility
Self-catering letting thresholds	In force from April 2023. Averaging provisions from April 2026.	To qualify for non-domestic rates, properties must be available for 252 days and actually let for 182 days in a 12-month period. Falling short means reverting to council tax and any applicable premium.	Self-catering accounts for a large share of Monmouthshire's paid accommodation capacity, and the threshold was the single most frequently raised policy issue in the interview evidence. Seasonal and remote properties face structural difficulty meeting the 182-day test.	Welsh Government
Council tax premium on second homes	In force. Monmouthshire applies a 100% premium from April 2024.	Properties that fall below the NDR threshold revert to council tax and become liable for the applicable premium. This creates a step-change in fixed costs for affected operators.	This interacts directly with the letting threshold and was repeatedly referenced in interviews as part of the financial risk of falling short of the 182-day test.	Welsh Government framework; local authority discretion on premium level.
Business rates relief reduction	In force from April 2025.	Wales reduced relief for eligible retail, leisure and hospitality businesses to 40% for 2025-26, raising operating costs for smaller hospitality businesses that rely on rates relief.	Relevant across the wider visitor economy, not just accommodation, and cited as part of the cumulative cost picture, particularly for town-based hospitality and attraction businesses.	Welsh Government; locally administered.
Welsh visitor levy	Enacted. No local levy in force. Registration from October 2026. Earliest local levy April 2027.	Local authorities may introduce a levy on qualifying overnight stays. Rates set in law are £0.75 per person per night for hostels and campsites and £1.30 for other accommodation types. If adopted	The most widely raised forward concern in the interview and survey evidence. Border geography makes it especially salient: operators fear that a Wales-only charge would shift bookings toward nearby English destinations operating without one.	Welsh Government framework; local adoption is discretionary.

		locally, it adds a visible charge and an administrative burden.		
Statutory register of visitor accommodation	Enacted, not yet operational. Duty to register begins October 2026.	All paid visitor accommodation providers in Wales must register with the Welsh Revenue Authority. Creates a new compliance requirement across the sector.	Relevant as a forward compliance issue rather than a current trading pressure. May improve visibility of the accommodation base and support enforcement once operational.	Welsh Government / Welsh Revenue Authority.
Visitor accommodation licensing	Emerging. Not yet in force.	Welsh Government has brought forward proposals for a separate licensing scheme, beginning with self-catering accommodation and linked to safety and quality requirements. This would add a further compliance threshold and possible cost.	More of an emerging issue than a current one, but relevant to future business confidence and compliance costs, particularly for smaller self-catering operators.	Welsh Government.
Planning use classes and Article 4	Use class framework in force. Article 4 powers available to local planning authorities.	Separate planning use classes now cover primary homes, second homes and short-term holiday lets. Local planning authorities can use Article 4 Directions where they have evidence and want to require planning permission for changes of use.	More relevant to supply management and future flexibility than to immediate trading, but still important for future accommodation decisions, including any local judgement on whether tighter controls are justified.	Welsh Government framework; local planning authority discretion on deployment.
Furnished Holiday Lettings tax changes	In force from April 2025.	The UK abolished the FHL tax regime from April 2025. From that date,	Repeatedly cited in interviews and surveys as a material financial change, especially when combined	UK Government.

		FHLs move into the normal property income framework, removing specific tax advantages previously available to holiday lets.	with Welsh-specific tax and threshold rules. Higher-value self-catering properties with significant finance or furnishing costs are most directly affected.	
Employer National Insurance changes	In force from April 2025.	Employer Class 1 secondary NIC rate increased from 13.8% to 15% and the secondary threshold reduced to £5,000. Directly increases payroll costs in labour-intensive businesses.	High for serviced and hospitality businesses. Less direct for owner-operated self-catering, but important for the wider destination offer that depends on staffed attractions, restaurants and activities.	UK Government.
National Living Wage and National Minimum Wage increases	Ongoing annual uprating. Most recent increase April 2025.	Combined with NIC changes, materially increases payroll costs in employment-intensive parts of the visitor economy.	Frequently raised in interviews, especially in serviced accommodation and hospitality. Part of the cumulative payroll pressure alongside NI changes.	UK Government.
VAT threshold and treatment of booking income	Current threshold £90,000.	Creates a growth disincentive for some mid-sized operators, especially where booking-channel structures push turnover toward the threshold.	Raised in interviews as part of a wider structural bind, particularly alongside the 182-day rule, where pressure to let more conflicts with the risk of crossing the VAT threshold.	UK Government (HMRC).
Workplace recycling regulations	In force from April 2024.	Workplaces in Wales, including accommodation and hospitality businesses, must separate specified materials for recycling. Adds operational and some direct collection costs.	Usually described as part of the cumulative burden rather than a primary business risk.	Welsh Government.

Fire safety and EPC requirements	Ongoing. Fire safety strengthened 2022 to 2024.	Fire safety expectations for visitor accommodation have tightened, while EPC and energy efficiency requirements continue to apply to let properties. Together they add compliance and upgrade costs, especially for older or listed stock.	Treated in the evidence mainly as part of the wider compliance burden rather than as a standalone driver.	UK Government / Welsh Government / local fire authorities.
Agricultural Property Relief changes	UK Government reform underway.	Changes to APR create estate-planning cost and uncertainty, diverting management attention toward ownership and succession issues.	Relevant to farm diversification and rural tourism product, but to a narrower part of the market than the main accommodation policies.	UK Government.

C2. Why these policies matter in Monmouthshire

Monmouthshire is more exposed to these changes than a destination with a more heavily serviced accommodation base. Self-catering and other non-serviced accommodation account for the majority of paid accommodation capacity in the county, which means that threshold, council tax and tax-treatment changes are not marginal issues in Monmouthshire. They affect a part of the market that sits close to the centre of overnight visitor value.

The county's border geography adds a second layer of exposure. Businesses in and around Chepstow, Tintern, Monmouth and Abergavenny compete directly with nearby English destinations operating under a different policy framework. In that context, the visitor levy, the letting threshold and other Wales-specific requirements are not abstract policy differences. They can shape booking decisions, business sentiment and willingness to invest.

These pressures are also being experienced cumulatively. Businesses did not generally isolate one measure as the single explanation for the pressures they described. More often, they referred to thresholds, tax treatment, labour costs, rates and future compliance requirements arriving together, on top of a more competitive accommodation market.

C3. How the effects are showing up

Direct effects

Some effects are immediate and financial. These include the risk of movement from non-domestic rates into council tax where properties fall short of the letting threshold, the loss of furnished holiday lettings tax advantages from April 2025, increased payroll costs from employer National Insurance and minimum wage changes, and the reduction in business rates relief for eligible hospitality businesses. These changes affect cash flow, margins and, in some cases, the basic viability of continuing in the same form of operation.

Indirect effects

Other effects are behavioural. Across the evidence base, these pressures are showing up in delayed investment, reduced staffing, changes in pricing, more cautious business planning and, in some cases, consideration of use change or exit. Some operators also described practical barriers created by the interaction of policies, especially where the 182-day threshold, VAT exposure and platform booking structures pull business decisions in conflicting directions.

Emerging effects

Some effects are still emerging rather than fully measurable. These include uncertainty around the future operation of the visitor levy, the practical burden of registration from October 2026, and the possibility of licensing requirements for visitor accommodation at a later stage. They are already affecting sentiment and planning, even where they do not yet create a direct local charge or compliance cost in Monmouthshire.

C4. Who controls what

The table below distinguishes between the level at which each policy sits and the role MCC can realistically play in response. That distinction matters because not all of the pressures identified in the report sit at the same level of local control, so the council's practical role is a mix of direct action, communication, business support and formal representation.

Policy area	Lead responsibility	MCC role
Thresholds and council tax framework	Welsh Government / local discretion on premium level	Evidence gathering, business guidance and formal

		representation to Welsh Government
Visitor levy and registration	Welsh Government framework / local adoption choice on levy	Local communication, future local decision on adoption, representation to Welsh Government
FHL tax treatment, employer National Insurance, wages and APR	UK Government	Business support, signposting and representation only
Planning use classes and Article 4	Welsh Government framework / local planning authority discretion	Local planning judgement, monitoring and evidence base
Other compliance requirements	Welsh Government and/or UK Government	Guidance, coordination and practical support for affected businesses

C5. Interpretation notes

Not all of the policies in scope are at the same stage of implementation. Some are already in force and producing current business effects, while others are enacted but not yet operating locally, or remain subject to further development. The visitor levy, for example, has been enacted in Wales but is not in force in Monmouthshire, and no local authority can apply one before April 2027.

Some effects described in the assessment are observed business responses, while others are planning signals or stated concerns about what may happen next. That distinction matters particularly in relation to business exit, future use change and the likely effect of registration or licensing requirements that are not yet fully operational.

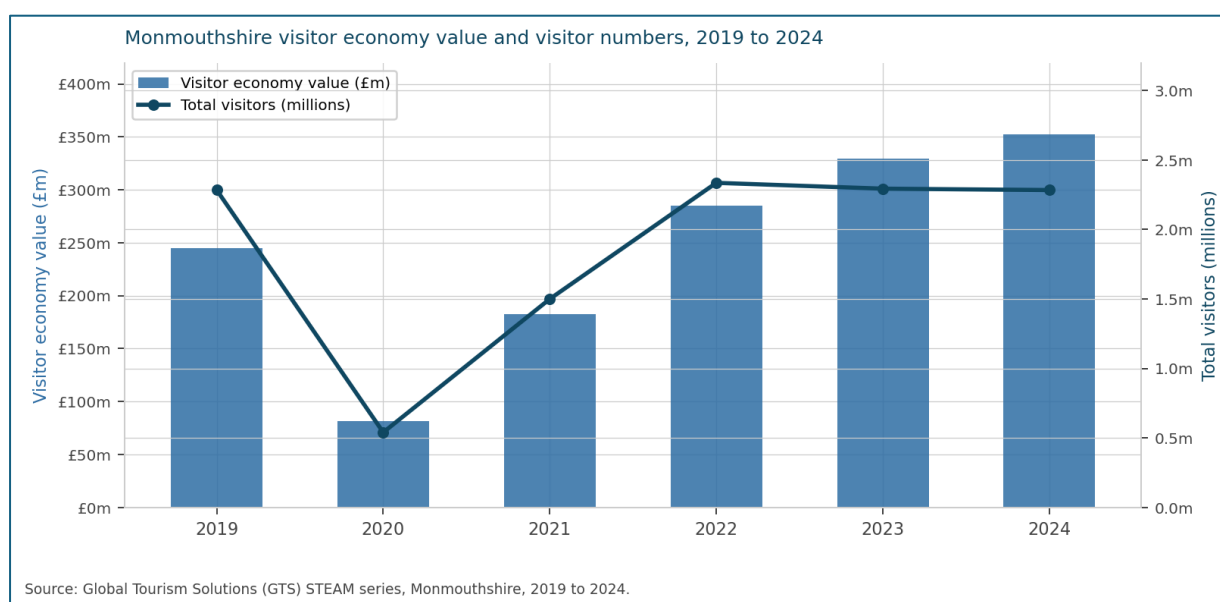
The assessment should therefore be read as an analysis of the combined policy and operating environment rather than as a precise measure of the isolated effect of each individual change. Because parts of the framework remain live or still in implementation, operational guidance should be checked again before final publication.

Appendix D. Supporting data and trend charts

This appendix sets out the main quantitative evidence used in the assessment. D1 and D4 include rebuilt charts as well as the underlying data tables. D2 provides notes on how to read the STEAM series. D3 to D6 are compact reference tables.

D1. STEAM trends, 2019 to 2024

All figures are from the Global Tourism Solutions (GTS) STEAM series for Monmouthshire and are shown in historic prices. The chart below shows the headline trend in visitor economy value and total visitors, while the table underneath provides the fuller series.



Year	Total visitors	Total visitor days	Total economy value	Overnight visitors	Day visitors	Overnight value	Day value	Direct FTE	Total FTE
2019	2.284m	3.265m	£245.0m	0.559m	1.725m	£185.4m	£59.6m	2,499	3,119
2020	0.540m	0.920m	£81.2m	0.200m	0.340m	£69.1m	£12.1m	1,265	1,614
2021	1.500m	2.352m	£182.8m	0.330m	1.170m	£140.8m	£42.0m	1,889	2,336
2022	2.336m	3.501m	£285.1m	0.577m	1.759m	£216.9m	£68.2m	2,737	3,356
2023	2.294m	3.527m	£329.8m	0.579m	1.715m	£254.4m	£75.4m	2,834	3,462
2024	2.284m	3.533m	£352.4m	0.611m	1.674m	£275.2m	£77.2m	2,804	3,422

Source: Global Tourism Solutions (UK) Ltd, Monmouthshire STEAM series, 2019 to 2024.

D2. Notes on comparability and interpretation

Covid disruption and recovery

The 2019 figures provide the pre-Covid baseline. The 2020 figures reflect the immediate disruption caused by the pandemic, with total visitors falling by around 76% and total economy value by around 67% against 2019. By 2022, both total value and total employment had recovered above the 2019 baseline, although the recovery was not even across all metrics.

Value and employment interpretation

Value continued to rise through 2023 and 2024 even where visitor numbers remained broadly flat. That means higher value should not be read automatically as broad-based business health. In 2024, for example, total value increased again while total tourism-supported FTEs fell slightly from 3,462 to 3,422.

Limits of STEAM as modelled data

The STEAM series provides the most consistent trend line available for Monmouthshire, but it is a modelled dataset rather than an administrative count. It is appropriate for trend analysis and broad comparison, but individual year-on-year movements should still be read with care.

D3. Latest Lighthouse position against 2019

The latest like-for-like point available is February 2026 for supply, reserved nights and occupancy. ADR and revenue data continue to May 2026. These indicators cover the monitored short-term rental market rather than the whole accommodation base.

Indicator	Latest value (Feb-26)	Change vs 2019	Comment
STR supply (active listings)	830	+35%	Above 2019 benchmark.
Reserved nights	Index only	+81%	Reserved nights materially above 2019.

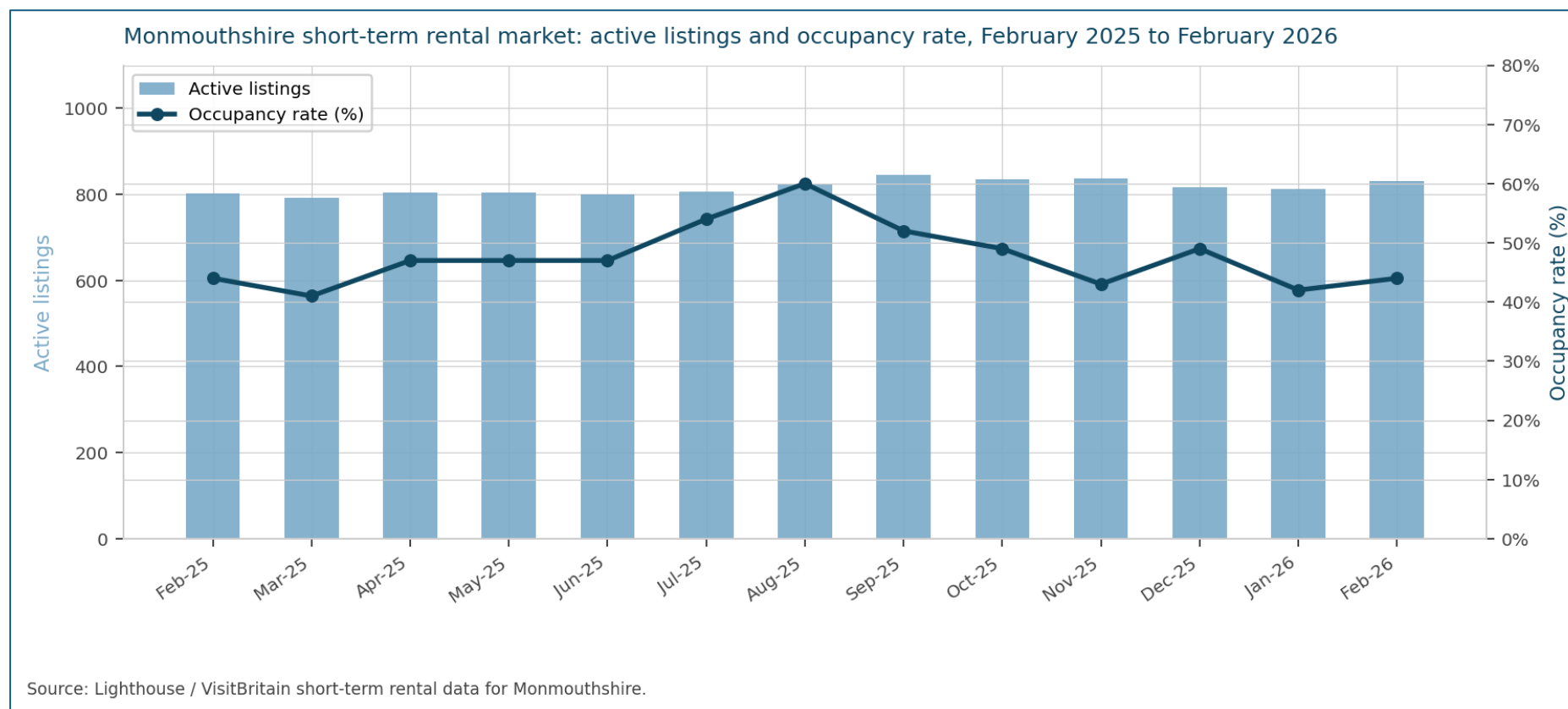
Occupancy rate	44%	-4 pp	Slightly below 2019.
Average daily rate (ADR)	£339	+115%	ADR materially above 2019.
Average revenue per property	£4,062	+127%	Revenue per property materially above 2019.
Average length of stay	5.4 nights	+43%	Longer stays than 2019.

Source: Lighthouse / VisitBritain short-term rental data for Monmouthshire.

The series points to a larger and higher-yielding short-term rental market than in 2019, but not a higher-occupancy one. Supply and revenues are up strongly, while occupancy remains slightly below the 2019 comparator in the latest like-for-like month.

D4. Monthly Lighthouse monitoring

This table presents the monthly short-term rental indicators used in the assessment. Supply, reserved nights and occupancy comparisons with 2019 are available to February 2026, while ADR and revenue data continue to May 2026.



Month	Supply (properties)	Supply vs 2019	Reserved nights vs 2019	Occupancy rate	Occupancy vs 2019	ADR (£)	ADR vs 2019	Avg revenue / property (£)
Feb-25	803	+31%	+86%	44%	-3 pp	£392	+149%	£2,973
Mar-25	793	+28%	+73%	41%	-3 pp	£353	+88%	£2,812
Apr-25	805	+31%	+70%	47%	-5 pp	£336	+107%	£3,183
May-25	805	+30%	+55%	47%	-8 pp	£358	+92%	£3,557
Jun-25	800	+25%	+45%	47%	-5 pp	£363	+113%	£3,660
Jul-25	806	+24%	+50%	54%	-5 pp	£363	+94%	£4,855
Aug-25	823	+24%	+46%	60%	-6 pp	£351	+83%	£5,621
Sep-25	845	+22%	+35%	52%	0 pp	£326	+74%	£3,594
Oct-25	836	+19%	+34%	49%	+1 pp	£308	+58%	£3,772
Nov-25	837	+15%	+34%	43%	-2 pp	£320	+78%	£3,677
Dec-25	817	+19%	+39%	49%	+3 pp	£349	+91%	£4,248
Jan-26	813	+24%	+99%	42%	-1 pp	£336	+69%	£3,970
Feb-26	830	+35%	+81%	44%	-4 pp	£339	+115%	£4,062
Mar-26	---	---	---	35%	---	£367	---	£2,839
Apr-26	---	---	---	34%	---	£368	---	£3,819
May-26	---	---	---	33%	---	£368	---	£4,034

Source: Lighthouse / VisitBritain short-term rental data for Monmouthshire. Supply, reserved nights and occupancy comparisons are not available after February 2026 in the monitored series.

The main pattern in this monthly series is that supply remained above 2019 throughout the observed period, pricing stayed well above 2019 across all months shown, and occupancy varied seasonally but did not consistently exceed the 2019 comparator.

D5. Accommodation stock

This table is based on the published 2024 STEAM accommodation supply page for Monmouthshire. The county's accommodation mix is weighted toward non-serviced provision, as the DMP also notes.

Category	Establishments	Bedspaces	Note
Serviced accommodation total	105	2,830	28% of paid accommodation capacity.
+50 room hotels	4	893	
11 to 50 room hotels	26	1,255	
Under 10 room serviced	75	682	
Non-serviced accommodation total	448	7,355	72% of paid accommodation capacity.
Self-catering	327	2,008	
Static caravans / chalets	76	808	
Touring caravans / camping	45	3,165	Largest non-serviced bedspace category.
Airbnb bedspaces	---	1,374	Bedspaces shown separately in the STEAM page.
Total paid accommodation	553	10,185	

Source: Global Tourism Solutions (UK) Ltd, Monmouthshire STEAM Report 2024, accommodation supply summary.

D6. Council tax and non-domestic rates framework

The table below summarises the main thresholds and local application relevant to visitor accommodation businesses in Wales and Monmouthshire.

Measure	Level	Why it matters
252-day availability threshold	Welsh Government	A property must be commercially available to let for at least 252 days in a 12-month period to qualify for non-domestic rates. In force from 1 April 2023.
182-day actual letting threshold	Welsh Government	A property must be actually let for at least 182 days in the same period

		to qualify for non-domestic rates. In force from 1 April 2023.
Averaging provisions	Welsh Government	From April 2026, operators falling short in the latest year may use two- or three-year averaging, together with limited averaging across units at the same location. This is a refinement to the current framework rather than a replacement for it.
Council tax premium on second homes	Monmouthshire County Council within the Welsh framework	Properties not qualifying for non-domestic rates may fall into council tax and any applicable premium. Monmouthshire applies a 100% premium on second homes from 1 April 2024.
Maximum premium framework	Welsh Government	Councils may set premiums up to the statutory maximum. Welsh Government increased the maximum framework to 300% from April 2023.
Small business rates relief change	Welsh Government, locally administered	Relief for eligible retail, hospitality and leisure businesses reduced from 75% to 40% from April 2025. Relevant to operators that do qualify for non-domestic rates.

Source: Policy and regulatory review prepared for this assessment. Monmouthshire-specific premium position from the compiled policy evidence.

This table does not present a Monmouthshire count of how many properties have moved between NDR and council tax. That count was not available from the sources used. The table shows the framework that sits behind the business evidence and the policy analysis in the main report.

Appendix E. Options appraisal

This appendix sets out the fuller options appraisal that sits behind Section 7 of the main report. It covers the funding and destination management options considered for Monmouthshire, together with the main trade-offs, dependencies and practical implications. The main report summarises the preferred direction in prose. This appendix provides the supporting appraisal in more detail.

E1. Funding options

The table below covers options that are plausibly available to Monmouthshire. It does not list every theoretical tourism funding model, only those with a realistic case for consideration given the county's size, structure and current resources.

Option	How it would work	Strengths	Limitations	Fit for Monmouthshire	Comment
Core council funding	MCC allocates a defined annual budget to destination management activity, staffed through the tourism and economy function.	Stable. Keeps accountability clear. Allows longer-term planning.	Exposed to council budget pressures. Dependent on political prioritisation. No direct industry co-investment.	This is the current base model. It works for minimum activity but limits ambition and resilience if used alone.	This is the baseline for any other model. Without a stable core, partnership or commercial approaches are much harder to sustain.
Council and industry partnership funding	MCC contributes a core budget, matched by contributions from a private-sector forum or destination partnership made up of accommodation, hospitality and attraction businesses.	Brings direct business contribution. Signals shared ownership of the destination. Can help unlock matched funding.	Requires sustained industry engagement and a workable collection mechanism. Hard to build quickly from a low base. Business willingness depends on confidence in delivery.	Viable, but only with a structured approach to business engagement and clear governance.	Probably the most realistic step-change from the current model if business engagement can be sustained. Needs a simple and credible contribution structure.
Business membership model	Businesses pay an annual fee to join a destination body or industry group that funds shared marketing,	Can become self-sustaining if uptake is strong. Creates a direct relationship between	Low uptake is a real risk if businesses are sceptical or already under cost pressure. Needs a strong proposition to justify payment.	More realistic as a supplementary stream than as the main model. Monmouthshire has a fragmented business	Would need to sit alongside public core funding rather than replace it. The value offer would need to be clear and visible early.

	promotion and support activity.	contribution and benefit.		base and mixed engagement history.	
Start-up funding for a new forum or partnership	Time-limited public funding is used to establish a stronger industry forum or partnership, with a view to moving later into a mixed model.	Makes transition possible without expecting immediate private contribution. Reduces early risk.	Still requires a credible route to a more sustainable model. One-off funding alone does not solve the longer-term income question.	Good fit if MCC wants to move beyond the current model but needs a realistic transition period.	Useful as a bridging option. It would support setup, trust-building and early delivery rather than permanent operating costs.
Project-based grant funding	MCC or a partnership applies for specific grants to fund defined projects, campaigns or infrastructure improvements.	Can fund activity beyond the core budget. Access to Visit Wales, UK Shared Prosperity Fund and other streams.	Uncertain and time-limited. Diverts officer capacity into bid preparation. Does not fund recurring activity well.	Should continue to be used. Cannot substitute for a recurring funding base.	Good for one-off investments in product, infrastructure or campaigns. Weak for sustaining day-to-day destination management.
Sponsorship and commissioned activity	Businesses or sectors contribute in kind or financially to specific campaigns, events or activities in return for profile or promotion.	Flexible. Low commitment. Can supplement other funding without major structural change.	Usually small-scale. Depends on businesses having discretionary marketing spend, which is limited in the current market.	Low to medium fit. Most businesses in Monmouthshire are already under cost pressure and unlikely to commit significant voluntary spend.	Useful for specific campaigns or events where there is a clear business case. Not a funding base.
Income from paid services	The destination function generates some income through paid workshops, business support, itinerary development, premium	Can reduce net public cost over time. May strengthen relationships with businesses if the	Requires upfront capacity to design, market and deliver. Revenue likely to be modest in the near term.	Low to medium fit at present. Worth exploring incrementally as capacity develops, not as a near-term building block.	Could include paid training or business support products. Should be developed gradually alongside other funding rather than relied on.

	listings or destination assets.	offer is genuinely useful.			
Shared regional model	Monmouthshire aligns selected destination management functions with neighbouring authorities or a regional body, sharing costs and capacity.	Cost-efficient. Can access wider budgets and greater technical capacity.	Risks diluting Monmouthshire's distinct identity. Governance is more complex. Depends on neighbouring authority priorities.	Medium fit. More realistic for specific functions than as the whole model.	Worth exploring where there is a clear efficiency gain, particularly for data collection, research or joint campaigns. Less suitable as the organising model for Monmouthshire's destination management, where local identity and responsiveness matter.
Visitor levy (future scenario only)	If a visitor levy is introduced locally in future, overnight-stay revenue would be ring-fenced for tourism-related infrastructure and services.	Creates a direct link between visitor activity and destination investment. Could become meaningful at scale.	Not a near-term option. MCC has confirmed it will not be an early adopter. Revenue is uncertain and behavioural effects are unclear.	Not a current option for Monmouthshire. Relevant only as a medium-term scenario.	Included for completeness. Should not be treated as a near-term funding solution in current recommendations.

E2. Destination management options

The options below reflect the realistic organisational models available to Monmouthshire. They are not entirely mutually exclusive, but the core model needs to be clear before supplementary arrangements are added. The most realistic near-term route is likely to involve a council-led base, a stronger industry forum in the short term and selective use of shared or commissioned support for specific functions where this adds value.

Option	How it would work	Leadership	Main dependency	Strengths	Weaknesses	Fit for Monmouthshire
Council-led model	MCC tourism officers lead destination management. Industry engagement is consultative rather than structural. Visit Monmouthshire channels and networks are coordinated through the council.	MCC tourism and economy function	Sufficient and sustained officer capacity, backed by political support.	Clear accountability. Faster decisions. Lower coordination overhead.	No industry co-ownership. Exposed to officer turnover and budget cycles. Limited ability to draw in private-sector energy or funding.	This is the current model. It provides a floor but is unlikely on its own to deliver the DMP's wider ambitions.
Council-led model with structured industry forum	MCC retains leadership but establishes a more formal industry forum with defined input into priorities, marketing and product development. The forum is not a separate legal body but has membership, terms of reference and a clear relationship with MCC decision-making.	MCC, with formal industry input	Willingness from businesses to engage and enough MCC capacity to support the forum and act on its input.	Lower-cost to establish than a formal partnership. Creates a clearer channel for business voice. Can evolve over time.	Risk of losing momentum if the forum is not seen to influence decisions. Can become consultative in name only.	Strong fit as a near-term option. Lower risk than a full partnership model and a realistic stepping stone toward one.
Formal destination partnership	A constituted destination partnership with MCC, industry	Shared between MCC and a	Sustained business engagement,	Creates genuine shared ownership. Can unlock	Complex to establish and govern. Slower decision-	Medium-term option. Realistic if a council-led forum first builds trust and momentum. Too

	representatives and potentially other public bodies as members. It has its own governance, a defined budget and a delivery role alongside MCC.	partnership board	governance setup, founding relationships and resource to maintain the structure.	additional funding. Stronger business buy-in if it works well.	making. Vulnerable if trust, capacity or business contribution drops away.	ambitious as an immediate first move.
Commissioned delivery support (selective functions)	MCC commissions an external delivery partner for defined functions such as marketing, business engagement, campaign management or visitor information support.	MCC retains commissioning role	A suitable delivery partner and enough in-house expertise to manage the contract well.	Can bring specialist capacity. Useful for clearly defined and time-limited functions where in-house resource is stretched.	Does not build internal MCC capability. Risk of dependency on contractor performance. Can feel distant from local businesses.	Low to medium fit as a main model. This is a selective arrangement for specific functions, not a substitute for local destination management leadership.
Shared regional model	Monmouthshire shares staff, platforms or services with neighbouring authorities or a sub-regional body.	Shared, with variable local control	Alignment of priorities across authorities and protection of Monmouthshire's local identity.	Efficient for data, research, campaign production and some back-office functions.	Risks diluting the county's identity. Governance can be cumbersome. Slower response to local issues.	Medium fit for specific functions. Lower fit as a whole-model option given Monmouthshire's distinct brand and geography.
Minimal coordination model	MCC provides only a limited coordination and information role, focusing on signposting, basic communications and data, while most active promotion and	Dispersed	Industry capacity to self-organise and strong external support elsewhere in the system.	Very low direct cost to the council.	High risk of fragmentation. Limited ability to shape destination priorities, standards or market positioning. Weak fit with DMP delivery.	Low fit. This would represent a significant scaling-back of ambition rather than a delivery option for the DMP.

	business engagement is left to industry networks, Visit Wales and independent businesses.					
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E3. Overall appraisal

What is realistic now

The options considered in this appendix are not equally realistic in the near term. Core council funding remains the necessary base, because it provides accountability, continuity and a clear institutional home for destination management. At the same time, the evidence does not support reliance on that model alone if the Destination Management Plan is to be treated as a delivery framework rather than a statement of ambition. The most realistic immediate move is therefore not structural replacement, but a stronger council-led model with more formal industry engagement and continued use of project funding where it adds value.

What needs groundwork

A more mixed funding model, a formal destination partnership or selective shared regional delivery may all become more realistic over time, but none should be treated as a near-term answer without groundwork first. Each depends on officer capacity, business engagement, political backing and a degree of trust that cannot be assumed. The evidence points more strongly toward staged development than toward rapid structural change. That is why the main report recommends a council-led model with structured industry engagement as the most credible next step rather than as an end state in itself.

What is supplementary only

Business membership, sponsorship and income from paid services may all help around the margins, supporting particular activities or reducing net public cost over time. But none appears strong enough in the current market to provide a stable base for destination management. In a county where many businesses are already under cost pressure, those routes are more likely to work as secondary streams attached to a clearer core model than as stand-alone solutions.

What is not a near-term solution

The visitor levy is included in this appendix for completeness, because it is part of the wider policy and funding landscape, but it is not a near-term answer for Monmouthshire. MCC has confirmed that it will not be an early adopter, and the level of future revenue, behavioural effect and administrative burden remain uncertain. It may become part of a future funding

discussion, but it should not be treated as part of the current solution to destination management capacity or funding.

E4. Main risks and dependencies

Officer capacity is the main dependency across almost all options. Any model more ambitious than the current baseline depends on sustained time and capability within MCC. Without that, stronger partnership, commissioning or coordination arrangements are unlikely to move beyond discussion.

Business engagement is the second dependency. Industry participation cannot be assumed, particularly in a market where businesses are already managing cost pressure and uneven confidence. Forum, contribution and partnership models will only work if the offer is clear, governance is simple and early results are visible.

Political backing is also critical. A move toward stronger partnership working, changes in funding structure or any later decision on issues such as levy adoption requires clear senior and political ownership, not only officer support. Some options may be technically feasible but practically weak without that backing.

The final risk is strategic rather than operational. Shared or regional approaches may improve efficiency for selected functions, but they also carry a real risk of weakening Monmouthshire's distinct positioning if used too broadly. The stronger fit for the county is therefore selective collaboration where it adds value, rather than wholesale absorption into a wider structure.

E5. Wider considerations

The options considered here differ not only in affordability and deliverability, but in what they imply for accountability, business buy-in and local distinctiveness. Council-led approaches retain clear local accountability and can move more quickly, but they are vulnerable if officer capacity remains too thin. Partnership approaches offer the possibility of stronger shared ownership and greater resilience over time, but only where governance is credible and participation is sustained. Shared regional approaches may improve efficiency for research, data or campaign production, but they become less attractive where they weaken Monmouthshire's local identity or responsiveness to place-specific issues. The

practical implication is that the county is likely to benefit more from selective collaboration and staged development than from large structural change in one move.

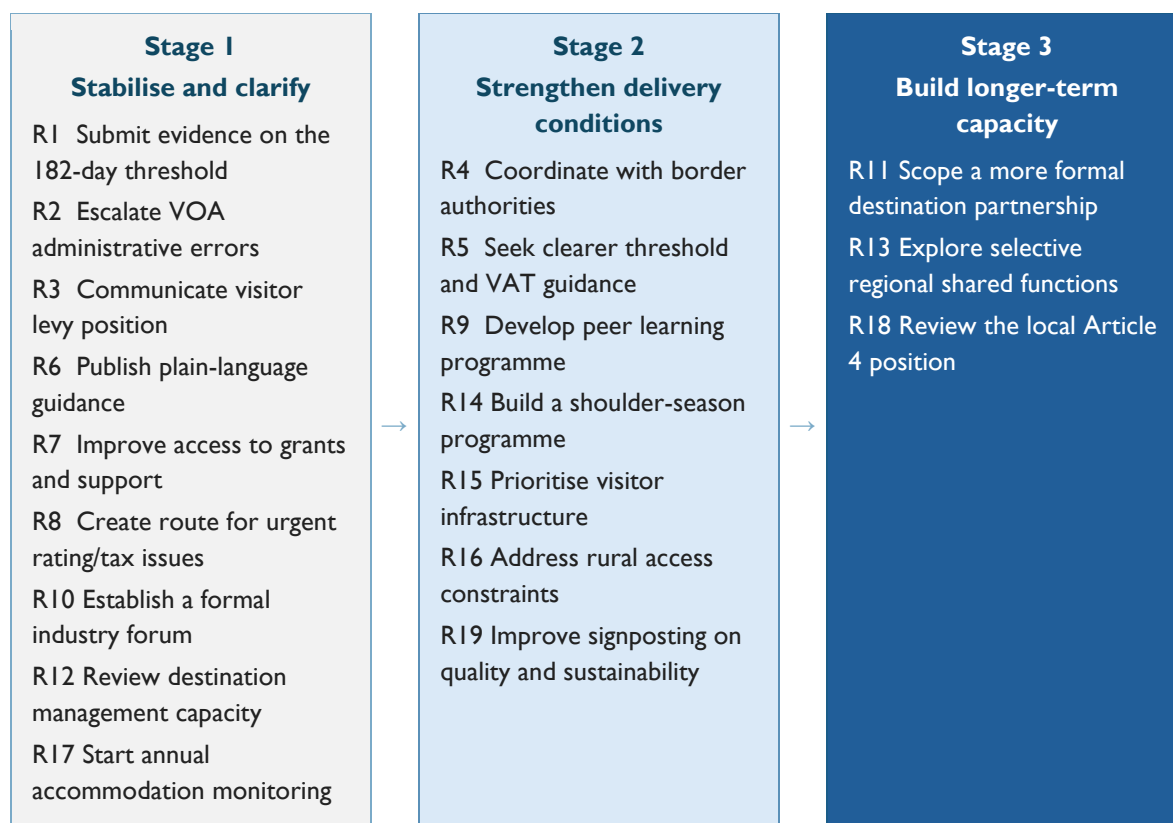
Appendix F. Delivery framework and full recommendations

This appendix sets out the full recommendations arising from the assessment and the main delivery considerations behind them. It is intended as the operational companion to Section 9 of the main report. The main report summarises the recommended response in prose. This appendix provides the fuller delivery framework, including timing, dependencies and supporting actors.

The recommendation numbering in this appendix should be reconciled with the main report before final publication, as the two were structured around different groupings.

F0. How the recommendations work together

The recommendations are intended to work in sequence. The first stage focuses on reducing uncertainty, improving communication and strengthening MCC's relationship with the sector. The second improves the conditions for delivery. The third creates the basis for more formal partnership, stronger coordination and a more sustainable long-term model.



FI. Full recommendations by theme

Each recommendation is written as a practical step rather than a general aspiration. The table sets out what should happen, why it matters, who else would need to be involved, what it depends on and where MCC has direct control or a more limited influencing role.

Ref	Recommendation	Reason	Supporting actors	Dependencies	MCC role	Timing	Main evidence links
Theme 1. Policy advocacy and representation MCC cannot control these policy levers directly, but it can submit evidence, reduce uncertainty and make Monmouthshire's position as a border county visible in national discussions.							
R1	MCC should submit formal evidence to Welsh Government on the 182-day letting threshold, including a case for a lower threshold for seasonally and geographically constrained properties and for simple, workable averaging rules.	The threshold is the most frequently raised policy issue across the business evidence. Rural and valley-location operators are especially affected and the evidence gathered here gives MCC a credible basis for formal representation.	Visit Wales, Wales Tourism Alliance, CLA Cymru, neighbouring authorities	Political backing at senior level and a signed-off evidence pack	MCC influence	Short term	B5, B6, C1, C2
R2	MCC should document and report VOA administrative errors and delays to Welsh Government, treating them as a systemic issue rather than a series of isolated complaints.	Several businesses described incorrect reclassification from NDR to council tax and backdated liabilities. This is an administrative problem as well as a policy one	Individual operators willing to share evidence anonymously, Welsh Government local tax teams, VOA	Operators willing to share case evidence and officer time to collate it	MCC influence	Short term	B4, B5, C1

		and may be more open to correction if presented collectively.					
R3	MCC should maintain its stated position of not being an early adopter of the visitor levy and communicate this clearly to accommodation businesses, alongside a simple explanation of the registration timetable and what registration will require in practice.	Business uncertainty about the levy is already shaping sentiment and planning, even though no local levy is in force. Clear communication would reduce unnecessary uncertainty and help position MCC as a reliable source of information.	Welsh Revenue Authority, Visit Monmouthshire, business networks	Clear and current guidance from Welsh Government and WRA	Direct control	Short term, then ongoing	B5, B7c, C1, C5
R4	MCC should use the evidence from this assessment to make a coordinated case with other border authorities on the competitive disadvantage created by Wales-specific policy divergence from England, particularly the visitor levy and the letting threshold.	Monmouthshire's border geography makes it more exposed than many Welsh destinations to cross-border comparison and possible leakage. A collective approach is likely to carry more weight than a single authority acting alone.	Powys County Council, Newport City Council, Brecon Beacons National Park Authority, WLGA	Alignment with neighbouring authorities and officer capacity to coordinate	MCC influence	Short to medium term	B4, B5, C1, C4
R5	MCC should ask Welsh Government to work with HMRC and sector bodies to produce clearer operator-	Some self-catering operators described this interaction as a structural bind and, in	Welsh Government, HMRC,	Willingness from Welsh Government and HMRC to	MCC influence	Short to medium term	B5, C1, C3

	facing guidance on the interaction between the 182-day threshold, VAT and platform booking income.	some cases, a reason to limit growth or change use. More accessible guidance would not remove the issue but would reduce confusion and poor decision-making.	accountancy and advisory bodies	coordinate guidance			
Theme 2. Business support Many of the needs businesses raised relate to clearer information and more accessible routes to advice rather than to additional marketing.							
R6	MCC should develop and publish a clear guidance note for accommodation operators covering the main current policy changes and update it at least annually.	Businesses repeatedly asked for help understanding the changing policy landscape. Many are relying on fragmented or informal sources and a single local guide would reduce confusion and improve confidence.	Visit Wales, Welsh Revenue Authority, sector advisers, business networks	Officer time to draft and maintain, plus internal sign-off on accuracy	Direct control	Short term	B2, B7a, B7c, C5
R7	MCC should pilot a grant surgery or business support clinic to help accommodation and hospitality businesses understand available grants, eligibility rules and the practical implications of	Interviews showed that some businesses are effectively excluded from support because they cannot navigate or cashflow current grant structures. A clinic would not change the grant model but could	Business Wales, Development Bank of Wales, Visit Wales, local advisers	Venues, facilitation and current input from funders and scheme managers	Direct control and influence	Short term	B4, B5, E1

	reimbursement-based schemes.	reduce the practical barrier to access.					
R8	MCC should establish a simple route for businesses facing urgent rating, VOA or council tax issues so they can be directed quickly to the right advice or escalation.	Several operators described long periods of uncertainty while trying to resolve tax and rating issues. A clear internal route would not solve every case, but it would reduce time lost and confusion.	MCC revenues and benefits, Welsh Government local tax team, VOA	Officer capacity and clear internal routing	Direct control within limits	Short to medium term	B4, B5
R9	MCC should work with Visit Monmouthshire and sector bodies to develop a small programme of peer learning for accommodation businesses, focused on direct bookings, international markets and product diversification.	The evidence includes local examples of adaptation and resilience. Using those businesses as peer examples is likely to be more credible and more practical than generic external training.	Visit Monmouthshire, sector associations, willing business contributors	Business willingness to participate and officer time to organise	Direct control and influence	Short to medium term	B4, B5, B8
Theme 3. Destination management and partnership The clearest gap in the evidence is the absence of a strong, trusted channel between businesses and the council.							
R10	MCC should establish a more formal industry forum for accommodation and visitor economy businesses, with defined membership, terms of reference and a	The business evidence points repeatedly to the absence of a strong, trusted channel between operators and the council. A	Visit Monmouthshire, accommodation associations, hospitality and	Officer capacity to service the forum and political commitment to act on its input	Direct control	Short term	B7a, B8, E2, E3

	clear route into council decision-making.	structured forum is the most realistic near-term step toward stronger shared governance.	attractions representatives				
R11	MCC should commission a short scoping review of a more formal destination partnership model, covering governance, likely membership, possible funding contributions and the benefits over the current arrangement.	The case for stronger shared ownership is clear, but a formal partnership is a medium-term proposition and needs groundwork first. A scoping exercise would create an evidence base for a later decision without committing prematurely to a structure.	Visit Wales, Wales Tourism Alliance, rural destination comparators	Officer capacity and political appetite to act on findings	Direct control and influence	Medium term	E2, E3, E4
R12	MCC should review the resourcing of its destination management function and make the case internally for protecting or strengthening officer capacity.	Most of the recommendations in this report depend on officer time. Without a resourcing decision, delivery is unlikely to follow, even where the strategic case is accepted.	MCC senior leadership, finance function	Internal budget process and political prioritisation	Direct control	Short term	E1, E2, E4

R13	MCC should work with Visit Wales and neighbouring authorities to explore whether selected functions such as research, data and campaign production could be shared regionally while retaining local control over Monmouthshire's brand and priorities.	Shared delivery may reduce cost and improve technical quality, but only if local identity is protected. This is more realistic for selected functions than for overall destination management.	Visit Wales, neighbouring authorities	Alignment of priorities and a clearly defined scope	MCC influence	Medium term	E1, E2
Theme 4. Seasonality and destination offer Monmouthshire's strengths are real and widely recognised. The challenge is converting them into better year-round demand and a more coordinated visitor experience.							
R14	MCC and Visit Monmouthshire should develop a targeted shoulder-season programme focused on the October to March period and built around proven demand themes such as food and drink, walking and cycling, heritage and wellness.	Seasonality is one of the most persistent issues in the evidence base and links directly to business need and DMP delivery. A coordinated programme is more likely to shift demand than isolated business efforts.	Visit Monmouthshire, accommodation businesses, food and drink businesses, event organisers	Business participation, marketing budget and officer coordination capacity	Direct control and influence	Short to medium term	B7a, B7b, B8, D1
R15	MCC should identify and address the most significant visitor infrastructure and access issues that sit within its direct control, including public toilets, signage and	These issues recur across surveys and interviews and affect both business performance and visitor experience. They are also among	MCC highways, environmental services, planning, transport partners	Capital and maintenance budget and internal coordination	Direct control and influence	Short to medium term	B7a, B8

	wayfinding, and walking and cycling route continuity.	the clearest examples of concerns where the council can act directly.					
R16	MCC should map and respond to the most significant access constraints affecting rural accommodation clusters, including those raised repeatedly in this assessment.	Access problems were described in interviews as a direct cause of cancellations, weaker repeat business and poorer trading conditions in specific rural areas. Even partial progress would have a visible effect for the businesses concerned.	MCC highways, Brecon Beacons National Park Authority where relevant, national highways bodies where relevant	Highway and repair budgets; in some cases control sits partly outside MCC	Direct control and influence	Short term for assessment, medium term for works	B4, B5
Theme 5. Accommodation supply and quality Accommodation supply, quality and viability are closely linked to the DMP's emphasis on overnight value and place-based growth.							
R17	MCC should establish annual monitoring of accommodation supply and performance using STEAM and Lighthouse data, including a specific watch on self-catering supply, non-serviced occupancy and any sign of movement from short-term to long-term residential use.	Accommodation supply and performance are central to the DMP's overnight visitor objectives, and the evidence suggests that policy and cost pressures may affect supply decisions. Monitoring is needed if the council wants to respond early rather than late.	Visit Wales, STEAM and Lighthouse data providers, MCC housing and planning teams	Data access or procurement and officer time for monitoring and reporting	Direct control	Short term to establish, then ongoing	D1, D3, D4, D5

R18	MCC should review whether its current approach to Article 4 powers remains appropriate in light of supply pressure and business viability evidence.	The planning framework is already in place, but local application matters. The evidence suggests the council should review its current position rather than treating it as settled.	MCC planning service, Welsh Government	Planning policy review cycle and supporting local evidence	Direct control	Medium term	C1, C3, C4
R19	MCC should strengthen signposting for businesses seeking to improve quality, accessibility or sustainability, including support schemes, grant routes and Visit Wales programmes.	The DMP's quality and value ambitions depend on individual businesses continuing to invest, but many operators are struggling to keep up with changing support offers.	Visit Wales, Development Bank of Wales, accessibility and sustainability networks	Up-to-date knowledge of current schemes and officer time to maintain communications	Direct control	Short term, then ongoing	B8, E1

F2. Main delivery partners

Delivery depends on a wider set of organisations beyond MCC. Welsh Government, Visit Wales, the Welsh Revenue Authority and HMRC are relevant where the main policy, tax and registration levers sit outside local control. Neighbouring authorities, the Brecon Beacons National Park Authority and sector bodies matter where collective representation, cross-border coordination or selective shared delivery is needed.

At local level, delivery also depends on coordination across MCC services, especially tourism and economy, planning, highways, revenues and benefits, together with continued engagement from accommodation and hospitality businesses themselves. These recommendations depend on coordination across services and on continued engagement from businesses themselves, rather than resting on one part of the council alone.

F3. Implementation summary

The table below brings together the main dependency, indicative timing and MCC role for each recommendation in one compact reference.

Ref	Main dependency	Timing	MCC role
R1	Political backing at senior level and a signed-off evidence pack	Short term	MCC influence
R2	Operators willing to share case evidence; officer time to collate	Short term	MCC influence
R3	Clear and current guidance from Welsh Government and WRA	Short term, then ongoing	Direct control
R4	Alignment with neighbouring authorities; officer capacity to coordinate	Short to medium term	MCC influence
R5	Willingness from Welsh Government and HMRC to coordinate guidance	Short to medium term	MCC influence
R6	Officer time to draft and maintain; internal sign-off on accuracy	Short term	Direct control
R7	Venues, facilitation and input from funders and scheme managers	Short term	Direct control and influence

R8	Officer capacity and clear internal routing	Short to medium term	Direct control within limits
R9	Business willingness to participate; officer time to organise	Short to medium term	Direct control and influence
R10	Officer capacity to service the forum; political commitment to act on input	Short term	Direct control
R11	Officer capacity and political appetite to act on findings	Medium term	Direct control and influence
R12	Internal budget process and political prioritisation	Short term	Direct control
R13	Alignment of priorities and a clearly defined scope	Medium term	MCC influence
R14	Business participation, marketing budget, officer coordination capacity	Short to medium term	Direct control and influence
R15	Capital and maintenance budget; internal coordination	Short to medium term	Direct control and influence
R16	Highway and repair budgets; partial control outside MCC	Assessment short term; works medium term	Direct control and influence
R17	Data access or procurement; officer time for monitoring and reporting	Short term to establish, then ongoing	Direct control
R18	Planning policy review cycle and supporting local evidence	Medium term	Direct control
R19	Up-to-date knowledge of current schemes; officer time to maintain	Short term, then ongoing	Direct control

F4. Main evidence references

The table below groups the main evidence sources by recommendation theme rather than listing them row by row.

Recommendation group	Main evidence sources
Policy advocacy and representation (R1 to R5)	B4 to B6 interview evidence; C1 policies in scope; C2 Monmouthshire exposure; C3 effects; C4 responsibility and local role; C5 interpretation notes

Business support (R6 to R9)	B2 survey coverage; B4 to B5 interview evidence; B7a, B7c survey results; C5 interpretation notes; E1 funding options
Destination management and partnership (R10 to R13)	B7a, B8 survey themes; E2 destination management options; E3 overall appraisal; E4 risks and dependencies
Seasonality and destination offer (R14 to R16)	B7a, B7b, B8 survey evidence; D1 STEAM trends; B4 to B5 interview evidence
Accommodation supply and quality (R17 to R19)	D1 STEAM trends; D3 Lighthouse position; D4 monthly monitoring; D5 accommodation stock; C1, C3, C4 policy and planning; B8 open-text themes; E1 funding options

Appendix G. Glossary

182-day threshold The requirement for a self-catering property in Wales to be actually let for at least 182 days in a 12-month period in order to qualify for non-domestic rates rather than council tax.

252-day threshold The requirement for a self-catering property in Wales to be available to let for at least 252 days in a 12-month period in order to qualify for non-domestic rates rather than council tax.

ADR Average daily rate. The average price achieved per booked night in short-term rental data.

APR Agricultural Property Relief. A UK tax relief on inheritance tax for agricultural property. Changes announced in the October 2024 Budget affected farm-based businesses with tourism activity.

Article 4 Direction A planning tool that allows a local planning authority to require planning permission for changes of use that would otherwise be permitted automatically.

Averaging provisions The flexibility introduced from April 2026 allowing some self-catering operators to average letting days across more than one year where they fall just short of the 182-day threshold in a single year.

Border county A Welsh local authority or area that directly borders England. Used in this report to describe Monmouthshire's position, where policy differences between Wales and England affect the competitiveness of local visitor economy businesses.

Council tax premium An additional council tax charge applied by a local authority to certain second homes or properties that do not qualify for non-domestic rates. In Monmouthshire, the premium is 100%.

DMP Destination Management Plan.

EPC Energy Performance Certificate.

FHL Furnished Holiday Lettings.

FTE Full-time equivalent. Used in the STEAM data tables for employment figures.

GTS Global Tourism Solutions. The organisation that produces the STEAM dataset used in this report.

HMRC His Majesty's Revenue and Customs. The UK government body responsible for tax collection, including VAT and income tax matters relevant to visitor accommodation businesses.

NDR Non-domestic rates, sometimes referred to as business rates.

NIC National Insurance contributions.

Non-serviced accommodation Accommodation such as self-catering cottages, holiday lets and glamping units where catering and daily servicing are not provided as part of the stay. Non-serviced accommodation accounts for 72% of paid accommodation capacity in Monmouthshire.

OTA Online travel agent. Used in the report in the context of platform booking income and the VAT threshold.

pp Percentage points. Used when describing changes in percentages, for example an occupancy movement of 4 percentage points.

Reserved nights Booked nights in the monitored short-term rental market.

Second home A property that is not a person's sole or main residence and is furnished, which may be liable for a council tax premium under Welsh Government regulations.

Serviced accommodation Hotels, bed and breakfasts and similar businesses where rooms are cleaned and maintained during the stay and catering is typically available. Serviced accommodation accounts for 28% of paid accommodation capacity in Monmouthshire.

Shoulder season The periods immediately before and after peak season. For most Monmouthshire accommodation businesses, peak season runs from late spring to early autumn, with the shoulder seasons covering spring and autumn months.

STEAM A modelled tourism dataset used to estimate visitor numbers, visitor economy value and tourism-supported employment.

STR Short-term rental.

Visitor accommodation register The statutory register of visitor accommodation in Wales, to be administered by the Welsh Revenue Authority. All providers of paid visitor accommodation must register from October 2026.

Visitor levy A per-person, per-night charge on qualifying paid visitor accommodation that Welsh local authorities may choose to introduce under the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025. Monmouthshire has confirmed it will not be an early adopter.

VOA Valuation Office Agency.

WLGA Welsh Local Government Association.

WRA Welsh Revenue Authority. The body responsible for administering the visitor accommodation register and, if adopted locally, the visitor levy.



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