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Llywodraeth Cymru
Welsh Government

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Andrew RT Davies MS
Chair
Economy, Trade, and Rural Affairs Committee
Senedd Cymru
Cardiff Bay
Cardiff
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12 January 2026

Dear Andrew,

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

Thank you to you and the Committee for your detailed scrutiny of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill, for your report, published on 19 December 2025, and the accompanying recommendations.

I am pleased that the Committee supports the general principles of the Bill.

I intend to respond to the key points raised in the recommendations during the debate itself, and I will write again following the debate, should there be any further information it would be helpful to share ahead of Stage 2. However, as requested, please find preliminary responses to recommendations 6, 13, 15, 17, 18, 20, 21, and 23 in the Annex attached, each of which proposes that the Government should provide information 'in advance' of the Senedd debate on the general principles of the Bill.

I am copying this letter to the Chairs of the Legislation, Justice and Constitution Committee, and the Finance Committee for information.

Yours sincerely,

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Economy, Trade and Rural Affairs Committee – Stage 1 Report Recommendations Preliminary responses

Stage 2 Amendments

Recommendation 6

In advance of the Stage 1 debate, the Cabinet Secretary should set out what amendments he plans to bring forward at Stage 2.

In responding to this recommendation, I have set out below various amendments the Government intends to bring forward at Stage 2, including those in response to matters raised by Committee members and other stakeholders during Stage 1 scrutiny, and recommendations in both this and the Legislation, Justice and Constitution Committees' reports.

Officials are also continuing to review the Bill in the light of evidence given during Stage 1 scrutiny, including the supplementary written evidence referenced in recommendation 23, to consider where there may be other opportunities to clarify the Bill's intended effect and I will bring forward various amendments throughout the Bill for this purpose.

Returning to **recommendation 6**, the amendments set out below also encompass my response to a number of other recommendations from this Committee, as well as recommendations 3, 5, 7 and 8 from the Legislation, Justice and Constitution Committee. (In each of these cases, I intend to accept the corresponding recommendations, either in full or in principle). The proposed amendments are as follows:

- Commencement and coming into force (Section 59) – To include a sunrise provision as a backstop to commence the Act, if it has not been commenced by the date specified.
(ETRA Committee Recommendation 4 refers.)
- Post-implementation review – To include a requirement to undertake a post-implementation review.
(ETRA Committee Recommendation 7 and LJC Committee Recommendation 3 refer.)
- Procedure for extending the definition of regulated visitor accommodation (Section 5)– To include a requirement to consult for a minimum period prior to the use of the power under paragraph 5(1)(b).
(ETRA Committee Recommendation 9 and LJC Committee Recommendation 5 refer.)
- Fire prevention standard (Section 9) – To clarify the requirement and ensure parity with the Fire Safety Order 2005.
(ETRA Committee Recommendation 13 refers.)

- Licence periods (Section 25) – To include a power to make regulations to provide for different licence periods.
(ETRA Committee Recommendation 16 refers.)
- Procedures for Regulations (Section 57) – To include reference to sections 27 (provisional licences), 38 (fees) (for the first time such regulations are made), and 40 (provision relating to campsites and caravan sites) within the list of powers subject to Senedd Approval.
(ETRA Committee Recommendation 19 and LJC Committee Recommendations 7 and 8 refer.)
- Criminal offences – To include a limitation on provisions under the Bill that include the power to create offences, so that convictions may not result in custodial sentences.
(LJC Committee Recommendations 6 and 10 refer.)

Further information on the detail of these amendments, and any others required, will be available in the purpose and effect document shared upon tabling at Stage 2.

Additional matters

The remainder of this Annex sets out the further information requested in the respective recommendations in advance of the debate on the General Principles of the Bill.

Recommendation 15

In advance of the Stage 1 debate, the Cabinet Secretary should review the additional evidence provided by the Short Term Accommodation Association and confirm the average number of total licences that Rent Smart Wales deals with each year and the time taken to process applications at present. The Cabinet Secretary should also set out any estimate he has made of the length of time it will take to process and issue the estimated 30,000 visitor accommodation licences that will need to be issued in the first year of operating the licensing scheme.

Officials are reviewing the additional evidence shared by the Short Term Accommodation Association and I will follow up in writing with the Committee, alongside any other information required, as set out in my response to recommendation 23 below.

Recommendation 17

In advance of the Stage 1 debate, the Cabinet Secretary should provide further information to the Senedd about how the provision for complaints in section 22 is expected to work in practice, including how complaints will be assessed and what the practical effect will be of a complaint being upheld.

The provision in relation to complaints in section 22 provides a mechanism for all visitors to be informed of how to raise issues about the licence status of accommodation in which

they are staying, as complaints will be one of the primary sources of intelligence on potential breaches of licence conditions.

Formal action can only be taken under the Bill if a complaint gives the licensing authority reason to believe that a licence condition has been breached or that the accommodation provider has committed an offence by providing false or misleading information to the licensing authority. In this case, the licensing authority may need to obtain more information from the provider, either informally or under an information notice; undertake an inspection; or, where it is satisfied a breach has occurred, issue a remedial notice informing the provider of the action they need to take to keep their licence.

Issues should generally be raised with the provider or the booking agent in the first instance, but we would highlight the types of issues that should be brought to the attention of the licensing authority. Guidance will provide additional detail on how complaints will be dealt with, to ensure visitors and providers understand the process.

Recommendation 18 – Roles of Local Authorities and Visit Wales

In advance of the Stage 1 debate, the Welsh Government should update the Committee on discussions with local authorities as to their potential role in the enforcement process, and clarify the potential role Visit Wales might play.

Officials have had – and continue to have - discussions with the WLGA about the potential role local authorities may play in the enforcement process on the basis I described when giving evidence in Committee. Those discussions focus on the operational details of implementing the Bill.

The Welsh Government delivers its existing tourism functions through its internal tourism team (Visit Wales), and will ensure that the delivery of tourism functions under the Bill is coordinated with this work.

If other types of accommodation were brought within the scope of the licensing regime in future, or new types of conditions added, it would be necessary to review those arrangements in that new context.

Recommendation 20

In advance of the Stage 1 debate, the Welsh Government should set out in further detail how the provision in section 42 is intended to work in practice, including its justification for the inclusion of 42(4).

The intention behind the contractual provisions is to complement the licensing scheme, so that in addition to the enforcement of licensing conditions by the authority, visitors have a clear route to redress if accommodation is not fit for them to stay in. Together, these provisions incentivise compliance, reinforce visitor confidence, and promote standards in visitor accommodation in Wales.

A visitor already expects providers to fix issues quickly and, where that is not possible, to agree a fair and suitable resolution. This could include, for example, a full or partial refund, or suitable alternative accommodation where the issue is significant. In practice, the same applies under these provisions, in that we would expect a provider and visitor to resolve these issues between themselves, without the need for legal action. If the issue cannot otherwise be resolved, depending on the circumstances, the Bill codifies the visitor's entitlement to seek a remedy via the courts. We would not, however, anticipate the involvement of the licensing authority in these matters, except in so far as they interact with the authority's functions to deal with potential breaches of licensing conditions.

The Bill does provide limitations to ensure the obligation is reasonable and proportionate in practice. Sections 43 and 44 limit the provider's liability where the visitor's own actions are the cause of the problem, where the provider was not (or could not reasonably have been expected to be) aware of problems, or, where upon becoming aware, the issues were resolved within a reasonable time.

Finally, subsection 42(4) clarifies the scope of the obligation where other parties are involved, to ensure, for example, that in cases where a booking is made on behalf of the visitor by another person, or where one person has made a booking for a group of people, the obligation applies to each of the visitors staying at the accommodation. Guidance will include further information on these provisions ahead of implementation.

Recommendation 21

In advance of the Stage 1 debate, the Cabinet Secretary should:

- *provide an update on discussions with booking platforms / agents regarding the provisions in sections 46 and 47,*
- *provide further information on the rationale for extending the proposed offence to bodies other than visitor accommodation providers, and*
- *provide further information on the specific steps that may need to be taken to establish a defence to the proposed offence.*

Engagement

WRA have already been in discussions with some of the larger visitor accommodation booking platforms about requirements for registration numbers. The intention is to work towards a solution that works at scale, to help them meet the requirements as easily as possible. My officials also continue to engage with stakeholders across the sector, including with platforms and representative bodies, on the Bill as a whole, and will continue to work with them throughout its implementation. Our aim is to develop similar solutions for smaller booking platforms and other providers, as well as developing operational guidance to set out clear expectations and help ensure that those who advertise visitor accommodation in Wales are able to comply easily with the requirements.

Rationale

During the development of the Bill, we have considered the best way to ensure visitors are able to see whether particular visitor accommodation is licensed. The best way to ensure clarity, transparency and reassurance to everyone - visitors, the sector and communities alike – is to have a single public source of information.

For this reason, the Bill provides:

- for the creation of a Visitor Accommodation Directory (via section 45);
- for all visitor accommodation premises to be issued with a unique number upon registration (via an amendment to the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 (“the VARL Act”) at Schedule 2 to the Bill) which is included on the Directory; and
- a requirement for that number to be shown in any advertising and marketing, whoever is advertising the accommodation.

Together, these provisions create a simple and transparent system whereby anyone can use a premises registration number in an advertisement to check the directory to see whether particular visitor accommodation is registered or licensed – and if it is not licensed, why not.

The purpose of the Bill is to promote tourism in Wales, and the advertising requirements under sections 46 and 47 are key to reassuring visitors booking regulated visitor accommodation that it meets the required standards. They are a fundamental part of ensuring the integrity of the scheme, providing a tool for the licensing authority, WRA, visitors and others to more easily determine compliance by providers. And, where they aren't compliant, helping to prevent them from advertising, undercutting other providers, and undermining visitor confidence in accommodation in Wales. This will help reduce any risk of rogue operators, or underground or illegal markets being created for non-compliant accommodation.

This can only achieve its intended effect if the publicly available information is reliable. Hence the requirements need to be robust, and to apply to all visitor accommodation in Wales, across all advertising.

If we were to limit the offence to providers alone, either it would not apply when a third party advertises their accommodation, or it could make providers liable for any advert for their accommodation, irrespective of whether they control it. The former would create loopholes in the system whenever accommodation is advertised indirectly and would give platforms and other agencies little incentive or responsibility to ensure registration numbers are included on advertising at all. The latter could result in visitor accommodation providers being prosecuted for inaccurate or missing information on advertising for which they may have little or no control.

It is not unreasonable for booking platforms to be held accountable for ensuring the adverts they list for visitor accommodation are compliant. We have, however, tried to keep the system, and these requirements, as simple and straightforward as possible to help

them comply, with a single unique number assigned to each and every visitor accommodation premises across Wales. We will also continue to work through the operational practicalities with them, and develop detailed guidance to set out what we will expect of providers, booking platforms and other types of agents in respect of these requirements.

This is a scheme that focuses first and foremost on supporting the tourism sector in Wales through improving standards, but we must also have legal safeguards available where necessary. The offence at section 47, including adverts posted by platforms and agencies, therefore, is necessary to supporting the integrity and efficacy of the scheme.

Defence

We will work with providers and platforms on the operational detail, including the format and how best to display registration numbers, and what other information may be required, so that we can develop a process which works for the industry and ensures visitors can easily verify the accommodation's registration and/or licence information.

I have made clear throughout, that prosecution would not be the first step in dealing with compliance matters, whether that be with a provider, a travel or booking agent, or a large booking platform. Provided booking platforms, or anyone captured by this requirement, follow the guidance and work with the licensing authority to deal with instances of non-compliant accommodation as efficiently as is reasonably practicable, I would expect there to be few occasions where the licensing authority would pursue prosecution of an offence under section 47. In the event that prosecution is required, however, it would be for the courts to determine whether the actions taken in a particular case are sufficient to amount to a reasonable excuse for not showing the correct registration number.

Recommendation 23

In advance of the Stage 1 debate, the Cabinet Secretary should respond to the specific additional evidence received by the Committee.

Analysis of the additional evidence provided to the Committee is underway, and I will follow up in writing with any additional clarifications or responses required.