

Mark Drakeford AS/MS
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: MA-MDFWL-3074-25

Mike Hedges MS
Chair
Legislation, Justice and Constitution Committee
Senedd Cymru
Cardiff Bay
Cardiff
CF99 1SN

24 February 2026

Dear Mike

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

I write further to your letter of 13 February requesting a written response to the recommendations in the Committee's Stage 1 report.

You refer to "a matter of long-standing parliamentary convention and of democratic courtesy that the Welsh Government responds in full to reports of Senedd committees". However, with the exception of responses to the Finance Committee, this is not the case for reports relating to legislation, where for primary legislation, the General Principles debate allows for the Senedd to discuss the conclusions of scrutiny committees.

I wrote in detail prior to the General Principles debate on recommendations 1 and 2, and my letter to the Economy, Trade, and Rural Affairs Committee of 12 January 2026, to which you were copied, set out:

- my intentions in respect of the powers under the Bill (recommendation 4);
- significant detail in respect of sections 46 and 47 (recommendation 9);
- my intention to bring forward amendments at Stage 2 in relation to a further 6 recommendations (namely 3, 5, 6, 7, 8 and 10).

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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.

Many of these issues were also discussed in the General Principles debate and I therefore did not consider a further written response was required. However, as you have requested it, please see below confirmation of my response to each of the recommendations made in this Committee's Stage 1 report.

Recommendation 1

Prior to the Stage 1 debate on the general principles of the Bill, the Cabinet Secretary should publish a written statement explaining how the Cabinet Secretary assessed the Bill as compatible with Article 1 of Protocol 1 to the European Convention on Human Rights. That statement should include the Cabinet Secretary's rationale for concluding that:

- i. the interference with property rights is justified by being in the public interest; and
- ii. provisions in the Bill have a reasonable foundation and strike a fair balance between the demands of the general interest of the community and the protection of an individual's fundamental rights.

Government Response – Accept

This was addressed in my letter to Committee of 9 January.

Recommendation 2

Prior to the Stage 1 debate on the general principles of the Bill, the Cabinet Secretary should also explain whether he has identified any need to revise the conclusions on human rights in the Equality Impact Assessment as a result of evidence received during Stage 1.

Government Response – Accept

As I set out in my letter of 9 January, I am happy to confirm this is has not been necessary, and I remain satisfied that the Bill is compliant with Convention rights.

Recommendation 3

The Welsh Government should table amendments to the Bill to place a duty on Welsh Ministers to carry out a post-implementation review of the legislation.

Government Response – Accept

The amendment was tabled and agreed at Stage 2, and is now included in the Bill.

Recommendation 4

The Welsh Government should review the appropriateness of the delegated powers in the Bill, and consider whether any should be removed or limited.

Government Response – Accept

The powers in the Bill have been reviewed, and I consider those that remain to be necessary. However, following the recommendations by LJC and ETRA Committees, a number of amendments were tabled and agreed at Stage 2, to either enhance the procedures for, or limit the scope of, some powers in the Bill. As a result, offences created in regulations are limited to summary only, punishable by fines. Of the powers currently included within the Bill, 75% are now subject to the Senedd approval procedure, which I believe is an appropriate balance.

Recommendation 5

If the Welsh Government is minded to retain the powers in the Bill that enable a future Welsh Government to extend the scope of the Bill by regulations despite recommendation 4, the Welsh Government should table amendments to subject the

regulation-making power in section 5(1)(b) to an enhanced approval procedure that includes a requirement:

- i. for a minimum period of consultation, including with Senedd committees; and
- ii. to make a statement before any such regulations are made, detailing the outcome of that consultation (including areas of agreement and disagreement with stakeholders) and accordingly how the regulations have taken account of engagement with stakeholders.

Government Response – Accept

I tabled an amendment, agreed at Stage 2, to consult for a 12-week period prior to the use of the power under paragraph 5(1)(b). The power itself is already subject to the Senedd approval procedure, and, in addition, Standing Orders require an Explanatory Memorandum to be published alongside any regulations laid, which includes a section on consultation, and covers the matters in part ii of your recommendation. I believe this is sufficient for the Senedd to fulfil its role in scrutinising regulations under this section and making an informed decision.

Recommendation 6

The Welsh Government should table an amendment to section 25 of the Bill to include on its face the new criminal offences that would apply in relation to visitor accommodation licences.

Government Response – Accept

I tabled amendments, agreed at Stage 2, removing the power to prescribe offences for section 25, as on further reflection, the only offences that would be relevant for expiry and renewal of a licence are those already set out on the face of the Bill.

Recommendation 7

The Welsh Government should table amendments to section 57(4) of the Bill to subject the regulation making powers in section 27(2) to the Senedd approval procedure.

Government Response – Accept

I tabled amendments, agreed at Stage 2, to make the powers in section 27 subject to the Senedd approval procedure.

Recommendation 8

The Welsh Government should table amendments to section 57(4) of the Bill to subject the regulation-making powers in section 40(4) to the Senedd approval procedure.

Government Response – Accept

I tabled amendments, agreed at Stage 2, to make the powers in section 40(4) subject to the Senedd approval procedure.

Recommendation 9

The Welsh Government should table amendments to section 46(1) of the Bill to provide that the advertising and marketing requirements in that section, and to which the offence in section 47(1) relates, are to be made by regulations subject to the Senedd approval procedure.

Government Response – Reject

The Bill already states what is required, which is simply the premises registration number and information about how to access the directory to use that number. Specifying the manner in which the information must be displayed will need to cover a

wide range of scenarios, such as types of providers, platforms, booking agents, advertising mediums etc. This type of operational detail is better suited to guidance.

This part of the Bill is, however, still under consideration for amendment at Stage 3, with a view to clarifying the obligations and liabilities of those captured by these requirements, especially third parties who advertise and/or market visitor accommodation.

Recommendation 10

The Welsh Government should table amendments to sections 52 and 53 of the Bill to include on its face the new criminal offences that would apply in relation to cases where a Visitor Accommodation Provider dies, becomes incapacitated or becomes subject to an insolvency procedure, or otherwise ceases to exist.

Government Response – Accept

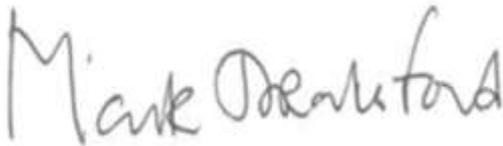
I tabled amendments, agreed at Stage 2, which amended the Bill in light of this recommendation.

I adopted a different approach, as I would not wish to pre-empt what may be necessary when making such provision, whilst ensuring the ongoing interaction between registration and licensing operates as intended in all circumstances. Instead, I have limited those powers such that they may create summary only offences punishable by a fine. This ensures all offences are consistent throughout the Bill, and that no such offences may carry a custodial sentence.

I hope this response is useful, and I would like to thank you and the Committee, for your considered scrutiny of the Bill.

I am copying this letter to the Chairs of the Economy, Trade and Rural Affairs Committee, and the Finance Committee, for information.

Yours sincerely,

A handwritten signature in blue ink that reads "Mark Drakeford". The signature is written in a cursive style and is contained within a light blue rectangular box.

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