

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cyllid](#) ar [Bil Llety Ymwelwyr \(Cofrestr ac Ardoll\) Etc. \(Cymru\)](#)

This response was submitted to the [Finance Committee](#) consultation on the [Visitor Accommodation \(Register and Levy\) Etc. \(Wales\) Bill](#).

VAB146: Ymateb gan: Cymdeithas Asiantaethau Cymru | Response from: Association of Welsh Agents



Response to Senedd Cymru Finance Committee on the Tourism Levy and Registration Bill.

Barbara Griffiths (North Wales Holiday Cottages) representing the Association of Welsh Agents

From the very first meetings with Visit Wales to discuss the possibility of a tourist tax we were told that it would be in the form of a 'bed tax' This was disappointing. Just because this is the form of levy applied in some other countries or areas doesn't mean it has to be the best for Wales. Discussion with businesses with a more open mind at the earliest possible point could have resulted in an innovative different form of visitor tax that would have been more acceptable to both visitors and tourism providers, and still bring in revenue for Welsh Government/Local Authorities. From the start only a bed tax was discussed. I have accepted that a levy is to be introduced as a bed tax, and have worked with Visit Wales, Welsh Government and Welsh Revenue Authority staff on the Visitor Levy Consultation Group to ensure that it will be the best possible outcome for businesses, visitors and local authorities alike.

Most unexpected when the Bill was published was the introduction of the ability for local authorities to add a premium to the basic levy. There has never been the slightest indication that this was a possibility in the three to four years since discussions were started. In all the meetings I have been involved with there has been unanimous agreement within the industry that the levy should be the same throughout Wales and the preference was that, if implemented, it should be nationwide rather than on an authority by authority basis. It is of considerable concern that such a clause can be introduced against all guidance offered by the industry during consultation meetings. To now see the possibility of some areas charging even more than the basic levy is galling when it has never been put to consultation groups. For self-catering Agencies we are already facing the additional cost of paying for new computer software for booking systems to take the levy into account. Now we not only face the need for the software to work out whether to apply the levy or not dependent on which LA each property is in, but also to potentially have to add different amounts per person as well.

I would like the Finance Committee to consider and put forward an amendment removing this clause in the Bill.

There has long been a need for a form of statutory registration of those offering tourist accommodation, and tourism groups have been calling for it for quite a while now. The inclusion of registration within the Bill is good, but ideally it should have been in place and implemented well before the start of any thoughts of an accommodation levy, not at the same time. Things have been done backwards. The current proposal for registration is a simple list, with no requirement for businesses to prove that they meet statutory legal requirements regarding, for example fire regulations, landlords gas certification and public liability insurance. I think it is highly likely that many operators, especially those who offer accommodation for just a few days or weeks a year do not have this certification, will not be aware of the need to

register, and will continue to operate under the radar, avoid registration and then going forward could avoid contributing their levy. How can we be certain that everyone offering overnight accommodation will be registered? I don't think either Visit Wales or individual local authorities have any true knowledge of the accommodation providers in their administration.

I would like the Finance Committee to propose an amendment to the Bill requiring all accommodation providers to produce evidence that their business is safe and legal when they first apply for registration, and for this to be updated annually.

It is uncertain whether Welsh Government is introducing the levy with the intention of trying to reduce visitor numbers, or if such a reduction would be an unintended consequence. It is highly likely that in areas where the levy is applied then overnight visitors will reduce. Some may choose another part of Wales, others may simply go elsewhere outside of Wales. However the number of day visitors could increase, with people choosing to come for the day rather than pay increased prices for an overnight stay.

An unintended consequence if the register of accommodation providers is published could lead to 'Meibion Glyndwr' style retribution against any providers of self-catering premises. Very unlikely to be setting fire to buildings, but campaigns against owners of holiday accommodation, many of whom live and work in Wales. (It is currently estimated that about half of self-catering properties offered for short term holiday lets are owned by residents within Wales). Welsh Government should take great care when considering how much information they publish about business owners. In some areas there has already been ill feeling against short term holiday lets, despite the fact that these bring visitors into that area, supporting local shops and restaurants throughout the year, compared to owners of second homes who may visit frequently, or may only apers for a few weeks a year.

There are far more day visitors coming into Wales every year than those staying overnight, yet they will not be affected by this levy. They will be the beneficiaries of the improved infrastructure resulting from local authority investment but will not have contributed to it in any way. Sustainable tourism is often interpreted as reduced numbers of visitors coming to an area, but improved facilities could have the opposite effect, bringing in more day visitors. For businesses to be sustainable they need to make a living for the owners of the business and any employees. If as expected the introduction of the levy leads to reduced numbers of overnight visitors this will not help the sustainability of many small businesses. Already there are areas where visitor numbers are high and local businesses such as shops and cafes are highly dependent on visitors. Over some winter months this can result in a vicious circle. The smaller tourist shops and cafes close because there are fewer visitors to sustain them during the day when local residents are at work. But potential overnight visitors are put off booking to stay, because there are so few local facilities open for them to enjoy. Improved infrastructure such as car parks, toilets and tourist information could potentially increase the number of day visitors, consequentially causing traffic problems as they drive into and out of the area for both locals and other visitors. Ideally some of the levy revenue could be used to help keep more facilities open throughout the year, to ensure further extending the tourism season for overnight visitors.

I find it difficult to comment on the economic consequences of the levy. The economic impact assessment carried out by Cardiff University has had to make enormous assumptions in order to draw some sort of conclusions. These conclusions seem to show no net gain and some job losses. That does not appear to be a good outcome for Welsh tourism overall, Local authorities may benefit from increased spending power, but local residents are in danger of losing their livelihoods.

Also extremely difficult to estimate is the additional cost to businesses in order to implement the levy. There was a call last year for businesses to estimate their expected additional costs involved in collecting a levy, but with no details at the time as to how the levy would be set up (per person per night, as a percentage of total cost or some other way) this was effectively impossible.

Barbara Griffiths (North Wales Holiday Cottages), representing the Association of Welsh Agents