

FIN(6)-04-25 P10

VAB74 Bed & Breakfast Association (UK)

Senedd Cymru | Welsh Parliament

Y Pwyllgor Cyllid | Finance Committee

Bil Llety Ymwelwyr (Cofrestr ac Ardoll) Etc. (Cymru) | Visitor Accommodation (Register and Levy) Etc. (Wales) Bill

Ymateb gan **Bed & Breakfast Association (UK)** | Evidence from Bed & Breakfast Association (UK)

General principles

1. What are your views on the general principles of the Bill and the need for legislation to deliver the Welsh Government's stated policy objective, which is to:

- **ensure a more even share of costs to fund local services and infrastructure that benefit visitors between resident populations and visitors;**
- **provide local authorities with the ability to generate additional revenue that can be invested back into local services and infrastructure to support tourism;**
- **support the Welsh Government's ambitions for sustainable tourism?**

(We would be grateful if you could keep your answer to around 500 words).

We are in principle opposed to another tax on tourism, whilst the existing taxes (VAT, business rates, alcohol duties, flight departures, and petrol duties etc) remain so high that the UK is rated 113th out of 119 countries for tourism price competitiveness.

We are however in favour of a simple low cost registration scheme aimed at allowing the existing safety laws to be more fairly and effectively enforced.

The Bill's implementation

The Regulatory Impact Assessment is set out in Part 2 of the Explanatory Memorandum (<https://senedd.wales/media/g5ipvwvh/pri-ld16812-em-e.pdf>). This includes the Welsh Government's assessments of the financial and other impacts of the Bill and its implementation.

2. Are there any potential barriers to the implementation of the Bill's provisions? If so, what are they, and are they adequately taken into account in the Bill and accompanying Explanatory Memorandum and Regulatory Impact Assessment?

(We would be grateful if you could keep your answer to around 500 words).

The danger to the Welsh economy from introducing another tax and thus damaging sales and thus jobs and livelihoods, because travel & tourism is a highly price sensitive market and Wales operates at already high cost levels in a highly competitive European and world marketplace.

3. Are any unintended consequences likely to arise from the Bill?

(We would be grateful if you could keep your answer to around 500 words).

Loss of businesses, jobs and livelihoods across tourism in Wales and allied sectors such as retail, attractions, services etc.

4. What are your views on the Welsh Government's assessment of the financial and other impacts of the Bill?

(We would be grateful if you could keep your answer to around 500 words).

Inadequate and over optimistic.

Subordinate legislation

The powers to make subordinate legislation are set out in Part 1: Chapter 5 of the Explanatory Memorandum (<https://senedd.wales/media/g5ipwvwh/pri-ld16812-em-e.pdf>).

The Welsh Government has also set out its statement of policy intent for subordinate legislation

(<https://business.senedd.wales/documents/s155951/Statement%20of%20Policy%20Intent.pdf>).

5. What are your views on the balance between the information contained on the face of the Bill and what is left to subordinate legislation? Are the powers for Welsh Ministers to make subordinate legislation appropriate?

(We would be grateful if you could keep your answer to around 500 words).

Other considerations

6. Do you have any views on matters related to the quality of the legislation?

(We would be grateful if you could keep your answer to around 500 words).

7. On 26 November, the Cabinet Secretary wrote to the Finance Committee with some indicative additional registration and enforcement provisions

(<https://business.senedd.wales/documents/s155952/Letter%20from%20the%20Cabinet%20Secretary%20for%20Finance%20and%20Welsh%20Language%20Indicative%20Stage%202%20amendments%20that%20.pdf>) he intends to bring forward at Stage 2 of the legislative process

(https://senedd.wales/NAfW%20Documents/Assembly%20Business%20section%20documents/Guide%20to%20the%20Legislative%20Process/Guide_to_the_Legislative_Process-eng.pdf).

Do you have any views on the indicative additional registration and enforcement provisions the Welsh Government intends to bring forward at Stage 2?

(We would be grateful if you could keep your answer to around 500 words).

8. Are there any other issues that you would like to raise about the Bill, the accompanying Explanatory Memorandum and Regulatory Impact Assessment, or any related matters?

(We would be grateful if you could keep your answer to around 500 words).

Small accommodation providers in Wales are still financially fragile following Covid, and their viability has been damaged by high cost inflation since early 2022. The Welsh Government would be taking a very high risk in imposing an additional tax on the crucial tourism sector against this background.