



**Welsh Association of Visitor Attractions
Cymdeithas Atyniadau Ymwelwry Cymru**

**SUBMISSION POINTS TO THE SENEDD SRUTINY COMMITTEE REGARDING
THE PROPOSED TOURISM TAX**

- 1. WAVA has a membership of over 100 visitor attractions across Wales. It was set up over 20 years ago to represent primarily businesses within the sector but also to network with all attraction providers across the private and public sector.**
- 2. We estimate that between all members there were over 5000 directly employed jobs created last year with a further 5000 indirect jobs though self employed and services at the height of the main summer season.**
- 3. Some members also have visitor accommodation, particularly those that offer an activity.**
 - a. The general view amongst members is that the imposition of a tax on visitors could lead to at least a 10% drop in visitor numbers and could cause a reduction in employment numbers of up to 2000 direct and indirect jobs. The possibility of the levy creating job losses was recognised in the Cardiff Business School report to the WG in April 2024. Visitors will have less to spend during their holidays and inevitably may choose to reduce expenditure on retail and visits to attractions.**
 - b. There is also a concern that the levy will cause some accommodation providers to drop out of the market place and reduced available bed space and hence less visitors. For instance we have reports from an Accommodation Agency in Swansea Bay area that nearly 20 of their providers are withdrawing from the market this year as they see the levy as an additional impediment on top of the 182 day rule that has increased property tax.**

4. **The impact of the Levy could lead to reduced investment and income from our sector into the Welsh Economy, this loss of income and job opportunities will create a reduction of Welsh GDP which will outweigh any income derived from the Levy.**
5. **Our members work with significant cultural and heritage assets of Wales. Many Attractions are based around iconic sites unique to Wales that form the backbone of why Visitors want to come to Wales in the first place. It is essential for Welsh Identity that our sites thrive and generate funds for future investment. If we have to close or downsize because of lack of income we risk Wales becoming to look like any other corner of England. Many Attractions are family run with owners embedded into their local community and ensuring an investment into their local economy.**
6. **We believe the Levy in its current format as a form of “bed tax” is the wrong type of tax at the wrong time and will have a negative impact on Visitors perception of Wales being a welcoming place to Visit- an irony in the year of Croeso. The Levy is effectively taking the old toll booths from the Severn Bridge and putting them back in every holiday bed space. In 2018 WG was promoting the virtues of doing away with the Bridge tolls and estimating a boost to the Economy of many millions (as much as £18m pa. then) and now here we are putting a toll back in place.**
7. **The proposed Levy will be disproportionate in impacting more on the lower income family group, one of our main visitor cohorts. Of significant concern is the proposal to tax all children’s beds and those in the educational sector. The cost margins on the educational and activity sector are very fine and any additional charges will cause loss of business in this sector.**
8. **There are other ways to get visitors to contribute to infrastructure costs. Visitors would react far better to a request for a contribution to environmental improvements and our efforts to get to carbon neutral. The Tourism and Lesure industry can work with WG on achieving a far more sustainable and acceptable approach to achieving this- but we have not been asked how to help- just consulted with over how to implement this levy approach to raising money. We can be much smarter and creative than this in Wales- we do not have to follow the lead of other large mass tourism areas with a bed tax. Lets do something different and cutting edge that the media will get behind. We are handing negativity on a plate to the spin doctors with this format of Levy.**
9. **The need for sustainability and protecting the environment should be at the heart of any visitor levy with the driver to be local destination needs. So if there is a local need to support infrastructure, e.g. paths, toilets , water systems, landscape features then any charges should be linked to that in a local way. So as a suggestion Local Tourist Associations could participate in the formulation the levy proposal and the actual collection and spend. The levy could be designed to**

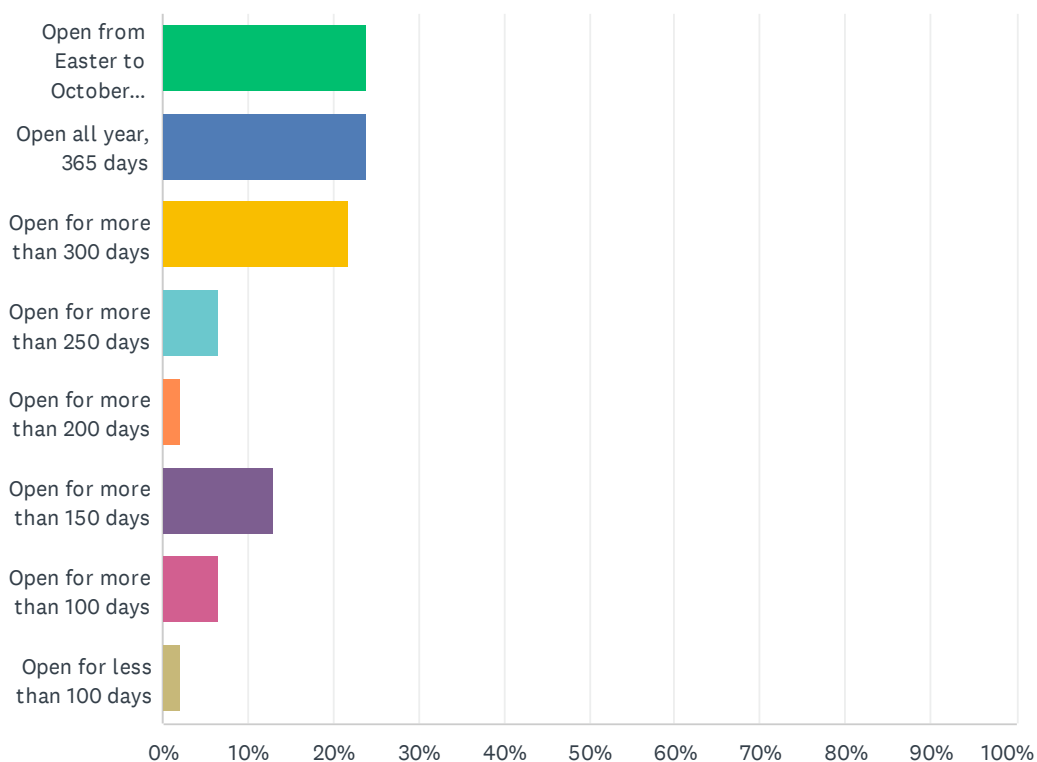
provide financial subsidies to socio-economically innovative tourism projects and businesses. Such as a project to connect tourism accommodations with sustainable sources of food, cleaning products, and other supplies.

- 10. We support the calls for a more detailed economic impact assessment and have contributed to and agree with the data being submitted by PASC and WTA. But any Assessment must also take into consideration the reduction our core “Brand” values that a tax of this type will generate in the general world wide competition for Tourism and visitors.**
- 11. We attach to this submission the results of the survey undertaken jointly with PASC and a summary of members comments on the issue of financial sustainability that has become the most concerning issue for our Members to deal with in the coming year.**

WAVA Committee – Roy Church, Simon Pickard, Frankie Hobro, Colin Evans, Ashford Price.

Q1 How many days were you open to the public in 2023?

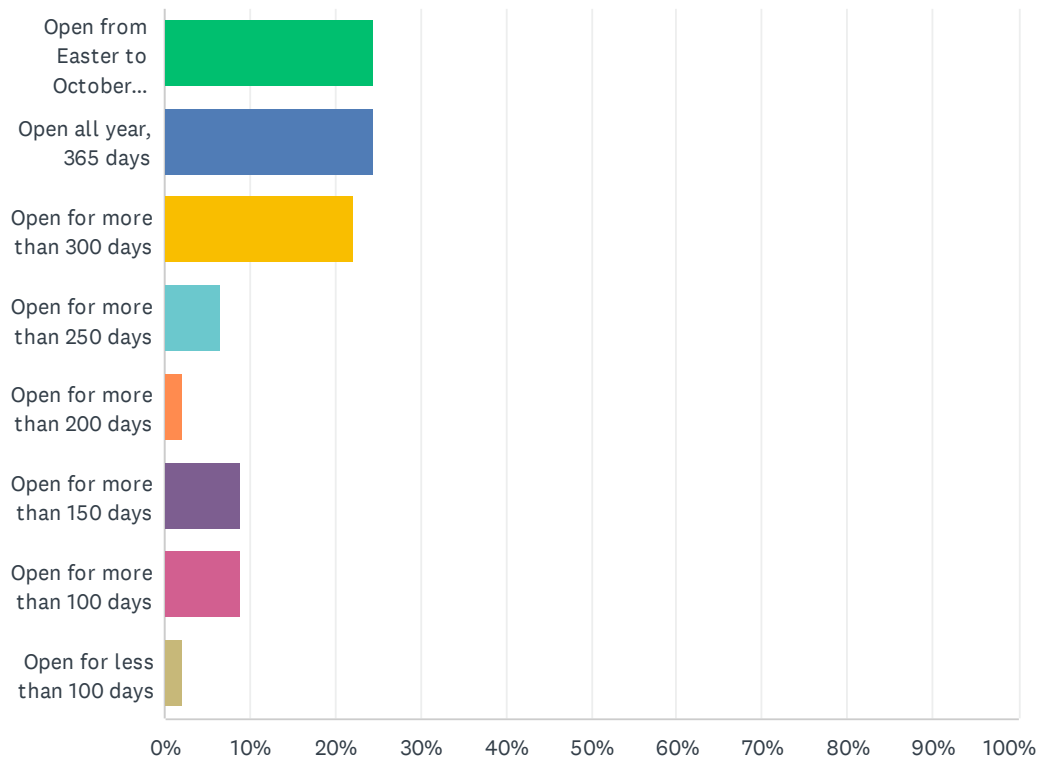
Answered: 46 Skipped: 0



ANSWER CHOICES	RESPONSES	
Open from Easter to October Half-Term	23.91%	11
Open all year, 365 days	23.91%	11
Open for more than 300 days	21.74%	10
Open for more than 250 days	6.52%	3
Open for more than 200 days	2.17%	1
Open for more than 150 days	13.04%	6
Open for more than 100 days	6.52%	3
Open for less than 100 days	2.17%	1
TOTAL		46

Q2 How many days were you open to the public in 2024?

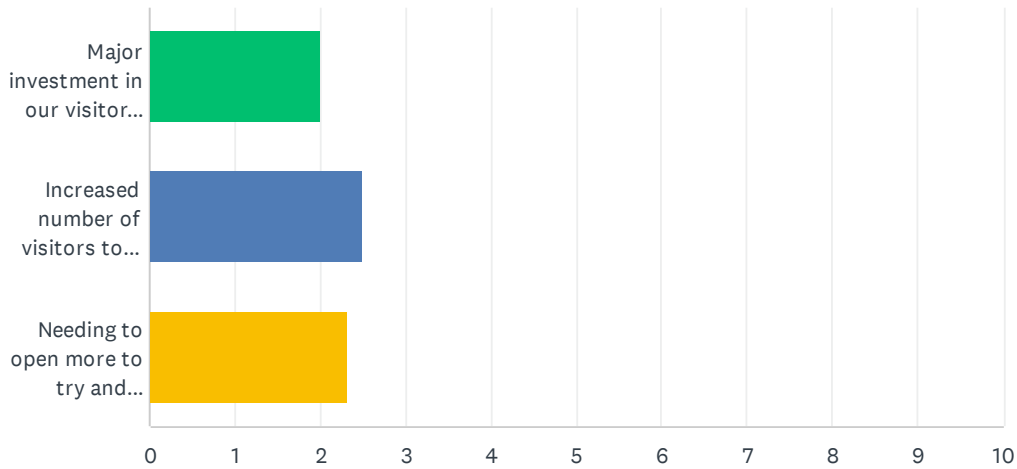
Answered: 45 Skipped: 1



ANSWER CHOICES	RESPONSES	
Open from Easter to October Half-Term	24.44%	11
Open all year, 365 days	24.44%	11
Open for more than 300 days	22.22%	10
Open for more than 250 days	6.67%	3
Open for more than 200 days	2.22%	1
Open for more than 150 days	8.89%	4
Open for more than 100 days	8.89%	4
Open for less than 100 days	2.22%	1
TOTAL		45

**Q3 If your opening days increased in 2024, what do you attribute that to?
Please prioritise using the numbers in the boxes, 1 for most impactful. 3
for least impactful..**

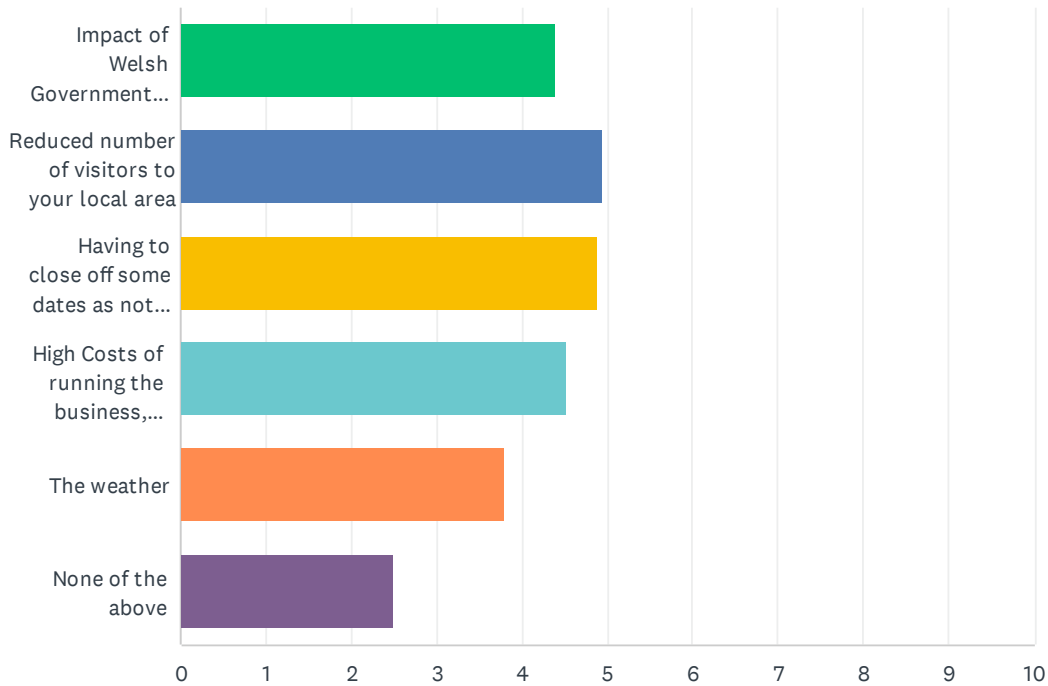
Answered: 29 Skipped: 17



	1	2	3	N/A	TOTAL	SCORE
Major investment in our visitor attraction	3.45% 1	3.45% 1	3.45% 1	89.66% 26	29	2.00
Increased number of visitors to your local area	6.90% 2	6.90% 2	0.00% 0	86.21% 25	29	2.50
Needing to open more to try and increase turnover	13.79% 4	0.00% 0	6.90% 2	79.31% 23	29	2.33

Q4 If your opening days reduced or stayed the same in 2024, what do you attribute that to? Please prioritise using the numbers in the boxes. 1 for most impactful. 5 for least impactful..

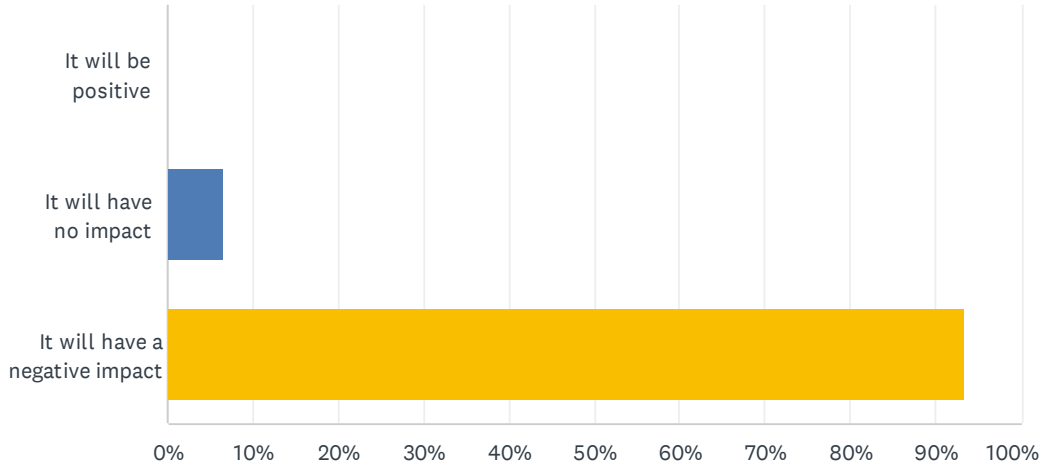
Answered: 41 Skipped: 5



	1	2	3	4	5	6	N/A	TOTAL	SCORE
Impact of Welsh Government Interventions	10.34% 3	20.69% 6	6.90% 2	6.90% 2	6.90% 2	0.00% 0	48.28% 14	29	4.40
Reduced number of visitors to your local area	18.75% 6	25.00% 8	9.38% 3	6.25% 2	0.00% 0	0.00% 0	40.63% 13	32	4.95
Having to close off some dates as not economic to open	21.88% 7	9.38% 3	15.63% 5	6.25% 2	0.00% 0	0.00% 0	46.88% 15	32	4.88
High Costs of running the business, energy, Business Rates, Wage increases	17.14% 6	8.57% 3	22.86% 8	11.43% 4	0.00% 0	0.00% 0	40.00% 14	35	4.52
The weather	15.15% 5	9.09% 3	3.03% 1	9.09% 3	21.21% 7	0.00% 0	42.42% 14	33	3.79
None of the above	6.90% 2	0.00% 0	3.45% 1	3.45% 1	0.00% 0	20.69% 6	65.52% 19	29	2.50

Q5 What impact do you think that the proposed Wales Visitor Levy will have on your business?

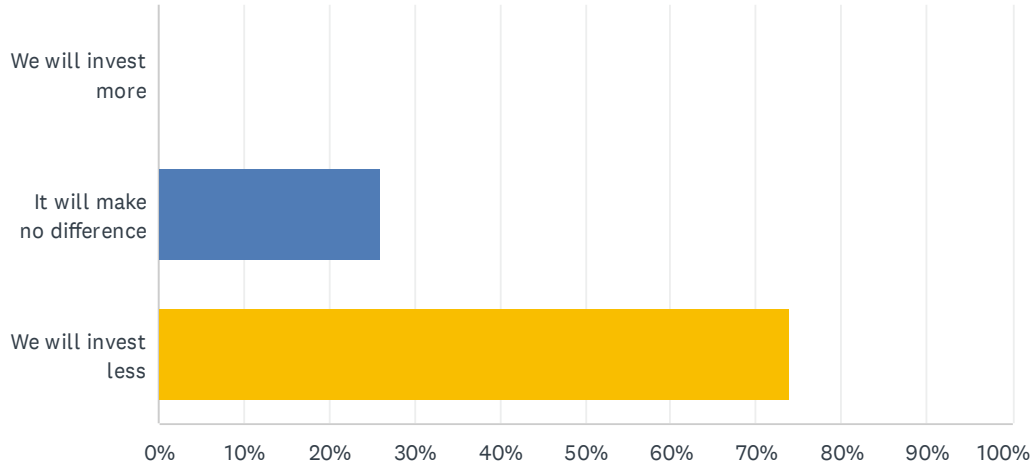
Answered: 46 Skipped: 0



ANSWER CHOICES	RESPONSES	
It will be positive	0.00%	0
It will have no impact	6.52%	3
It will have a negative impact	93.48%	43
TOTAL		46

Q6 What impact do you think the proposed Wales Tourism Levy will have on future investment in your business?

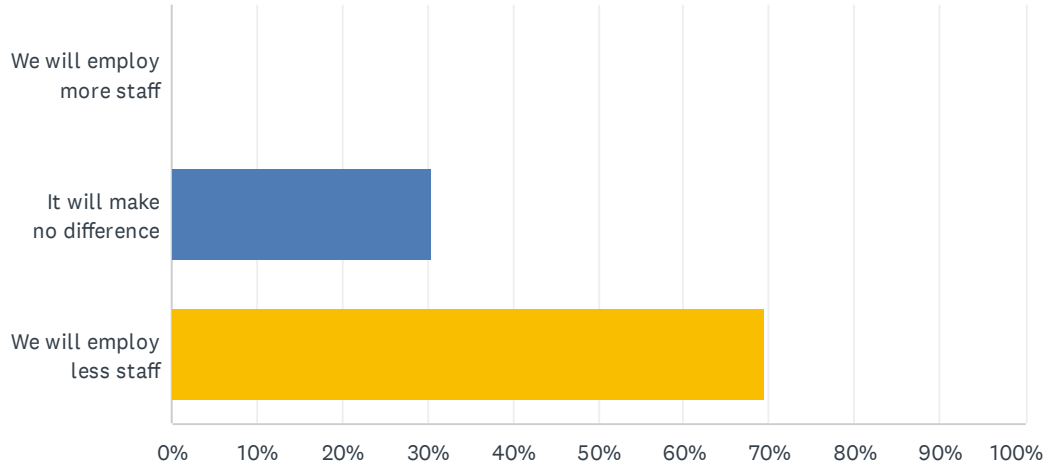
Answered: 46 Skipped: 0



ANSWER CHOICES	RESPONSES
We will invest more	0.00% 0
It will make no difference	26.09% 12
We will invest less	73.91% 34
TOTAL	46

Q7 What impact do you think the proposed Wales Tourism Levy will have on jobs in your business?

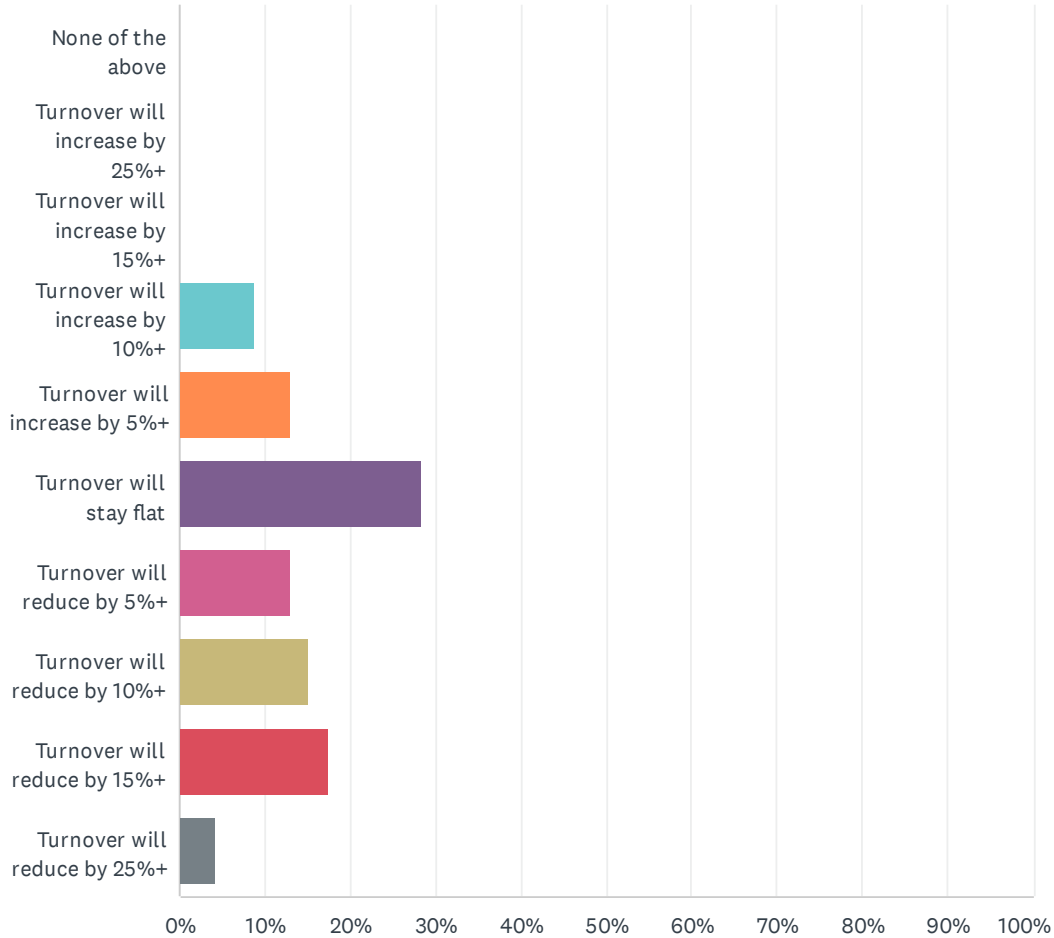
Answered: 46 Skipped: 0



ANSWER CHOICES	RESPONSES	
We will employ more staff	0.00%	0
It will make no difference	30.43%	14
We will employ less staff	69.57%	32
TOTAL		46

Q8 How do you predict your business will perform in terms of turnover for 2025? Please include impact of any price increases as these are covered in Q9. Thanks.

Answered: 46 Skipped: 0

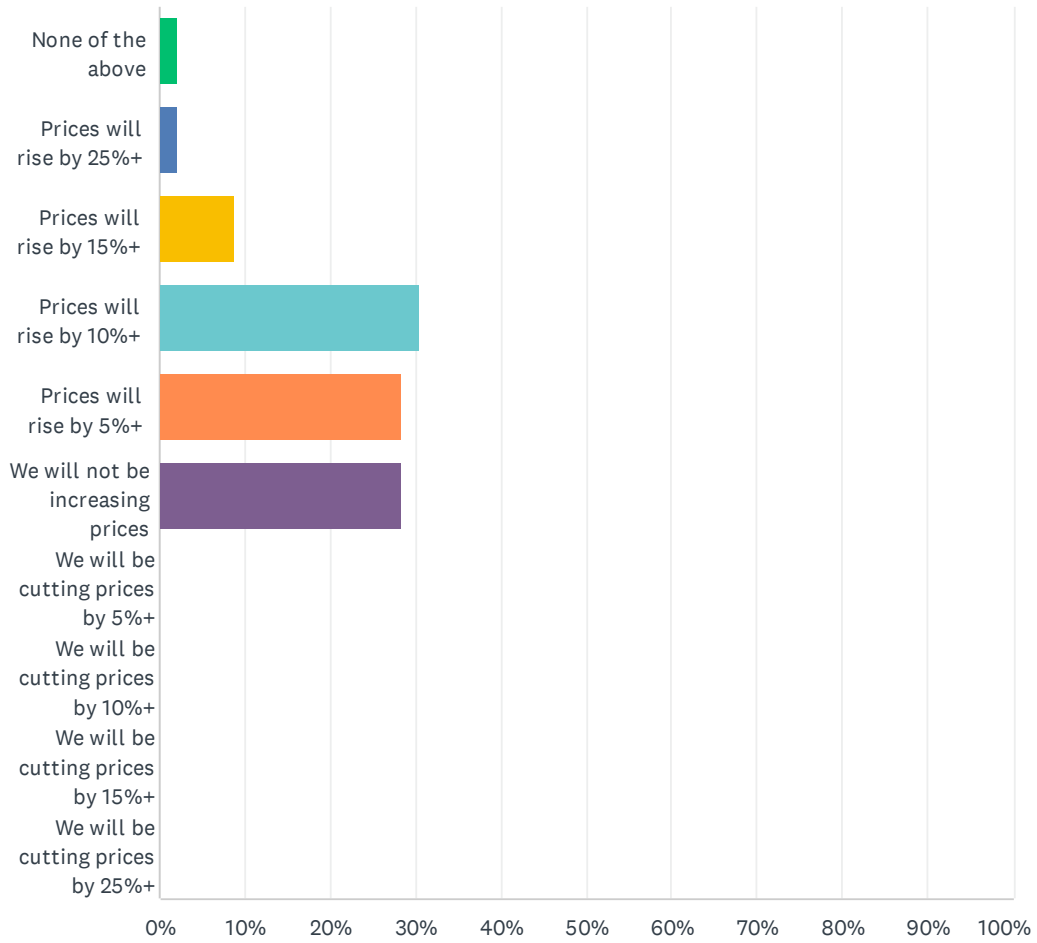


THE WAVA - PASC UK Cymru Business Impact Survey January 2025
FIN(6)-05-25 P4

ANSWER CHOICES	RESPONSES	
None of the above	0.00%	0
Turnover will increase by 25%+	0.00%	0
Turnover will increase by 15%+	0.00%	0
Turnover will increase by 10%+	8.70%	4
Turnover will increase by 5%+	13.04%	6
Turnover will stay flat	28.26%	13
Turnover will reduce by 5%+	13.04%	6
Turnover will reduce by 10%+	15.22%	7
Turnover will reduce by 15%+	17.39%	8
Turnover will reduce by 25%+	4.35%	2
TOTAL		46

Q9 What, if any, changes will you make to your prices in 2025?

Answered: 46 Skipped: 0



THE WAVA - PASC UK Cymru Business Impact Survey January 2025
FIN(6)-05-25 P4

ANSWER CHOICES	RESPONSES	
None of the above	2.17%	1
Prices will rise by 25%+	2.17%	1
Prices will rise by 15%+	8.70%	4
Prices will rise by 10%+	30.43%	14
Prices will rise by 5%+	28.26%	13
We will not be increasing prices	28.26%	13
We will be cutting prices by 5%+	0.00%	0
We will be cutting prices by 10%+	0.00%	0
We will be cutting prices by 15%+	0.00%	0
We will be cutting prices by 25%+	0.00%	0
TOTAL		46

Q10 Please use this box to make any further comments about any of the questions above.

Answered: 23 Skipped: 23

Q10 Please use this box to make any further comments about any of the questions above.

Answered: 24 Skipped: 24

#	RESPONSES	DATE
1	Running a boat trip business is hugely dependent on good weather through the season, and over the recent years the more unpredictable weather with greater extremes being experienced makes operating the seasonal trips even more challenging than previously. Any days lost to weather during school holidays have a massive effect on the companies turnover and ability to continue to operate, any rules or policies that make tourism in wales more expensive are going to have a negative knock on effect on passenger numbers making it even harder for the company to continue to operate. We need help and support not more financial hurdles to overcome!	1/13/2025 9:40 AM
2	Very concerned about the future ability of the business to make any profit due to hugely increasing running costs and lower income from visitors. Already a very narrow profit margin and this is being squeezed further every season, while increasing prices is detrimental to visitor numbers as you can only charge a certain amount for the same product!	1/10/2025 1:00 PM
3	My Answers to 6 and 7 are not that it will make no difference, it will. We would otherwise be investing in growth. The fact they stay the same is not a positive in a world of economic challenge and inflation. We need to grow but this measure will stifle growth. That is not a sustainable business model.	1/10/2025 11:22 AM
4	Turnover will increase but so will costs. The key question is profitability - we are forecasting that to stay stagnant or reduce despite our best efforts to offer exceptional seasonal events.	1/9/2025 4:37 PM
5	We are not "open" as such because all clients have to book. In 2023 we had 161 customers, in 2024 we 124.	1/9/2025 4:15 PM
6	Welsh Government has no understanding of business nor of tourism. It seems to want to drive businesses into the ground. Its recent proposals along with those of Labour in Westminster to increase NI contributions, increase the minimum wage, coupled with the proposed tourism tax, show no regard for the challenges of running a business, for economic growth, for employment or for job security. This is disgraceful.	1/9/2025 4:04 PM
7	Tourism is booming in our area I'm not sure where all this pessimism comes from	1/9/2025 12:23 PM
8	In 30 years if business this is the first year we have substantially increase prices above inflation but unfortunately left with no other option which is very frightening	1/9/2025 12:08 PM
9	We will have to work harder to stand still. The levy combined with the minimum wage and national insurance wages, will have a detrimental affect on our profitability. There is no appetite to increase prices so the only option is to cut costs, so there will be less seasonal staff employed.	1/9/2025 9:42 AM
10	Less Staff due more to National insurance and Living Wage increases	1/9/2025 9:33 AM
11	If the money was ploughed in to promote wales more as England & Scotland do to get the people here we might re think a little,	1/9/2025 9:13 AM
12	Increased costs are the main concerns for 2025	1/9/2025 9:06 AM
13	We are int the wedings business. Weddings have dropped from a peak of 130 in 2022 to 70 booked in 2025. We have supplemented with other events, but turnover is down about one third. To economise, we are not replacing staff as they leave. Kitchens reduced from 5 chefs to 1 chef and two casuals who can help out with pot washing and some of the cooking. Our wedding deparment reduced from 4 wedding planners, to 1 (the events and functions manager) with some very limted part time assistance. Wageroll was reduced from £750k 2023, to £500k approx, 2024, and we may have to reduce further in 2025 but are likely to get our weddings sales up by marketing with a Facebook adverts promoter. We hope to get back up to 100 weddings for financial year 2025/6, but wills struggle to get to the required £1.2m, to pay VAT	1/8/2025 9:49 PM

THE WAVA - PASC UK Cymru Business Impact Survey January 2025
FIN(6)-05-25 P4

at £200k, Staff waggeroll at £500k, and everything else (heating, power, food, drinks, rates, insurance with what is left). Closure may be avoided, but we cannot take much more of this income drop and the Welsh Govt is hitting everyone when they are down still, after COVID, and still paying off COVID debts.

14	Afraid to increase prices in spite of increased costs. Turnover has not increased since Covid, prior to this we were growing year on year. Any additional costs to put off tourists will be a disaster	1/8/2025 8:57 PM
15	With world events we have a lot to deal with and with the Welsh Government adding one obstacle after another instead of supporting businesses. Without wealth generation there is no public sector. Inflation - cost of energy, food, wages are huge. Cost of products to buy to sell in the shop increased due to diversion around Suez Canal and import charges from Brexit. Difficulty recruiting staff since COVID, people don't turn up for interview, even if you pay above minimum wage. Quality of staff is poor, no work ethic, drop in standards. Staff have become very unreliable. Staff wages are now so high with the increase in NI. 20mph speed limit puts people off visiting when they can go elsewhere in England. Closure of tourist offices and lack of reliable leaflet distributor means that advertising is much more difficult. Never see anyone from Visit Wales, there is no support apart from when they send round someone to secret shop and criticise. The season is so short as it is with Welsh weather, the tourist tax is another off putting. Still no Superfast broadband cables to our business so we can't even move forward with technology as the speeds are so slow. Planning rules are so slow and restrictive that you can't expand anything. Margins in retail and hospitality are so low and prices can't go up much more as customers can't afford it. Everything is a battle.	1/8/2025 8:07 PM
16	As a result of >20% fewer visitors in 2024 compared to 2023, which was still down on pre-Covid figures, we are seriously considering only opening to tourists from April-September in future years, as we make a loss in all other months that is now not covered by April-September profit. Off-peak turnover has dropped significantly, more so than our peak season turnover. As a result, we would need to employ significantly fewer year-round staff and make use of seasonal staff instead, who would need to be sourced from elsewhere in the UK. We would also need to rely more heavily on seasonal volunteers. This goes against our ethics of providing sustainable, year-round employment for local people and to provide a year-round service to the local community to keep our community vibrant out of season. The positive answer to expected 2025 turnover is because we must increase turnover by this amount to remain viable and we therefore have no other option than to remain positive and do everything we can to achieve this.	1/8/2025 7:39 PM
17	wages cost increases will be very significant from April so will be reducing staff levels. Although the visitor tax is not in place yet there is a perception with the public that it is happening now and we are seeing less advance bookings than in previous years - approx 10% so far.	1/8/2025 5:58 PM
18	The tourism levy is a good idea in places that are overrun with tourists - eg Venice, Barcelona - but not in most parts of Wales where tourism is a key industry and employer. The Welsh Gov proposals do not apply the levy to day visitors which are the greatest number in this area which means accommodation providers are subsidising them. Hypothetical question - if I have a holiday chalet in Ceridigion - Chez Drakeford - do I pay the levy every time I or my family got there? And is so, how is it policed?	1/8/2025 4:03 PM
19	Tourism is absolutely vital to the economy in North Wales. I just do not understand the incredibly negative attitude of the Sennedd. It is so amazingly unsupportive	1/8/2025 4:00 PM
20	A desperate place to try and bring fresh ideas, forward thinking and change.	1/8/2025 3:16 PM
21	Very pessimistic for the future. Visitors definitely have spent less this Xmas. Until this year we have always felt optimistic about the future but instead of concentrating on rescuing animals we now have to consider whether we can afford to rescue any more, as this will involve employing more staff. Government and Welsh Government will destroy small businesses and especially in the tourism sector. The Business Wales and Visit Wales Newsletters regularly popping up are a joke especially the Hwyl and Croeso messages when imposing taxes and levies on visitors. Some welcome to Wales!!	1/8/2025 3:11 PM
22	Any increase to pricing will make our offer less attractive to visitors. This has a detrimental impact as costs are way higher than the last 2 years. Any barriers to encouraging visitors i.e. the tourist levy will have a hugely negative impact. I don't believe any revenue raised by the council will benefit my business.	1/8/2025 3:11 PM

THE WAVA - PASC UK Cymru Business Impact Survey January 2025
FIN(6)-05-25 P4

23	If another year comes with fewer visitors we will only open at main holiday times in 2026. This will mean we cut our staff by 60% and stop all developments in order to survive.	1/8/2025 2:53 PM
24	The combination effect of all the Government interventions are overwhelming us.	1/8/2025 11:55 AM