

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](#).

Ymateb gan Ymweld â Sir Benfro Cyfyngedig | Response from: Visit Pembrokeshire



Visitor Accommodation (Register and Levy) etc (Wales) Bill

Written evidence from Visit Pembrokeshire – Official Destination Management Organisation (DMO) for Pembrokeshire.

Background on Visit Pembrokeshire

Visit Pembrokeshire is the Destination Management Organisation (DMO) for Pembrokeshire. It is business led and brings together the public, private and third sectors to work in partnership to grow tourism sustainability for the benefit of all. Formed in November 2020, Visit Pembrokeshire provides tourism leadership and advocacy and delivers a wide range of activities including destination marketing, industry liaison and support, research and intelligence and event support. It also coordinates delivery of the Pembrokeshire 2024-28 [Destination Management Plan](#) which sets out priorities around which we can unite as a destination.

Summary of general concerns with the proposed Visitor Levy

- Visits to Wales have not yet returned to pre Covid levels. Additionally, as domestic tourism accounts for most visits to Wales and associated spending there is concern that the introduction of a visitor levy could make Wales less attractive to domestic visitors especially families, who may view this as an additional cost in an already competitive UK market. The increase in overseas holidays over the past 12 months, which are often cheaper, is an additional concern.
- There is also a concern that, given the high proportion of visitors to Pembrokeshire that travel from within Wales, the introduction of a visitor levy could deter overnight stays.
- Balancing revenue generation with maintaining the attractiveness of Wales as a visitor destination and ensuring it continues to be welcoming to all will be crucial success factors for any visitor levy
- The cumulative impact of a potential visitor levy alongside other policies that are impacting tourism e.g. 182-day policy.
- Impact of the UK Autumn 2024 budget (e.g. increase in Employers NI benefit, National Living Wage and changes in inheritance tax rules)
- Slow/stagnant economic growth
- Timing – there is real concern from businesses that the cumulative impact of all the above has resulted in a challenging environment for businesses and consumers and full economic recovery should be an important consideration in the timing of the introduction of any levy.
- The impact on the circular economy and employment locally if visitor numbers decrease.

Potential opportunities from a visitor levy

We acknowledge that areas of destination management currently delivered by Pembrokeshire County Council and Pembrokeshire Coast National Park Authority , have an uncertain future due to unprecedented and ongoing budget challenges. Some of these include :

- Lifeguarding on our beaches - essential to maintain our blue flag beach status
- Beach cleaning and Beach Awards
- Public toilets
- Coastal bus services
- Support for Major Events e.g. Ironman

These impact directly on the quality of the visitor experience and visitor's perception of Pembrokeshire as a welcoming visitor destination . Tourism is a key economic driver for Pembrokeshire contributing £604 Million to the local economy in 2023 and accounting for 23% of local employment .It forms the backbone of communities like Pembrokeshire. It will be important for us to come together as a destination to consider the options both with and without a visitor levy and to ensure that any decision is fully informed.

In May 2024 Pembrokeshire launched its updated [2024-28 Destination Management Plan](#) which sets out our shared ambition as a county ***“to be a global leader in regenerative tourism - delivering great visitor experiences, enriching communities and with nature in mind.”*** In summary this is about ensuring tourism in Pembrokeshire delivers a net benefit to those who live and work in our county alongside visitors.

A potential visitor levy could provide funding opportunities to deliver aspects of the DMP which are currently unfunded, and this continued reinvestment would undoubtedly bring benefits.

Areas of concern with the draft Bill

1) Statutory Registration

The comprehensive registration scheme referred to in the consultation and supported by the trade is not reflected in the current draft of the bill . This would require non serviced accommodation to have demonstrated a basic level of quality assurance to be included on the visitor levy database. This would also be a first step deterrent to non-compliant operators which would cease trading before the visitor levy database became active.

Whilst we acknowledge that it is Welsh Government's intention to introduce further phases to the Registration scheme there is no specified time for this. Whilst this would allow more non serviced accommodation operators to be included on the visitor levy register (and continue trading), it doesn't level the playing field between regulated compliant businesses and those that are not.

2) The inclusion of a charge for Children and infants

We were surprised to see the inclusion of a charge for children and infants (which as we understand it is not common in other destinations where a levy is charged) and believe that this alongside the flat rate approach disproportionately impacts lower cost providers more than premium providers, and in turn families with young children.

3) Private owners on holiday parks who are letting their caravans via third parties- Who will be liable to pay the levy , the owner or the holiday park owner.

4) The flexibility for councils to introduce a premium

This introduces an element of uncertainty which will need to be very carefully managed .

5) Clarity on WRA Operating costs

We would like more clarity on the WRA operating costs to better understand the likely net income available to invest locally

6) Ring fencing and local stakeholders' ability to influence what the levy can be spent on locally

The Bill proposes the following criteria for expenditure of the levy

- Mitigating impact of visitors
- Maintaining and promoting use of the Welsh Language
- Promoting and supporting the sustainable economic growth of tourism and other kinds of travel
- Providing maintenance and improving infrastructure facilities and services used by visitors(whether or not these are also used by local people)

Visit Pembrokeshire believes that an important success factor for the proposed visitor levy will be clear accountability and transparency on how money raised is spent locally. There is strong support amongst industry bodies nationally for a genuine partnership approach to decisions on how a potential visitor levy would be spent . This would include public sector bodies, local communities and the private sector collaborating with councils to make decisions and not merely in an advisory capacity .

Visit Pembrokeshire is a well-established and best practise public/private sector partnership model with representation from Pembrokeshire County Council, PCNPA, Planed and the private sector and would be well placed to support this approach.

Emma Thornton -CEO Visit Pembrokeshire

10th January 2025