

VAB37 Planed

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 Planed | Evidence from Planed

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

Community based and representative organisations, such as PLANED, are supportive of the principle to look at appropriate and even funds allocated to communities to cover the additional costs of visitors and tourists, alongside the resident population.

The concerns within communities are on how the Levy will be applied, at what rate, and how its funds will be determined to be spent and allocated, as collectively, this will impact potentially local jobs and supply chains within communities, that currently service and support the tourism sector and industry across Wales – but particularly here in West Wales, where there is already a lack of comparable infrastructure to areas such as South Wales particularly with its Metro, motorway, routine and regular train & bus services – whereas in West Wales, the further West you travel, the less comparable, and routine infrastructure is available, present, or reliant.

Funds raised from any Levy that is applied, whilst set in theory by the local authority applicable, should see the funds be allocated and agreed by a panel of interested parties and community based organisations, as it is the communities who supply the labour, skills, supplies, and general welcome for those tourism businesses and organisations, which in turn support our communities through the foundational and circular economy model. Funds generated by any Levy, should be determined by an independent Local Action Group – akin to the previously successful LEADER EU Funds model, which PLANED itself, (as did other community organisations such as Menter Mon, and Cadwyn Clwyd, etc) successfully administered for many years. With membership from statutory, community and industry partners collectively overseeing the allocation of funds, a fairer, transparent, and equitable allocation of funds based on local needs, was able to be delivered – exactly what is needed if communities and the local tourism sector is to have any confidence within the proposals being considered currently prior to implementation.

Additionally within Pembrokeshire as an example, we have the independent DMO of “VISIT PEMBROKESHIRE”, which is managed independently by a board of Directors, with members from the local authority, National Park Authority, PLANED (re community) and members / employers from within the local tourism industry. This existing vehicle which represents an increasing and growing number of tourism direct & related businesses, would also be a suggested vehicle to inform the allocation of any funds from a proposed Levy.

Within communities in areas such as West Wales and North Wales particularly, where there is already concerns over dilution of the Welsh language and culture, would there be potential for any funds generated by the Levy, to also support local communities in retention and growth of the Welsh language and culture too? Fully acknowledging the majority of the funds potentially raised by any Levy would be applied to the local services and infrastructure demands that result from increased visitors and tourists to a local area, we do on behalf of communities in general, think that the added pressures on dilution, challenge, and risks to local resident populations around language & culture at least, let alone local housing stock, should also be factored in to have a small percentage proportion of the levy funds raised, be ringfenced for allocation in respect of these core local values and intricacies.

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).

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).

From a community angle, there are concerns that a Levy in more isolated rural & coastal areas where there is not great infrastructure to support visitors to travel more easily, in addition to distance, would be a negative and not support people to travel and visit these areas. Coastal areas in furthest West Wales, as well as our inland rural jewels across Ceredigion, Carmarthenshire, and Pembrokeshire, could all see potential drops in visitors.

Whilst the argument that a levy already exists in other parts of the UK etc, is a valid one, what is not valid is the comparison. It is easier to travel to places like Manchester and Edinburgh for breaks as the infrastructure makes it easier, more accessible, and timely to do so. Current travel to West Wales is not supported by the same levels and availability of infrastructure, and therefore, those who do so currently, make more effort in terms of costs, time, and planning to make the journey in comparison. With an additional levy being charged, would these individuals continue to do so – some will, many won't.

This potential drop of visitors due to the levy will have a significantly negative impact on those rural and small communities across West Wales who rely on the tourism industry both directly and indirectly. Those people and households in rural Wales who need the jobs directly – the numbers and volume of which may not be needed should visitor numbers drop; the people and households in rural Wales who need the jobs in the supply chains – food producers, suppliers, administrative, professional, general labour, etc., whose employers and businesses provide goods and services to the industry both directly and indirectly.

The issues around the Levy do not simply apply to the tourism and hospitality sector directly, but also as part of a ripple effect to those wider communities on whom the industry impacts and survives upon.

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).

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%20%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).

From a community perspective, we would particularly be keen to see the Bill enable the funds generated, to be considered and potentially managed independently by a Local Action Group as mentioned above – proven to work over many years in the allocation of the EU LEADER fund programmes at county levels for communities.

Being an open and more transparent body which includes the local authority, but alongside as equal members, community, industry, and other statutory partners, it would enable a more honest, and accurate oversight of the needs within communities at a county level, where funds should and could be spent as raised by the levy.

Also, the levy funds raised, should also enable the ringfencing of a set percentage/proportion, to not only fund directly a grant management type of scheme for employers and businesses locally within the tourism/hospitality sector, but also for communities in general to support the areas of promotion and inclusion around language, culture, local assets, and potentially, affordable local housing promotion. PLANED is currently involved in all of these areas, and would be happy to engage in further discussions on the more reflective and applicable delivery methods already demonstrated and led by communities, that could be enabled and transposed by others easily, elsewhere in Wales that reflects and mirrors local community led needs.