

Mark Drakeford MS  
Cabinet Secretary for Finance and Welsh Language

23 January 2025

Dear Mark

Visitor Accommodation (Register and Levy) Etc. (Wales) Bill – follow-up to evidence session on 20 January 2025

Thank you again for attending the Committee's meeting on 20 January 2025 to discuss the Visitor Accommodation (Register and Levy) Etc. (Wales) Bill.

At the close of the meeting I said that the Committee would write to you with further questions that we were not able to reach during the meeting. There is also one matter that was discussed during the meeting on which we would welcome clarity. The questions are enclosed in the Annex.

We would be grateful to receive a response by 6 February 2025.

Yours sincerely,



Mike Hedges  
Chair

## Annex

**Question 1:** In the discussion on 20 January 2025 it was explained to the Committee that, should a visitor accommodation provider exclusively offer stays of more than 31 nights in duration, such a provider would not be subject to the mandatory registration requirement in section 5(1) of the Bill in respect of that accommodation. The Committee would be grateful if you could consider and explain whether and how section 5(1) of the Bill, when read with section 2(1), adequately captures this policy intention, given that the types of visitor accommodation listed in paragraphs (a)-(d) in the definition of "visitor accommodation" in section 2(1) do not explicitly reference being made available for stays of 31 nights or less.

**Question 2:** In relation to the steps a principal council must take before introducing or changing the levy, section 25(9) provides that steps taken before those provisions come into force may satisfy the requirements of the section. Section 25 comes into force on the day after Royal Assent. Does that mean that principal councils could be taking those steps now on the assumed basis that these provisions will become law?

**Question 3:** Section 37 contains an extensive power for the Welsh Ministers to impose requirements on accommodation providers in relation to advertising and billing, including the ability to impose civil sanctions and appeal provisions. In the Statement of Policy Intent you describe the power as "intentionally wide". Why didn't the Government develop policy on these matters and include it on the face of the Bill, rather than seeking an 'intentionally wide' power?

**Question 4:** Section 39 contains a power for the Welsh Ministers to issue statutory guidance on the levy or registration scheme. There is no Senedd procedure attached to this proposed power. Why would it be appropriate for the Government to issue statutory guidance without Senedd scrutiny?

**Question 5:** The Committee has previously expressed concerns over the extent of subordinate legislation powers used by the Government in relation to devolved taxation.

- (a) Why has the Government chosen to seek a Henry VIII power in section 40 to extend the provisions in this Bill to berths and moorings?
- (b) Why do you consider this approach more appropriate than bringing forward future proposals in a draft Bill?
- (c) In written evidence to the committee, British Marine Wales has expressed concern over the potential future extension of the levy, stating that the Bill "*shows little understanding of the leisure marine industry and the challenges and absurdities that will arise if the levy is applied to recreational boating.*" Would you consider excluding recreational craft from the scope of the proposed power in section 40?

**Question 6:** Have you considered whether the Welsh Government should be under a statutory duty to consult before using any of the proposed powers in the Bill?

**Question 7:** Paragraph 5 of Schedule 1 includes a new permitted disclosure of protected taxpayer information for the purposes of the Welsh Revenue Authority's functions. This is wider than disclosure in relation to the levy. Can you explain why this is necessary?

**Question 8:** Paragraph 17 of Schedule 1 removes an existing requirement for the Welsh Revenue Authority to seek the approval of the tribunal before issuing a taxpayer notice requiring taxpayers to provide information or documents. Why have you chosen to remove that element of taxpayer protection in this Bill?

**Question 9:** Does the Government consider that any of the provisions of the Bill require the consent of HM The King or the Prince of Wales? If so, when do you anticipate that any required consents will be received?

**Question 10:** In its latest annual report, the Office for the Internal Market (OIM) identified visitor levies as an area of regulatory development that is affecting, or had the potential to affect, the UK internal market. Have you had any discussions with the OIM on this issue or, if not, what are your views on the OIM's comments?

**Question 11:** Have any concerns been drawn to your attention that any provisions in this Bill could be impacted by the operation of the UK Internal Market Act?

**Question 12:** Should the Bill be passed and enacted, when do you envisage the registration provisions in Part 2 of the Bill and the accompanying subordinate legislation being fully in force?