

Mark Drakeford AS/MS
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: MA/MDFWL/1365/25

Peredur Owen Griffiths MS
Chair
Finance Committee
Senedd Cymru

24 June 2025

Dear Peredur,

Visitor Accommodation (Register and Levy) Etc. (Wales) Bill – Revised Explanatory Memorandum and Regulatory Impact Assessment

Following the completion of the Stage 2 proceedings in respect of the Visitor Accommodation (Register and Levy) Etc. (Wales) Bill, and in line with Standing Order 26.28, a revised Explanatory Memorandum has been laid to account for amendments made to the Bill at Stage 2, to reflect new, amended or removed provisions.

I would like to bring relevant changes which have been made to the Regulatory Impact Assessment (RIA) to the Committee's attention.

The Committee's recommendations

In my letter of 28 March, following the publication of the Committee's Stage 1 report, I set out my initial response to the Committee's recommendations. I can now provide further details for those recommendations in response to which the RIA has been revised.

In response to Committee recommendation 11, Annex 4 (Visitor Levy Revenue Estimate Workings) has been updated in line with the increase in the higher levy rate of £1.30 and the exemption for under 18s in lower rated stays.

In response to Committee recommendation 15, local authority cost estimates at Table 16 have been updated to reflect the outcome of a revised collaborative exercise between the Welsh Government and individual local authorities, aimed at identifying and establishing a range of initial estimates for the likely administrative and compliance costs associated with implementing a visitor levy, including costs related to establishing and running a visitor levy partnership forum.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

In response to Committee recommendation 17 an explanation on the medium to long-term funding model to cover the additional administrative costs falling on the WRA as a result of the Bill has been included at section 8.5.64.

Stage 2 amendments

Updates have been made throughout the EM and RIA to reflect amendments to the Bill at Stage 2. Key changes include:

- The National Register – to set out the powers the WRA will have to establish and maintain the register, including enforcement.
- Provisions for local authorities to establish a Levy Partnership forum.
- Under 18s exemption to the lower rate (and other changes to the levy calculation section in relation to the lower rate).
- Increase of the higher rate to £1.30
- The updated position on the powers for making subordinate legislation; and
- Annex 1 to ensure the Explanatory Notes reflect the Bill as amended.

I would like to take the opportunity to again thank the Finance Committee for its scrutiny of the Bill.

I have copied this letter to the Chair and the Legislation, Justice and Constitution Committee.

Yours sincerely,

A handwritten signature in black ink that reads "Mark Drakeford". The signature is written in a cursive, slightly slanted style.

Mark Drakeford AS/MS

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Cabinet Secretary for Finance and Welsh Language