

GUIDANCE ON THE VISITOR LEVY FOR LOCAL AUTHORITIES



Llywodraeth Cymru
Welsh Government

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Foreword from Cabinet Secretary

The visitor economy is a major source of jobs across Wales; in 2022 tourism-related industries generated around 5.1% of Wales' Gross Value Added (GVA).¹

There are also costs associated with the provision of services and infrastructure that are used by visitors. For example, visitors will use road infrastructure, public transport, car parks, street lighting, waste management services, public toilets, tourist information centres, emergency and health services, footpaths, seating, and other built infrastructure. Taxes fund these critical services and infrastructure.

The Welsh Government's ambition is to grow tourism for the benefit of Wales by supporting local communities in a way that is sustainable, developing a framework which is mutually beneficial to both visitors and citizens.

The Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 ("the 2025 Act") provides local authorities with the power to introduce a discretionary visitor levy. The visitor levy will raise new revenue which will be re-invested in local areas to support tourism and infrastructure, enhancing the quality of visitor experiences, thus benefiting the communities who host visitors.

Similar visitor levies are used in many countries around the world to the benefit of local areas, which continue to see thriving visitor economies. This success can be replicated in Wales and local authorities now have the power to decide for themselves if their area should introduce a visitor levy.

It is designed to provide clarity on the legal framework and to outline best practices in governance and collaboration. It is issued under section 61(1) of the 2025 Act, and local authorities² are under a duty under section 61(2) to have regard to it when exercising their functions under Part 3 of the 2025 Act. The guidance will also be of interest to the tourism sector and visitor accommodation providers.

This guidance is intended to provide clear and comprehensive support to local authorities as they navigate implementing the levy.

I am pleased to present this guidance which I trust will serve as a valuable resource and look forward to seeing the positive impact and tangible difference the visitor levy will have on our communities.

Mark Drakeford MS
Cabinet Secretary for Finance and Welsh Language

¹ [Wales visitor economy profile: 2024 \[HTML\] | GOV.WALES](#)

² This guidance refers to 'local authorities' however, they are referred to as principal councils in the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025.

1. Introduction

1.1 The Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 (“the 2025 Act”) was passed by the Senedd on 8 July 2025 and received Royal Assent on 18 September 2025. The Act gives local authorities the power to introduce a visitor levy (“the levy”) charged on overnight stays in visitor accommodation in their area. The levy is discretionary in nature; it will be for local authorities to decide whether to introduce it following consultation with their communities and local businesses.

1.2 This guidance is for local authorities that are considering developing and implementing a levy in their area. Visitor accommodation providers may also find merit in reading and understanding this guidance, particularly regarding communications to visitors, as well as others with an interest in a proposed levy.

1.3 It is designed to give clarity and support in understanding the 2025 Act and to establish best practice approaches for governance and collaboration. This guidance has been developed collaboratively with local authorities and representatives of the tourism sector and consulted on in accordance with the requirement in section 61(1) of the 2025 Act.

1.4 The Welsh Revenue Authority (“the WRA”) will provide separate operational guidance for visitor accommodation providers to support them with their obligations relating to the collection and remittance of the levy.

1.5 This guidance is not legal advice nor an exhaustive interpretation of legislation. It has been developed to support local authorities seeking to introduce a visitor levy who must have regard to this guidance. Local authorities should seek their own legal advice in relation to introducing a levy in their area.

1.6 This guidance will be published on the Welsh Government website and will be reviewed and updated from time to time.

2. Responsibilities: The Welsh Ministers, Local Authorities, the WRA and Visitor Accommodation Providers

2.1 The introduction of the levy will require effective collaboration between the Welsh Ministers, local authorities, the WRA and Visitor Accommodation Providers to ensure it operates smoothly and delivers benefits for communities, businesses and visitors. A summary of their responsibilities is set out below.

2.2 Welsh Ministers:

- Set the legislative framework and policy direction.
- Issue statutory guidance that local authorities must have regard to when exercising their functions under Part 3 of the 2025 Act.

2.3 Local Authorities:

2.4 In accordance with section 61(2) of the 2025 Act, local authorities must have regard to this guidance when exercising their functions under Part 3 (some of which are outlined below) including when considering whether to exercise a function under that Part.

- Prepare a proposal for introducing the levy in their area.
- Notify the WRA of its proposal to introduce the levy (section 47(4)(a) of the 2025 Act).
- Publish a report setting out its proposal (section 47(4)(b)(i) 2025 Act) detailing:
 - Estimated revenue and costs.
 - Intended use of proceeds for destination management and improvement purposes.
 - Proposed membership of the Visitor Levy Partnership Forum.
- Send a copy of that report to the WRA (section 47(4)(c) of the 2025 Act)
- Consult with local communities and stakeholders, including mandatory consultees (section 47(4)(d) 2025 Act).
- Consider its proposal having regard to any representations received by it during the consultation (section 47(7) of the 2025 Act).
- Notify the WRA as to whether the local authority intends to proceed with implementing the levy and publish a final report setting out whether the local authority intends to proceed with its proposal. If it does, the local authority must publish details of the proposal and an explanation of any changes made to the report it published under section 47(4)(b) of the 2025 Act and send that report to the WRA (section 47(8) of the 2025 Act).
- Consider conducting a local impact assessment, which is an aid to effective decision making.

2.5 Local authority functions and decision-making

2.6 Section 54 sets out how decisions relating to the visitor levy must be taken within a local authority. All decisions concerning the exercise of functions in relation to the levy must be discharged by the full council. These are not functions of the executive (Cabinet) and cannot be delegated to it. This ensures that decisions on whether to

introduce a levy and any subsequent variations or revocations, are taken collectively by the authority's elected members in full council.

2.7 Section 54 also disapplies section 101 of the Local Government Act 1972 ("the 1972 Act") for the purposes of a local authority discharging its functions under the 2025 Act. This means that local authorities cannot arrange for levy-related functions to be discharged by a committee, sub-committee, officer, or another local authority, even where such delegation would normally be permitted under the 1972 Act.

2.8 Officers may provide advice, undertake preparatory work, and implement decisions once taken, but they cannot exercise the decision-making functions themselves. Authorities should therefore put in place appropriate governance pathways to ensure timely scheduling of council meetings and clear reporting lines so that statutory requirements are met and decisions are taken in accordance with the 2025 Act.

2.9 Once a formal decision to introduce a levy is made:

- Notify the WRA of their final decision. When sending the notice to the WRA under section 47(8) the best practice would be for the authority to also confirm to the WRA that it is ready to accept the terms of the Service Level Agreement ("SLA") with the WRA.
- Publish a notice (section 48(2) of the 2025 Act) on the council's website and other accessible platforms, specifying:
 - The levy rates.
 - The date the levy will come into effect, which must not be a date that is before the end of the period of 12 months starting with the day on which the notice is published and must be either 1 April or 1 October (section 48(3) of the 2025 Act. The WRA and the local authority can agree a shorter period after publication (section 48(3)(a)(ii)) and this might be relevant should the authority fail to inform the WRA. The public notification should be the date at which the notice period commences.
- Take reasonable steps to ensure that a Visitor Levy Partnership Forum is established no later than 3 months after the levy has come into effect in its area (section 46 of the 2025 Act).
- Maintain a separate account for levy proceeds (section 43(1) of the 2025 Act).
- Publish an annual report (section 45 of the 2025 Act) detailing:
 - Total and net revenues.
 - How the proceeds of the levy for the financial year in question have been or will be used by the council, and how that use is for the purposes of destination management and improvement in the council's area.
- Authorities should also publish any impact assessments that have been undertaken. This promotes transparency, enables stakeholders to understand

potential economic, social, and environmental effects, as well as supporting informed consultation and decision-making.

- In accordance with relevant data protection legislation and policies, share information with the WRA to support compliance and enforcement.
- Local Authorities may also wish to monitor and evaluate the impact of the levy, to inform any future decisions about the levy.

2.10 The 2025 Act also provides for Welsh Ministers to make regulations for local authorities to charge an additional amount to either the higher or lower rates in its area and/or allow a local authority to add an additional amount to only certain parts of its area or different amounts to different areas (section 34 of the 2025 Act). Regulations may also specify a time period when the additional amount does not apply. This will only be an option for a local authority should the Welsh Ministers make the necessary regulations, but section 34(4) requires the Welsh Ministers to consult before making the regulations and this Guidance will be updated if the regulation making power is exercised. Section 47(3) 2025 Act also requires a levy to have been in effect in a local authority's area for 12 months before it takes any steps to add an additional amount to the levy.

2.11 The WRA:

- Administers the register of visitor accommodation providers.
- Collects and manages the levy on behalf of local authorities.
- Ensures compliance with the 2025 Act and takes enforcement action where necessary.

2.12 The WRA will consult with participating local authorities regarding its corporate plan. Participating local authorities should respond to that consultation considering how the visitor levy operates in their area.

2.13 After the levy has been introduced into a local authority area, the WRA can provide local authorities with performance data relating to their collection and management of the levy for that local area. The WRA will hold quarterly meetings with local authorities that have opted in to the levy, which will allow further collaboration and information sharing.

2.14 The WRA may also be able to use information from the national register of accommodation providers to assist in estimating the potential tax base for a local authority area to support with their initial consultation. The WRA can also share information they collect through their registration functions with local authorities to support their consultation activities regarding the levy.

2.15 The WRA will, in relation to each local authority area in which the levy has been introduced, keep a separate account for the proceeds of the levy collected in respect of that local authority area (see section 24A(1) of the 2016 Act). The WRA must pay the proceeds of the levy collected each financial year in respect of a local authority's area (including any interest on the proceeds) to that local authority, (section 24A(2) of the 2016 Act), no later than:

- (a) 30 June in the following financial year, or

(b) such other date as may be agreed between the WRA and the local authority.

2.16 The WRA must deduct from the proceeds received for the financial year such amounts as considered appropriate in respect of the costs it has incurred in connection with the exercise of the WRA functions during that financial year in relation to the levy for that area (section 24A(3) of the 2016 Act. See also section 24A(4) of the 2016 Act for provision in relation to costs and disbursements that may become payable).

2.17 These costs will be capped at 10% of the proceeds of the visitor levy as it is the Welsh Ministers' intention for local authority to retain at least 90% of their visitor levy revenues. Further details about costs will be made available by the WRA.

Scenario: Timing of Payments

If a local authority introduces the levy to commence in April 2027, the first possible payment from the WRA will be made by no later than 30 June 2028. This payment will only cover the first three quarters of the 2027–2028 financial year, because the payment cycle is based on levy actually collected during a financial year and the quarter 4 levy due and that for annual filers will not actually be collected until the next financial year (2028-29).

Using the same April 2027 commencement date, the next payment, due by June 2029, will include the quarter 4 and annual filers levy collected for 2027-28 plus the levy collected for quarters 1–3 of 2028–2029.

After the first full year of the levy's accounting cycle, the payment schedule will settle into a regular pattern.

2.18 Visitor Accommodation Providers:

2.19 Under the 2025 Act, the visitor accommodation provider is the person liable to pay the levy which arises when the entitlement under the contract to reside in the accommodation has ceased (section 30 of the 2025 Act). The levy will be collected by visitor accommodation providers and remitted to the WRA.

2.20 All visitor accommodation providers in Wales must register themselves and the premises they operate, with the WRA, regardless of whether their local authority has introduced a levy. The duty to register commences on 1 October 2026. Guidance for visitor accommodation providers will be published by the WRA.

2.21 Where a local authority introduces a visitor levy, accommodation providers will be responsible for:

- Calculating the levy based on the number of overnight stays and the applicable rate.
- Clearly communicating the levy to guests at the time of booking and payment.

2.22 Visitor accommodation providers will be required to remit the levy to the WRA on a regular basis (as set out in WRA guidance). The WRA will offer support and, guidance materials to assist providers.

3. Consultation

3.1 The local authority must consult with its communities regarding its published proposal to inform its decision about implementing a levy (section 47 of the 2025 Act).

3.2 Local authorities will be mindful of their wider legal obligations regarding the law on consultations and should comply with them, and this guidance is a reminder, not a replacement of that.

3.3 When conducting planning public consultations, local authorities must adhere to the Gunning Principles. These principles are widely recognised as good practice for ensuring fairness, transparency, and meaningful engagement. These four principles form the legal and ethical foundation for effective consultation providing a strong foundation for effective consultation.

- Consultation must be at a formative stage.
- Sufficient information must be provided to allow intelligent consideration and response.
- Adequate time must be given for consideration and response.
- The decision-maker must conscientiously take into account the consultation responses.

3.4 Applying these principles can help build trust with stakeholders, support informed decision-making, and reduce the risk of legal challenge. Consultation materials should be clear and accessible, timelines should be realistic, and feedback should be thoroughly considered when in shaping final policy decisions.

3.5 Each local authority will have a public participation strategy which promotes and encourages participation in council decision-making. These strategies will set out how to encourage and enable local people and communities to be actively involved in decisions that affect them.

3.6 Preparing a proposal

3.7 Under section 47 of the 2025 Act, a local authority considering implementing a visitor levy must notify the WRA of its intention and publish a report setting out its proposal for introducing the levy in its area. The proposal must include:

- An estimate of the expected revenue from the levy in its first full year of operation, along with the anticipated costs associated with implementing the levy.
- A description of how the council intends to use the proceeds from the levy, demonstrating how they will use the revenue to support destination management and improvement within the area.
- Their plans for establishing a visitor levy partnership forum, including details of stakeholders they intend to invite to participate.

3.8 Local Authorities may also wish to include the following information in their proposal (this list is not definitive, and authorities may include any information considered helpful):

- Setting out the objectives the authority wants to achieve.
- Setting out potential benefits e.g. offering suggestions on how the levy might be invested to benefit the local area, businesses, residents and visitors.
- How the levy supports priorities set out in the council's tourism strategy/destination management plan.

3.9 Local authorities should consider the potential impacts of their proposal. Impact assessments must set out the expected benefits and any anticipated costs from introducing a levy. For example, costs involved in organising the consultation, and the expected revenues from the levy and how they will be used. Local authorities are also under a range of statutory duties that they should be mindful of when considering potential impacts, for example the Well-being of Future Generations Act 2015, the Public Sector Equality Duty (Equality Act 2010 plus Welsh Specific Duties), Welsh Language Impact and Environment (Wales) Act 2016. Local authorities routinely conduct impact assessments to support effective decision making as a matter of good governance, existing local processes should continue to be followed in this regard.

3.10 Authorities may also wish to consider the potential local economic impacts from introduction of a visitor levy. The Welsh Government has published an Economic Impact Assessment at a national level for the visitor levy policy. Given lack of available local price elasticities of demand data, any local economic impact assessment should consider qualitative approaches, seeking stakeholder views through engagement and consultation, and considering the work already undertaken by the Welsh Government.

3.11 The Future Generations Commissioner's office leads a community of practice on Impact Assessments that local authorities are welcome to join if they wish. For further details please contact: Sustainable.Futures@gov.wales

3.12 Where a local authority proposes to abolish the levy, they must publish a statement setting out the anticipated effect of the abolition of the levy on the council's revenue in respect of the first full financial year after the levy is abolished (section 47(4)(b)(iii) of the 2025 Act).

3.13 Mandatory consultees (section 47(6) of the 2025 Act) are:

- Local people, i.e. people who live, work or study in the local authority's area.
- Town of community councils in the local authority's area.
- The public services board (within the meaning of Part 4 of the Well-being of Future Generations (Wales) Act 2015 for the local authority's area.
- The local authority for an area that is contiguous with the area of the consulting authority i.e. neighbouring councils, so that they are aware of plans. Although local authorities cannot formally apply to introduce the levy jointly to their areas, they may wish to consider if there are any opportunities for joint working or collaboration.
- The National Park Authority for a National Park any part of which is in the local authority's area.
- A corporate joint committee that includes as a member at least one senior executive member of the local authority.

- Organisations that represent businesses that work in tourism, or are engaged in activities related to tourism, in the local authority's area; and/or promote or facilitate tourism in the council's area.
- Where the proposal is to introduce the levy, the consultation should include every person specified in the report by virtue of section 47(5)(c) of the Act (which refers to proposed membership of the visitor levy partnership forum) that is not otherwise a mandatory consultee.
- Where the proposal is to change or abolish the levy, every member of the levy partnership forum established by the council that is not otherwise a mandatory consultee.

3.14 Local authorities may also wish to widen the scope beyond the mandatory consultees as they see fit.

3.15 The WRA will collaborate with local authorities through the consultation process to advise and help explain how collection of a levy will work. This collaboration should extend to the WRA providing:

- Detail about how the collection process will work.
- Advice on how the legislation operates.
- The WRA will set up a forum for local authorities who have formally opted into the Levy (as per the SLA). The WRA will use the time between the notification and go-live date to help with operational readiness and planning for the post go-live stage.
- Explanations about how the penalty and enforcement regime would work.
- Attending consultation events or engagement activity that the local authority undertakes to support answering questions about the operation of a levy.
- Provide advice to the local authority about any potential operational risks.
- Supporting the local authority in estimating their potential tax base, once full registration data is available.
- Providing information to the local authority about the costs that will be deducted from revenues and how these are calculated.

3.16 Local authorities should consider their legal obligations to ensure effective consultation. Effective consultation should seek representative views from the local community and explore a range of methods to support engagement. The consultation should be proportionate to the potential impacts. For the levy, the legislation sets out the mandatory consultees from whom views must be sought.

3.17 The consultation should be accessible to all those who wish to participate and open for sufficient time to allow responses.

3.18 Engagement should be in line with the local authority's Public Participation Strategy. Welsh Government guidance on Public Participation Strategies is available here: [Statutory and non-statutory guidance on democracy within principal councils: public participation; strategies and petitions \[HTML\] | GOV.WALES](#)

3.19 National principles for public engagement in Wales, which reflect good practice have been developed collaboratively by the Welsh Local Government Association (WLGA), the Wales Council for Voluntary Action (WCVA), the Co-Production Network for Wales, the Office of the Commissioner for Future Generations, the Welsh Government, One Voice Wales, and participation and engagement practitioners.

The principles, including the principles and practitioners guide are available on the WLGA website: [Corporate Governance and Performance - WLGA](#)

3.20 If, after consultation, local authority officers decide to recommend that a levy is introduced in their area, the decision to introduce a levy must be made through the full council.

3.21 Local authorities should ensure that they endeavour to reach out to all those who may be impacted the introduction of the levy in their area and make suitable arrangements to reach out to those who would be unlikely to respond to a written consultation.

3.22 To aid with the consultation, local authorities can use our web pages and film:

- [The Visitor Levy: how we can all benefit | GOV.WALES](#)
- www.gov.wales/visitorlevy
- <https://youtu.be/F0F5KGBjeJo>

A leaflet is also available:

- [Visitor Levy and Register of Visitor Accommodation Providers](#)

3.23 Local Authorities should contact the visitor levy team for further information at: VisitorLevy@Gov.Wales

3.24 Other considerations for local authorities

3.25 Local authorities should also consider the Local Authorities: Code of Recommended Practice when considering consultation approaches and the Wellbeing of Future Generations Wales Act 2015, to ensure a diverse range of people are involved in decisions making:

- [Local authorities: code of recommended practice \[HTML\] | GOV.WALES](#)
- [The Well-being of Future Generations | GOV.WALES](#)

3.26 Although not a mandatory requirement of the legislation, we would encourage local authorities to consider their destination management plans and/or existing tourism strategy when developing a proposal to use a levy. The levy can act as an enabler towards delivering local destination management plans (where these exist). The consultation is also an opportunity to seek views more broadly on any destination management plan/local tourism strategy from interested stakeholders. Taking this approach can help ensure coherence of local plans.

3.27 A local authority must notify the WRA of its intentions and publish a report that sets out where the levy is to be introduced, the report should include:

- An estimate of the amount expected to be raised in that area for the first full financial year after the levy is introduced and an estimate of the cost to the authority.
- How the local authority intends to use those proceeds and on how that use will be for the purposes of destination management and improvement in the council's area.

- Proposals for membership of the levy partnership forum to be established by the council, specifying the persons the council intends to invite to be members of the forum.

4. Publication requirements

4.1 If the full council of a local authority approves the introduction of a levy, changes to the levy or the abolition of the levy, the local authority must publish a notice (section 48(2) of the 2025 Act).

4.2 When publishing the notice the local authority must:

- Publish the results of its decision on its webpages, and in any other manner which the council considers appropriate (section 48(6) of the 2025 Act).
- Specify what the rates of the levy will be.
- Notify the date on which the changes to the levy will take effect. The date specified will generally be no less than 12 months, after the date the notice was published and either 1 April or 1 October, however it may be less than 12 months if the local authority agrees that with the WRA.
- Provide any other information the council considers appropriate. For example, this may be information about implementation, next steps or other pertinent information that stakeholders should be aware of.

4.3 While a local authority must publish the notice on its website, local authorities should also consider how their communities currently access information and expectations around where such notices would be available. For example, in local council circulars, local newspapers, on notice boards in town halls, on social media pages etc. Local authorities will have established communication channels and should consider how best to notify their communities of decisions. The local authority may also wish to use ongoing communications with impacted stakeholders such as visitor accommodation providers, the WRA, visitors, neighbouring local authorities etc.

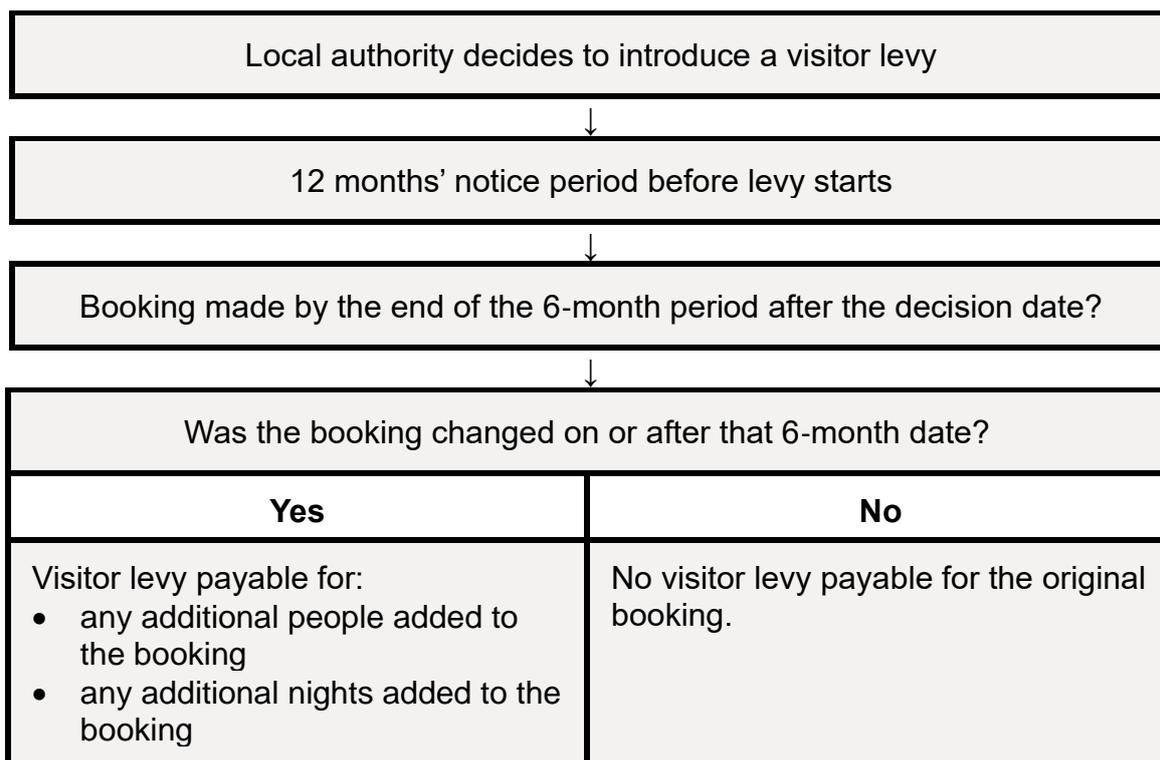
4.4 Local authorities are strongly encouraged to engage in ongoing dialogue and partnership working. Visitor Levy Partnership Forums are intended to provide a mechanism for ongoing engagement regarding the levy.

5. Period of notice

5.1 The required notice period to introduce the levy in a local authority area under section 48(3) of the 2025 Act is 12 months, this is to allow ample time to implement and update systems, provide training and guidance for providers and ensure visitors are notified and prepared for the introduction of the levy. The period may be shorter than 12 months by agreement between LA & WRA. The notice period of 12 months commences from the day at which the notice is published.

5.2 Local authorities may want to familiarise themselves with the transitional rules in section 49. This sets out where a booking is made before the end of the six-month period after the council decided to introduce the visitor levy, no levy is payable on that stay. However, if that booking is changed on or after that date, the visitor levy

must be paid for any additional people who become entitled to stay because of the change and/or any additional nights that are added because of the change.



5.3 Local authorities must submit written notification to the WRA, detailing the consultation exercise outcomes and council decision. Additionally, a Service Level Agreement (SLA) agreed with the WRA should be included in this notification. The signed SLA should be sent to the WRA by the local authority at the same time as their formal notification. The WRA will begin implementation activities in coordination with the local authority once they have received formal notice of a local authority’s decision.

Scenario: Introducing a Visitor Levy

Background: The local authority is considering introducing a visitor levy to support local infrastructure and tourism sustainability.

Proposal Development

Start Date: October 2025. The Council prepares a proposal

Consultation
 Start Date: 1 December 2025 - End Date: 28 February 2026
 The council notifies the WRA and launches a public consultation, engaging mandatory consultees.

Decision
 Council Decision Date: 31 March 2026
 Full council votes to proceed with the levy, taking into account consultation feedback and impact assessment.

Formal Notification

Notification Date: 31 March 2026.

Formal notification is sent to the WRA. The implementation date is specified. A notice is published on the council website and in local media.

Implementation Preparation

Period: April 2026 - March 2027

The WRA will work with the council to set up collection mechanisms. Public awareness campaign is launched. The Visitor Levy Partnership forum is established. The WRA will support visitor accommodation providers with guidance and other tools to help them meet their obligations.

Levy Goes Live

Go-Live Date: 1 April 2027. The levy will apply to overnight stays booked after 1 October 2026 and occurring from 1 April onwards. The levy will be collected by providers and remitted to the WRA.

The Visitor Levy is officially introduced. Visitors staying overnight in qualifying accommodation begin paying the levy, which is collected by providers and remitted to the WRA.

6. Use of revenues

6.1 A local authority that has introduced a levy must have a separate account for the proceeds of that levy (section 43(1) 2025 Act). Payment will be made by June 30th or another date agreed between the WRA and local authority.

6.2 Local authorities must identify, as part of their decision-making process for introducing a levy, how the revenues are intended to be used locally. The intention for use of revenues must be detailed in the report that the local authority has to publish under section 47(4)(b) 2025 Act. The uses of the revenues and projects supported can be changed over time with final decisions on spend resting with locally elected officials. Local authorities may wish to consider allocating revenues on a percentage basis towards spending areas. This may support understanding on how revenues are intended to be used and provide a framework for ongoing spending decisions.

6.3 One of the most frequently raised themes in the response to the public consultation on the visitor levy was to ensure the revenues benefit the tourism sector.

6.4 Visitor levy revenues received by a local authority (via the WRA) must be hypothecated and allocated towards 'Destination Management and improvement' purposes' in its area (section 44 of the 2025 Act). Wherever appropriate, this should be linked to local visitor economy strategy. Local authorities will be mindful of the Welsh Government strategy and how they might support that.

6.5 Examples of spending on destination management and improvement may include the following, but this list is not exhaustive, nor in any particular order of prioritisation:

- Mitigating the impact of visitors, such as street cleaning, waste collection, maintaining toilets
- Maintaining and promoting use of the Welsh language.
- Promoting and supporting the sustainable economic growth of tourism and other kinds of travel.
- Providing, maintaining and improving infrastructure, facilities and services for use by visitors (whether or not they are also for use by local people), for example, better-maintained beaches, parks and town centres.
- Promoting or supporting the sustainable growth of the tourism industry.
- Good visitor facilities such as public toilets, car parks or improving the network for electric cars which are essential to provide a competitive visitor offering in Wales.
- Preserving natural and cultural attractions.
- Spending on infrastructure, for example, tourist information centres, improving footpaths, etc.
- Local marketing, working in partnership with Visit Wales using their national brand promoting local messages.
- Maintaining essential ecological processes and helping to conserve natural heritage and biodiversity.
- Conserving built and living cultural heritage (including preserving and promoting the use of the Welsh language).
- Promoting or supporting regenerative tourism efforts, i.e. tourism which has a positive impact on local communities and the environment.
- Tourism related training or skills development or activity which facilitates this.
- Broader projects such improving connectivity in rural or honeypot areas, which are important to visitors.
- Environmental projects could include clean water and clean beach projects, as well as accessibility projects for attractions.

6.6 Local authorities may allocate proceeds from the levy to support approved longer-term projects. Where income is intended to be retained for future expenditure, the authority must establish an earmarked reserve for this purpose. The authority must clearly define the specific objectives for which the funds are being accumulated, including the intended project or programme, the rationale for deferring expenditure, and the expected timeframe within which the reserve will be utilised.

7. Establishing a Visitor Levy Partnership Forum

7.1 Local authorities introducing a levy in their area must take reasonable steps to establish a Visitor Levy Partnership Forum (a “forum”) no later than 3 months after levy becomes effective in the council area (section 46 of the 2025 Act). Local authorities should consider whether existing fora could be adapted for these purposes to ensure coherence and consistency of wider governance approaches for destination management in their areas.

7.2 In particular, the forum will provide the council with:

- Information and advice on how the proceeds of the levy may be used for the purposes of destination management and improvement in the council’s area.
- Information and advice on a proposal by the council (where the Welsh Ministers have made regulations) to:

- Add an additional amount to the levy.,
- Change an additional amount that has been added to the levy.
- Remove an additional amount that has been added to the levy.

7.3 Views of the forum should inform the decision-making process regarding the reinvestment of levy proceeds and a council must have regard to any information or advice provided in the forum on the matters in paragraph 7.2 above.

7.4 The local authority must take reasonable steps to ensure that the forum includes persons who are representatives of:

- Organisations that represent businesses that work in tourism, or are engaged in activities related to tourism, in the local authority's area.
- Organisations that promote or facilitate tourism in the council's area.
- Other relevant local bodies and representatives that have an interest in tourism or visitor accommodation in the council's area, that the council considers appropriate.

7.5 As part of establishing the forum, a local authority that chooses to introduce a levy should work in partnership with local organisations such as National Parks.

7.6 The forum will serve as a platform for collaborative discussion and provide valuable insights and recommendations on how best to utilise the funds generated by the levy. This approach will ensure a fair and transparent allocation of resources, reflecting the needs and priorities of the local tourism sector and community.

7.7 The final decision on how revenues are allocated will rest with locally elected officials at the local authority.

8. Reporting requirements

8.1 Local authorities must publish a report for each financial year it has received proceeds of a levy (section 45 of the 2025 Act). The report should detail how revenues from the levy have been allocated.

8.2 The report must inform people about the total amount collected in the financial year in question, the net revenues received after the WRA's costs have been deducted and how the proceeds for that financial year have been or will be spent on destination management and improvement. The report should provide an assessment of the impact those projects have had on businesses and local communities. The authority may also wish to take the opportunity of notifying plans for future projects or proposals this will be particularly pertinent where funding is carried over to be spent in later years.

8.3 Local authorities will need to consider the level of detail to provide on what projects or activities have been funded from the levy and what benefits have been derived. Evidently, this should be proportionate and will be variable by area given the differing levels of funding that will be derived by local authorities that have introduced the levy.

8.4 The report must be published on the local authority website (section 66(3)(a)(i) of the 2025 Act) as soon as reasonably practical after the 30 June of the year following the end of the financial year to which the report relates and no later than the end of

the financial year following the financial year to which the report relates (section 45(4) of the 2025 Act). A local authority must also publish the report in any other way that the local authority thinks appropriate (section 66(3)(a)(ii)) and must be made available for inspection at the local authority's offices for at least 12 months after it was published (section 66(3)(b) of the 2025 Act).

Scenario: Reporting

Levy Goes Live, effective from 1 April 2027

First Annual Report should be published as soon as possible after June 2028

Report details revenue collected, spending on destination management, and impact assessment

Feedback from Levy Partnership Forum incorporated

9. Engagement

9.1 Consultation is the formal statutory mechanism required by the 2025 Act, however ongoing engagement with communities is essential as per the Code of Recommended Practice for local authorities: [Local authorities: code of recommended practice | GOV.WALES](#) and [Corporate Governance and Performance - WLGA](#)

9.2 Local authorities may choose to utilise a mix of the following to engage communities and local businesses through:

- Digital and social media.
- Local radio.
- Pop up activations.
- Print media.
- Public meetings and/or workshops.

10. Communications

10.1 Effective communication about the levy requires a coordinated approach between local authorities and the WRA, with clear roles and responsibilities at each stage of the process.

10.2 This approach will ensure businesses, residents and visitor accommodation providers receive consistent, timely and appropriate information whilst avoiding duplication of effort.

10.3 Local authorities are responsible for communicating about the consultation process with their communities. This includes explaining the proposal to introduce a levy, the consultation timeline, how residents and businesses can participate, and where to find consultation documents and submit responses.

10.4 When sharing information about the visitor levy, local authorities should ensure materials are available in both Welsh and English. This helps everyone access the details in their preferred language and reflects the commitment we all share to promote Welsh as part of everyday life. Providing bilingual content isn't just about meeting standards. If you're planning new materials, think about how Welsh can be visible and accessible from the start. This also supports the Cymraeg 2050 goal of reaching a million Welsh speakers by 2050.

10.5 Pre-Implementation Stage

10.6 Following the decision to implement a levy, local authorities should work in collaboration with the WRA to ensure businesses are well-prepared for introduction.

10.7 Local authorities are responsible for communicating with businesses and local residents about their decision to introduce a levy. This communication should explain why they have chosen to introduce the levy and set out the potential benefits, including how revenues will be invested locally.

10.8 Implementation and Operational Stage

10.9 The WRA will take responsibility for communicating directly with visitor accommodation providers to provide the support and guidance they need to comply with the levy requirements. This includes explaining collection and remittance procedures, payment timelines, and providing access to operational guidance.

10.10 Communication Methods and Channels

10.11 Local authorities and the WRA may reach businesses directly via email, mobile and direct mail but may also want to consider using a variety of methods to reach their wider audience including any combination of the activities below:

- Local authority web pages and social media.
- Local press and magazines.
- Radio and TV spots. Local authorities may wish to collaborate with local TV and radio stations to broadcast messages about the levy in their area.
- Distributing leaflets and brochures to businesses and households.
- Hosting forums or town hall sessions to discuss the introduction of the levy.
- Workshops for local businesses and business associations to explain and answer questions around the technical details of the levy.
- Use existing tourism forums or partnership groups to discuss the introduction of the levy.
- Frequently Asked Questions – the local authority may find it helpful to compile a list of FAQs to include in communications and on their website.
- Pop ups at local events and areas of high footfall such as high streets and shopping areas.
- Any other activity which aims to increase understanding amongst the local population about the introduction of the levy.

10.12 The national register of visitor accommodation providers will provide valuable intelligence into the number of providers operating in each area. It will also assist in communicating directly with providers.

10.13 Clear communication and transparency are key to successful awareness raising efforts. Local authorities should tailor their strategies to the specific needs and demographics of their communities, ensuring communications are inclusive and accessible to all groups.

11. Communicating with Visitors

11.1 Whilst providing details of the cost of accommodation is the responsibility of the visitor accommodation provider, local authorities will want to make sure that visitors understand what the levy is, its rates and what their contribution is helping to fund. Local authorities also have a role to play in raising awareness of the use of a levy in their area. This can be done via a notice on their website or on promotional material for the area.

12. Information Sharing

12.1 Establishing and managing the register of visitor accommodation providers and enforcing compliance with registration requirements (i.e. the registration functions) are functions of the WRA. The register of accommodation providers is intended to provide a transparent, authoritative and trustworthy single source of information to visitors and other stakeholders.

12.2 Local authorities are encouraged to provide the WRA with useful information for compliance purposes, such information sharing is important. For example, the use of existing intelligence (e.g. planning, licensing, tourism promotion) or other credible sources of information (e.g. complaints, public reports, online listings) to identify potential non-compliance with registration requirements.

12.3 As set out by the Tax Collection and Management (Wales) Act 2016, the WRA's general function is the collection and management of WRA-collected taxes. In addition to the WRA's other main functions and powers, it may do anything which it considers:

- (a) necessary or expedient in connection with the exercise of its functions, or
- (b) incidental or conducive to the exercise of those functions.

12.4 When sharing data, local authorities must have regard to their data protection policies and relevant data protection legislation, including their existing statutory duties under the Data Protection Act 2018.

13. Regional working - collaboration with other local authorities and national park authorities

13.1 Local authorities are encouraged to work together through regional tourism partnerships, and other forums, to align on broader tourism goals, using shared data and insights to inform decisions and share best practice.

13.2 Under Section 47(6) of the 2025 Act, local authorities must consult with:

- Neighbouring local authorities (those that share boundaries).
- National Park authorities for any National Park partly within the council's area.
- Corporate Joint Committees (CJCs) that include senior executive members of the council.

13.3 This encourages regional coordination and shared understanding of the levy's impact as well as transparency and shared learning across authorities. Although ultimately it will be for each local authority to undertake their statutory obligations and decision-making processes, they should consider neighbouring authorities plans in regard to a levy and may wish to align their proposals to ensure coherence. There is opportunity to support regional join-up and strategic use of revenues in respect of which local authorities should be mindful. This may be particularly pertinent for the initial introduction of the levy as both businesses and visitors become accustomed to the charge. For example, this could include but is not limited to:

- Alignment of start dates for implementation.
- Collaborating when producing proposals.
- Alignment of consultation approaches.
- Funding shared objectives for tourism, encouraging a regional approach to investment and tourism management.

13.4 Ensuring a level of consistency in messaging and approach will also support the initial implementation of levies across Wales.

14. Reviewing Impacts – Monitoring and Evaluation

14.1 Once a levy is operational local authorities will want to assess the impact of the levy in their area to ensure there are no adverse or unintended impacts.

14.2 Local authorities can monitor the impact of their spending decisions and use of a levy through a variety of methods, including, but not restricted to the following:

- Cost-benefit analysis of funded projects, programmes and activities from levy revenues.
- Surveys, interviews and stakeholder engagement (e.g. feedback from the Visitor Levy Partnership Forum).
- Trend analysis, considering visitor volumes and flows.
- Trend analysis of visitor accommodation provision in their local area.

14.3 Indicators would need to be considered at a local level aligned to spending decisions.

Annex A: Implementation checklist for Visitor Levy

1. Initial planning

Estimate potential revenue and costs of implementing the levy.

Consider preparing a local impact assessment (social, economic, environmental).

2. Proposal development

- Draft a proposal including:
 - Estimated revenue for first full year.
 - Intended use of proceeds for destination management and improvement.
 - Objectives and potential benefits.
 - Plans for establishing a Visitor Levy Partnership Forum.
- Notify the WRA of intention to introduce the levy.
- Prepare consultation materials

3. Consultation

- Engage mandatory consultees:
 - Local residents
 - businesses
 - community councils
 - PSBs
 - neighbouring councils
 - National Park authorities
 - tourism organisations
- Consider widening scope to additional stakeholders.
- Publish proposal and impact assessment.
- Consult
- Consider feedback.

4. Decision and notification

- Full council vote on whether to proceed.

- If approved:
 - Notify the WRA formally and agree Service Level Agreement (SLA).
 - Publish notice on council website and other channels:
 - Levy rates.
 - Effective date (usually 12 months after notice, starting 1 April or 1 October).
 - Share decision with stakeholders.

5. Pre-implementation preparation

- Establish Visitor Levy Partnership Forum.
- Launch public awareness campaign.
- Coordinate with the WRA on:
 - Collection mechanisms.
 - Guidance for accommodation providers.
- Ensure systems and processes are ready for go-live.

6. Go-live

- Levy applies to overnight stays booked after 6-month lead-in and occurring after effective date.
- Accommodation providers collect levy and remit to the WRA.
- Maintain separate account for levy proceeds.

7. Post-implementation

- Publish annual report (as soon as reasonably practical after 30 June following financial year):
 - Total and net revenues.
 - Spending breakdown.
 - Impact assessment.
- Monitor and evaluate impacts (visitor numbers, business feedback, project outcomes).
- Continue engagement through Partnership Forum.
- Review and adjust levy or spending priorities as needed.

Implementation Checklist for Visitor Levy

01 Initial Planning

01



- Estimate potential revenue and costs of implementing the levy.
- Consider preparing a local impact assessment (social, economic, environmental).

02 Proposal Development

02



- Draft a proposal including:
 - Estimated revenue for first full year.
 - Intended use of proceeds for destination management and improvement.
 - Objectives and potential benefits.
 - Plans for establishing a Visitor Levy Partnership Forum.
- Notify WRA of intention to introduce the levy.
- Prepare consultation materials.

03 Consultation

03



- Engage mandatory consultees:
 - Local residents, businesses, community councils, PSBs, neighbouring councils, National Park authorities, tourism organisations.
- Consider widening scope to additional stakeholders.
- Publish proposal and impact assessment.
- Consult
- Consider feedback.

04 Decision & Notification

04



- Full council vote on whether to proceed.
- If approved:
 - Notify WRA formally and agree Service Level Agreement (SLA).
 - Publish notice on council website and other channels:
- Levy rates.
- Effective date (usually 12 months after notice, starting 1 April or 1 October).
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05 Pre-Implementation Preparation

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- Establish Visitor Levy Partnership Forum.
- Launch public awareness campaign.
- Coordinate with WRA on:
 - Collection mechanisms.
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06 Go-Live

06



- Levy applies to overnight stays booked after 6-month lead-in and occurring after effective date.
- Accommodation providers collect levy and remit to WRA.
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07 Post-Implementation

07



- Publish annual report (as soon as reasonably practical after 30 June following financial year):
 - Total and net revenues.
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- Monitor and evaluate impacts (visitor numbers, business feedback, project outcomes).
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