

REPORT TO: Council

DATE OF MEETING: 14th May 2026

PORTFOLIO HOLDER: Cllr Sharon Doleman,
Cabinet Member Sustainable Economy and Communications

LEAD OFFICER: Head of Economy and Culture

CONTACT OFFICERS: Section Head Economic Development
Tourism and Regeneration Manager

SUBJECT: Visitor Levy Consultation

EXEMPT REPORT: No

ELECTORAL DIVISION: All

1. SUMMARY AND KEY POINTS

- 1.1 This report seeks approval to initiate a public consultation on the potential introduction of a discretionary Visitor Levy. The purpose of the consultation is to inform Council's decision-making by gathering resident, visitor and business' views on whether to implement the levy, which is designed to support sustainable tourism and enhance local infrastructure and public services.
- 1.2 On 24 November 2024, the Welsh Government published the Visitor Accommodation (Register and Levy) Etc. (Wales) Bill. The Bill was approved by Senedd Cymru on 8 July 2025 and received Royal Assent on 18 September 2025. The Bill sets out the requirements for introducing new legislation to register holiday accommodation in Wales and introduces legislation that provides local authorities with the discretionary power to introduce an overnight visitor levy.
- 1.3 While the Visitor Levy is discretionary, all local authorities are required to undertake a public consultation before deciding on its implementation. This ensures that the Council's determination is informed by local perspectives and that community voices are considered in shaping how the levy is introduced and applied.

- 1.4 Under the legislation, the earliest date a local authority could have introduced the Visitor Levy is April 2027, provided that all required consultation and preparatory steps were completed. However, the Welsh Revenue Authority (WRA) must be given at least 12 months' notice before a levy can take effect, and businesses must also be given 12 months' notice. Given these notice requirements, the earliest the levy could be introduced in Conwy is October 2027.
- 1.5 Local authorities will be able to opt into the Visitor Levy twice a year—in April and October. If CCBC decides to introduce the Levy, it must notify the WRA of its intention by the end of September 2026 in order to introduce it from 1st October 2027. Based on current income projections, each six-month delay could lead to an estimated loss of around £1 million in potential revenue (using a conservative estimate).

2. RECOMMENDATION

- 2.1 That the Council approves the proposed consultation on the potential introduction of a discretionary Visitor Levy.

3. REPORT DETAILS

3.1 BACKGROUND TO THE LEVY

- 3.1.1 The concept of a Visitor Levy was introduced as part of the Welsh Government's broader strategy to promote sustainable tourism and establish fairer funding mechanisms for local services impacted by visitor activity.
- 3.1.2 In 2022, the Welsh Government conducted a public consultation on proposals to grant local authorities discretionary powers to introduce a visitor levy. Conwy County Borough Council (CCBC) submitted a full response, alongside over 2,500 other contributors. Most respondents supported the principle that tourists should contribute to the cost of maintaining local infrastructure. The financial position of Local Authorities and other public bodies highlights the need to seek to identify new sources of income for supporting the visitor economy and respond to increasing financial challenges to maintain county-wide infrastructure and the opportunities arising from having visitors in our area.
- 3.1.3 The Visitor Accommodation (Register and Levy) Etc. (Wales) Bill was introduced in November 2024, accompanied by impact assessments and an explanatory memorandum. The Bill was approved by the Senedd on 8 July 2025 and received Royal Assent on 18 September 2025.
- 3.1.4 The Bill also introduces a national register of visitor accommodation providers across Wales to support policy development and improve transparency. The register will include details such as the type and location of accommodation offered. Registration will be mandatory for all providers, regardless of whether their local authority chooses to implement a visitor levy. The WRA will manage the register, with the registration process scheduled to begin in autumn 2026.

3.1.5 Further legislation may be introduced to establish a statutory licensing scheme for visitor accommodation providers.

3.1.6 Where a visitor levy is introduced, the charge is applied per person, per night, based on the type of accommodation. The Levy amount has been set by the Act, and has been determined as:

- £0.75 (£0.90 inclusive of VAT) per person per night for stays at campsites (pitches for tents) or shared accommodation (hostels, bunkhouses, bothies, or dormitories), with individuals under the age of 18 exempt.
- £1.30 (£1.56 inclusive of VAT) per person per night for all other types of visitor accommodation, applicable to all age groups to include:
 - hotels, bed and breakfasts, and guesthouses, self-catering lets, such as cottages and homestays (like Airbnb)
 - pitches for caravans, motorhomes, or campervans
 - temporary accommodation (such as glamping pods for festivals).

Where visitor accommodation providers are VAT registered, VAT will apply on the total cost charged to visitors, including any levy passed on to the visitor.

3.1.7 Accommodation providers are expected to apply the levy directly to overnight visitors as part of their booking or payment process. The WRA will maintain the Register and collect the levy on behalf of local authorities through a monthly or quarterly returns system. CCBC will have no operational role in registration, enforcement, or the collection of the levy.

3.1.8 Certain exemptions apply to the levy, including:

- a) young people under the age of 18 from the lowest rate of levy (hostels, campsite pitches or shared rooms)
- b) stays exceeding 31 consecutive days in a single booking
- c) accommodation at an individual's sole or main residence
- d) emergency or temporary housing arranged by the local authority.

In other emergency circumstances—such as when a person's primary residence becomes uninhabitable due to events like fire or flooding—a refund may be requested from the WRA. Refunds are also available for disabled individuals who incur additional levy costs when accompanied by a carer, and for those fleeing domestic violence.

3.1.9 If all local authorities in Wales were to introduce a visitor levy, it is estimated that up to £33 million could be generated annually at a Wales-wide level. Should Conwy County Borough Council (CCBC) choose to introduce a levy, the Economic Impact Assessment (EIA) estimates that it could generate approximately £2.1 million per year (excluding VAT) under the core scenario (see EIA in Appendix A). The EIA has been prepared using a deliberately conservative, worst-case approach. In the absence of robust local evidence, the modelling assumes no growth in the visitor economy and applies cautious behavioural assumptions regarding visitor response to the levy. As a result, actual revenues may be higher and impacts less pronounced. Revenue outcomes would also vary depending on factors such as:

- Growth in visitor numbers
- Seasonal variations
- Accommodation types and occupancy rates

3.1.10 The analysis assumes that the introduction of the levy could lead to a small reduction in demand for overnight accommodation, estimated at 1.1% to 1.2%, depending on visitor and accommodation type. The magnitude of this effect would also depend on whether neighbouring local authorities introduce a levy; impacts are likely to be lower if adoption is widespread.

3.1.11 This reduction in demand is estimated to potentially result in a gross reduction in visitor spending of approximately £1.9 million per annum (including VAT), or £1.6 million (excluding VAT). In turn, this would equate to a gross loss of between £1.1 million and £1.3 million in annual GVA, and a reduction of 34 to 38 full-time equivalent (FTE) jobs. These figures represent the impact of reduced visitor spending alone and are intentionally cautious, as the analysis assumes all lost spending would otherwise have occurred within Conwy.

3.1.12 Importantly, the assessment also considers the positive economic impacts associated with reinvesting levy revenues locally. After accounting for Welsh Government operating costs and conservative leakage assumptions, levy expenditure is estimated to support an increase of £0.9 million to £1.0 million in annual GVA and 14 to 15 FTE jobs.

3.1.13 When both the reduction in visitor demand and the reinvestment of levy revenues is considered together, the net impact under the core scenario is estimated to be a small decrease of approximately £0.3 million in annual GVA (around 0.01% of Conwy's economy) and a net reduction of 20 to 23 FTE jobs (around 0.06% of total employment).

3.1.14 However, the EIA further highlights that this approach is likely to overstate negative impacts, as it does not account for:

- Growth in the visitor economy over time.
- Displacement of visitor spending to other activities or locations within Wales; or
- The potential for levy investment to enhance the visitor experience and support tourism growth.

3.1.15 Evidence from other destinations that have introduced visitor levies indicates continued year-on-year growth in tourism, suggesting that, in practice, levy revenues and economic benefits could increase over time. Any future growth in the visitor economy would help offset the modest adverse impacts identified and would increase the level of revenue generated by the levy.

- 3.1.16 The Council also uses STEAM (Scarborough Tourism Economic Activity Monitor) data to understand the scale of the visitor economy in Conwy. STEAM is a well-established local tourism modelling tool that estimates economic impact by drawing together accommodation data, visitor surveys, attraction attendance, and other sector inputs. In practice, STEAM typically produces higher estimates of visitor numbers and economic value than national survey sources such as the International Passenger Survey (IPS) and the Great British Tourism Survey (GBTS), which are used in the main analysis in line with Welsh Government guidance. If STEAM data were used to model the impact of a visitor levy, the estimated effects—both positive and negative—would be approximately three to four times larger than those derived from IPS and GBTS data. This material variation underlines the uncertainty inherent in the available evidence base and highlights the limitations of forecasting the precise economic impacts of introducing a levy at a local level.
- 3.1.17 Members should note that, once introduced, a visitor levy cannot be amended or withdrawn for a minimum period of 12 months. Any subsequent changes would be subject to a further formal consultation process in accordance with legislative requirements.

3.2 MANAGEMENT AND USE OF THE LEVY

- 3.2.1 The levy would be ring-fenced, as the Act specifies that it must be used for 'destination management and improvement'. This includes activities such as:
- maintaining and promoting use of the Welsh language.
 - promoting or 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 they are also for use by local people); and
 - managing and reducing pressures associated with visitor numbers.
- 3.2.2 During Stage 2 of the Senedd scrutiny process, the Finance Committee recommended that any local authority implementing a visitor levy should establish a Visitor Levy Partnership Forum. The forum would provide local businesses, tourism operators and community organisations with a meaningful opportunity to advise on the use and allocation of levy-generated funding. This recommendation is rooted in principles of collaborative decision-making and aims to:
- Promote transparency and accountability in how funds are considered and allocated;
 - Ensure investment proposals are informed by local priorities and insight; and
 - Strengthen trust and engagement with the tourism sector and local communities.

While the forum would play an important advisory role, the final decision on how visitor levy revenues are allocated would remain with the local authority, in line with its statutory responsibilities and governance arrangements.

Local authorities would be expected to take reasonable steps to establish a Visitor Levy Partnership Forum within three months of the levy coming into effect.

- 3.2.3 In addition, the legislation sets out that local authorities must give details at the end of the financial year in a publication on how revenues from the visitor levy have been allocated towards destination management and improvement purposes.
- 3.2.4 If CCBC decides to introduce a levy, consideration will need to be given to the anticipated costs of CCBC administering the Forum and managing the funds generated by the levy. Although detailed estimates of these administrative costs are not yet available, it is expected that such expenditure could be met from levy revenue.
- 3.2.5 The Welsh Government has confirmed that the *Brilliant Basics* capital programme, which has provided investment in tourism-related infrastructure, will not continue beyond 2027. This programme has been of significant benefit to Conwy, supporting improvements to facilities such as Promenade Shelters, public conveniences, paddling pools, signage and other essential visitor infrastructure.
- 3.2.6 Given this change in external funding availability, we are seeking assurances from the Welsh Government that the introduction of a Visitor Levy in Conwy would not adversely affect the Council's core funding position. Specifically, assurances would be sought that:
- the Council's annual settlement
 - the enhanced population grant, and
 - the Council's eligibility to access future external funding for tourism and destination management will remain unaffected by the decision to introduce a levy.

3.3 INTEREST IN VISITOR LEVIES

- 3.3.1 Interest in visitor levies is increasing across the UK and internationally, although approaches to implementation vary. These developments reflect a growing interest in visitor levies as a means of funding tourism infrastructure and reducing reliance on central and local government resources.
- Scotland: The Visitor Levy (Scotland) Act was passed in January 2024, granting local authorities the power to introduce a levy from 24 July 2026. Edinburgh will be the first local authority to implement a levy, with current Council financial plans indicating projected revenues of approximately £90 million over the first three years.
 - England: National legislation enabling visitor levies is not yet in place. However, the UK Government is progressing legislation that would grant

Mayoral Strategic Authorities the power to introduce an overnight visitor levy. In the interim, cities such as Manchester and Liverpool apply local visitor charges through their Accommodation Business Improvement Districts (ABIDs), rather than through statutory levies.

- Northern Ireland: While a visitor levy has been the subject of ongoing discussion—particularly within Belfast City Council—no enabling legislation has been introduced to allow such a levy to be implemented.
- Republic of Ireland: There is currently no national tourist levy in operation. Dublin City Council is exploring the introduction of a local accommodation levy, but this would require new national legislation before it could be enacted.

3.3.2 Tourism levies are used internationally as a policy mechanism to help manage visitor impacts and support investment in local infrastructure and services. Available evidence indicates that visitor levies operate in at least 24 countries worldwide, including a range of established tourism destinations across Europe, Asia, North America, and the Middle East. Examples include France, Italy, Spain, Germany, the Netherlands, Greece, Austria, Portugal, Belgium, Hungary, the Czech Republic, Switzerland, Japan, Indonesia, Malaysia, Turkey, the United States, Canada, Mexico, Argentina, the United Arab Emirates, Morocco, Hong Kong, and Lithuania.

In some cases, visitor levies in these destinations operate alongside lower rates of VAT or equivalent consumption taxes on visitor accommodation than apply in the UK. As a result, the overall tax burden on overnight stays faced by visitors may be broadly comparable to, or in certain circumstances lower than, that applicable in Wales. This international context provides useful background when considering potential competitiveness effects, particularly where levy revenues are reinvested to support destination quality and the visitor experience.

3.3.3 Although formal consultation has not taken place, the tourism sector in Conwy has raised significant concerns about a proposed levy. North Wales Tourism, representing over 1,200 tourism and hospitality businesses across the region, has called for a delay in implementation until a comprehensive register of tourism businesses is established.

3.3.4 Tourism leaders in Conwy have raised concerns that the levy may place a disproportionate burden on rural and small-scale operators, many of whom are already affected by the 182-day rule requiring properties to be let for at least 182 days a year to qualify for business rates instead of higher council tax. They also fear the levy could deter visitors—particularly those on lower incomes or those who rely on budget options such as campsites and hostels. In addition, unregistered accommodation providers may be able to avoid the levy entirely, creating an uneven playing field. A growing number of stakeholders are voicing concerns about the overall health of the visitor economy following the combined pressures of Covid-19, the 182-day rule, and the cost-of-living crisis.

- 3.3.5 Businesses have raised significant concerns regarding the requirement for VAT to be applied to the visitor levy, particularly where the levy is passed on to guests as part of the total accommodation charge. Smaller accommodation providers have highlighted that the inclusion of the levy within their taxable turnover may push them over the VAT registration threshold, resulting in additional administrative responsibilities and potential financial pressures. Many operators have expressed apprehension that this change could disproportionately affect small, independent businesses operating close to the threshold, and may impact their competitiveness within the local visitor economy.
- 3.3.6 The tourism sector has also highlighted the limited availability of robust data to fully assess the potential impacts of introducing a levy. Industry representatives are therefore calling on the Welsh Government and local authorities to adopt a cautious, evidence-based approach, supported by comprehensive stakeholder engagement, before any final decisions are taken. This reinforces the need for this report and the proposed consultation process.

3.4 PROCESS FOR CONSULTATION

- 3.4.1 The introduction of a Visitor Levy in Conwy must be decided by Full Council. Before reaching this decision, several statutory and guidance-based steps must be completed:
- The Welsh Revenue Authority (WRA) must be formally notified of the Council's intention.
 - A report outlining the Council's proposals must be published. This report should include an estimate of the expected levy revenue, details of how the revenue will be used, and the Council's proposals for the membership of the Visitor Levy Forum. This report must then be submitted to the WRA. (*See Appendix D for Conwy Levy Proposal*)
 - A statutory consultation must be undertaken.
 - In line with Statutory Guidance, an Economic, Social and Environmental Impact Assessment must be prepared. (*See Appendix A for EIA and Appendix C for Environmental Assessment*)
 - Additional impact assessments—such as Equality Impact Assessment (EqIA) and Welsh Language assessments—must also be completed. (*See Appendix B for EqIA and Welsh Language assessment*)

These documents form part of the overall package presented to Full Council to consider whether to proceed to consultation.

- 3.4.2 The Welsh Government advocate the use of the Gunning Principles for consultation – these are:
- *Consultation must be at a formative stage – it is suggested that subject to approval consultation should commence in May 2026.*
 - *Sufficient information must be provided to allow intelligent consideration of response and may include an economic impact assessment.*
 - *Other considerations are to include information on the improvements to destination management which would result from the additional funding derived from the Levy.*
 - *Adequate time must be given for consideration and response*
 - *Feedback from the consultation must be considered by decision makers.*
- 3.4.3 The consultation should clearly present the rationale for introducing a levy, outlining the potential benefits and offering ideas on how the funds could be invested to support the local area, businesses, residents, and visitors. As with all consultations, it must provide enough information to enable informed consideration and meaningful feedback. The process also serves as an opportunity to gather input that will contribute to the assessments and reports presented to the Council when they consider whether to adopt the levy.
- 3.4.4 While the Visitor Levy is discretionary, as per above, all local authorities in Wales are required to undertake a public consultation before deciding whether to implement it. In Conwy, the proposed consultation aims to:
- Encourage broad participation from stakeholders including tourism businesses, residents, visitors, community groups, and local organisations.
 - Collect feedback on the potential introduction, design, and expected impact of a Visitor Levy, ensuring that any revenue generated—if implemented—is used to enhance the visitor experience and improve local infrastructure.
 - Provide robust evidence to support CCBC’s decision-making regarding the levy.
 - Inform future policy development and operational planning based on the consultation outcomes.
- 3.4.5 It is a statutory requirement for the Council to undertake consultation with the following groups prior to the introduction of a visitor levy:
- a) Local residents
 - b) Town and Community Councils
 - c) County Councils bordering Conwy County Borough
 - d) Eryri National Park Authority
 - e) The North Wales Corporate Joint Committee
 - f) Organisations that represent tourism businesses or other stakeholders involved in tourism-related activities, including bodies that promote, manage, or support tourism within the Council area
 - g) Prospective members of the Visitor Levy Partnership Forum, where they are not already captured within the categories listed above.

- 3.4.6 In addition to the statutory consultees set out above, it is considered good practice to engage a wider range of stakeholders to support transparency, inclusivity, and informed decision-making. This may include accommodation providers who are not affiliated with representative bodies; tourism-related businesses such as visitor attractions, hospitality and retail operators; business organisations including local Business Forums and the Federation of Small Businesses; and relevant heritage, cultural, and environmental organisations, such as Cadw, the National Trust, and other land management or conservation bodies operating within the county.
- 3.4.7 Engagement may also extend to community groups in areas experiencing higher levels of visitor activity and, where appropriate, to visitors themselves, to capture a broad range of views and ensure that the consultation reflects the potential impacts of the levy across communities, businesses, and the wider visitor economy.
- 3.4.8 The consultation for CCBC will be delivered through a combination of internal Council-led activity and externally commissioned support. External funding has been secured to support this work; however, as the funding is time-limited, it must be fully utilised by September 2026. Together, the internal and commissioned elements will deliver a comprehensive programme of engagement and consultation activity, comprising the following key components:
- Stakeholder mapping: Identification and engagement of all relevant stakeholder groups, including residents, tourism and hospitality businesses, accommodation providers, community organisations, visitors, and strategic partners.
 - Communication and engagement strategy: Development of a clear strategy setting out consultation objectives, target audiences, engagement methods, channels and timescales.
 - Questionnaire development: Design and delivery of a structured consultation questionnaire hosted on the Council's website and promoted via Council communication channels, including social media and e-newsletters.
 - Supporting materials: Preparation of briefing materials, frequently asked questions, and contextual information to support informed participation in the consultation.
 - Multi-channel consultation delivery: Delivery of a nine-week consultation programme using a range of engagement methods, including a minimum of five in-person consultation events held across the East, West, North, South and Central areas of Conwy County Borough, alongside online consultation events. In addition, targeted face-to-face engagement events will be delivered in the North and South of the county to enable focused and meaningful engagement with the hospitality and accommodation sector, recognising that these businesses are likely to be most directly affected by the proposed levy.
 - Data collection and analysis: Collection and analysis of quantitative and qualitative feedback, including survey responses, attendance data, demographic information and written or verbal submissions.

- Reporting: Production of an interim findings report at the midpoint of the consultation period, followed by a comprehensive final consultation report setting out key themes, outcomes and recommendations.
- 3.4.9 The consultation will be delivered through an integrated programme of engagement activities designed to ensure meaningful participation from all stakeholder groups. These activities will include:
- a) An online questionnaire targeted at businesses, residents and visitors
 - b) Facilitated focus groups with representatives from the business community and local organisations
 - c) One-to-one interviews with key stakeholders and sector representatives
 - d) Engagement events held within each of Conwy's five Local Area Forum areas, supplemented by an online event to increase accessibility
 - e) Pop-up engagement sessions across the county to reach a broad cross-section of participants
 - f) Engagement with strategic partnership groups, including the Destination Conwy Partnership, the Gwynedd and Eryri Partnership 2035, and other relevant regional or sector-based partnerships
 - g) Ongoing public information and consultation updates shared through the CCBC website, the Visit Conwy website, and the Council's social media channels
- 3.4.10 To meet the timescales set by the WRA, external support has been commissioned, and preparatory work is already in progress. Should Full Council determine that the consultation should not proceed, all externally commissioned activity will be brought to an immediate close.
- 3.4.11 The initial intention was to present the report in February; however, doing so would have caused the consultation period to overlap with the Senedd election period, thereby reducing the time available for effective engagement. Subject to Council approval, the consultation will instead begin on 20 May 2026 and will run for a nine-week period, concluding on 22 July 2026.
- 3.4.12 Once the consultation period closes, all feedback—including survey responses, meeting notes, and written submissions—will be collated and analysed. A consultation report will then be prepared, summarising the key findings, recurring themes, and stakeholder perspectives. This report will be presented to the Economy and Place Overview & Scrutiny Committee on 9 September 2026, before being considered by Full Council on 24 September 2026. Full Council will ultimately decide whether to adopt the Visitor Levy. Under the Act, the power to introduce a visitor levy rests solely with Full Council and cannot be delegated.
- 3.4.13 If the Council decides to adopt the Levy before 30 September 2026, it may be introduced from 1 October 2027, following the required 12-month notice period.

3.5 IMPACT ASSESSMENTS

- 3.5.1 The EIA has been developed in line with Welsh Government guidance and utilises modelling approaches consistent with those employed in national level impact assessments. The analysis draws upon data from the International Passenger Survey and the Great Britain Tourism Survey covering the period 2022–2024, with STEAM data also incorporated into the overall assessment (see Appendix A).
- 3.5.2 It should be noted that the availability and reliability of relevant data—both nationally and within Conwy—are limited, and the assessments presented in the EIA are therefore intentionally conservative, reflecting worst-case assumptions. These data constraints mean that it is not possible to quantify the potential impacts of introducing a levy with a high degree of certainty, and in several areas the necessary information is not currently available. Should full Council agree to proceed to consultation, the EIA will be reviewed and updated to reflect the evidence gathered through that process.
- 3.5.3 An Equalities Impact Assessment (EqIA) has been completed (see Appendix B). In addition, it also considers the potential effect on the Welsh Language and considers the socio-economic status in the context of the Socio-Economic Duty
- 3.5.4 The proposed introduction of a Visitor (Tourism) Levy is a fiscal and policy measure and does not constitute a “project” within the meaning of the Town and Country Planning (Environmental Impact Assessment) (Wales) Regulations 2017, as it does not involve physical development, construction works, or a change in land use, nor does it establish consent for development likely to have significant effects on the environment. Any environmental effects associated with the levy would be indirect, secondary, and contingent on future behavioural responses and subsequent decisions regarding the allocation of any revenues generated. On this basis, a statutory Environmental Impact Assessment is not required. Notwithstanding this, the Council has undertaken a proportionate assessment of potential environmental implications in order to inform decision making and demonstrate due regard to its environmental and sustainability (see Appendix C)
- 3.5.5 Should a consultation be undertaken, the findings will be reviewed following its conclusion and will be fully considered as part of the decision-making process when full Council determines whether to introduce a Visitor Levy in Conwy in September 2026.

4. OPTIONS

4.1 Option 1 - Proceed with the Consultation Process in Conwy County (recommended)

CCBC moves forward with a formal consultation on the proposed discretionary Visitor Levy. This includes both internal engagement and externally commissioned activities.

This will:

- Enable the Council to gather comprehensive feedback from residents, businesses, and stakeholders.
- Position the Council to make an informed decision on whether to implement the levy by the end of September 2026 notification deadline.
- Demonstrates transparency, inclusivity, and proactive governance.

4.2 Option 2 – Do Not Proceed with a Consultation

CCBC decides not to undertake a consultation on the Visitor Levy at this time. Implications would be:

- No discretionary Visitor Levy would be introduced in Conwy in the foreseeable future.
- The Council would not be able to notify the WRA by end of September 2026.
- Potential reputational impact if stakeholders expected consultation or levy consideration.
- The council would miss an opportunity to consider generating additional revenue to support tourism infrastructure and services. It is currently estimated that the Visitor Levy could generate £2.1m.
- Not undertaking a consultation could be perceived as a lack of engagement with sustainable tourism funding models.
- The council risks not having the opportunity to consider the Levy as a means of addressing continued pressure on local services and infrastructure.
- Loss of alignment with national policy direction and other local authorities exploring the levy.

5. ENGAGEMENT / CONSULTATION

5.1 Consultation has been carried out with the Cabinet Member Sustainable Economy and Communications whose observations are as follows:

“I welcome the opportunity to consult on the Visitor Levy with stakeholders, businesses, residents and tourists. The responses of those engaging with the consultation will provide the elected members with invaluable feedback enabling members to make an informed democratic decision on this important matter.”

5.2 A comprehensive consultation strategy has been developed to ensure inclusive engagement with key stakeholders, including residents, tourism businesses, accommodation providers, and community groups. All feedback gathered will be analysed and reported to inform Council’s decision on whether to proceed with the implementation of the Visitor Levy.

6. RESOURCE IMPLICATIONS

- 6.1** External support has been secured to assist with the delivery of the consultation programme.
- 6.2** Staff from the Economic Development and Communications teams will be allocated to lead and support internal and external consultation activities.
- 6.3** Should the Visitor Levy be implemented, it is estimated that Conwy could generate approximately £2.1 million annually, with all revenue ring-fenced for tourism-related improvements.
- 6.4** Any delay in implementation could result in a loss of around £1 million in potential income for every six-month period deferred.

7. CORPORATE PLAN OUTCOMES

The proposed consultation around the Visitor Levy aligns with the Council's Corporate Plan priorities, including:

- 7.1 Long-term Goal 1: Conwy County Borough Council is resilient**
 - The consultation process supports organisational resilience by promoting transparency, openness and collaborative engagement with stakeholders.
 - Gathering views through consultation will strengthen the evidence base and inform future decision-making in a consistent and accountable way.
- 7.2 Long-term Goal 2: People in Conwy value and look after the environment**
 - Consultation provides an opportunity for residents, businesses and visitors to share views on how tourism activity interacts with the natural environment.
 - Feedback gathered will help identify priorities for environmentally responsible tourism management and areas where further stewardship or mitigation may be required.
- 7.3 Long-term Goal 3: People in Conwy live in a county that is prosperous, has less poverty, and supports learning and skills**
 - Consultation enables communities and local businesses to contribute insights on the economic opportunities and challenges linked to tourism.
 - Evidence gathered will support a clearer understanding of how future tourism-related interventions could shape local prosperity, employment and skills development.
- 7.4 Long-term Goal 4: People in Conwy have access to affordable, appropriate, good quality accommodation that enhances the quality of their lives**
 - The consultation offers a platform for communities to express views on how tourism activity affects local housing and neighbourhoods, including pressures associated with short-term visitor accommodation.
 - This feedback will help build a more comprehensive picture of how tourism interacts with housing availability, affordability and community wellbeing.

7.5 Long-term Goal 5: People in Conwy have good health, wellbeing, and feel safe

- The consultation encourages inclusive participation, ensuring that residents and visitors can share perspectives on wellbeing, accessibility, safety and the quality of public spaces.
- Insights gathered will support a better understanding of how tourism infrastructure and visitor activity influence everyday life, community use of space and overall public wellbeing.

8. WELL-BEING OF FUTURE GENERATIONS (WALES) ACT

The proposal supports the five ways of working:

- Long-term: The consultation will help gather evidence and perspectives that support informed, sustainable decision-making about future tourism-related policy development.
- Prevention: By engaging early with residents, businesses and visitors, the consultation will help identify potential issues or unintended impacts, enabling these to be addressed proactively.
- Integration: The consultation process is aligned with relevant local and national tourism, economic development and well-being objectives, ensuring that the evidence gathered contributes to wider policy considerations.
- Collaboration: The process will involve working with a range of partners and stakeholders, including through the Visitor Levy Partnership Forum, to ensure a shared, coordinated approach to engagement.
- Involvement: The consultation provides an open and accessible mechanism for the public and stakeholders to contribute their views, ensuring that a broad range of perspectives is captured and considered.

Well-being Goals

The consultation contributes to several well-being goals, including supporting a prosperous, resilient, and cohesive Wales by ensuring that future decisions are informed by comprehensive, inclusive and evidence-based engagement.

9. EQUALITY & SOCIO-ECONOMIC DUTY IMPLICATIONS

- The consultation will be designed to be inclusive and accessible to all groups.
- A full Equality Impact Assessment (EIA) has been carried out (Appendix B) which also considers the potential effect on the Welsh Language and considers the socio-economic status in the context of the Socio-Economic Duty. It will be reviewed post consultation.
- The consultation process will be fully bilingual.

10. POLICIES AND PROCEDURES

The consultation aligns with Welsh Government legislation and associated guidance. As part of the consultation process:

- Internal procedures will be developed to support the management of the consultation, and to shape future arrangements for implementation and revenue allocation should the decision be taken to introduce a levy.
- As a discretionary charge, the levy must comply with the statutory framework, including the requirement to undertake a formal consultation and to ensure that any funds raised are used appropriately to support tourism-related infrastructure and services. Legal Services will play a key role in advising on the consultation design and ensuring compliance throughout.
- Governance frameworks will be reviewed and updated to reflect responsibilities relating to the levy and its consultation requirements.
- The consultation approach is fully aligned with the strategic priorities of both the Destination Conwy Partnership and the Gwynedd and Eryri 2035 Plan. Although the levy is not explicitly referenced within either document, its overarching aim—to support sustainable destination management—directly complements the objectives set out in both plans.
- A Tourism Visitor Levy Partnership Forum will be established to provide advice on policy development and to help guide decisions on how revenue should be invested.

11. RISK IMPLICATIONS

Key risks include:

- **Reputational Risk**

Not undertaking a consultation may lead to perceptions of insufficient transparency or lack of stakeholder involvement, potentially undermining public confidence in the Council's decision-making processes. Conducting a consultation without a clear plan or effective engagement approach may also result in criticism from stakeholders who feel their views were not adequately sought or represented.

- **Governance and Compliance Risk**

Failure to undertake consultation when expected or required may expose the Council to procedural or compliance risks, including potential challenge and delays in progressing future policy decisions. Conversely, undertaking a consultation without robust governance arrangements could lead to questions about fairness, accessibility or due process.

- **Operational and Policy-Design Risk**

Without consultation, the Council may lack essential insights into how residents, businesses and visitors perceive the Visitor Levy proposal, its potential impacts, or the practical considerations involved. This could lead to incomplete or poorly informed future policy development. Undertaking a consultation without sufficient planning or resources could similarly affect the quality, representativeness and reliability of the findings.

- **Stakeholder Relationship Risk**

Lack of consultation may damage relationships with key stakeholders, including the tourism sector, community organisations and residents. Conversely, a consultation that is poorly communicated or inconsistently delivered may create disengagement or mistrust among stakeholders.

- **Timing and Coordination Risk**

Not undertaking a consultation could result in misalignment with regional or national processes, reducing opportunities for collaboration. If a consultation is undertaken but not well-timed or coordinated, it may limit participation or reduce the usefulness of the evidence gathered.

Mitigation Measures

These risks can be mitigated by:

- Establishing a clear, well-structured consultation plan
- Engaging early with stakeholders through established channels
- Ensuring transparent governance and decision-making processes
- Coordinating with regional partners where appropriate
- Providing clear communication and accessible consultation materials

12. OVERVIEW AND SCRUTINY COMMITTEE COMMENTS

12.1 N/A

13. REPORT REVIEW GROUP (RRG) COMMENTS

Background Papers:

Appendices:

- Appendix A - Economic Impact Assessment (EIA)
- Appendix B - Equalities Impact Assessment to include Welsh Language
- Appendix C - Environmental Impact Assessment
- Appendix D - Conwy Levy Proposal to include Consultation Framework and Timetable