



**ARDOLL YMWELWYR
GWYNEDD
VISITOR LEVY**

DRAFT February 2026 Proposal

1. Gwynedd Visitor Levy: the proposal

Cyngor Gwynedd is considering introducing a Visitor Levy for all eligible holiday lets and overnight stays as outlined in the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 within Cyngor Gwynedd's local authority boundaries from 1 October 2027. This will be for all accommodation providers who will be required to register on a national register of accommodation providers.

The Levy will be charged at a per person per night rate as outlined in the act. The Levy will be collected by the accommodation provider. The initial rates will be as set out in the Act:

Type of accommodation	Rate (per person, per night)
Campsites and caravans and shared bedrooms (such as hostels and dorms)	£0.75p £0.90p inc. VAT
All other types of holiday accommodation	£1.30 £1.56 inc. VAT

Exceptions

You will not be expected to pay the levy if you are:

- Under 18 and staying in a campsite pitch or shared room (such as a hostel or dormitory);
- Staying for more than 31 nights in a single booking;
- In emergency or temporary accommodation arranged by a local council.

Refunds

The following will be eligible to apply for a refund from the Welsh Revenue Authority:

- Disabled people who pay extra levy costs when they have a carer; and
- People fleeing domestic violence.

2. Levy Income

Approach

A variety of data sources were used in order to estimate the initial revenue of the Levy for Gwynedd. The analysis focused on the following sources:

- Information and data from the Welsh Government and Visit Wales
- Assessments and research by the Welsh Government
- Data from the Great British Tourism Survey
- Data from the International Passenger Survey
- STEAM data for Gwynedd

The local authority uses STEAM data for its performance monitoring reports. However, it was considered prudent to undertake further analysis to ensure that the data being used is appropriate when determining the overall level of income that the levy would generate.

In particular, this was considered because:

- All of the data continues to be based on sample information and is subject to error;
- The ability to verify estimates using alternative methods; and
- Consideration of the impact on areas such as Levy exemptions.

It should be noted, however, that STEAM data is data used nationally by the Welsh Government and is one of the standard tourism measures available.

Data and research

It must be highlighted that both the national and local data are open to challenge and are based on samples and multipliers.

STEAM is a tourism economic impact modelling process that measures tourism from the bottom up, through its use of local supply-side data, tourism performance data, and visitor survey data collection. STEAM is able to provide robust outputs across a range of geographical levels and, as such, has been adopted for use across the United Kingdom and internationally by tourism boards, local authorities, regional development agencies, national park authorities, and many other public and private sector organisations.

STEAM quantifies the local economic impact of tourism, from overnight visitors and day visitors, by analysing and using a wide range of inputs including visitor attraction numbers, tourist accommodation bed stock, event attendance, occupancy levels, accommodation tariffs, macroeconomic factors, visitor spending levels, transport usage levels, and tourism-specific economic multipliers.

STEAM data highlights the following in terms of the value and scale of the tourism sector in Gwynedd for 2024:

- Economic Impact: £1.785bn
- Number of visits: 7.75m
- Number of visitor days: 24.09m
- Total employment: 17,644

The most recent accommodation bed stock research undertaken by Cyngor Gwynedd in 2019 shows the following, with a comparison to 2011. It should be noted that these figures may have changed significantly as a result of Covid-19 and the cost-of-living situation. A national registration scheme will ensure that up-to-date information is available in the future:

	Number 2019	Number 2011	% Change since 2011
Establishments not including AirBnB	3,212	2,807	+14.4%
AirBnB	745	-	-
Total Establishments	3,957	2,807	+40.9%
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Visitor Beds not including AirBnB	132,924	125,273	+6.1%
Visitor Beds AirBnB	3,661	-	-
Cyfanswm Gwelyau Ymwelwyr	136,585	125,273	+9.0%

Based on the current number of visitors (measured by the number of overnight stays), the visitor levy would generate approximately £2.8 million, of which up to £2.5 million would be retained by Cyngor Gwynedd to be spent locally (in accordance with the Act), assuming that up to 10% of the revenue is used to cover Welsh Government operating costs.

The methodology used to calculate this figure allows for a reduction in demand in response to the visitor levy. This reduction results in a small decrease in revenue; however, total revenue remains between £2.7 million and £2.8 million, and between £2.4 million and £2.5 million once the contribution towards Welsh Government operating costs has been excluded.

In practice, the revenue collected could be higher than this for a number of reasons:

- This estimate assumes that visitor numbers remain stable based on 2024 data, with the only change being a reduction in visitor numbers (or overnight stays) as a result of the levy. In reality, Gwynedd's visitor economy could grow (with or without the levy). The tourism market in Gwynedd has been growing since the Covid pandemic, and this growth may continue. There is also evidence of yearonyear growth in tourism in locations that have introduced a visitor levy (see Bangor University's Economic Impact Assessment).

- The visitor levy would enable Cyngor Gwynedd to invest in activities in line with the Act, including promoting and supporting sustainable tourismled economic growth, and providing, maintaining and improving infrastructure, facilities and services for visitors. This investment is itself likely to stimulate an increase in visitor numbers. Conversely, there could be a reduction in visitor numbers if such investment were not made through the visitor levy.
- STEAM data suggests that Gwynedd's current visitor economy is significantly larger, which would result in higher revenue.

	Main analysis	STEAM
	Core scenario (elasticity of -0.74)	(elasticity of -0.74)
Revenue (excl VAT)	£2.8m <i>£2.5m accounting for contribution to WG</i>	£12.4m <i>£11.2m accounting for contribution to WG</i>

Proposed Visitor Levy Budget in Gwynedd 2027/28

It is proposed that the indicative budget for Gwynedd should be calculated on a conservative figure of £2.5 million in the first year of local implementation of the Levy. However, it is anticipated that this figure will be higher, given the gaps in the data and the significant differences between the datasets used.

3. Proposals for the use of Levy income in Gwynedd

Use of the Levy is restricted to the purposes of 'destination management and improvement'. In the Welsh context the following areas are highlighted in the Act:

- a. mitigate the impact that visitors have;
- b. maintain and promote the use of the Welsh language;
- c. promote and support the sustainable economic growth of tourism and other forms of travel;
- d. provide, maintain and improve infrastructure, facilities and services for visitor use (whether or not they are also for use by local people).

The Act states that local authorities must provide details at the end of a financial year in a publication highlighting how much income has been collected and how that income has been invested in order to manage and improve a destination.

Given that Cyngor Gwynedd, Eryri National Park Authority and Conwy County Borough Council have adopted the Gwynedd and Eryri 2035 Strategic Plan (G+E2035) which identifies a clear vision, principles and objectives to support a sustainable visitor economy in the area – these priorities are intended to be used to prioritise levy investments in Gwynedd.

Our vision within the scheme is:

"A visitor economy for the benefit and well-being of the people, environment, language and culture of Gwynedd and Eryri".

3 principles have been agreed to realise the vision:

1. Celebrate, Respect and Protect our Communities, Language, Culture and Heritage
2. Maintain and Respect our Environment
3. Ensure that the benefits to the communities of Gwynedd and Eryri outweigh any disadvantages

The following table outlines our principles and objectives in G+E2035 alongside the areas assigned by the Levy:

Principle and Objective of G+E2035	The Levy's specific assigned areas
<p>Celebrate, Respect and Protect our Communities, Language, Culture and Heritage:</p> <ul style="list-style-type: none">• A visitor economy in the ownership of our communities	<ul style="list-style-type: none">• mitigate the impact that visitors have;• maintain and promote the use of the Welsh language;• provide, maintain and improve infrastructure, facilities and services for visitor use (whether or not they are also for use by local people).

<p>with an emphasis on pride in one's area</p> <ul style="list-style-type: none"> • A visitor economy that is world-leading in Heritage, Language, Culture and the Outdoors 	
<p>Maintain and Respect our Environment</p> <ul style="list-style-type: none"> • A visitor economy that respects our natural and built environment and considers the implications of visitor economy developments on our environment today and in the future • A visitor economy that is world-leading in sustainable and low carbon developments and infrastructure and when responding to the climate change emergency 	<ul style="list-style-type: none"> • mitigate the impact that visitors have; • promote and support the sustainable economic growth of tourism and other forms of travel; • provide, maintain and improve infrastructure, facilities and services for visitor use (whether or not they are also for use by local people).
<p>Ensuring that the benefits to the communities of the area outweigh any disadvantages</p> <ul style="list-style-type: none"> • A visitor economy that ensures that infrastructure and resources contribute towards the well-being of the community all year round • A visitor economy that thrives for the well-being of Gwynedd residents and businesses and that offers quality employment opportunities for local people all year round • A visitor economy that promotes local ownership and supports local supply chains and produce 	<ul style="list-style-type: none"> • mitigate the impact that visitors have; • promote and support the sustainable economic growth of tourism and other forms of travel; • provide, maintain and improve infrastructure, facilities and services for visitor use (whether or not they are also for use by local people).

An Annual Action Plan is being developed to implement the Strategic Plan in response to Gwynedd residents' questionnaire on tourism, the Gwynedd business questionnaire as well as the work of Ardal Ni plans and priority workshops held with members of the Gwynedd and Eryri 2035 Partnership.

In Gwynedd, levy investment schemes could focus on some of the following activities that operate on the principles:

Principle and Objective of G+E2035	Examples of potential activity that could be funded through the Levy in Gwynedd
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<p>Celebrate, Respect and Protect our Communities, Language, Culture and Heritage:</p> <ul style="list-style-type: none"> • A visitor economy in the ownership of our communities with an emphasis on pride in one's area • A visitor economy that is world-leading in Heritage, Language, Culture and the Outdoors 	<ul style="list-style-type: none"> ✓ Campaigns to promote culture and the Welsh language ✓ Promote Sense of place and the Welsh Offer for businesses via training ✓ Projects to conserve built and living cultural heritage ✓ Support for the Slate Landscape World Heritage Site and its activities ✓ Support cultural activities and events ✓ Support use of Welsh language
<p>Maintain and Respect our Environment</p> <ul style="list-style-type: none"> • A visitor economy that respects our natural and built environment and considers the implications of visitor economy developments on our environment today and in the future • A visitor economy that is world-leading in sustainable and low carbon developments and infrastructure and when responding to the climate change emergency 	<ul style="list-style-type: none"> ✓ Improved public transport to serve communities and individuals who want to commute to work – extra buses and later in the evening ✓ Basic infrastructure (bins / refuse collection / toilets / street hygiene etc.) ✓ Maintain popular routes and create new ones. ✓ Protect habitats e.g. seas and waters ✓ Bespoke interpretation ✓ Support for environmental conservation projects ✓ Campaigns and support for a plastic-free sector ✓ Car charging points ✓ Bathing water or clean beaches schemes.
<p>Ensuring that the benefits to the communities of the area outweigh any disadvantages</p> <ul style="list-style-type: none"> • A visitor economy that ensures that infrastructure and resources contribute towards the well-being of the community all year round • A visitor economy that thrives for the well-being of Gwynedd residents and businesses and that offers quality 	<ul style="list-style-type: none"> ✓ Visitor campaigns to extend the season, promote the area's special qualities and encourage respect and safety. ✓ Develop bespoke packages and tours to visit the area and reduce pressure on busy areas ✓ Support for e.g. Mountain and maritime Rescue Teams ✓ Grant packages to support businesses, events and communities

<p>employment opportunities for local people all year round</p> <ul style="list-style-type: none"> • A visitor economy that promotes local ownership and supports local supply chains and produce 	<ul style="list-style-type: none"> ✓ Improving infrastructure e.g. toilets, Aros-fan (overnight stay scheme), car parks, stations, access to location etc. ✓ Extend warden hours ✓ Promote or support regenerative tourism efforts, i.e. Tourism that has a positive impact on local communities and the environment. ✓ Training or development of skills or activity related to tourism. ✓ Developing a local produce package ✓ Schemes to support sustainable tourism growth. ✓ Provide information to visitors.
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4. Establishing a Visitor Levy Partnership Forum in Gwynedd

Local Authorities introducing a Levy in their area are expected to establish a Levy Partnership Forum to discuss issues relating to the Levy locally. Specifically, the Forum is expected to provide information and advice on how to prioritise investment of the Levy income for the management and improvement of a resort in the area.

The Forum's views should inform the decision-making process regarding the investment of the Levy income, and the Council should take into account any information or advice provided by the Forum in making decisions.

A Local Authority must take reasonable steps to ensure that the Forum is made up of representatives from

- Organisations representing businesses working in tourism, or operating in related activities within the main Council area;
- Organisations that promote or facilitate tourism in the main Council area;
- Other relevant local bodies and representatives with an interest in tourism or visitor accommodation in the main Council area that the council feels are relevant.

Proposed membership of the Gwynedd Visitor Levy Partnership Forum

The Gwynedd and Eryri 2035 Partnership has already been established in Gwynedd to support a sustainable visiting economy in the area. As this partnership also includes Conwy County Borough Council, it is proposed to create a sub-group of this partnership to operate as the Visitor Levy Partnership Forum for Gwynedd. The sub-group will be aware of the strategic priorities of Gwynedd & Eryri 2035 and the relevant action plans.

Proposed Forum Members

Co-Chairs of Gwynedd + Eryri 2035 (x2)

Community enterprise sector representative

Tourism sector representative

Local Destination Management Partnership / Group representative

Town or Community Council representative x3

Gwynedd Culture Network representative

North Wales Skills Partnership representative

Transport for Wales / Gwynedd representative

Eryri National Park Authority representative

North Wales Tourism representative

Mid Wales Tourism representative

Cyngor Gwynedd Officers (x2)

The Leader of Cyngor Gwynedd

Cyngor Gwynedd Cabinet Member for Economy and Community

Observer: Visit Wales + Welsh Revenue Authority

The Welsh Government Guidance states that the Forum should act as a platform to promote collaborative discussions and to provide useful insight and recommendations on how best to use the income generated by the Levy. This approach will ensure a transparent and equitable use of resources, reflecting the needs and priorities of the tourism sector and local communities.

Efficient and transparent arrangements will need to be ensured in terms of governance and in order to declare interests in any recommendations made by the Forum.

Final decisions on the use of the Levy income will be the responsibility of the elected members of Cyngor Gwynedd.

5. Terms of reference of the Levy Partnership Forum

The Gwynedd Levy Partnership Forum will be a sub-group of the Gwynedd and Eryri 2035 Partnership (G&E2035), the area's Sustainable Visiting Economy Partnership.

The Forum will meet to:

- Act as a platform for collaborative discussions about the Levy
- Provide an insight into the operation of the Levy in Gwynedd
- Identify priorities from the G&E2035 Action Plan to recommend their funding and realisation through Levy income
- Identify any other schemes or priorities to be recommended for implementation through Levy income
- Monitor the implementation of the Levy in Gwynedd and to receive reports on investments made through the Levy
- Review the annual Levy Monitoring Report and recommend its publication
- Provide views on the Levy communication programme in Gwynedd
- Overseeing the Terms of Reference and Membership of the Partnership Forum

The Forum will be expected to consider the vision, principles and an action plan for Gwynedd and Eryri 2035 when making recommendations for the investment of visitor levy income in Gwynedd:

"A visitor economy for the benefit and well-being of the people, environment, language and culture of Gwynedd and Eryri".

Principles:

1. Celebrate, Respect and Protect our Communities, Language, Culture and Heritage
2. Maintain and Respect our Environment
3. Ensure that the benefits to Gwynedd and Eryri communities outweigh any disadvantages

Frequency of Meetings

Meetings are held twice a year – to be reviewed as required.

Task and finish or thematic groups can be held as needed.

Chairing

The meetings will be co-chaired by the co-chairs of the G&E2035 Partnership

Secretariat and Implementation

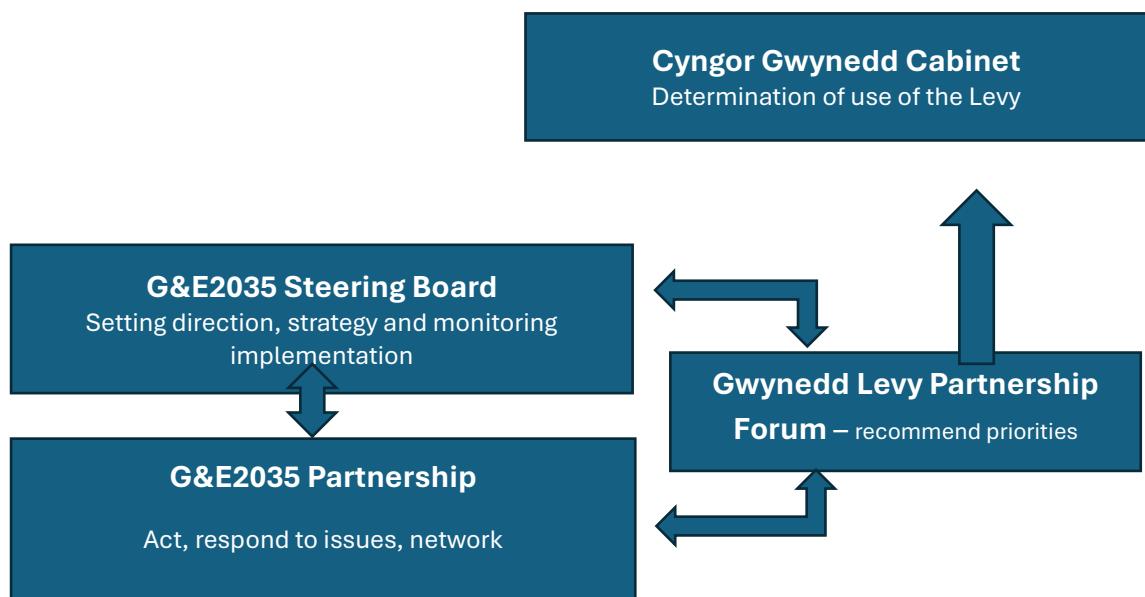
The Partnership Forum secretariat will be provided by Cyngor Gwynedd's Tourism, Marketing and Events Service.

Where practicable, the meeting agenda and papers will be circulated to members seven days in advance of a meeting.

Where practicable, summary Action Points will be circulated to members within seven days of holding a meeting.

Collaboration structure

The proposed implementation and decision structure is outlined below:



Final decisions on projects to be funded through the Levy will be made by Cyngor Gwynedd's Cabinet Members when considering the recommendations of the Partnership Forum.

6. Annual Reports

Local Authorities are expected to publish a report in each financial year in which they have received the Levy income. The annual report must:

- State how income from the Levy is earmarked;
- State the total amount of income collected through the Levy and received by the Local Authority;
- State the net revenue received after costs have been taken into account;
- Provide details of how the income of the year in question has been invested for destination management and improvement;
- Provide an assessment of the impact of those projects on businesses and communities;
- Consideration could be given to including details of how money is intended to be invested in the future – particularly in cases where income is carried over to another financial year.

An annual report is expected to be published as soon as possible after 30 June following a financial year on the Local Authority's website.

Monitoring and evaluation

Once a Levy is operational in an area, a Local Authority will need to assess the impact of the Levy on its area to ensure there are no adverse or negative side effects. The Guidance states that Local Authorities can monitor impact through a number of methods including:

- A cost-benefit analysis of the projects, programmes or activities funded through the Levy.
- Surveys, interviews and stakeholder engagement (e.g. Feedback from the Partnership Forum).
- Analysis of trends, consideration of visitor numbers and flow.
- Analysis of trends of visitor accommodation provision in the area.

Indicators at a local level will need to be considered for Levy investment decisions. These may be in line with indicators that have been identified and are being developed for the G&E2035 Plan:

GE01	% of the County's residents surveyed who stated that tourism in their area has a positive result
GE02	% of the County's residents surveyed who believed that tourism has a positive influence on the Welsh language and culture
GE03	% of businesses and visitor economy enterprises that have been awarded a G&E2035 Sustainable Tourism Champion accreditation
GE04	Number of individuals registered on the Gwynedd and Eryri Ambassador scheme

GE05	% of the County's residents who were surveyed state that tourism has a negative influence on the environment and nature
GE06	Number of Sherpa service users (seeking to identify further transport and environment measures)
GE07	Overnight visitor spend
GE08	Day visitor spend
GE09	Number employed within the tourism sector

It will also be necessary to monitor:

- Total numbers of visitors staying overnight
- Hotel occupancy rates

Indicators for investments from Levy income in Gwynedd could vary based on the priorities that will be supported, but could include for example:

- Number of projects to support a sustainable visitor economy (culture / language / environment / tourism regeneration)
- Number of sustainable visitor economy support grants allocated
- Total £ investment attracted through projects funded through the Levy
- Number of campaigns promoting supported G&E2035 principles
- Reach of supported campaigns
- Additional expenditure from supported campaigns
- Visitor satisfaction to Gwynedd
- Km of routes created or improved
- Number of additional opening hours of public toilets
- Number of additional bus services created
- Attendance at events and training held through Levy income
- etc.

7. Consultation Process

A Local Authority is expected to undertake a consultation process based on the "Gunning" public consultation principles before submitting a 12-month notice.

The consultation should set out the case for introducing a levy outlining the potential benefits and offer suggestions on how the levy could be invested for the benefit of the local area, businesses, residents and visitors. The guidance states that:

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

The consultation materials must be clear and accessible, timescales should be realistic and feedback should be genuinely considered when formulating the final policy. A Local Authority should then consult with communities about its proposals to consider the responses when making a decision on the adoption of the Levy.

This document is the Gwynedd Visitor Levy Proposal.

The consultees

The Guidance identifies the following as mandatory consultees that should be included:

- **Local people**, i.e. people who live, work or study in the Local Authority area.
- **Community Councils** in the Local Authority area.
- **Public services board** (according to Section 4 of the Well-being of Future Generations (Wales) Act 2015 for the Local Authority area).
- **The principal council for an area adjoining the consulting council**, i.e. neighbouring councils, so that they are aware of the plans. The authorities may also wish to consider whether there are any opportunities for collaboration. In the case of Gwynedd this includes Anglesey, Conwy, Denbighshire and Powys.
- **National Park Authority** for a National Park any part of which is in the Local Authority area
- **Corporate Joint Committee** which includes as a member at least one senior executive member of the principal council.
- **Organisations representing businesses working in the tourism sector**, or participating in tourism-related activities, in the main council area; and/or promote or facilitate tourism in the council area.
- **Where there is a proposal to introduce the levy**, the consultation should include all persons identified in the report by virtue of section 47(5)(c) of the Act (which refers to the proposed membership of the visitor levy partnership forum) who is not otherwise a mandatory adviser.

Consultation framework

In the case of Gwynedd the consultation period would take place over 10 weeks between May and July 2026 and would include:

- Online questionnaire for businesses, residents and visitors
- Focus groups with business and community representatives invited to discuss
- One-to-one interviews
- Special events (one in each of the 3 areas of Gwynedd and one on-line)
- Pop-up and drop-in sessions within the 3 areas of Gwynedd
- Meetings of the Gwynedd and Eryri Partnership 2035

The results of the consultation will serve as consideration for the final impact assessments as well as taking into account the Council's decision on whether or not to adopt the Levy.

Communications and Engagement Plan

A Communications and Engagement Plan is planned to establish formal arrangements within the Council and with partners to communicate and engage on the development of the overnight accommodation registration procedure and the Levy within Gwynedd.

It is expected that the Welsh Government and the WRA will provide statutory guidance in due course but, a draft is available which is currently being used as guidance.

8. Local Impact Assessments

Economic Impact

The introduction of a Visitor Levy could have three competing effects on the local economy:

- Projects and programmes funded through the levy could support growth in the visitor economy;
- The introduction of a levy has the potential to reduce demand for accommodation; and
- The administrative costs of the levy have a negative impact on the tourism sector.

The overarching objective should be to ensure that the benefits of the scheme outweigh the negative impacts. This suggests that:

- Expenditure should focus on areas that increase tourism;
- The level of the levy should be set to ensure that impacts on demand are minimal; and
- Administrative costs are kept to a minimum.

In relation to the first point, it is also important to ensure that the levy delivers additionality in terms of expenditure.

Importance of the Visitor Economy to the Gwynedd Economy

The visitor economy is important to the economy of Gwynedd.

Gwynedd and Eryri are home to iconic natural and heritage attractions, including Yr Wyddfa (Snowdon), the National Park, the Llŷn Area of Outstanding Natural Beauty (AONB), one of the longest sections of the Wales Coast Path, Blue Flag beaches and marinas, the largest forest in North Wales, over 100 lakes, World Heritage Sites, and the Dyfi Biosphere.

There are 17 National Nature Reserves in Eryri—more than in any other national park in Wales—and 56 Sites of Special Scientific Interest. This exceptional biodiversity reflects the diversity of the landscape, geology, climate and land management practices. The richness of plant and animal life is fundamental to the history, culture, language, economy and ongoing wellbeing of everyone who lives in and visits the area.

The area is home to a number of highquality businesses, attractions and food and drink producers that have invested heavily over the past decade, providing unique experiences for residents and visitors. Two of the county's strongest tourism sectors are outdoor tourism and heritage tourism.

The area is a stronghold of the Welsh language, with over 69% of the population fluent in Welsh according to the 2011 Census.

For centuries, the area has attracted visitors drawn to its natural and built environment and its communities. Today, there is a need to review priorities for the future of the visitor economy, to work differently, and to develop a new approach.

The visitor economy makes an important contribution to the economy and communities of Gwynedd and Eryri. However, this contribution must be balanced and sustainable in order to protect communities, the environment, language and culture for future generations. Data and research highlight the need for a better balance within the visitor economy and the wider economy in Gwynedd and Eryri National Park.

As part of the development of the Gwynedd Visitor Levy Proposal, an Economic Impact Assessment was commissioned to assess the potential effects of introducing a levy locally.

In terms of the scale of the sector in Gwynedd, Welsh Government analysis uses data from the Great British Tourism Survey (GBTS) and the International Passenger Survey (IPS) for the period 2022 to 2024—these are also the datasets recommended to local authorities.

This results in an average of 0.87 million visits, with 3.6 million overnight stays, supporting £250 million in visitor expenditure. It should be noted that this includes all trips, including those staying in accommodation that does not fall within the scope of the levy (for example, staying with friends and family).

This dataset shows a reduction in the number of overnight stays and expenditure compared to preCovid averages (2017–2019) and the data used in the Welsh Government’s consultation document. This reduction may be partly due to changes in data collection methodology, but also reflects a genuine decline in tourism in Gwynedd.

However, using the 2022–24 average does not take account of more recent growth (or potential future growth) in overnight stays and expenditure. As a result, a sensitivity test using 2024 overnight stay and expenditure data is included.

A further sensitivity test is also included using STEAM data, which shows significantly higher visitor numbers and expenditure. While this is likely to overestimate the impact of the levy, it is included for completeness and because the rural nature of Gwynedd may mean that GBTS and IPS data underestimate visitor numbers.

It must be noted that the quality and reliability of data available—both nationally and at Gwynedd level—for assessing the impact of introducing a levy is extremely challenging and limited, as such data does not exist in many cases.

For several years, the Council has considered how visitors could contribute to supporting a sustainable visitor economy in the county, including the previously referenced *Elwa o Dwrystiaeth* project. Of all the options considered at the time—from voluntary visitor contributions, to establishing a Tourism Business Improvement District, to introducing a Visitor Levy—the levy emerged as the most effective means of securing income to support a sustainable visitor economy locally. At that time, it

was estimated that it could raise up to £9 million per year in additional income (based on 2017 STEAM visitor data).

As local context, Gwynedd STEAM data (which includes warnings and caveats and is an internationally recognised model for assessing visitor trends and economic contribution) highlights the following for 2024:

- Economic impact: £1.785 billion
- Number of visits: 7.75 million
- Number of visitor days: 24.09 million
- Total employment: 17,644

Taking into account research undertaken by the Welsh Government during the development of the Bill, alongside previous research and draft guidance received from the Government, the Economy and Community Department has worked jointly with Isle of Anglesey County Council and Conwy County Borough Council to commission Quod to assess the economic impact of introducing a Visitor Levy in their areas. The findings have been informed by input and expertise from Bangor University Business School, drawing on international models of levy implementation and their economic impacts on communities.

The jointly commissioned impact assessment follows Welsh Government guidance and uses models similar to those employed by the Government in developing national impact assessments. The data used is based on figures from the International Passenger Survey and the Great British Tourism Survey for the years 2022–2024, with STEAM data also considered as part of the assessment.

The research focuses on:

- Research and studies prepared by the Welsh Government as part of its assessment;
- A review of any other existing studies;
- An economic impact assessment at Gwynedd level, subject to significant assumptions and caveats;
- Cross-referencing with Welsh Government work;
- Conclusions on the potential impact; and
- Reviewing the draft impact assessment in light of the consultation process.

The economic impact assessment concludes that the effects of the levy on Gwynedd would be relatively small. The following is noted:

The evidence base on the economic impact of visitor levies is relatively limited, due to a lack of relevant evidence on the effects of visitor levies from other locations, together with gaps and uncertainties in the data. As a result, the national assessment includes a significant number of assumptions (caveats) and relies on wide ranges of estimates. An assessment at local level faces additional challenges, due to more pronounced data gaps and an even less developed evidence base on the impacts of visitor levies at local level (compared to the national level).

The main assumptions and caveats relevant to the local level assessment are as follows:

- *There is significant uncertainty regarding the elasticity of demand. While this is already the case at an allWales level, the uncertainty is even more pronounced when applied at the Gwynedd level.*
- *There are different data sources used to estimate the current size of Gwynedd's visitor economy. The primary analysis uses the **International Passenger Survey (IPS)** and the **Great British Tourism Survey (GBTS)**, in line with the Welsh Government's assessment and guidance provided to local authorities. **STEAM data** indicates a substantially larger visitor economy, and the implications of this are noted in the report.*
- *At national level, it is reasonable to expect that the majority of visitor expenditure is retained within Wales. This is not necessarily the case at a smaller geographic level; for example, some expenditure by visitors to Gwynedd may occur in Conwy or on Anglesey (and vice versa).*
- *Similarly, it is likely that a higher level of economic leakage will be associated with expenditure funded through the levy, as some businesses benefiting from levyfunded contracts may be located outside Gwynedd.*
- *The national level assessment necessarily assumes that the levy would be introduced across Wales. At the Gwynedd level, the impacts will differ depending on whether Gwynedd alone introduces the levy or whether neighbouring authorities also implement it.*

As a result, the Gwynedd-level assessment is appropriately caveated and should be read in the context of data gaps and the relatively limited evidence base, particularly at local level.

Nevertheless, there is confidence that the impact on Gwynedd would be relatively small in terms of employment and Gross Value Added (GVA). A broadly similar approach to that used by the Welsh Government has been adopted in order to define the likely "bookends" for the range of impacts.

Within this primary analysis, the assumptions made are generally conservative in terms of assessing economic impact (that is, they tend to overestimate potential negative impacts). For example, it is assumed that Gwynedd loses all visitor expenditure, whereas in reality some of this expenditure would have occurred outside Gwynedd in any case (for example, when visitors staying in Gwynedd spend money in neighbouring local authority areas on day trips). It is also assumed that there is some leakage of economic activity outside Gwynedd as a result of levy expenditure, while simultaneously assuming that Gwynedd businesses do not benefit from contracts arising from visitor levy expenditure in other local authority areas.

Similarly, the analysis assumes no growth in the visitor economy and allows for a reduction in visitor numbers as a result of introducing the levy. In practice, if the visitor economy were to grow, the funding raised through the levy would increase, and levyfunded expenditure itself could stimulate higher levels of tourism through an improved visitor experience. This would help to maintain and enhance Gwynedd's competitiveness as a tourism destination. There is evidence of yearonyear growth in visitor numbers in other locations where visitor levies have been introduced.

Any growth in the visitor economy would also offset any losses to the economy (in terms of jobs and GVA) arising from visitors who do not come as a result of the levy, and would also increase the revenue generated by the levy.

Nevertheless, on the basis of this approach, the impacts of the levy are estimated to be relatively small. Even under these conservative assumptions (i.e. assumptions that may overestimate any negative impacts), it is estimated that the levy could result in:

- *A change in employment of between **–50 and +21 jobs**, equivalent to a loss of approximately **–0.1%** or an increase of around **0.04%** of employment in Gwynedd;*
- *A change in annual GVA of between **–£2.7 million and +£0.4 million**, equivalent to a loss of approximately **–0.1%** or an increase of less than **0.01%** of the Gwynedd economy; and*
- *Annual revenue of between **£2.4 million and £2.8 million**.*

This range, which spans from a relatively small negative impact to a relatively small positive impact, reflects the findings of the Welsh Government's assessment, which also concluded that the national level impact is likely to fall between a small negative and a small positive effect.

*STEAM data estimates that Gwynedd's current tourism economy is substantially larger than that indicated by the IPS and GBTS. If STEAM data were used, the impacts of the levy would be approximately **four to five times greater**. This underlines the uncertainty in the data and, therefore, the inherent uncertainty involved in forecasting the impacts of the levy.*

9. Equality and Language Impact Assessment

Quod was commissioned to advise on the potential impacts on groups that share protected characteristics.

The table below summarises the findings of the Equality Impact Assessment against protected characteristics.

Protected characteristic	Potential impacts	Potential mitigation where required
Age	<p>WG concludes there are 'nil' potential direct impacts with regard to Age once mitigation (including the under-18 exemption for lower bound accommodation) is taken into account. It is not anticipated that there would be any Gwynedd specific characteristics that would change the findings of the WG EQIA.</p> <p>There are possible impacts related to a higher proportion of older visitors to Gwynedd, and a young workforce, but any impacts of the levy are likely to be small – and will to some extent be offset by the spending of the levy.</p>	<p>Under 18s are excluded from the levy for lower-rated stays</p> <p>Future use of the levy</p>
Disability	<p>The WG EQIA identified that it could be construed as indirect discrimination to apply a visitor levy to carers accompanying a disabled person requiring care as part of their visit but that the option (not including an exemption) was a proportionate response.</p> <p>Once mitigation (including refund for person in receipt of a disability benefit) is</p>	<p>Refund mechanism for persons in receipt of a disability benefit who are accompanied by a person providing care, support or assistance.</p> <p>Future use of the levy</p>

	<p>included, no other impacts were identified and it is not anticipated that there would be any Gwynedd specific characteristics that would change the findings of the WG EQIA.</p>	
Gender reassignment	<p>WG concludes there are 'nil' potential direct impacts with regard to Gender reassignment. It is not anticipated that there would be any Gwynedd specific characteristics that would change the findings of the WG EQIA.</p>	<p>Stays in private hospitals are exempt from a levy.</p>
Marriage and civil partnership	<p>WG concludes there are 'nil' potential direct impacts with regard to Marriage and Civil Partnership.</p> <p>It is not anticipated that there would be any Gwynedd specific characteristics that would change the findings of the WG EQIA.</p>	<p>No potential impacts identified</p>
Pregnancy and maternity	<p>WG concludes there are 'nil' potential direct impacts with regard to Pregnancy and maternity. It is not anticipated that there would be any Gwynedd specific characteristics that would change the findings of the WG EQIA.</p>	<p>No potential impacts identified</p>
Race	<p>Visitors to Gwynedd and employees in the distribution, hotels and restaurants sector are more likely to be white, than the average across Wales.</p> <p>WG concludes there are 'nil' potential direct impacts with regard to Race. It is</p>	<p>Gypsy, Roma and Travellers sites provided by a local authority or registered social landlord are exempt from a levy.</p> <p>Exemptions / refunds are available for vulnerable groups, e.g. asylum seekers</p>

	<p>not anticipated that there would be any Gwynedd specific characteristics that would change the findings of the WG EQIA.</p>	<p>and those fleeing domestic abuse</p> <p>Future use of the levy</p>
Religion and belief	<p>WG concludes there are 'nil' potential direct impacts with regard to Religion and Belief. It is not anticipated that there would be any Gwynedd specific characteristics that would change the findings of the WG EQIA.</p>	<p>The WRA will offer non-digital processes to accommodate those whose faith may restrict digital engagement.</p> <p>Free accommodation exempt from a levy and stays in lower rated accommodation have a lower levy charge.</p> <p>Future use of the levy</p>
Sex	<p>WG concludes there are 'nil' potential direct impacts with regard to Sex. There are no Gwynedd specific characteristics that would change the findings of the WG EQIA.</p> <p>It is not anticipated that there would be a disproportionate or differential impact in Gwynedd as a result of the levy on females (or males) working in the tourist sector.</p>	<p>No potential impacts identified</p>
Sexual orientation	<p>WG concludes there are 'nil' potential direct impacts with regard to Sexual Orientation. It is not anticipated that there would be any Gwynedd specific characteristics that would change the findings of the WG EQIA</p>	<p>No potential impacts identified</p>
Welsh Language	<p>According to the Welsh Government's assessment,</p>	<p>Use of the Levy in future to support Welsh and use of</p>

	<p>impacts on the Welsh language could arise if the levy were to reduce the competitiveness and profitability of the tourism sector, which employs Welsh speakers, including by discouraging visitors from undertaking educational visits to destinations in Wales. The levy could also support the tourism industry and employment opportunities or initiatives in Welsh-speaking regions. Overall, it is likely that there would be very little or no measurable impact on the use of the Welsh language as a result of the levy, other than the possibility that there may be fewer opportunities to use Welsh if there were a reduction in demand. There is no evidence to suggest that people would leave their communities as a result of a visitor levy.</p>	<p>Welsh in communities and businesses.</p>
<p>Socio-economic disadvantage</p>	<p>According to the Welsh Government's integrated assessment, higher taxes could deter budget travellers or individuals on lower incomes from visiting areas that adopt a levy, potentially raising concerns about fairness and inclusivity. However, the levy has been designed with two rates, applied per person per night. The standard rate will be £1.30 for most types of accommodation, while a</p>	<p>Welsh Ministers may assess and amend the rates set out in the legislation in order to mitigate impacts. Future use of the Levy will support improvements to the local area, by using the revenue to help maintain and regenerate local services and infrastructure.</p>

lower rate of £0.75 will apply to hostels and camping sites. The introduction of a lower rate recognises that the cost of these types of accommodation is lower compared to others. In addition, young people under the age of 18 will not be included in the charge calculated for the visitor levy in lowerrate accommodation stays. This means that they will not be required to pay the levy when it is passed on by the accommodation provider, as they are not included in the levy calculation (i.e. there is no levy to be passed on).

10. Well-being of Future Generations Act Impact Assessment

There is a duty to act in accordance with the principle of sustainable development, namely to seek to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

In acting in accordance with this overarching duty, the Council must consider the importance of longterm impact, integration, inclusion, collaboration and prevention when developing and implementing the proposal under consideration.

In line with the requirements of the Act, Cyngor Gwynedd has adopted wellbeing objectives. Particular attention is drawn to the following objectives that the Visitor Levy could support if it were to be adopted:

- **A Prosperous Gwynedd** – Strengthening the economy and supporting Gwynedd residents to earn fair and decent wages.
- **A Welsh-speaking Gwynedd** – Ensuring that we provide every possible opportunity for residents to use the Welsh language within the community.
- **A Green Gwynedd** – Safeguarding the county's natural beauty and responding positively to the climate change emergency.
- **An Efficient Gwynedd** – Putting Gwynedd residents first by treating them fairly and ensuring that the Council performs effectively and efficiently.