

Visitor levy becomes law (Wales)

To: Wales

For info: All local authorities in UK

1 Summary

The Visitor Levy Bill has now received Royal Assent, giving Welsh local authorities new discretionary powers to introduce a small charge on overnight stays.¹ The policy is designed to ensure that the economic benefits of tourism are balanced with the costs of maintaining local services and infrastructure that visitors rely upon. Revenue generated will be retained locally and reinvested into tourism-related expenses *“such as public toilets, footpaths, beaches, visitor centres and activities.”*

2 Background

Tourism is a cornerstone of the Welsh economy but it also places demands on local services and communities. The Welsh Government has argued that a modest visitor levy will enable councils to better manage tourism impacts while supporting sustainable growth.

The legislation brings Wales into line with many international destinations which already operate visitor levies to help sustain their tourism offer.

Key features include:

- Local discretion: Councils may introduce a levy, but only following consultation with local residents, businesses and tourism operators.
- Retention of funds: All proceeds must be reinvested in local tourism infrastructure and services.
- Collection and administration: The Welsh Revenue Authority (WRA) will manage both levy collection and a new national register of visitor accommodation providers.
- National register: From Autumn 2026, all accommodation providers charging for overnight stays must register with the WRA. Registration will be free.

¹ <https://www.gov.wales/visitor-levy-support-tourism-becomes-law>

- Implementation timeframe: The earliest possible introduction of a levy by councils will be in 2027.

3 Details of the levy

- £0.75 per person, per night for stays in hostels and campsites.
- £1.30 per person, per night for other accommodation types.
- Under-18s in shared accommodation will be exempt.

4 Implications for councils

For local authorities, the new legislation will require careful consideration of whether and how to introduce a levy. Councils will need to balance the potential economic benefits with the views of residents, businesses and visitors, ensuring that consultation is meaningful and inclusive. Any authority choosing to implement a levy will also be expected to demonstrate how revenue is reinvested transparently and directly into tourism-related services and facilities.

Although the WRA will oversee the practical administration of the levy, councils will still require internal capacity to manage consultation processes and the allocation of funds. The new national accommodation register will also give councils access to much-improved data on local tourism activity, potentially supporting more informed planning.

5 APSE comment

This legislation represents a significant new power for Welsh local government. Though modest in scale, the visitor levy has the potential to make a noticeable contribution to funding the upkeep of key local facilities that benefit both residents and visitors.

However, councils will need to balance the political and economic implications of introducing a levy, particularly in areas where tourism is a sensitive issue. Early engagement with local businesses and communities will be key.

It should also be recognised that attractive, well-maintained public spaces, town centres and visitor facilities are not only essential for sustaining tourism but also act as catalysts for wider economic growth. Investment in making areas “look and feel good” can help stimulate local pride, encourage further inward investment and create a virtuous circle of economic and community benefits. APSE’s 2025 report – *Supporting City and town centre recovery* – sets out some practical consideration as to the role of frontline neighbourhood service in local plans.²

² <https://www.apse.org.uk/index.cfm/apse/research/current-research-programme/supporting-city-and-town-centre-recovery/supporting-city-and-town-centre-recovery/>

For councils outside Wales, the development is worth monitoring. Should the Welsh model prove successful, it may strengthen calls for similar powers in other parts of the UK.

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