



Visitor Levy (Scotland) Bill Stage 3 Briefing for MSPs

The following briefing sets out the four key Local Government asks ahead of Stage 3 of the Visitor Levy (Scotland) Bill. We continue to welcome the joint work conducted by Scottish and Local Government in the development of the Visitor Levy.

The Visitor Levy represents a key development for Local Government, handing power back to communities, and providing local decision-makers with the power to raise revenue independently of the Scottish Government in a manner which directly responds to local needs and circumstances.

To ensure that our councils will enjoy the maximum benefits of the Visitor Levy, at Stage 3, we call on MSPs to:

REQUEST #1: Prevent Further Unnecessary National Direction

- There can be no one-size-fits-all approach to the Visitor Levy. Recognising the great diversity of Scotland's communities means allowing these communities to shape Visitor Levy schemes as they see fit. Local Government requires full flexibility to adapt schemes to the requirements of councils, residents, and businesses, as well as the needs of local visitor economies across Scotland.
- At Stage 3, the Scottish Government is again seeking to further expand national direction and restrict the choices available to local decision-makers and communities, by handing Ministers the power to apply a national cap on the number of nights a Levy could be charged locally. Councils may choose to introduce local caps, but it is **crucial that this remains a local decision**.
- We call on MSPs to **oppose Stage 3 amendments allowing Ministers to set a national cap on the number of nights** which will constrain local flexibility and empowerment through further unnecessary national direction.

REQUEST #2: Keep Exemptions Local

- The development of a system of exemptions requires a detailed knowledge of both the needs and circumstances of local communities and visitor economies, and a technical understanding of the additional administrative costs and burdens on councils, accommodation providers, and overnight visitors.
- It is **impossible for national exemptions to take full account of the impact on communities across Scotland**, and directly contravenes the principles of local

23 May 2024

decision-making and empowerment which sit at the heart of the Visitor Levy proposal. Exemptions must therefore remain a key local decision made through consultation with both residents and businesses.

- We call on MSPs to maintain local flexibility, reduce administrative costs, and ensure that a greater proportion of revenue generated by a Levy is reinvested in communities and visitor economies by **opposing Stage 3 amendments proposing the introduction of national exemptions**.

REQUEST #3: Let Local Government Get Started!

- Councils across Scotland have expressed unanimous support for a reduction in the 18-month lead-in time required to take place *after* consultation has taken place *and* the formal decision has been made for a council to introduce a Visitor Levy.
- As it stands, no council will be able to apply a Visitor Levy before 2026. This is clearly both disproportionate and excessive. After years of successive cuts to areas such as infrastructure, culture, and leisure, the services and facilities crucial to both our communities and local visitor economies require the additional revenue which would be re-invested from a Visitor Levy scheme **now**.
- We call on MSPs to **back the Stage 3 amendment supporting a reduction in the lead-in time**, to ensure that our communities and visitor economies see crucial investment as soon as possible.

REQUEST #4: Commit to a Cruise Ship Levy

- COSLA Leaders continue to support the proposal for councils to have the ability to introduce a Cruise Ship Levy as soon as practically possible. Cruise ship tourism is both a welcome source of revenue and a growing challenge for the services and facilities used by communities across our coastal councils.
- Across Scotland, overnight visitors staying on cruise ships access the same services and facilities as both visitors staying in accommodation such as hotels, as well as residents. However, cruise ship passengers fall outwith the Bill's scope and will not be liable to pay a Levy. COSLA officers and colleagues in councils have been working closely with the Scottish Government to develop a joint proposal for a Cruise Ship Levy.
- We call on MSPs to **back the Stage 3 amendment for Cruise Ship Levy powers to be introduced within the Visitor Levy (Scotland) Bill** and to make the Visitor Levy a truly national proposal.