

Tourist Tax – Edinburgh EIS Local Association’s Response

This is our Organisational response to Edinburgh City Council Visitor Levy consultation 2024, where we are asking for the council to spend a significant proportion of the money on stopping cuts to, and on increasing investment in, the Education budget.

Fill in the consultation by following this link:

<https://consultationhub.edinburgh.gov.uk/sfc/visitor-levy/>

Question 1. Your details.

Answer: fill in your details as asked on the form

Question 2. Which category best describes you?

Answer: Pick the appropriate answer for yourself

Question 3. No question, council website glitch.

Answer: There is not a question 3 on the council's website

Question 4. How aware are you of what a visitor levy is?

Answer: Pick the appropriate answer for yourself

Question 5. To what extent do you agree or disagree that the scheme objectives support the overall scheme aim?

To sustain, support and develop public services, programmes and infrastructure

Answer: *strongly agree*

To sustain, support and develop Edinburgh’s culture, heritage and festivals provision

Answer: *agree*

To sustain, support and develop the city's visitor economy and to promote sustainable tourism

Answer: *agree*

[text box] *Question 6: Please use the space below if you have any other comments on the scheme objectives.*

Answer: copy and paste the text below, feel free to add other information.

We are in overall support of the scheme objectives, but believe objective 1 should not be overlooked or outweighed by objectives 2 and 3. We also believe that the money generated from the visitor levy should go into improving the lives of people who live and work in Edinburgh. It is we who power and sustain the visitor economy, but seldom feel the positive impacts of money generated.

Investment in Education is directly relevant to city operations and infrastructure, culture, heritage and events, as well as to visitor management, but also to the key priority of building new social housing. If we want a large proportion of the workers needed to meet the scheme objectives to be from Edinburgh, then Edinburgh Council needs to invest properly in our young people and in their schools. And, given the current crisis in Local Authority funding, that means considerable funds from the Levy should be spent on Education. Currently, this vital way of thinking about the aims of the scheme is absent, not only from the way this survey is constructed but also from the long-term vision of the scheme itself. It reveals a fundamental failure to see Education as the bedrock of what our City needs to function, and this failure needs to be addressed as soon as possible.

Question 7. To what extent do you agree or disagree that the levy rate in Edinburgh should be 5%?

Answer: *Strongly disagree*

Question 8. Taking into account that we think 5% will raise enough money to make a difference, we are also considering higher levels of levy. Do you think the levy rate should be higher than 5%?

Answer: *The levy should be higher than 5%*

Question 9. If you think the levy rate should be higher than 5%, what percentage rate should it be?

Answer: *8%*

Question 10. To what extent do you agree or disagree that the levy rate in Edinburgh should only be paid for the first 7 nights' stay?

Answer: *strongly disagree*

Question 11. To what extent do you agree or disagree with the following proposals in the draft scheme?

Answer 'strongly agree' to each question below.

The levy should come into force from 24 July 2026

Answer: *strongly agree*

The levy should remain in force until further notice (indefinitely)

Answer: *strongly agree*

The levy should remain in force at all times (every day of the year)

Answer: *strongly agree*

The levy should apply everywhere inside the City of Edinburgh boundary

Answer: *strongly agree*

The levy should apply at the same rate within the City of Edinburgh boundary

Answer: *strongly agree*

Question 12. To what extent do you agree or disagree that the levy should apply to the kinds of accommodation listed below?

- Hotels
- Self catering apartments, aparthotels
- B&Bs and guest houses
- Hostels
- Holiday lets and short-term lets
- Student Lets (only when let to visitors and non-Edinburgh students)
- Caravan sites and campsites (except temporary tent and campervan/caravan pitches)

Answer: *strongly agree to all of the above*

Question 13. To what extent do you agree or disagree that people staying in temporary tent and caravan pitches will not have to pay the levy?

Answer: *Agree*

[text box] Question 14. Please use the space below if you have any comments on how much the levy is, and where or when it needs to be paid.

Answer:

The Council's own research tells us that cities with visitor levy schemes in place still saw considerable increase in visits/tourists. This is the case for Portuguese cities such as Porto and Lisbon who have a similar type of tourism product based on historical and cultural visits rather than beach holidays such as Algarve - both of which saw an increase in visits of more than 20%.

The same report mentions the attitude towards the price increase for tourists in Istanbul where 64% of the respondents said they would still visit the city if the price increased by a third (33%).

Amsterdam had a tourist tax of 7% in 2023 and still saw an increase of over 20% in visits: (<https://roadgenius.com/statistics/tourism/netherlands/amsterdam/>)

Edinburgh council's proposal is for 5%, but all the evidence strongly suggests that higher visitor levy such as 8% would still be overwhelmingly accepted by visitors and enable greater contribution to the infrastructure impacted by tourism.

We therefore strongly disagree with the figure of 5% and suggest the minimum level should be 8%. We also strongly disagree that the levy should only be paid in the first 7 days of a visit – tourists have an impact on the city every day that they are here and so the tax should be liable for every day of a visit.

In terms of where it should be paid, in order to not create backdoor incentives for specific kinds of accommodation, we believe all accommodation that caters to tourism should be covered, except temporary campsites and caravans. It is incredibly important that accommodation like short term lets are included, as many of them do not contribute to local taxation as they are eligible for small business rates relief. Given their undeniable impact on communities, they must be included in the scheme.

It is clear to us that Roma, Romany Gypsies, Scottish and Irish Travellers should be exempt from this legislation. Edinburgh City Council should consult with relevant groups to make sure this happens in an effective way.

We believe the levy scheme should apply all year round for ease and simplicity of roll out as well as fairness. There are important cultural events and festivals all year round and no time-based exemptions are appropriate. Lastly, we believe the scheme should be rolled out as soon as possible.

Question 15. To what extent do you agree or disagree that there should be no other exemptions to the levy in Edinburgh?

Answer: Agree

[text box] Question 16. We have proposed this option, but we will continue to speak directly with organisations who represent people impacted by this. Please use the space below if you have any further comments on how we intend to refund visitor levy payments.

Answer:

We would like to ask that the council exempt Ronald McDonald House at the Royal Infirmary (Royal Hospital for Children and Young People, Ronald McDonald House, 50 Little France Crescent, Edinburgh EH16 4TJ) and other similar forms of accommodation attached to hospitals, health care centres or care homes across the city.

We have concerns about how people may be expected to evidence their domestic violence status if they were to stay in a hostel, short term let or hotel. We also have the same concern around people who are homeless, evidencing this when staying in paid overnight accommodation. Therefore we would like the council to engage with women's shelters, homelessness organisations and other relevant organisations around this and ensure that they are not charging the visitor levy to Edinburgh residents who have to use a hostel/BnB etc because of a change in their circumstances.

Question 17. Of the total amount of money raised, do you think that the following proportions should apply?

Participatory budgeting - 2% of the overall funds

Answer: *Yes, this is the right amount*

Housing - £5m per year

Answer: *Yes, this is the right amount.*

Question 18. Of the remaining amount of the money raised, do you think the following proportions should apply?

City Operations and Infrastructure - 55%

Answer: *More should be spent on this*

Culture, heritage and events - 35%

Answer: *Less should be spent on this*

Destination and visitor management

Answer: *Yes, this is the right amount.*

[text box] Question 19 Please use the space below if you have any other comments on how the money raised could be used.

Answer: *Currently, the survey's narrative under 'Destination and visitor management' includes the following: "This fund could help to: [...] attract and retain skilled workers." This neglects what we consider to be a fundamental aspect of skilled work – namely, to educate and train the local workforce so that our young people become those skilled workers.*

A substantial proportion of the funds raised from the Levy must go into schools and into preventing and reversing the planned cuts to Education. If those cuts go ahead, the Council risks excluding many of the City's young people from becoming future core participants in the work required to support the main aims of this whole scheme.

Currently, the Developing The Young Workforce website projects that by 2032, Edinburgh, Mid and East Lothian will require the following:

- *41,600 workers in tourism*
- *26,800 workers in creative industries*
- *25,800 workers in construction*
- *25,400 workers in IT/Digital*
- *19,000 workers in engineering*
- *4,200 workers in food and drink*

All of these jobs are directly relevant to city operations and infrastructure, culture, heritage and events, as well as to visitor management, but also to the key priority of building new social housing. If we want a large proportion of these workers to be from Edinburgh, then Edinburgh Council needs to invest properly in our young people and in their schools. And, given the current crisis in Local Authority funding, that means considerable funds from the Levy should be spent on Education. Currently, this vital way of thinking about the aims of the scheme is absent, not only from the way this survey is constructed but also from the long-term vision of the scheme itself. It reveals a fundamental failure to see Education as the bedrock of what our City needs to function, and this failure needs to be addressed as soon as possible.

[text box] Question 20: add anything else.

Answer: *Stop all cuts to education.*

Q21-25 – answer these as you see fit.

Q26 – To what extent do you agree or disagree with the following statements about this consultation activity?

'I was given all the information that I needed to have my say.'

Answer: *strongly disagree*

Additional comments answer: Respondents are not given the information about the jobs, and the education and training for those jobs, that are going to be required for this scheme to work – this means the survey is designed to steer respondents away from a holistic view of what the scheme requires. See earlier comments about the gaps and failures in the thinking behind, and the vision for, this scheme, and about the need for Education to be seen as central to how our city functions.