Consultation seen as the way forward for TVL

The City of Edinburgh Council today outlined details of how a transient visitor levy, or 'tourist tax', could look if it were introduced in the Capital.

Subject to councillors' approval on Tuesday (2 October), a formal public consultation will be launched on key aspects on the draft scheme, which has been developed following detailed research, a series of informal round-table meetings with industry stakeholders and an in-depth <u>survey of residents and visitors</u>.

The draft proposal suggests a charge of either 2% or £2 per room per night, chargeable all year round on all forms of accommodation, including short-term lets, but capped at seven nights.

Respondents will be asked for their views on whether the charge should be a percentage of room cost or a flat fee per night, on the size of the charge, what types of accommodation should be covered, whether it should be seasonal or all-year-round and whether it should be capped.

The Council has been clear that it sees the purpose of this fund as being to invest in and manage the consequences of the future success of tourism within the city and respondents will be asked for their view on priorities for how the additional money would be spent.

Thanks to the engagement to date, particularly with industry, a set of key principles has emerged, seen as important to securing collective support for an Edinburgh scheme:

•Fair to all — industry, residents and tourists

- •Simple to understand and run
- Administratively efficient and difficult to avoid
- •Raise additional income and be transparently invested
- •Have transparent governance and accountability

Council Leader, Adam McVey, said: "These draft proposals will form the basis for wider public consultation with all of our stakeholders and, importantly, with the residents of this city. It is another important step in our engagement strategy and on our journey towards securing a TVL for Edinburgh.

"Our work over the summer has focused on key stakeholders, particularly those in the hospitality trade, and we are continuing to engage with them on the details of what an Edinburgh scheme could reasonably look like and options for implementing it.

"Public consultation will allow for a wider and transparent debate over important details with everyone who has a view and we believe this approach is an important component of gaining trust and support for the scheme.

"We continue to believe that a TVL is in the best interests of our residents, our tourism industry and those who visit us, and we fully expect the robust, professional approach we are taking to achieve a positive result for the Capital."

Independent research, commissioned by Marketing Edinburgh, found that a small nightly charge would not deter visitors from coming to the Capital — consistent with the experience of other cities — and that Edinburgh residents are supportive of the idea.

The proposals also found favour with Scotland's other local authorities, with all 32 backing calls for the powers necessary to implement a TVL.

Depute Leader, Cllr. Cammy Day, said: "I strongly believe that it's time for a TVL in Edinburgh. The survey results published earlier this month back up our thinking that tourists wouldn't be put off from visiting the city should one be introduced. This is consistent with the experience of other cities and dispels many of the fears voiced by some in the industry.

"Equally, I am not surprised to find strong support amongst our residents for the proposals. Part of the consultation will be to determine how the money will be spent but clearly the people of Edinburgh believe it is entirely fair to expect tourists to contribute to city maintenance, to invest in tourism, and to marketing the city so that it remains globally attractive.

"We are not wedded to one way of delivering a TVL and see this consultation as a way of co-producing a scheme that works for Edinburgh. We are very much listening to everyone involved around what they believe is fair, what is simple and what will work."

Assuming approval by the Council's <u>Corporate Policy and Strategy Committee</u> on 2 October, the consultation would be expected to commence in late October and be complete by the end of the year.