

Decisions on spending tourist tax “should be made by council”

The leader of The City of Edinburgh Council has called on The Scottish Government to “let us decide” what the proceeds of a tourist tax should be spent on.

Cllr Cammy day said Holyrood’s recently published visitor levy bill was “a good start” but “not entirely where we want it to be yet”.

It would give local authorities powers to tax people staying in overnight accommodation at a percentage of the total cost, despite previous agreement that Edinburgh’s scheme would charge £2 per room per night with a cap of seven nights.

Between two and four per cent “seems reasonable” the capital’s council leader said.

But he raised concerns the city would not be given the freedom needed to decide what the money raised should fund. The estimates of how much will be raised from the tourist tax range between £5 million and £35 million depending on the final model agreed.

The bill, which is likely to be debated by MSPs for months yet before it is passed, states that the objectives of a tourist tax “must relate to developing, supporting or sustaining facilities or services, which are substantially for or used by

persons visiting the scheme area for leisure purposes”.

Cllr Day said he hoped the scope would be “widened to let us decide what that should be spent on”.

He added: “It should be up to us to decide how it’s spent and not dictated to from government. If you’re giving us the power to bring in a transient visitor levy, then give us the power to decide how that’s spent as well.

“The government doesn’t know the priorities of the city or what we need to spend money on every day – they obviously don’t know because they cut our budget by tens of millions of pounds every year.”

The council leader set out three key areas he would like to see the “substantial” sum reinvested in.

He said: “One is about the infrastructure that helps provide that structure for tourists for responsible tourism to grow in Edinburgh.

He said another “about absolutely funding some of the core areas of culture and tourism in the city.”

He added: “Thirdly – and maybe more importantly – we need the whole city to benefit from the tourist levy so it’s not about the city centre.

“Tourists use our streets, they use our shops, our street lighting, and safety teams – so they use council services day in, day out.”

Councillor Day said during Edinburgh’s summer festivals when the city is at its busiest the council spends around £1 million on an additional team of street cleansers and waste operatives to cope with the extra demand from tourists.

“For me, that’s a direct correlation that that should be funded by the tourist tax,” he said.

“But most importantly we would like the city to be able to dictate the levels that we set it at and also what the city can allocate that towards.

“I think the current statement from the government is too narrow and we’d like to see that widened.

“We’ve heavily lobbied for it so we’re really pleased it’s here eventually but we will be putting in a response that asks the city should control how that’s spent.”



Council Leader Cammy Day PHOTO ©2023 The Edinburgh Reporter