

Tourist tax could pay for a new cycle hire scheme

A cycle hire scheme could be reintroduced in Edinburgh with cash generated by a tourist tax.

Edinburgh Council leader Cammy Day said reviving the active travel scheme would be among his spending priorities under the transient visitor levy (TVL), which is expected to be in place by 2026 and could bring in up to £35 million a year.

Hire bikes were rolled out across the city in 2018 but scrapped three years later after funding problems led contractors to walk away from their agreement with the local authority.

In January transport convener Cllr Scott Arthur said the service returning to Edinburgh was “unlikely” after it was estimated this would cost the city £20 million.

However as attention turns to the potential benefits of the tourist tax, with the Scottish Government’s visitor levy bill expected to be passed early next year, fresh hope has been given that some of the money raised could fund its reintroduction.

Cllr Day said he would “absolutely” support the move.

He said: “A bike scheme would be one of the things on my list.

“If we’re going to invest whatever the cost of having a bike scheme is because it helps people in the city to get around, which is what hire bikes were there for in the first place, it also lets tourists know that to get around the city there’s a

bike scheme.”

During the pandemic, the city’s last cycle share programme, which came at no cost to the council, became the fastest growing scheme in the UK and by the end had clocked up almost half a million trips.

Sponsored by Just Eat, the scheme was intended to be self-financed by rental and sponsorship fees. However, operator Serco could not agree a renewed deal with the council beyond 2021 citing issues with bikes being stolen, vandalised and regularly dumped away from docking stations which ‘led to significantly increased operational costs’.

As it was wound up the council said it was “making moves toward an inclusive, community-led replacement for the cycle hire scheme,” although no plans have emerged since.

The TVL will give councils new powers to charge people extra for staying in overnight accommodation, expected to be between two and four per cent of the total booking cost. The levy is aimed at combating over-tourism and generating more income for public services and facilities used by both visitors and local residents.

Funds could also be spent on maintaining parks, increasing bin collections around the city centre during the festivals and also future tram line extensions.

“If we grow the city and are trying to spread the share of festival experiences to wider parts of the city and trying to give the best active travel experience for people who live in the city then would it be something like that that could be considered; bike schemes, active travel, the next level of tram,” Cllr Day said.

However he said TVL income would not disappear into “black hole council services” such as filling potholes.

“That’s not what it’s about,” he added “It is absolutely not raiding a tourist levy to go around every pothole in the city, but if it’s part of an infrastructure project, like the cycling scheme we’ve got from Corstorphine through to the city that benefits the offer to the city and tourists then yes.”

The draft Scottish Government bill states 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”.

by Donald Turvill, Local Democracy Reporter.

