Plans to spend visitor levy income on advertising Edinburgh to tourists criticised

Plans to spend visitor levy income on advertising Edinburgh to tourists have drawn criticism from a councillor and a tenant's union.

According to a contract tender <u>published</u> by the city, it appeared that the council was looking to spend an estimated £320,000 on graphic design services for its destination marketing service, Forever Edinburgh. However the council has now clarified that the framework can be used by a variety of council services which include Forever Edinburgh.

The final cost of the contract will not be any more than the figure quoted — and could be less. (The council confirmed to The Edinburgh Reporter that it is expected to be less) and final approval for the spending will need to come from councillors.

A council spokesperson said: "The framework is open to all council services and no set spend is agreed at this stage. The use of any visitor levy funds towards the framework for destination marketing would be subject to relevant committee approval, in the usual way."

It is understood that some or all of the money might come from the transient visitor levy or tourist tax — but the council says that not all of the spending will fall within the destination marketing or tourism sphere.

The advert mentions Forever Edinburgh and tourism, so it is not immediately clear from the advert itself what the design will relate to — other than the city's tourism offer.

Description of the procurement

- Forever Edinburgh is the Destination Marketing organisation for Edinburgh, based within The City of Edinburgh council. Forever Edinburgh is tasked with promoting the City on a national and international stage. Working closely with private tourism businesses, public agencies and the City of Edinburgh Council, they work to ensure that visitors experience the very best of Edinburgh and the city utilises its outstanding tourism assets in a sustainable way.
- They:
- Promote Edinburgh around the world to build awareness of and demand for the city to prospective inbound leisure visitors;
- Provide information and inspiration to visitors and potential visitors so they get the best out of a stay in Edinburgh;
- Support industry on the delivery of the Edinburgh 2030
 Tourism Strategy;
- Engage Edinburgh's residents and communities in the positive promotion of their city;
- Lead our partners in steering city promotional activity;
- Support industry partners on the delivery of quality assurance initiatives; and
- Provide advice to visitors and industry partners to ensure local tourism businesses strive to exceed visitors' expectations.
- In order to fulfil its remit, Forever Edinburgh is required to produce a large volume and variety of promotional materials.

• The City of Edinburgh Council require a Framework Agreement of Graphic Designers to create these promotional assets and aid with campaign and brand rollout and delivery. The Council requires small, nimble designers/creative studios who can deliver quick rollout of variety of smaller design assets across web, social, paid digital advertising and print channels.

Comment from Cllr Cameron

Housing, Homelessness and Fair Work Convener, Councillor Lezley Marion Cameron said: "As Scotland's capital city it's right that we promote Edinburgh to the world and Forever Edinburgh is an integral part of our city's marketing strategy.

"Its <u>website</u> promotes events, activities, venues, attractions, businesses, seasonal features and travel information to Edinburgh residents, visitors, and businesses alike. Edinburgh and Lothian residents are also able to access exclusive offers including high value monthly rewards and special resident prices at various attractions via the Residents Rewards feature of Forever Edinburgh, enabling residents to enjoy more of Edinburgh at lesser expense to them.

"It is also important to note that this procurement notice is at an initial stage and is intended to cover a wide framework of creative support."

SNP comment

SNP councillor Kate Campbell said (before clarification by the council): "Residents will be disappointed, after the budget cuts forced through by the Labour administration, that the council is choosing to spend hundreds of thousands of pounds on marketing the city to tourists when most people recognise

that Edinburgh already suffers from over-tourism.

"The SNP proposals for the Visitor Levy, which were rejected by Labour and their unionist coalition partners, would have invested almost a billion pounds more in council housing.

"Instead, they've made it very clear where their priorities lie. During a cost of living crisis this is a shameful use of public funds."

Tourist tax

The visitor levy, <u>set to come into effect from July 2026</u>, places a 5% charge on overnight accommodation stays in the city. It is expected to bring in around £50 million per year for the council.

The government legislation behind the visitor levy includes an annual percentage spend on "destination and visitor management". Since the demise of Marketing Edinburgh some of these functions are undertaken by Forever Edinburgh.

After administrative costs are taken out, as well as several areas of spending priority, 10% of whatever remains would be spent on the area.

The contract would run for two years, with an option to extend it for a further two years in the future. The £320,000 cost estimate was for a hypothetical four year contract.

Forever Edinburgh markets the city to potential tourists and new residents, with the contract tender looking to draw in graphic design firms with experience in tourism advertising.

Living Rent

Eilidh Keay, chair of Living Rent Edinburgh said: "The city does not need more tourism, it needs everyone living here to

have access to a safe, secure, affordable home.

"Spending approximately £300k on marketing to tourists when people are being hit hard by a housing crisis, benefit cuts and council tax increases suggests that the council is blind to the experiences of its constituents.

"Edinburgh council is spending £5m of the £35m tourist tax funds to go towards affordable housing, but this is not enough. For years, tourism has seen short term lets rip through our city, pushing people out of their communities due to high rents and a lack of housing.

"Funds generated from the tourist tax should go into improving the lives of people who live and work in Edinburgh, not lining the pockets of landlords who see our city as nothing more than a holiday destination."

(This article has been amended to clarify various points after comment from the council as provided to The Edinburgh Reporter by the council on Thursday evening.)

By Joseph Sullivan Local Democracy Reporter with additional reporting by Phyllis Stephen.



Forever Edinburgh markets the city to potential tourists and new residents | Image via Google Streetview,