

Dornie & District Community Council

Response to Highland Council's Consultation on the Proposed Visitor Levy

March 2025

Dornie & District Community Council at their meeting on 24 February 2025 discussed the consultation and agreed to write to Highland Council (HC) to object to the levy as proposed and make recommendations for next steps.

The following sets out a summary of the objections and recommendations, followed by detailed information on these.

Summary

Objections:

The reasons for our objections to the Visitor Levy as proposed are:

1. It is **not a visitor levy or tourism tax** as described by Scottish Government¹, it is an accommodation levy.
2. It **does not apply to all visitors** to the HC area. Those that make use of free facilities, such as motor homes in roadside overnight parking, or cruise ship passengers are excluded from the levy.
3. It is **inequitable and unfair** for residents of HC who require overnight accommodation for a range of reasons, all based on distance from service provision. See para 3(b) below on SIMD ranking.
4. It will **increase the cost of living** in rural areas.
5. It will have a **detrimental impact** on the local economy.
6. It is **extremely complicated** to administer.

Recommendations

Our recommendations to Highland Council are:

1. **Not proceed** with the implementation of the visitor levy as outlined in the consultation.
2. **Make representations to Scottish Government** that the basis for a visitor levy is changed to a fixed fee; and is applicable to motor home users and cruise passengers as recommended by Highland Council in its response to the original Scottish Government consultation².
3. Introduce a tourist levy based on **a fixed rate** as is proposed in Wales and is implemented in many areas in Europe.

¹ <https://www.gov.scot/policies/tourism-and-events/tourism-tax-discussion/>

² <file:///C:/Users/shona/Downloads/HighlandCouncil%20SupportingDoc.pdf>

Detailed Information

Objections

1. It is not a visitor levy or tourism tax as described by Scottish Government³, it is an accommodation levy. Our reason for stating this is that the name is misleading and many people do not understand that it relates to them. It has been portrayed as a tourism tax, by SG as well as local authorities and other public bodies. Residents of HC area who have to stay overnight in Inverness or elsewhere in order to access services are not tourists. Therefore the consultation is in fact flawed because it is mis-named.
2. It is only to be applicable to some visitors, not all. We recognise that the exclusion of motor home visitors and cruise ship passengers is written into the legislation⁴ – subsection 3 (b) of the Visitor Levy (Scotland) Act 2004. In our view this is wrong and forms part of our recommendation that HC should make representations to Scottish Government to have this amended in line with the option offered by the Act under 4.(4) (a) allowing the Scottish Ministers to add a category to 4.(2) or remove from 4.(3)⁵. As set out, the proposed levy does not apply to many visitors to Highland Council area and in our view, as a community who suffers from problems associated with motor home users, the levy is not appropriately applied.
3. It is inequitable and unfair for residents of HC who require overnight accommodation for a range of reasons, all based on distance from service provision.

HC's own response to the SG consultation of a proposed tourism tax aka visitor levy stated:

“Over the years there have been many examples of national policies set at either a UK or Scottish level having unintended consequences in areas such as Highland because they were not designed to cater for areas with differing needs.”⁶

Despite recognising this in their own response, there has been no proposal to address this disadvantage within HC's own proposal for a visitor levy.

- a) There are no exemptions for residents of Highland Council who have to stay in accommodation to undergo treatment at the main hospitals in NHS Highland's area. For example, expectant mothers are routinely advised to stay in Inverness close to Raigmore Hospital for days or weeks before the birth of their child. These women are not visitors and will be unfairly penalised for living in a rural area.

³ <https://www.gov.scot/policies/tourism-and-events/tourism-tax-discussion/>

⁴ <https://www.legislation.gov.uk/asp/2024/8/section/4>

⁵ <https://www.legislation.gov.uk/asp/2024/8/section/4>

⁶ https://consult.gov.scot/local-government-and-communities/visitor-levy/consultation/view_respondent?show_all_questions=0&sort=submitted&order=ascending&q_text=highland+council&uuld=890294894 Question 8

- b) Dornie & District is ranked at 273 out of 6976 data-zones in regard to worst geographic access domain rank⁷. The geographic access domain is intended to capture the issues of financial cost, time and inconvenience of having to travel to access basic services. The application of a “visitor levy” to anyone from this area who has to stay overnight in order to access basic services is contrary to the policy of equal access to services and unfairly penalises our community. The application of a visitor levy may be appropriate in Scottish Government’s policy of creating 20-minute neighbourhoods. It is absolutely not suitable for areas which are ranked at the worst level in Scottish Index of Multiple Deprivation for geographic accessibility.
- c) There are no exemptions for HC scholars or groups of young people who are participating in cultural and sporting events which require an overnight stay with the HC area. This is not in line the UN Human Rights Charter which is to respect, promote and protect the right of everyone to take part in cultural life, including the ability to access and enjoy cultural heritage, and to take relevant actions to achieve this.⁸ Again, due to the geography of the area, individuals and groups taking part in activities which start early in the day or are in late afternoon/evening often require overnight accommodation in order to be able to participate. This could have been included as a proposed exemption to the levy but has not been.

4. It will increase the cost of living within our area and that of service provision.

For example while a resident may be able to claim some of the overnight accommodation costs from NHS Highland, it will increase their initial cost as they have to pay out the money before reclaiming it, and to NHS Highland which will have greater claims for travel and subsistence. This also applies to NHS Highland and other public bodies’ staff who have to stay overnight within HC area to deliver services in different locations.

It will also increase costs for households, businesses, third sector and public organisations where staff are required to attend a location in HC area and stay overnight or longer in order to deliver whatever service they are carrying out.

5. It will have a **detrimental impact** on the local economy.

The current economic situation as described in Highland Council’s own Sustainable Tourism Strategy sets the context in which additional costs are likely to make the area less affordable. “The economy has been hit hard by rising inflation, the cost of finance, increased energy costs, tight labour market, and subdued economic performance. This has caused a cost-of-living crisis which has impacted consumer behaviour...”⁹ Accommodation in the UK is already amongst the highest-taxed with VAT at 20% and the addition of a percentage based levy will exacerbate that. Dornie & District is particularly dependent on the tourism sector and anything which negatively impacts on it is likely to lead to further deterioration in the local economy.

⁷ <https://simd.scot/#/simd2020/BTTFTT/12.084323438561732/-5.4857/57.2894/>

⁸ <https://www.ohchr.org/en/human-rights/economic-social-cultural-rights/cultural-rights-protection-cultural-heritage>

⁹ file:///C:/Users/shona/Downloads/Sustainable_Tourism_Strategy_2024_2030.pdf p9

6. It is **extremely complicated** to administer.

We agree with HC's view as expressed in their submission on the SG consultation on a tourism tax - "The Highland Council agrees with the Scottish Government's proposal that a visitor levy should be convenient, efficient and easily understood by visitors."¹⁰ However, the levy as proposed is not convenient, efficient or easily understood by those who might have to pay it. As explained in **1.** above, it is not easy to understand why some are liable to pay it but not others.

Making it a percentage of costs which must be disaggregated for any accommodation provider that also provides meals, parking or other facilities which have a cost, is not convenient, efficient or easily understood.

Others, such as Scottish Tourism Alliance have described this in much more detail and we refer you to their response¹¹ with which we concur.

Recommendations

1. **Not proceed** with the implementation of the visitor levy as outlined in the consultation. The information provided above demonstrates why the levy should not be implemented as proposed.
2. **Make representations to Scottish Government** that the basis for a visitor levy is changed to a fixed fee; and is applicable to motor home users and cruise passengers as recommended by Highland Council in its response to the original Scottish Government consultation¹². The Act does not support the introduction of a levy which applies to tourists, rather than a mix of some visitors and community residents and the only option for local authorities who wish to implement a levy is one based on a percentage basis. Again the objections above detail why this is neither efficient or appropriate.
3. Introduce a tourist levy based on a **fixed rate** as is proposed in Wales and is implemented in many areas in Europe. This will be simpler to explain and therefore to collect. The Community Council agreed that the principle of a levy was acceptable and that a fixed, low rate which applied to all visitors was a much more appropriate and effective way forward.

¹⁰ https://consult.gov.scot/local-government-and-communities/visitor-levy/consultation/view_respondent?show_all_questions=0&sort=submitted&order=ascending&q_text=highland+council&uuId=890294894

¹¹ <https://scottishtourismalliance.co.uk/wp-content/uploads/2024/12/STA-VL-policy-position-16-Dec-2024.pdf>

¹² <file:///C:/Users/shona/Downloads/HighlandCouncil%20SupportingDoc.pdf>