

ARGYLL AND BUTE COUNCIL DRAFT VISITOR LEVY SCHEME

1.0 INTRODUCTION

- 1.1 The purpose of this paper is to provide members of Argyll and Bute Council with a draft Visitor Levy Scheme and all associated paperwork for discussion and to seek approval for the **draft** Visitor Levy Scheme to go out to a 12-week public consultation in early January 2025.
- 1.2 The [Visitor Levy \(Scotland\) Act 2024](#) came into effect in May 2024. This was followed by formal Visitor Levy Guidance for local authorities published in the public domain on 4th October 2024, which was prepared by an Expert Group led by VisitScotland. The Act enables local authorities to apply a visitor levy on overnight stays, on the accommodation element only. With reference to the guidance document, detail statutory and non-statutory activity already undertaken by elected members, council officers and members of the Shadow Visitor Levy Forum, complete with a revised timescale of ongoing preparatory and engagement work, is outlined in **Table 1** in the report.
- 1.4 The draft Visitor Levy Scheme, impact assessments and formal consultation questions presented in **Appendices 1, 2 and 3** respectively have paid due cognisance to over 1,200 responses to the pre-consultation survey and the report from the six stakeholder workshops delivered by Argyll and the Isles Tourism Co-operative, where the CEO is a member of the Argyll and Bute Shadow Visitor Levy Forum.
- 1.5 It is also important to capture the views from visitors and residents. Tourism is a key industry for Argyll and Bute, which relies on services that are used also by our communities, from roads to waste to leisure and other services. To support a sustainable visitor economy in Argyll and Bute, the council needs to consider all possible opportunities for investment to raise funds to benefit visitors and residents.
- 1.6 Visitors to Argyll and Bute expect to have access to services that local people also use but there are 20 times more visitors to Argyll and Bute than there are in the total population of the area, and this has an impact on the wear and tear of local infrastructure and services. Many of these services rely on our shrinking public sector budgets and are not a duty of a council to fund.

2.0 RECOMMENDATIONS

2.1 Members are asked to:

- Note and consider the content of this paper.
- Consider the draft Argyll and Bute Council Visitor Levy Scheme, impact assessments and formal consultation documents outlined in **Appendices 1, 2 and 3**.
- Endorse that the draft Argyll and Bute Council Visitor Levy Scheme formal consultation document (**Appendix 3**), with reference to all appropriate content (**Appendices 1 and 2**) will be go out to a formal 12-week public consultation in early January 2025.

3.0 DETAIL

3.1 The main focus of this report is to seek approval for the **draft** Argyll and Bute Council Visitor Levy Scheme to go out to a 12-week public consultation in early January 2025.

3.2 The Visitor Levy (Scotland) Act 2024 came into effect in May 2024. It should be noted that elements of the Visitor Levy are set in law and councils cannot change them. These include the:

- types of accommodation covered;
- the application of the Visitor Levy as a percentage of accommodation charges per person, per night (other charges, including catering and parking, are not subject to a levy);
- that councils are legally required to consult extensively with local communities, businesses, and stakeholders before implementing the levy; and
- while councils can decide to introduce the Visitor Levy and on the percentage rate levied, local authorities must reinvest funds raised to help manage the impact of tourism and enhance visitor experiences. It is a statutory requirement for all councils to report annually on how this has been done.

3.3 The Visitor Levy (Scotland) Act was followed by the publication of formal [Visitor Levy Guidance](#) for local authorities in the public domain on 4th October 2024, which was prepared by an Expert Group led by VisitScotland.

3.4 The draft Argyll and Bute Council Visitor Levy Scheme, impact assessments and formal consultation questions presented in **Appendices 1, 2 and 3** respectively have paid due cognisance to over 1,200 responses to the pre-consultation survey and the report from the six stakeholder workshops delivered by Argyll and the Isles Tourism Co-operative, where the CEO is a member of the Argyll and Bute Shadow Visitor Levy Forum.

3.5 Stakeholder engagement is ongoing. Subject to approval of the formal 12-week consultation, a communication and engagement programme from early January 2025, to include online and face-to-face engagement, will be published on the Argyll and Bute Council Visitor Levy web page, accompanied by regular press releases and social media posts. A dedicated mailbox has already been

established, abvl@argyll-bute.gov.uk and the Visitor Levy web page includes a link to FAQs: [Argyll and Bute Visitor Levy - FAQs | Argyll and Bute Council](#)

3.6 With reference to the proposed draft Visitor Levy Scheme presented in **Appendix 1** the current position is as follows:

- The Visitor Levy Scheme will operate, with net proceeds re-invested, across the whole of the Argyll and Bute Council area.
- It reflects the strategic priorities set out in the [Argyll and Isles Strategic Tourism Partnership strategy](#) developed in partnership by Argyll and Bute Council, Argyll and Isles Tourism Co-operative, Highlands and Islands Enterprise and VisitScotland.
- At present, no local exemptions are being considered (to aid operational simplicity) except for those at a national level outlined in the Visitor Levy (Scotland) Act 2024.
- A levy rate of 5% has been considered on the accommodation charge at a level that aims to work within the price sensitivity of the accommodation sector whilst generating sufficient levy income to have a positive impact when re-invested. In addition, the 5% rate aligns to the rate that has been included in the City of Edinburgh Council and The Highland Council draft Visitor Levy Schemes which are already out for consultation.
- The proposed income to be generated from the implementation of a 5% rate has been modelled independently by professors from the University of Edinburgh Business School (in-kind support). Similar work was undertaken to assess the forecasts for the City of Edinburgh Council.
- The impact of increased costs to accommodation providers in collecting the levy could be mitigated through a financial contribution being made to each business remitting the levy. This will require financial modelling and Subsidy Control consideration. Council officers are considering a Visitor Levy retention scheme to propose to the council. This scheme could provide accommodation providers with funds to help offset the administrative costs they are expected to incur in complying with any Visitor Levy scheme, should it be implemented.

3.7 It is important to note that feedback from the 12-week public consultation (subject to approval) will need further consideration at a Special Council meeting in May / June 2025. If the approval is granted to take forward a Visitor Levy Scheme in late spring / early summer 2025, this will trigger the statutory requirement to enter an 18-month implementation period. The earliest a Visitor Levy Scheme could be operational across Argyll and Bute would be January 2027.

3.8 The exact mechanism for billing and collecting the levy is still under discussion, including the development of a national platform through discussions with the [Improvement Service](#). If the draft Argyll and Bute Visitor Levy is approved late spring / early summer 2025 more details will be provided during the 18-month implementation period. Argyll and Bute Council will ensure compliance, with penalties and debt recovery processes in place for non-compliance. Establishing a robust internal team for project management, enforcement, and data analysis will be necessary to support the implementation of the Visitor Levy and any supporting systems.

3.9 **Table 1** below outlines an **indicative** timeline of activities for the establishing and implementing of a Visitor Levy including key council meetings, if the 12-week public consultation is approved. The text in italics mirrors that in the Visitor Levy Guidance document and statutory requirements are highlighted in light blue.

Table 1: Indicative Timeline of Activities to Establish a Visitor Levy (subject to approval) aligned to the final Visitor Levy Guidance Document		
Indicative Timeline	Activity	Statutory Requirement
Pre-consultation work		
Ongoing	<p><i>Local authorities undertake work to understand their local visitor accommodation sector and set up necessary cross working between local authority departments.</i></p> <p>Visitor Levy Officers' Working Group (OWG) established on 2nd July 2024 and meets fortnightly. Members of the Visitor Levy OWG are from key council functions, such as Economic Growth, Revenue and Benefits, Communication and Customer Services.</p> <p>Argyll and Bute Council officers are working with professors from the University of Edinburgh Business School to look at forecasting the potential level of Visitor Levy income using a working levy rate of 5%.</p>	
Ongoing	<p><i>Local authorities engage with stakeholders to develop Visitor Levy proposal.</i></p> <p>Shadow Visitor Levy Forum is established: inaugural meeting on 7th October, a workshop session on 24th October and two subsequent meetings on 14th and 27th November 2024.</p> <p>Members of the Shadow Visitor Levy Forum (AITC and VS) delivered six Visitor Levy stakeholder consultation sessions on 23rd and 30th (x2) October and 6th, 7th and 14th (a.m.) November 2024.</p> <p>Pre-consultation survey issued on 11th October and closed on 28th October 2024, with 1,278 responses.</p>	
Ongoing	<p><i>Discussion and debate at relevant local authority committees.</i></p> <p>Intention to develop a draft Visitor Levy Scheme approved at a Special Council meeting on 15th August 2024. Visitor Levy SLWG (public meeting) established and chaired by the Council Leader. Visitor Levy SLWG comprises of four members of the Administration and two members from the Opposition. First meeting, 1st October with a subsequent meeting on 30th October 2024. Elected Members Seminar on the Visitor Levy, attended by industry reps/Shadow Forum members from AITC and VS on 16th October.</p>	
Ongoing	<p><i>Local authorities to prepare for consultation.</i></p> <p>Argyll and Bute Council web page went live on 9th October, https://www.argyll-bute.gov.uk/my-community/recreation-and-leisure/argyll-and-bute-visitor-levy complete with an inbox abVisitorLevy@argyll-bute.gov.uk for questions and a link to FAQs. An internal ChatBot has been developed to assist in fielding FAQs.</p>	
Oct 2024	<p><i>Objectives of Visitor Levy Scheme to be developed.</i></p> <p>Aligned with the four strategic objectives/priorities within the Argyll and the Isles Strategic Tourism Partnership Strategy. The objectives have been tweaked slightly at the Shadow Visitor Levy Forum meeting on 24th October to mirror the work already underway by the AISTP (five of which are Shadow Visitor Levy Forum members) to prepare a revised strategy, spring 2025.</p>	√

Table 1: Indicative Timeline of Visitor Levy Implementation Requirements (continued)		
Indicative Timeline	Activity	Statutory Requirement
Pre-consultation work		
Oct/Nov 2024	Impact studies to be carried out as required. Initial draft impact studies were considered at the Visitor Levy SLWG meeting on 30 th October 2024. Feedback from the pre-consultation work has been incorporated as appropriate. Impact assessments are included the paper pack for the Special Council meeting on Friday, 20 th December 2024.	√
Nov/Dec 2024	Develop draft Visitor Levy Scheme to be proposed. Preparation of the draft Argyll and Bute Council Visitor Levy Scheme, with key input from the Visitor Levy SLWG, informed by the results from the pre-consultation survey and Visitor Levy stakeholder session discussions. A final draft Visitor Levy Scheme is included in the paper pack for the Special Argyll and Bute Council meeting in December 2024.	
Nov/Dec 2024	Plans for use of net proceeds of the draft Visitor Levy Scheme to be developed. Feedback from pre-consultation survey and from the workshop sessions with the Shadow Visitor Levy Forum incorporated to the draft Visitor Levy Scheme as appropriate. Input and discussions at the Visitor Levy SLWG for what is included in the draft Argyll and Bute Council Visitor Levy Scheme.	
Dec 2024	Agreement of draft Visitor Levy Scheme by the local authority. Draft Argyll and Bute Council Visitor Levy Scheme, and all supporting documentation, to be considered to go out to public consultation at a Special Argyll and Bute Council on 20 th December 2024	
Formal Consultation (subject to approval)		
January to March 2025	Public consultation on entire draft Argyll and Bute Council Visitor Levy Scheme proposal (standard practice is 12 weeks) Timescale aligned to approval of a draft Argyll and Bute Council Visitor Levy Scheme and associated documents to go out to public consultation at a Special Argyll and Bute Council meeting on 20 th December 2024.	√
April 2025	Analyse and report findings on the local authority committee, including potential changes to the Argyll and Bute Council draft Visitor Levy Scheme in light of the consultation. Visitor Levy OWG to analyse findings working with the Visitor Levy SLWG and input from the Shadow Visitor Levy Forum, as appropriate.	
Governance Requirements		
May/June 2025	Formal public announcement of decision to introduce a Visitor Levy or not (start date in early 2027). Report to a Special Council meeting in May/June 2025 (dependent on response from the formal consultation to prepare a final Argyll and Bute Council Visitor Levy Scheme for approval).	√
June/July 2025	Minimum 18-month implementation period begins. Official start date for 18-month period to be confirmed nearer the time.	√
June/July 2025	Scottish Ministers to be notified of decision to introduce a Visitor Levy across Argyll and Bute.	√

Table 1: Indicative Timeline of Visitor Levy Implementation Requirements (continued)		
Indicative Timeline	Activity	Statutory Requirement
Governance Requirements		
June/July 2025	<i>Establish a Visitor Levy Forum within six months of formal public announcement of a decision to introduce a Visitor Levy Scheme.</i> Augment current Shadow Visitor Levy Forum to establish the main Visitor Levy Forum (advisory function) to be maintained for the duration of the scheme (meet at least two times per calendar year).	√
Mid-July 2025	<i>Argyll and Bute Council to advise businesses of their liability and prepared administration of Argyll and Bute Council Visitor Levy Scheme.</i> Training and support for businesses to prepare for implementation will commence.	
Dec/Jan 2027	<i>Implementation period expires.</i>	
Early 2027	<i>The Argyll and Bute Council Visitor Levy Scheme comes into force, and the Visitor Levy is collected and remitted to Argyll and Bute Council.</i>	√
Early 2028	<i>Annual report on the Argyll and Bute Council Visitor Levy Scheme</i> An annual report will go to a full Argyll and Bute Council meeting, where the paper will be in the public domain.	√

Source: Visitor Levy Guidance and Officer Commentary

4.0 CONCLUSION

- 4.1 The purpose of this paper is to provide members of Argyll and Bute Council with a draft Visitor Levy Scheme and all associated paperwork for discussion and to seek approval for the **draft** Visitor Levy Scheme to go out to a 12-week public consultation in early January 2025.

5.0 IMPLICATIONS

- 5.1 Policy: the Visitor Levy has become law following Royal Assent of the Visitor Levy (Scotland) Bill and the Visitor Levy Guidance has been published.
- 5.2 Financial: as an early adopter, the council may be required to make an initial contribution to the build costs for the proposed national digital platform (if this is the preferred approach) which will be recouped. The implementation of the levy could generate a substantial yearly income for Argyll and Bute Council to invest in services relevant to the visitor sector, for the benefit of visitors and local communities and subject to scrutiny from the Visitor Levy Forum. Professors at the University of Edinburgh are undertaking detailed forecasting work (in-kind) on the income to be accrued based on a 5% levy (working figure) using the following data source which have been purchased by Argyll and Bute Council: Scottish Tourism Economic Activity Monitor (STEAM), CoStar and Key Data.
- 5.3 Legal: all appropriate legal implications will be taken into consideration.
- 5.4 HR: the Visitor Levy SLWG is supported by officers from the Visitor Levy OWG and members of the Shadow Visitor Levy Forum.
- 5.5 Fairer Scotland Duty: the Fairer Scotland Duty, Part 1 of the Equality Act 2010, came into force in April 2018. The duty places a legal responsibility on particular public bodies in Scotland, such as Argyll and Bute Council, to pay due regard to (actively consider) how they can reduce inequalities of outcome, caused by socio-economic disadvantage, when making strategic decisions and how this has been implemented.
 - 5.5.1 Equalities: none.
 - 5.5.2 Socio-economic Duty: none.
 - 5.5.3 Islands: if approved, the same Visitor Levy scheme, with the same percentage rate charged for overnight accommodation, will cover the whole of Argyll and Bute, including accommodation providers on the islands. It is anticipated that this nominal rate will not disproportionately impact island accommodation providers any more than those based on the mainland throughout the region.
- 5.6 Climate Change: none.
- 5.7 Risk: if Argyll and Bute Council does not introduce a levy, in the medium to longer term the area could miss out on the investment opportunity and associated benefits for local people, visitors and businesses.
- 5.8 Customer Service: there is a need to implement an efficient Visitor Levy process that is transparent and easy to use by our customers.

5.9 The Rights of the Child (UNCRC): none.

Kirsty Flanagan, Executive Director responsible for Economic Growth

Councillor Jim Lynch, Leader of Argyll and Bute Council

4th December 2024

For further information contact:

Fergus Murray, Head of Development and Economic Growth

fergus.murray@argyll-bute.gov.uk

Ishabel Bremner, Economic Growth Manager

ishabel.bremner@argyll-bute.gov.uk

APPENDICES

Appendix 1: Draft Argyll and Bute Visitor Levy Scheme

Appendix 2: Draft Impact Assessment: Argyll and Bute Council Visitor Levy Scheme

Appendix 3: Draft Formal Consultation document

Appendix 1: Draft Argyll and Bute Council Visitor Levy Scheme

1.0 Power to Introduce a Visitor Levy

- 1.1 The [Visitor Levy \(Scotland\) Act 2024](#) came into effect in May 2024. This was followed by formal Visitor Levy Guidance for local authorities published in the public domain on 4th October 2024, which was prepared by an Expert Group led by VisitScotland. The Act enables local authorities to apply a Visitor Levy on overnight stays, on the accommodation element only.
- 1.2 Argyll and Bute Council is giving due consideration to utilising the powers granted by the Visitor Levy (Scotland) Act 2024 to introduce a Visitor Levy Scheme in respect of persons staying in certain types of accommodation overnight in its local authority area.

2.0 Types of Accommodation to which the Visitor Levy Applies

- 2.1 Under the Act, overnight accommodation is considered a room or area that is used by a visitor for residential purposes but is not their only or usual place of residence. Therefore, a Visitor Levy does not apply to accommodation that is being used as someone's only or usual place of residence.
- 2.2 The levy will apply to all chargeable overnight accommodation within Argyll and Bute Council boundary. This includes:
- Hotels;
 - Hostels;
 - Guest houses;
 - Bed and breakfast accommodation;
 - Self-catering accommodation, including short-term lets;
 - Camping sites;
 - Caravan parks;
 - Accommodation in a vehicle, or on board a vessel, which is permanently or predominantly situated in one place; and
 - Any other place at which a room or area is offered by the occupier for residential purposes otherwise than as a visitor's only or usual place of residence.
- 2.3 A Visitor Levy cannot be charged for accommodation on local authority gypsy and traveller sites, and registered social landlord gypsy and traveller sites. It also cannot be charged for accommodation in a vehicle, or on board a vessel that is undertaking a journey involving one or more overnight stops.
- 2.4 The cost of separate charged add-ons are not part of a levy, such as:
- meals or drinks
 - parking for a vehicle
 - laundry facilities or services for guests
 - entertainment
 - leisure facilities
 - transportation to and from the accommodation.

3.0 Visitor Levy Scheme Strategic Objectives/Priorities and the Use of Funds

3.1 The overarching aim of the Argyll and Bute Council draft Visitor Levy Scheme is:

To sustain Argyll and Bute's status as an area of outstanding natural beauty, culture and heritage and to ensure that the impacts of a successful visitor economy are managed effectively and in support of the Argyll and Bute Council's priorities and those highlighted in the Argyll and the Isles Strategic Tourism Partnership's Tourism Strategy 2022-2025 ([Argyll and Isles Strategic Tourism Partnership strategy](#)).

3.2 The Visitor Levy Scheme objectives/priorities are aligned to the strategic priorities for the refreshed AISTP Tourism Strategy from 2025 onwards as follows:

1. Extending the season and spreading visitors across the destination.
2. Reaching new audiences: marine, coastal, cultural and outdoor tourism.
3. Sustaining and improving the visitor offer.
4. The journey towards net zero.

3.3 The Visitor Levy (Scotland) Act requires a local authority operating a Visitor Levy Scheme to use the net proceeds of a scheme for certain specific purposes. Those purposes are that the funds must facilitate the achievement of the schemes objectives and that they should develop, support and sustain facilities and services for or used by visitors to a local authority area for leisure or business purposes.

3.4 Investment opportunities that could be enabled by the net levy proceeds are detailed in the **Table A1** below.

Table A1: Proposed Investment Opportunities – Short to Longer Term				
Strategic priorities	Extending the Season and spreading visitors across the destination	Reaching new audiences: marine, coastal, cultural and outdoor tourism	Sustaining and improving the visitor offer	The journey towards net zero
Overarching focus	Flexible regional marketing activity to promote hero products where there is ambition and capacity.	Flexible sector-led marketing and product development to attract key international and cultural visitors.	Continuous investment in the development and sustainability of destinations, places, people and visitor experiences.	Investing in and encouraging businesses and visitors to enjoy the destination in more sustainable ways.
Related activity	Sustaining existing and creating new infrastructure, amenities, event spaces and programmes.	Improving step ashore facilities for people arriving by sea. Inter-island and destination connectivity. Making it easier to travel between islands and destinations.	Realistic transport options. Improving public toilets and sanitation. Support for individual tourism businesses to help them improve their own and develop new products and services (grants, training and skills (employer and employee), advice, digital capability, toolkits).	Supporting businesses with adopting net zero practices to drive efficiencies. Deliver transport infrastructure (including roads, pathways and active travel) and services that support transition to low carbon journeys for visitors, business staff and residents.

3.5 **Table A1** includes reference to the top three responses received from the pre-consultation survey which can be summarised as follows:

1. Public Toilets and Sanitation (251 responses)

- "Ferries, roads, lay-bys, public transport, public toilets."
- "Maintaining public toilets and for them to have 24-hour access."
- "Invest in more public toilets with regular cleaning and sanitation services, especially in high-traffic tourist areas."

2. Roads and Pathways (241 responses)

- "Improved road signage—passing places should be clearly marked to help visitors unfamiliar with single-track roads."
- "Investment in improving roads and pathways, especially in areas that tourists frequent."
- "Repair and upkeep of pathways and roads to reduce visitor complaints about accessibility."

3. Infrastructure and Amenities (196 responses)

- "Spent on local area improvements in Argyll and Bute like recreational halls and sports facilities for locals and tourists."
- "Minor infrastructure repairs—cleaning blocked road drains and mending pedestrian pavements."
- "Funds should go towards infrastructure enhancements that benefit tourism, like improved facilities in parks and beaches."

4.0 Visitor Levy Start Date and Duration

- 4.1 Subject to approval by Argyll and Bute Council and formal notification to Scottish Ministers, a final Visitor Levy Scheme would become operational after an 18-month implementation period. The implementation period will allow for the development and testing of the online portal, training and support on using the portal for businesses and a roadmap developed for investment opportunities. At present an indicative Visitor Levy Scheme start date is early January 2027.
- 4.2 The Visitor Levy will apply indefinitely. As note in the Act Argyll and Bute Council is required to review its Visitor Levy Scheme every three years' see **Section 10** below.

5.0 The Visitor Levy Rate and Income Generation

- 5.1 As present a 5% levy (working figure) is proposed and will apply all year-round, raising an estimated £9m in gross revenue (this figure is an indicative range and does not take into account the effect of statutory exemptions or a proposed caps). The Visitor Levy rate will be the same across the entire local authority area.
- 5.2 **Table A2** below outlines some examples of what a 5% levy will mean for visitors staying in varying levels of accommodation.

Table A2: Some examples of a 5% levy charges
<p>1. Island based VAT registered campsite – night: Accommodation charge £30 Miscellaneous item £15 Visitor Levy £1.50 (5% of £30) Total £46.50 VAT £9.30 Total visitor charge = £55.80 (increase of £1.80 due to Visitor Levy) For a 7 night stay the Visitor Levy would add £12.60 to the total cost.</p>
<p>2. VAT registered mid-range hotel – per double occupancy room per night Accommodation charge £100 Food £60 Total £160 Visitor Levy £5 (5% of £100) VAT £33 Total £198 (increase of £6 due to Visitor Levy) For a 7 night stay the Visitor Levy would add £42 to the total cost for a couple.</p>
<p>3. VAT registered high end hotel – per double occupancy room per night Accommodation charge £250 Food £100 Total £350 Visitor Levy £12.50 (5% of £250) VAT £72.50 Total £435 (increase of £21.06 due to Visitor Levy) For a 7 night stay the Visitor Levy would add £105 to the total cost for a couple</p>

5.3 Professors from the University of Edinburgh Business School (in-kind support) undertook detailed forecasting work on the income to be accrued based on a 5% levy (working figure) using the following data sources which have been purchased by Argyll and Bute Council: Scottish Tourism Economic Activity Monitor (STEAM), CoStar and Key Data. The forecasting work to date has provided three different income scenarios ranging from £6.5m (low) to £8.5m (high). Further analysis on this work will be published in due course.

6.0 Administration Costs

6.1 Estimating the administration costs for Argyll and Bute Council to implement and manage the Visitor Levy, as well as the associated costs for accommodation providers, involves several key considerations. The Financial Memorandum accompanying the Visitor Levy (Scotland) Act 2024 provides valuable insights into potential expenses see here [Scottish Parliament](#).

6.2 While some of the administration costs still need to be confirmed, detailed work is being undertaken by council officers.

6.3 Initial setup costs are related to stakeholder engagement, system development, and staff recruitment and training for administration, enforcement and support roles for the levy. Ongoing operational costs include the day-to-day administration, compliance monitoring, and public engagement including public information campaigns.

6.4 At present it is estimated that the set-up costs for the council will be circa £215,000 with ongoing annual administration costs of circa £460,000.

6.5 The costs to accommodation providers will vary widely depending on the size and nature of their business, as well as their use of property management systems. Therefore, a range of potential costs must be considered. These costs could include:

- modifications to booking and billing systems to incorporate the levy;
- training and educating staff on levy procedures and customer communication; and
- administrative tasks, such as record-keeping, reporting, remitting levy payments, and increased transaction fees from banks for card payments.

6.6 The draft scheme for supporting accommodation providers in Edinburgh with the costs of administering the Visitor Levy has been considered by the City of Edinburgh Council.

6.7 The scheme allows accommodation providers who remit Visitor Levy monies directly to the council to retain a percentage of what they collect: 2% for large businesses and 2.5% for small businesses.

6.8 For the purpose of this scheme:

- a **large business** is defined as one operating accommodation property or properties with a combined rateable value (RV) of £30,000 or more.
- a **small business** is defined as one operating accommodation property or

- properties with a combined RV of less than £30,000.
- any business with properties assessed under Council Tax will be deemed a small business for calculating retention under the Visitor Levy Scheme.

6.9 In the context of Argyll and Bute:

- there are 2,462 properties classified as accommodation on the Non-Domestic Rates (NDR) roll as of October 2024, which would attract a Visitor Levy.
- these properties have RVs ranging from £220 to £463,000, with a mean average of £9,325.
- using a £30,000 RV threshold:
 - 124 large businesses (RV ≥ £30,000).
 - 2,338 small businesses (RV < £30,000).
- using a lower threshold of £15,000 RV results in:
 - 417 large businesses (RV ≥ £15,000).
 - 2,225 small businesses (RV < £15,000).
- the number of Bed and Breakfast properties on Council Tax is harder to determine, but in 2021 there were 121 known Council Tax properties offering B&B accommodation.

6.10 **Table A3** below outlines examples of how a 2% and 2.5% retention scheme would impact accommodation providers' retained amounts to offset administrative costs:

Table A3: Examples of 2% and 2.5% Retention for Admin Costs

Example	Visitor levy collected in quarter	Retention rate applied (%)	Retained amount	Amount remitted to the council in quarter
Small Business (RV £15k)	£238.87	2.5%	£5.97	£232.90
Large Business of 10 small units (Combined RV £35k)	£3,155.43	2.0%	£63.11	£3,092.32
Luxury Hotel (RV £411,000)	£10,500.00	2.0%	£210.00	£10,290.00

6.11 Based on these examples, the council should consider:

- the threshold for defining small and large businesses: £15,000 RV, £30,000 RV, or another value.
- the potential introduction of a minimum retention amount per quarterly return for micro-businesses.
- the possibility of a maximum retention amount for high-end luxury hotels.

6.12 The council must also carefully assess whether allowing retention of the Visitor Levy constitutes a subsidy under the Subsidy Control Act 2022. If so, the scheme must comply with the principles outlined in the Act to address any subsidy control considerations.

6.13 Should the council approve moving forward with a statutory consultation on a

draft Visitor Levy Scheme in Argyll and Bute the council will work with industry on a potential scheme of retention of Visitor Levy receipts as a payment towards administration costs.

7.0 Exemptions and Caps

7.1 The key focus for the administration of the Argyll and Bute Council Visitor Levy Scheme is to keep it simple to understand, accommodation providers to collect and the council to administer. No additional discretionary exemptions have been proposed, due to the operational complexity this would bring. However, further to current feedback on this proposal a consultation question will be included on this issue.

7.2 A number of groups do not fall within the scope of the Act and are therefore not liable to pay a Visitor Levy charge. These groups are as follows:

1. Those who are using overnight accommodation and their only or primary residence, which could be due to:
 - being homeless or at risk of homelessness;
 - very poor housing conditions, such as overcrowding, serious damp, or disrepair;
 - experiencing domestic abuse or other forms of violence;
 - someone's residence being unfit for habitation; and
 - someone being an asylum seekers or refugee.
2. Someone staying on a dedicated gypsy/traveller site run by a local authority or a registered social landlord.
3. Those in receipt of the following specified disability benefits, payments or allowances:
 - Disability Living Allowance
 - Disability Assistance
 - Attendance Allowance
 - Pension Age Disability Benefit
 - Personal Independence Payment.
4. Other people not subject to the Visitor Levy include those who are residing overnight in vehicles or on-board vessels that are undertaking a journey involving one or more overnight stops. As a result, the following forms of overnight accommodation are outwith the scope of the Act:
 - the provision of a cabin on a ferry or cruise ship, unless the vessel is permanently moored;
 - the provision of a cabin on an overnight sleeper train; and
 - use of a hired or privately-owned campervan or motorhome where they are not staying overnight in campsites.

7.3 As noted in **paragraph 2.4** above, the cost of separate charged add-ons are not part of a levy, such as:

- meals or drinks

- parking for a vehicle
- laundry facilities or services for guests
- entertainment
- leisure facilities
- transportation to and from the accommodation.

7.4 Individuals in the exemption categories will need to pay the levy and request reimbursement from Argyll and Bute Council. Reimbursement can be applied for online, submitting receipts for their overnight stay, relevant evidence (as will be detailed on the council's website) of their exemption/exclusion and bank details.

7.5 For those in receipt of the UK disability benefits, payments or allowances detailed above, evidence will be required to be submitted online and should include:

- the name of person in receipt of relevant eligible benefit;
- alignment to the agreed Argyll and Bute Council Visitor Levy Scheme;
- a copy (scan/photo) of relevant benefit award letter;
- the name of the person in receipt of the relevant benefit should be included on the receipt or booking;
- proof of payment for overnight accommodation; and
- bank details (to enable payment via BACS).

7.6 The council will assess the evidence received and pay the reimbursement via bank transfer if the applicant is found to be eligible.

It should be noted that Argyll and Bute Council officers will develop the full detail of this administration process for political approval if the draft Visitor Levy Scheme progresses.

7.7 A question on the potential to cap the levy to a certain number of nights has been included in the consultation document questions which will be routed to those for visitors, communities/residents and businesses. From the pre-consultation survey, 45% of respondents would like to see a cap applied, but 30% did not want a cap.

8.0 Collecting the Levy; Systems and Software Requirements

8.1 Officers from Argyll and Bute Council have been working with officers from City of Edinburgh and The Highland Councils and developers from the Improvement Service to look at developing a single national platform to deliver the Visitor Levy in Scotland. The project has produced the service blueprint and has just moved into its formal development phase.

8.2 A national platform for the Visitor Levy in Scotland would offer a more sustainable solution to support the scheme in the long term. It would allow accommodation providers with properties across Scotland the opportunity to set up a single account covering multiple properties in multiple local authority areas for example Premier Inn, Crerar Hotels, Best Western Hotels etc.

- 8.3 Development works have commenced and over the next 10 months the first design of the full end to end product will be available for User Acceptance Testing and Testing within the wider business communities in July 2025. The system should be ready for full deployment from March 2026.
- 8.4 Accommodation providers within the local authority area will be liable for the levy. They will be required to submit quarterly reports detailing the total accommodation charges and the total levy collected to the national online Visitor Levy platform.
- 8.5 The levy will be payable at the same time as submitting returns. (There is the potential to mirror the submitting timelines under current scheme such as VAT returns or short term lets).

9.0 Enforcing the Levy

- 9.1 Argyll and Bute Council officers would support businesses with training and advice to help them meet the Visitor Levy requirements for record keeping and collection. Accommodation providers are required to keep accurate records of all transactions that are subject to the levy. The council would conduct inspections, as required, to ensure compliance with the scheme and remittance requirements (more information to be provided).
- 9.2 Further to due process (to be advised), the Visitor Levy Act requires accommodation providers who fail to comply to be subject to penalties. The aim would be to provide the support required to enable businesses to comply.
- 9.3 Appeals relating to decisions made by the council on the operation and/or enforcement of the scheme can be registered via an online portal or email address. The council will aim to review and process these appeals within 28 days.

10.0 Annual Reporting, Reviewing and Changing the Visitor Levy Scheme

- 10.1 Within the first 18 months from when an Argyll and Bute Council Visitor Levy Scheme may come into force, and for each 12-month period following this, Argyll and Bute Council must prepare an annual report setting out:
- the amount of money collected
 - how the net proceeds have been used; and
 - the performance of the Visitor Levy Scheme in relation to its objectives.
- 10.2 The first review must be carried out within three years of a Visitor Levy Scheme coming into force. Second and subsequent reviews must be carried out within three years of the previous reviews. These reviews will assess whether the scheme is successfully achieving its objectives and measure the impact of the scheme on businesses and communities. The review will be reported, along with detail on how the income has been spent and the benefits which the Visitor Levy-funded projects have brought.

- 10.3 If the council wants to make changes to the scheme following the review, it will publicly consult on the change and publish a report detailing the decision and its justification. Significant changes to the Argyll and Bute Council Visitor Levy Scheme will require an 18-month implementation period. Significant changes to the scheme include:
- increasing the Visitor Levy percentage rate; and/or
 - removing any exemptions.

11.0 Visitor Levy Forum

- 11.1 Further to the establishment of the initial Visitor Levy Shadow Forum, a small advisory group at the pre-consultation stage, a Visitor Levy Forum will be set up by the council within six months of the Argyll and Bute Council formal announcement that a Visitor Levy will be introduced (post the 12-week consultation period). The Visitor Levy Forum will act as an advisory board to discuss and advise on the Visitor Levy scheme, including any proposed modifications. The Visitor Levy Forum will also be consulted on how the Visitor Levy funds will be spent.
- 11.2 The Visitor Levy Forum will be made up of representatives from the community and from businesses in the visitor economy.
- 11.3 It should be noted that the Visitor Levy Forum has no capacity to make any decisions. All decisions can only be made by Argyll and Bute Council elected members.

Appendix 2: Draft Impact Assessments: Argyll and Bute Council Visitor Levy Scheme

Tourism Overview

With over **21,000** bed spaces (serviced and unserviced), tourism in Argyll and Bute is one of our largest sectors in terms of economic impact and employment. The Scottish Tourism Economic Assessment Monitor (STEAM) data shows a **24.7%** increase in visitor numbers from 2013 to 2023. The visitor economy is a major employer in Argyll and Bute, bringing much needed employment to our remote and island communities.

Current Situation

By late October 2024, 35% of Scots had taken a domestic home holiday this year and with a further 8% claiming they are likely to do so, we predict that up to 43% of Scots residents will take a staycation of some description. Argyll and Bute is one of four destinations that are especially popular for staycationers. There are encouraging signs however that 2025 may see some domestic tourism recovery post COVID.

The trend towards self-catering accommodation since the pandemic has continued in 2024 with a four-percentage point increase over 2022 experienced last year and maintained in 2024. However, Key Data for the quarter three of 2024 shows a 12% decline for self-catering across Argyll and Bute. There has been a slight 'bounce back' in some serviced accommodation compared to 2023: a 2% increase in the use of large hotels, and 1% increases in B&Bs and guesthouses after larger decreases in 2023 (56 degree Scottish Tourism Index).

Opportunities and Benefits

The type of tourism infrastructure currently provided by Argyll and Bute Council, through income from Council Tax and the Scottish Government's grant, helps to maintain roads and car parks, electric vehicle charge points, harbours, piers, slipways, public toilets, walking paths, motorhomes waste disposal points and recycling centres.

However, with ever-decreasing budgets and increasing visitor numbers the council will struggle to support visitors without another source of income. New investment is needed so that Argyll and Bute can compete as a destination and appeal to new markets. This is where the levy has significant potential to provide a new source of income to allow the council to maintain and develop its obligations to residents and visitors. An audit of the current council provision to the visitor economy (direct and indirect) will help to identify gaps and suggest potential provisions to be supported by a Visitor Levy Scheme. This will be undertaken in early 2025 alongside the consultation period, so that the audit results can be considered prior to elected members taking a decision on the Visitor Levy Scheme. For instance, Argyll and Bute doesn't have a strong 'green' image. A Visitor Levy could provide new investment in reducing carbon, helping businesses adopt greener practices and marketing the destination as a place for eco conscious travellers.

Responses from our pre-consultation survey gathered a significant amount of feedback from businesses and returned 1,278 responses. 313 respondents said they were business owners and 81 (26%) of those were very opposed to a Visitor Levy. Responses on how the Visitor Levy should be spent give the top three as public toilets, roads and infrastructure.

Impact Assessments

The impact assessments evaluate the potential consequences and benefits to the tourism sector and communities, of Argyll and Bute Council's draft Visitor Levy Scheme as outlined in the Visitor Levy (Scotland) Act 2024. The levy will apply to overnight accommodation across various categories in the region and is designed to generate revenue for sustainable tourism development while addressing community needs. The impact assessments cover the impacts on key stakeholders, including businesses collecting and remitting the levy, visitors paying the levy, local communities, including island communities, the local authority administering the scheme and an overarching equalities impact assessment.

A. Impact on Businesses Collecting and Remitting the Levy

Work is ongoing to quantify the businesses that could be required to collect the levy, with a current estimate of approximately 4,000 accommodation providers in Argyll and Bute. This is based on; 2,462 properties listed on the Non-Domestic Rates valuation roll as providing accommodation; 3,500 licence applications having been received for short-term lets; and an estimated 120 B&Bs/serviced accommodation providers treated as domestic properties for Council Tax.

The specific uses of the Visitor Levy, aligned to the Tourism Strategy, will be informed by consultation. One of the uses put forward in the draft Visitor Levy proposed scheme is Improving the Offer. This could include support direct to tourism businesses to help them improve their own products and services through; development grants towards investment in premises, equipment, training or marketing; provision of marketing and digital toolkits and specialist advice; or the delivery of quality training or accreditation initiatives.

1. Administrative Burden:

- An additional administrative burden would be introduced for accommodation providers in collecting a levy and submitting quarterly returns via an online portal (**to be confirmed**). This could particularly impact small businesses with limited resources or digital skills to handle such tasks efficiently.
- Operational complexity may increase in terms of record-keeping requirements and potential inspections. This impact could be greater on accommodation providers less familiar with other regulatory obligations, such as VAT.
- This could be mitigated by providing effective training and support for businesses and ensuring the online portal is straightforward to use.

2. Financial Impacts:

- Some businesses may need to invest in modifying their booking, billing or accounting software or processes to handle reporting and compliance. Others use online booking platforms that can implement a modification for them, but there is potential for costs to increase as a result of any changes.
- Businesses will need to train staff and manage customer communication regarding a levy. Provision of a toolkit for businesses to use would assist with this.
- Increased administrative time, either in-house or outsourced, to meet the administrative obligations. This could be minimised through providing training and support.
- An increase in transaction fees for card payments. Typically, a business may pay between 1.5% and 3.5% per transaction, so a levy of 5% would increase transaction fees by 0.075% to 0.0175%. On £100k of card payments rising to £105k with a levy, the increase in transaction fees would be £75 to £175.
- Where an Online Travel Agent (OTA) is used to manage bookings, the OTA fee can range from 2% to 20%. If an OTA applies the levy at the point of booking, it could increase their fee.
- The HMRC requirement to include the levy collected as income for VAT purposes may bring those currently close to the VAT threshold over the limit, triggering mandatory VAT registration. This will create associated administrative and financial burdens and could create price increases impacting competitiveness in price-sensitive sectors. The lack of specific reliefs or exemptions for businesses affected in this way may exacerbate these challenges, underscoring the need for careful policy consideration to mitigate unintended impacts on small enterprises. Businesses in this position may reduce the number of nights offered in order to stay below the VAT threshold, reducing capacity across Argyll and Bute. It is proposed by industry representatives on the Shadow Visitor Levy Forum that industry liaises with the Scottish Tourism Alliance to lobby the HMRC on their behalf on this issue.
- A Financial Memorandum published by the Scottish Government [Financial Memorandum accessible](#) includes research carried out on the cost of administration of a Visitor Levy in Scotland. This suggests that a small to medium size business with a turnover of between £1million and £5million per year could incur one-off setup costs of between £1,000 to £7,000, with the ongoing cost of submitting quarterly returns estimated at £300 to £400 per annum.
- For micro businesses with a turnover below the VAT threshold, the estimated setup costs are between £150 and £1,100, with the ongoing

cost of submitting quarterly returns estimated at £100 to £500 per annum.

- The impact of these increased costs could be mitigated through a financial contribution being made to each business remitting the levy. This will require financial modelling and Subsidy Control consideration.
- It is proposed that, in tandem with any consultation, case studies are developed with a representative sample of businesses to substantiate likely costs. The Visitor Levy Shadow Forum has agreed to assist with this.
- Accommodation providers with low profit margins may experience challenges incorporating the levy collection process without passing costs onto consumers.
- Non-compliance penalties could pose a financial risk to smaller providers.
- Depending on the agreed uses of the levy, tourism businesses may be able to access direct business support such as grant funding, helping them to invest in their own product.

3. Economic Effect:

- The sole purpose of the Visitor Levy is to develop, support or sustain facilities or services used by local residents and those visiting the area for leisure and for work purposes. The levy as proposed for Argyll and Bute aims to generate positive impacts for the sector by extending the season and spreading visitors across the region, reaching new audiences for marine, coastal, cultural and outdoor tourism, improving the tourism offer and supporting the journey towards net zero.
- The specific impacts will be dependent on the agreed uses of the levy but could help improve competitiveness overall and encourage visitors to less-visited parts of the region, promote marine, coastal, cultural and outdoor tourism products to new and wider markets, improve visitor infrastructure and support sustainable tourism.
- An important factor to consider is the overall current health of the tourism sector in Argyll and Bute and to forecast how it may change in the future.
- The levy may lead to higher accommodation prices, which could undermine Argyll and Bute's competitiveness compared to other destinations who do not implement a levy. This could affect demand, particularly among cost-sensitive customers and reduce occupancy rates.
- The World Economic Forum (WEF) regularly publishes international travel and tourism index reports which measure factors and policies that

enable the sustainable and resilient travel sector. In terms of the price competitiveness measure alone, the UK has regularly been ranked near the bottom of all countries assessed. Previous versions of the index (which applied a different methodology) showed the United Kingdom at the very bottom of the index in terms of price competitiveness. In the 2024 index report, the UK position improved, albeit still below average (with a score of 2.74), similar to Ireland (2.78), Netherlands (2.87) and Denmark (2.88), and significantly higher than others such as Iceland (1.44) Switzerland (1.68). Possibly the most important ranking is the overall index, which takes account of all measures. In this, the UK has consistently performed well and is identified as 7th best overall in the world in 2024.

- The Scottish Government BRIA [Visitor Levy Bill: business and regulatory impact assessment - gov.scot](#) found that “Evidence from cities that have introduced these types of taxes recently show that generally growth in visitor numbers has continued after the introduction of these taxes. The relative change in overnight visitors for selected cities in Europe that have either introduced or increased existing taxes on visitors in the past 10 years including Barcelona, Lisbon, Berlin, Hamburg and Paris. In most cases there continued to be strong growth in overnight visitor numbers and no area saw a fall in visitor numbers prior to 2020.”
- Insights can be gained from examining other visitor levies, but each country has its own distinct set of political arrangements and tax structures. The UK has a relatively high VAT rate for accommodation when compared to the rest of Europe at the standard 20% but the VAT threshold is one of the highest at £90,000. However, the international examples given indicate that visitor levies do not have a significant adverse economic impact where the rate is proportionate.
- Set against a wider context of increases in employer National Insurance contributions, minimum wage, and Non-Domestic Rates, businesses may be less resilient. A number of tourism businesses may decide to close their operation prior to the introduction of the levy, reducing capacity across Argyll and Bute.
- Pre-consultation engagement via Argyll and the Isles Tourism Co-operative and via the pre-consultation survey has raised strong concerns from the industry that the introduction of a levy will damage the sector and deter visitors from choosing Argyll and Bute as a destination. Specific concerns voiced include that domestic visitors in particular will not tolerate a price increase; that the levy will need to be absorbed by accommodation providers and decrease profitability; that non-VAT registered operators may need to reduce the number of nights offered in order to stay below the VAT threshold; that costs have already been rising steadily to cope with increased business costs; that 2024 has seen visitor numbers drop and the proposed timing of the levy is poor.

B. Impact on Visitors Paying the Levy

1. Visitor Perception:

- Visitors may view the levy as an additional cost, potentially influencing their decision to stay in Argyll and Bute compared to other regions or Local Authorities that choose not to develop such levies. This could especially deter budget-conscious travellers or those staying for longer periods.
- Transparency together with clear communication concerning the levy's purpose and the tangible benefits it will bring to the visitor experience, such as improved infrastructure and environmental initiatives, will be crucial in mitigating any negative perception.
- The results obtained from a pre-consultation survey noted that most respondents were of the opinion that the levy could be a useful income to help maintain public toilets and sanitation. Infrastructure, amenities and roads and pathways were also ranked highly in the responses.

2. Visitor Demographics:

- High-end and eco-conscious tourists may be more accepting of the levy, as it aligns with responsible and sustainable tourism goals. Conversely, visitors relying on budget accommodation (e.g. campers, hostels) may feel a disproportionate impact, as the percentage-based levy could result in additional costs over longer stays and could push value-based stays out of official campsites.

3. Visitor Experience:

- The revenue generated would be intended to fund services and offerings that would sustain and enhance the visitor experience and would keep visitors coming to the area. Revenue would be dedicated to enhancing the visitor experience through improved infrastructure (e.g. public toilets, signage) culture and heritage including events.
- Direct responses from our pre-consultation survey indicate that the visitor experience will be improved by enhancing and developing well-maintained visitor facilities and attractions. In addition, funds could be made available from the levy to provide simple amenities that focus on scenery, wildlife, and culture, which are the main draws for our visitors. Improving visitor centres and tourist information to better inform and support tourists has also been noted.
- Funds raised from the levy could be invested in eco-friendly initiatives, such as, sustainable camping and waste management options, supporting environmental sustainability through projects like green spaces and eco-friendly transportation.
- Other suggestions raised through the pre-consultation period were to provide improved road signage, especially on single-track roads, to

reduce confusion for tourists and to invest in wayfinding signs and information boards to guide visitors to key locations.

C. Impact on Communities who may Benefit from the Levy

1. Economic and Social Benefits:

- Local communities are likely to see benefits from the levy, including funding for infrastructure improvements, public realm upgrades, and enhanced cultural and recreational facilities (see **section 7** of the draft Visitor Levy Scheme for more details). These investments will support both the visitor economy and residents' quality of life and could contribute to local job creation and enhanced services.
- Extending the tourism season and promoting less-visited areas can spread economic benefits more evenly across the region, reducing pressure on popular spots and allowing smaller communities to tap into the tourism economy.

2. Environmental and Cultural Preservation:

- The focus on environmental sustainability and supporting initiatives like net-zero projects and responsible tourism will help protect Argyll and Bute's natural and cultural heritage. Local communities, particularly in rural and coastal areas, will benefit from initiatives to manage visitor impacts, such as improved waste management and protection of fragile ecosystems.

3. Community Involvement:

- The establishment of the Shadow and then main Visitor Levy Forum, which includes (and will include) representatives from local businesses and communities, provides an avenue for stakeholders to voice their concerns and influence how funds are allocated. This participatory approach can foster community buy-in and help ensure that projects funded by the levy address both visitor and local resident needs.

D. Impact on Island Communities

1. Economic Sustainability and Visitor Distribution:

- Island communities within Argyll and Bute may experience unique economic challenges and benefits from the levy. While the additional revenue has the potential to enhance local infrastructure, support services, and sustainable tourism initiatives, there is also a risk that the levy may impact visitor numbers to these areas, particularly for cost-sensitive travellers. If visitor demand decreases, smaller island businesses could face a disproportionate economic impact compared to mainland operators. Strategic reinvestment of levy funds to support island-specific tourism will be essential to ensuring that these communities benefit from increased visitation rather than reduced demand.

2. Increased Costs and Infrastructure Strain:

- Due to their limited resources and higher operational costs, island businesses may face greater challenges in meeting levy collection requirements. Transporting supplies and addressing waste management are often costlier for island communities, so visitor levies should ideally support these unique needs, addressing infrastructure and services that directly impact both residents and visitors. This could include enhanced ferry services, improved access to emergency services, waste management solutions, and upgrades to basic visitor facilities, which are critical to sustaining both the tourism industry and local quality of life.
- As detailed in **Section 6** of the draft Visitor Levy Scheme, should the council approve moving forward with a statutory consultation on a draft Visitor Levy Scheme in Argyll and Bute the council will work with industry on a potential scheme of retention of Visitor Levy receipts as a payment towards administration costs.

3. Cultural and Environmental Preservation:

- Island communities are home to sensitive ecosystems and cultural heritage sites that are highly vulnerable to the pressures of tourism. The levy offers an opportunity to direct resources towards the preservation of these assets, such as coastal ecosystems, local wildlife, historic sites, and island-specific cultural practices. Prioritising projects that protect the environmental integrity and cultural heritage of these communities will foster sustainable tourism while safeguarding local traditions and the natural landscape for future generations.

4. Community Engagement and Fair Distribution of Fund:

- Engaging island residents for consideration as members of the Visitor Levy Forum and ensuring equitable fund allocation to island projects are essential for maintaining community support and maximising the levy's positive impact on these areas. Establishing specific channels for island representatives to influence decision-making will help align the levy's revenue usage with the unique needs and priorities of these communities, fostering greater community buy-in and promoting projects that reflect both visitor and resident interest.

E. Impact on Local Authorities Administering the Levy

1. Administrative Burden:

- Argyll and Bute Council will face new responsibilities in terms of managing the levy, including processing returns, conducting compliance inspections, managing appeals, and distributing funds. These tasks will require dedicated resources and staff training.
- The council will also need to ensure that the national online portal (if this option is taken forward) operates smoothly and provide clear instructions and training workshops/webinars for accommodation providers. Any

technical issues or miscommunications could result in compliance problems and reduce the effectiveness of the scheme.

2. Revenue Generation:

- The council expects to raise circa £9 million in gross revenue annually, which will be used to fund a wide range of local projects related to tourism infrastructure, culture and heritage, environmental sustainability, and community support. This new revenue stream will reduce the financial strain on existing council budgets and enable longer-term investments in the region’s tourism sector.
- Argyll and Bute Council will need to carefully manage the costs of administering the scheme to ensure that net revenue is maximised. Monitoring compliance, managing appeals, and processing reimbursements for exempt individuals will add to the overall complexity and cost of administering the scheme.

3. Policy Review and Adaptation:

- The council will review the scheme every three years, assessing its success in meeting objectives and making adjustments as necessary. This ensures that the levy remains responsive to changing conditions in the tourism sector and local visitor economy. However, regular reviews may require additional administrative resources and consultation processes.

F. Equalities Impact Assessment

Title of Proposal
Visitor Levy – Argyll and Bute
Intended outcome of proposal
<p>With over 21,000 bed spaces (serviced and unserviced), tourism in Argyll and Bute is one of our largest sectors in terms of economic impact and employment. The Scottish Tourism Economic Assessment Monitor (STEAM) data shows an 24.7% increase in visitor numbers from 2013 to 2023. In 2023, visitor numbers had almost bounced back to pre-pandemic numbers (2.885 million visitors). STEAM also shows a similar trend with the overall economic impact of the tourism sector in Argyll and Bute. Pre-pandemic in 2019, the direct economic impact was £463.9m in Argyll and Bute. By 2023, and when taking account of price inflation, the direct economic impact was assessed at £461.5m, with a further £179m indirect impact. The visitor economy is a major employer in Argyll and Bute, bringing much needed employment to our remote and island communities. In 2023 there were 7,177 direct FTEs, with a further 2,000 indirect employees (delivery drivers, laundries etc). Over 70% of jobs in the visitor economy are in accommodation and food and drink.</p> <p>Funds received from the Visitor Levy will help to sustain Argyll and Bute's status as a popular holiday destination and as an area of outstanding natural beauty, built and cultural heritage. To ensure that the impacts of a successful visitor economy are managed effectively in support of the Council’s priorities and outcomes highlighted in the Argyll and the Isles Strategic Tourism Partnership’s Tourism Strategy 2022-2025 (Argyll and Isles Strategic Tourism Partnership strategy).</p>

Description of proposal

Argyll and Bute Council intends to utilise the powers granted by the Visitor Levy (Scotland) Act 2024 to impose a levy in respect of persons staying in certain types of accommodation overnight in its local authority area. The scheme will come into force a minimum of 18 months after the final approval date in which Argyll and Bute Council publishes its final scheme.

Details of the Levy are here [Argyll and Bute Visitor Levy | Argyll and Bute Council \(argyll-bute.gov.uk\)](https://argyll-bute.gov.uk)

Business Outcome(s) / Corporate Outcome(s) to which the proposal contributes

1. [Economic Strategy](#) 2024-2034 and [Action Plan](#) 2024-2027
2. Argyll and the Isles Strategic Tourism Partnership's Tourism Strategy 2022-2025 ([Argyll and Isles Strategic Tourism Partnership strategy](#)).

Lead officer details:

Name of lead officer	Fergus Murray
Job title	Head of Development and Economic Growth (DEG)
Department	DEG

Appropriate officer details:

Name of appropriate officer	Kirsty Flanagan
Job title	Executive Director
Department	Executive Director responsible for DEG

Sign off of EqSEIA

Date of sign off

Who will deliver the proposal?

Economic Growth and Revenues and Benefits Team with the possibility of a national system underpinning this.

Section 2: Evidence used in the course of carrying out EqSEIA

Consultation / engagement

A Visitor Levy pre-consultation survey has now closed with 1254 responses.
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Argyll and the Isles Tourism Co-operative and VisitScotland, members of the Shadow Visitor Levy Forum, have delivered six consultation sessions on the following dates, 23rd Oct, 30th Oct (x2), 6th Nov, 7th Nov and 14th Nov 2024 .

A timeline and further information on the activity can be found in paragraph 3.9, Table 1 in the Special Council paper, 20 th December 2024.
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Officers will engage with the NHS on any potential impacts for patients and how this can be mitigated.
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Data

The Scottish Tourism Economic Activity Monitor (STEAM) has been the main data source used.
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ARGBU Final STEAM FINAL 01-Jul-24 CC.p

The council is also purchasing CoStar (hotels) and Key Data (self-catering) which includes information such as occupancy rates.

<i>*Note a copy of the PDF is available on request</i>
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Other information

A timeline and further information on the activity can be found in paragraph 3.9, Table 1 in the Special Council paper, 20 th December 2024.
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Gaps in evidence

There is a need to consider the impact on patients within the area who require accommodation for their onward treatment.
--

There is uncertainty as to the number of businesses that will be affected and how the effects of the legislation will work in detail. In addition, there are large gaps in the data surrounding occupancy rates, which may bring further uncertainties. As yet the income from the levy is an initial estimate and with limited evidence at present to assess any impacts on key groups if a Visitor Levy Is implemented.

To be reviewed further to completion of the analysis undertaken by University of Edinburgh where additional data sources such as CoStar and Key Data have been provided.

Section 3: Impact of proposal

Impact on service users:

	Negative	No impact	Positive	Don't know
Protected characteristics:				
Age		x		
Disability				x
Ethnicity		x		
Sex		x		
Gender reassignment		x		
Marriage and Civil Partnership		x		
Pregnancy and Maternity		x		
Religion		x		
Sexual Orientation		x		
Fairer Scotland Duty:				
Mainland rural population				x
Island populations				x
Low income				x
Low wealth				x
Material deprivation				x
Area deprivation				x
Socio-economic background		x		
Communities of place			x	
Communities of interest			x	

If you have identified any impacts on service users, explain what these will be.

The key impacts that the Act requires the Council to consider are as follows:

1. Equalities
2. Business
3. Visitors
4. Communities
5. Council

The attached document details impacts on numbers 2-5 whilst this EQSIA details Equalities impacts.

Communities of place may be enhanced by income from the Visitor Levy on local services, leisure, culture and heritage related to the tourism industry.

Communities of interest may also benefit from income from the Visitor Levy, particularly through business support and support for culture and heritage.

The Visitor Levy Bill has been drafted to protect those who are experiencing socio-economic disadvantage from being liable to pay the levy. Because the bill only applies on overnight accommodation where the person has an ordinary place of residence, the following groups are excluded from the scope of a Visitor Levy:

- People who are homeless or at risk of homelessness
- People whose main residence is unfit for habitation
- Asylum seekers and refugees
- Individuals who have arrived in the UK through other Home Office schemes.

The Bill explicitly excludes members of the Gypsy/Traveller community staying on dedicated sites from being liable to pay the Visitor Levy.

The method of reimbursement or exemption will be defined before the Visitor Levy is implemented.

If any 'don't knows have been identified, at what point will impacts on these groups become identifiable?

The proposal may have an impact on those seeking treatment for medical conditions where they require an overnight stay however this may be subject to reimbursement by NHS. Further evidence is required on how this would work in practice.

Impact on service deliverers (including employees, volunteers etc):

	Negative	No impact	Positive	Don't know
Protected characteristics:				
Age		X		
Disability		X		
Ethnicity		X		
Sex		X		
Gender reassignment		X		
Marriage and Civil Partnership		X		
Pregnancy and Maternity		X		
Religion		X		
Sexual Orientation		X		
Fairer Scotland Duty:				
Mainland rural population		X		
Island populations				X
Low income				X
Low wealth				X
Material deprivation				X
Area deprivation				X
Socio-economic background		X		
Communities of place			X	
Communities of interest			X	

If you have identified any impacts on service deliverers, explain what these will be.

There may be impacts due to the collection system and the process of exemptions e.g. some businesses may not have sufficient IT skills to enable them to collect the levy efficiently. Currently, HMRC is considering the Levy as part of the turnover of businesses. This will have an impact on VAT registration.

It is proposed by industry representatives on the Shadow Visitor Levy Forum that industry liaises with the Scottish Tourism Alliance to lobby the HMRC on their behalf on this issue. Written representation will also be made on this issue from the Highlands and Islands Economic Partnership as agreed at the HIREP meeting on Thursday, 28th November 2024.

If any 'don't knows have been identified, at what point will impacts on these groups become identifiable?

These will be addressed on an ongoing basis throughout the full consultation and during the implementation period.

Argyll and Bute Council has set up a dedicated web page, including an FAQ section [here](#).

How has 'due regard' been given to any negative impacts that have been identified?

n/a

Section 4: Interdependencies

Is this proposal likely to have any knock-on effects for any other activities carried out by or on behalf of the council?

yes

Details of knock-on effects identified

1. Additional resource for administration of the scheme, including staff and systems costs.
2. Income from the Visitor Levy will bring benefits to delivery of tourism and infrastructure related services. This may include services such as public toilets.
3. Income from the Visitor Levy will assist the delivery of Argyll and Bute Council's Economic Strategy and Action Plan, particularly in relation to tourism, leisure and creative industries.
4. Contractors and local residents staying within the area using applicable holiday accommodation will be subject to the Visitor Levy.

Section 5: Monitoring and review

How will you monitor and evaluate the equality impacts of your proposal?

Officers will consult with NHS to understand any implications of the Visitor Levy on patients in the area.

Officers will annually monitor the impact of the Visitor Levy on how people with disabilities are impacted by the Visitor Levy as required and report this to the Council's Policy and Resources Committee and subsequently to the appropriate department within the Scottish Government.

The council will review the Argyll and Bute Visitor Levy Scheme every three years to assess whether the scheme is successfully achieving its objectives and measure the impact of the scheme on businesses and communities. The review will be reported, along with detail, through the appropriate channels, on how the income has been spent and the benefits which the Visitor Levy-funded projects have brought.

Conclusion – Impact Assessments

The Visitor Levy Scheme for Argyll and Bute has the potential to generate significant benefits for the local economy, community aspirations, culture and heritage, and tourism infrastructure while promoting sustainable tourism practices. However, the Visitor Levy Scheme introduces new administrative burdens for both businesses and the council, with particular challenges for island communities that face unique economic and infrastructure constraints. Support for businesses, effective communication, transparent, user-friendly systems, and a clear demonstration of how the levy benefits both visitors and residents will be crucial in ensuring the scheme's success. Ensuring the fair allocation of funds to address the distinct needs of island communities, alongside proactive monitoring and adjustments to the Visitor Levy Scheme, will be essential to mitigate any negative impacts on tourism businesses, communities, and visitor experiences throughout the region.

Appendix 3: Consultation Document - Draft Argyll and Bute Visitor Levy Scheme

Foreword by the Council Leader, Jim Lynch

Argyll and Bute provides so many reasons for visitors to choose to be here, and the visitor economy is a key local industry. We have to be ambitious for the future of our visitor economy. We also have to be realistic about funding its future.

Visitors expect and rely on public services that are used also by our communities. With less and less public funding for many of these shared services, we have to consider all possible opportunities for vital investment. The national Visitor Levy legislation is about that – raising funds to benefit visitors and residents.

Could investment from a levy be used to sustain and improve visitors' experience, and so keep people coming to Argyll and Bute? With less money to spend on public services, if Argyll and Bute doesn't have a levy, does it make the area less competitive as a visitor destination? If the area has a levy, what would local people and businesses want it to be spent on to benefit them, and how could we make that happen?

To help us consider these and other points we are running a consultation exercise and encouraging as many people as possible to take part from businesses, communities, tourism organisations and visitors to the area.

The national legislation provides an opportunity for significant investment, to protect visitor economies from shrinking public budgets, and deliver benefits for both visitors and residents. The earliest a Visitor Levy could be introduced in Argyll and Bute is 2027.

Thank you to everyone who will take the time to complete this consultation – the feedback you give us will be an important step in helping us assess a levy for Argyll and Bute, with the focus being as mentioned, on benefiting our local visitor economy and communities.

Overview

Our visitor economy is a key industry for Argyll and Bute. Visitors expect and rely on services that are used also by our communities. The national [Visitor Levy \(Scotland\) Act 2024](#) gives the opportunity to raise investment to sustain these shared services, support the future of the visitor economy and deliver benefit both visitors and residents.

Argyll and Bute Council has developed a draft Visitor Levy Scheme to support tourism as a sustainable beneficial part of Argyll and Bute community life and economy.

With growing tourism pressures and shrinking public sector budgets we need to investigate options that could help raise income locally, to sustain public services needed and affected by the tourism industry and make improvements to the future delivery of tourism across Argyll and Bute. Many other Scottish councils are also considering implementing a Visitor Levy.

If Argyll and Bute Council introduces such a levy, which at the earliest will be early 2027, the money raised **must be used specifically for the benefit of the visitor economy**, such as towards making local facilities and services better. Local culture, events and festivals could also benefit.

What is a Visitor Levy and how much would it cost?

A Visitor Levy is a payment based on the cost of most types of paid, overnight accommodation. Most people paying to stay for an overnight visit to Argyll and Bute would have to pay the levy (exemptions are noted in the Act).

There are questions in this consultation about how much a levy should be, if we had one; and what you would like to see the million pound investment spent on.

There is also the opportunity to tell us if you disagree with a levy, and if so, how would you rather see the future of the visitor economy funded.

For **FAQs** see: [Visitor Levy Guidance | VisitScotland.org](#) and [Argyll and Bute Visitor Levy | Argyll and Bute Council \(argyll-bute.gov.uk\)](#)

What's next?

Our focus is on developing a scheme that would benefit visitors, residents and the visitor economy. We would therefore welcome your views on key aspects of the scheme, by answering these consultation questions.

The results of this consultation will be drafted into the required consultation report that will be discussed by councillors in the spring of 2025 and will help to decide whether the proposed Argyll and Bute Council Visitor Levy Scheme is changed, accepted or rejected.

In addition, an ongoing programme of communication and engagement with businesses and communities will be arranged over the formal 12- week consultation period, January to March 2025. Further information will be provided in due course on the council's Visitor Levy web page, see: [Argyll and Bute Visitor Levy | Argyll and Bute Council](#).

This survey should take around 20 minutes to complete.

Word text below will be transferred onto a MS Form survey with appropriate routing to various question sets for businesses, residents and visitors.

Q1. Your details

Postcode:

:

Q2. What is your connection with Argyll and Bute?

- I Live or Work within Argyll and Bute (**Residents**)
- I am or have been a tourist or social visitor to Argyll and Bute, but do not live in the area. (**Visitors**)
- I have business, commercial or property ties to Argyll and Bute (**Businesses**).

(Elected members should note that some questions are repeated in the residents, visitors and businesses sections).

QUESTIONS FOR RESIDENTS

Argyll and Bute Draft Visitor Levy Scheme Strategic Objectives

The aim of the draft Visitor Levy Scheme is to sustain Argyll and Bute's status as an area of outstanding natural beauty, culture and heritage and to ensure that the impacts of a successful visitor economy are managed effectively for the area.

The draft scheme is based on turning levy investment into benefit for visitors and residents, through the tourism priorities set out in the Argyll and the Isles Strategic Tourism Partnership's Tourism Strategy 2022-2025 ([Argyll and Isles Strategic Tourism Partnership strategy](#)):

- Extending the season and spreading visitors across the destination.
- Reaching new audiences: marine, coastal, cultural and outdoor tourism.
- Sustaining and improving the visitor offer.
- The journey towards net zero.

Q3. To what extent do you agree or disagree with the Visitor Levy Scheme objectives?

Objective	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know
Extending the season and spreading visitors across the destination e.g. infrastructure, amenities, events and marketing						
Reaching new audiences: marine, coastal, cultural and outdoors tourism e.g. visitor product development, inter-island connectivity, step ashore facilities, showcasing producers, culture & heritage.						
Sustaining and improving the visitor offer e.g. transport options, destination investment (inc. toilets), support for individual tourism businesses to help them improve their products and services (e.g. grants, training, advice, toolkits).						

The journey towards net zero e.g. investment in sustainable tourism, business advice and support, low-carbon transport networks						
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If there are other things you would like to see a Visitor Levy spent on please tell us here (1,000 characters).

To ensure the administration requirements of the Visitor Levy Scheme are kept to a minimum, and to maximise the revenues generated to sustain, support and develop the visitor economy, no local exemptions are proposed beyond those set out nationally as outlined in the **Section 7, paragraph 7.2** of draft Visitor Levy Scheme or **Section 17** of the [Visitor Levy Guidance](#). For example, those with a disability would be exempt, those accompanying them would not be.

Q4. To what extent do you agree or disagree with this position on local exemptions?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

Please provide commentary to support your response.

Q5. To what extent do you agree with the Argyll and Bute Council proposal to set the levy rate at 5%?

- Strongly agree – **go to Q8**
- Agree - **go to Q8**
- Neither agree nor disagree - **go to Q8**
- Disagree – **go to Q6**
- Strongly disagree - **go to Q6**
- Don't know - **go to Q8**
- I don't support a levy being introduced across Argyll and Bute - **go to Q7**

Please provide commentary to support your response.

Q6. If you do not agree with a levy being 5%, what rate would you consider is appropriate.

- The levy rate should be less than 5% - **go to Q8**
- The levy rate should be greater than 5% - **go to Q8**
- Don't know – **go to Q8**

Please provide commentary to support your response.

Q7. If you do not support a levy, how would you suggest that investment in our tourism infrastructure and services is paid for?

Comments welcome.

Q8. Do you think there should be a cap on the number of nights of accommodation that a visitor should pay a levy?

- Yes
- No
- Don't Know

Please provide commentary to support your response.

**Thank you for taking the time to complete this survey.
Your thoughts and views are gratefully received.**

QUESTIONS FOR VISITORS

Argyll and Bute Draft Visitor Levy Scheme Strategic Objectives

The aim of the draft Visitor Levy Scheme is to sustain Argyll and Bute's status as an area of outstanding natural beauty, culture and heritage and to ensure that the impacts of a successful visitor economy are managed effectively for the area.

The draft scheme is based on turning levy investment into benefit for visitors and residents, through the tourism priorities set out in the Argyll and the Isles Strategic Tourism Partnership's Tourism Strategy 2022-2025 ([Argyll and Isles Strategic Tourism Partnership strategy](#)):

- Extending the season and spreading visitors across the destination.
- Reaching new audiences: marine, coastal, cultural and outdoor tourism.
- Sustaining and improving the visitor offer.
- The journey towards net zero.

Q3. To what extent do you agree or disagree with the Visitor Levy Scheme objectives?

Objective	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know
Extending the season and spreading visitors across the destination e.g. infrastructure, amenities, events and marketing						
Reaching new audiences: marine, coastal, cultural and outdoors tourism e.g. visitor product development, inter-island connectivity, step ashore facilities, showcasing producers, culture & heritage						
Sustaining and improving the visitor offer e.g. transport options, destination investment (inc. toilets), support for individual tourism businesses to help them improve their products and services (e.g. grants, training, advice, toolkits)						

The journey towards net zero e.g. investment in sustainable tourism, business advice and support, low-carbon transport networks						
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If there are other things you would like to see a Visitor Levy spent on please tell us here (1,000 characters).

The Visitor Levy gives the opportunity to raise income from visitors that would be invested in projects or services that would sustain and improve a visitors' experience in our area.

Q4. What attracts you to Argyll and Bute? (please select top 3 reasons)

- Argyll and Bute's reputation
- The scenery and landscape
- The history and culture
- To visit a film location
- Personal event / celebration (anniversary, wedding etc.)
- To visit family and friends who live in Argyll and Bute
- To explore Argyll and Bute and its surrounding regions / rest of Scotland
- To visit a particular attraction
- The friendly local people
- The climate and weather
- Value for money
- Other special event (music concert, sports match etc.)
- Holidayed before and wanted to return
- Other (please specify)

Q5. As a visitor to Argyll and Bute, what type of accommodation are you staying in?

- Hotel
- B&B or guest house
- Self-catering
- Homestay, e.g., Airbnb
- Student accommodation
- Caravan / campervan
- Campsite
- Staying with friends and families
- Other (please specify)

Q6. As a visitor to Argyll and Bute, do you have any suggestions for how the visitor offer could be improved in our area?

Comments welcome.

To ensure the administration requirements of the Visitor Levy Scheme are kept to a minimum, and to maximise the revenues generated to sustain, support and develop the visitor economy, no local exemptions are proposed beyond those set out nationally as outlined in the **Section 7, paragraph 7.2** of draft Visitor Levy Scheme or **Section 17** of the [Visitor Levy Guidance](#). For example, those with a disability would be exempt, those accompanying them would not be.

Q7. To what extent do you agree or disagree with this position on local exemptions?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

Please provide commentary to support your response.

Q8. To what extent do you agree with the Argyll and Bute Council proposal to set the levy rate at 5%?

- Strongly agree – **go to Q11**
- Agree - **go to Q11**
- Neither agree nor disagree - **go to Q11**
- Disagree – **go to Q9**
- Strongly disagree - **go to Q9**
- Don't know - **go to Q11**
- I don't support a levy being introduced across Argyll and Bute - **go to Q10**

Please provide commentary to support your response. In particular, would a Visitor Levy make you less likely to book accommodation across Argyll and Bute?

Q9. If you do not agree with a levy being 5%, what rate would you consider is appropriate.

- The levy rate should be less than 5% - **go to Q11**
- The levy rate should be greater than 5% - **go to Q11**
- Don't know – **go to Q11**

Please provide commentary to support your response.

Q10. If you do not support a levy, how would you suggest that investment in our tourism infrastructure and services is paid for?

Comments welcome.

Q11. Do you think there should be a cap on the number of nights of accommodation that a visitor should pay a levy?

- Yes
- No
- Don't Know

Please provide commentary to support your response.

**Thank you for taking the time to complete this survey.
Your thoughts and views are gratefully received.**

QUESTIONS FOR BUSINESSES

Argyll and Bute Draft Visitor Levy Scheme Strategic Objectives

The aim of the draft Visitor Levy Scheme is to sustain Argyll and Bute's status as an area of outstanding natural beauty, culture and heritage and to ensure that the impacts of a successful visitor economy are managed effectively for the area.

The draft scheme is based on turning levy investment into benefit for visitors and residents, through the tourism priorities set out in the Argyll and the Isles Strategic Tourism Partnership's Tourism Strategy 2022-2025 ([Argyll and Isles Strategic Tourism Partnership strategy](#)):

- Extending the season and spreading visitors across the destination.
- Reaching new audiences: marine, coastal, cultural and outdoor tourism.
- Sustaining and improving the visitor offer.
- The journey towards net zero.

Q3. To what extent do you agree or disagree with the Visitor Levy Scheme objectives?

Objective	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know
Extending the season and spreading visitors across the destination e.g. infrastructure, amenities, events and marketing						
Reaching new audiences: marine, coastal, cultural and outdoors tourism e.g. visitor product development, inter-island connectivity, step ashore facilities, showcasing producers, culture & heritage						
Sustaining and improving the visitor offer e.g. transport options, destination investment (inc. toilets), support for individual tourism businesses to help them improve their products and services (eg grants, training, advice, toolkits)						

The journey towards net zero e.g. investment in sustainable tourism, business advice and support, low-carbon transport networks						
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If there are other things you would like to see a Visitor Levy spent on please tell us here (1,000 characters).

Q4. Please advise on the size of your business

- Employ 1 member of staff (including yourself)
- Employ 2-9 staff
- Employ 10-49 staff
- Employ 50-250 staff
- Employ more than 250 staff

Q5. What sector does your business operate in?

- Hospitality
- Retail
- Self-catering accommodation
- Tourism including visitor attractions
- Food and drink
- Leisure
- Event management
- Culture, heritage and creative industries
- Trades / construction / engineering
- Professional services
- Agriculture and forestry
- Vehicle and motor trade
- Domestic services
- Marine services
- Beauty / personal services
- Transport / distribution
- Education
- Manufacturing
- Public sector
- Charity
- Third sector
- Other (please specify)

Q6. What is your approximate turnover?

- Up to £85,000
- £85,000 to £90,000
- £90,001 to £250,000
- £250,001 to £1 million
- Over £1 million

To ensure the administration requirements of the Visitor Levy Scheme are kept to a minimum, and to maximise the revenues generated to sustain, support and develop the visitor economy, no local exemptions are proposed beyond those set out nationally as outlined in the **Section 7, paragraph 7.2** of draft Visitor Levy Scheme or **Section 17** of the [Visitor Levy Guidance](#). For example, those with a disability would be exempt, those accompanying them would not be.

Q7. To what extent do you agree or disagree with this position on local exemptions?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

Please provide commentary to support your response.

Q8. To what extent do you agree with the Argyll and Bute Council proposal to set the levy rate at 5%?

- Strongly agree – **go to Q11**
- Agree - **go to Q11**
- Neither agree nor disagree - **go to Q11**
- Disagree – **go to Q9**
- Strongly disagree - **go to Q9**
- Don't know - **go to Q11**
- I don't support a levy being introduced across Argyll and Bute - **go to Q10**

Please provide commentary to support your response..

Q9. If you do not agree with a levy being 5%, what rate would you consider is appropriate.

- The levy rate should be less than 5% - **go to Q11**
- The levy rate should be greater than 5% - **go to Q11**
- Don't know – **go to Q11**

Please provide commentary to support your response;

Q10. If you do not support a levy, how would you suggest that investment in our tourism infrastructure and services is paid for? - then go to Q12.

Comments welcome.

Q11. Do you think there should be a cap on the number of nights of accommodation that a visitor should pay a levy?

- Yes
- No
- Don't Know

Please provide commentary to support your response.

Q12. What set-up and/or operational support for your business would you welcome, if a Visitor Levy Scheme is agreed?

Please provide commentary to support your response.

**Thank you for taking the time to complete this survey.
Your thoughts and views are gratefully received.**