



Consultation Response to Highland Council Visitor Levy proposal

Background

The Cairngorms National Park Authority is a Non-Departmental Public Body (NDPB) with responsibility for the UK's largest National Park. It is split between five local authority areas: Highland; Moray; Aberdeenshire; Angus and Perth and Kinross. Roughly one third of the National Park's land falls within the Highland Council area and this is home to the majority of the Park's population, visitors and tourism businesses.

The Park Authority undertakes some work that would usually be the responsibility of the Local Authority, acting as the Planning Authority and Outdoor Access Authority for the National Park. We publish a Local Development Plan and a five-yearly National Park Partnership Plan (NPPP), along with supporting action plans including a Sustainable Tourism Action Plan and Strategic Tourism Infrastructure Plan. The NPPP is the strategic management plan for the National Park area and guides the work of the Park Authority and partners. Public bodies (including Local Authorities) must, in exercising functions so far as affecting a National Park, have regard to the National Park Plan.

National Parks and the Visitor Levy (Scotland) Act 2024

In May 2024, the Scottish Parliament passed the Visitor Levy (Scotland) Act. This Act gives local authorities the ability to charge a set percentage on overnight accommodation. National Park Authorities are mentioned within the Act as a specific consultee when introducing a levy or spending the proceeds of a scheme. The Act also notes that Local Authorities should have regard to the NPPP.

We suggest that any scheme that includes part of the Cairngorms National Park should:

- a) Recognise the tourism objectives within the Cairngorms National Park Partnership Plan, the actions of Cairngorms Sustainable Tourism Action Plan and projects identified in the Cairngorms Strategic Tourism Infrastructure



Plan and use these as the basis for the investment of proceeds of the Visitor Levy within the Council's area of the National Park.

- b) Include the Park Authority in the membership of the Visitor Levy Forum.
- c) Outline a mechanism for investment of funds in services or infrastructure where these are delivered by Park Authorities or multiple partners rather than the Local Authority alone.

Response to consultation questions

1. Respondent Category

As detailed above.

2. The Scheme Area

The Highland Council (THC) proposed position: The levy will apply to purchases of overnight accommodation throughout the whole of the Highland Council area.

Park Authority Response: We generally support the Council's position but recommend monitoring the impacts of Levy in order that the Council can modify the scheme or mitigate any negative impacts it may create.

3. The date on which the scheme is due to come into force

THC Proposed position: The Visitor Levy Scheme will come into force by the Highland Council at the earliest practicable date as permitted by law, giving due regard to the Act and the Council's decision-making processes. The Council anticipates introducing the Visitor Levy Scheme in Highland by Autumn 2026.

Park Authority Response: We do not have a view on the precise date that the Levy should come into force, but our view is that the date should be determined by the time the Council require to create the best scheme following consultation before triggering the 18-month period before implementation. Like the Council, we are aware of tourism and hospitality industry concerns over the detail and implications of the proposals and recommend that a more comprehensive economic impact assessment of the proposals is undertaken to support the Council's final proposals.

4. The scheme period



THC proposed position: Following its introduction in Highland by Autumn 2026, the Visitor Levy Scheme will remain in force until further notice (indefinitely).

Park Authority Response: We suggest that the impacts of the scheme are regularly reviewed so that the detail of the scheme can be amended if considered necessary.

5. When will the levy apply

THC proposed position: The visitor levy will apply every day of the year without variation.

Park Authority Response: We recognise the simplicity of the Council's position but note that seasonality of visitors is an issue for the Cairngorms National Park and other parts of the Highlands. We recommend monitoring the impacts of Levy in order that the Council can modify the scheme or mitigate any negative impacts if it appears to be exacerbating issues of seasonality.

6. The rate of the levy

THC proposed position: The levy rate will be 5% in respect of the accommodation portion of the chargeable transaction.

Park Authority Response: None

7. The Scheme's objectives

THC proposed position: The aim of the introduction of a Visitor Levy Scheme in Highland is to sustainably manage the visitor economy and the movement of visitors through the maximisation of co-investment opportunities that sustain, support or develop facilities or services which are substantially used by those visiting for leisure or business purposes.

The Visitor Levy Scheme Objectives are to:

- a) **Sustain** public services and infrastructure used by businesses, communities and visitors to ensure the impacts of visitors are strategically and sustainably managed.



- b) **Support** the delivery of a thriving tourism sector offering a wide range of visitor experiences by working together, in partnership, with businesses, visitors and communities.
- c) **Develop** innovative approaches to balance strategic demands and opportunities ensuring that Highland achieves its full potential as a highly positioned destination for visitors.

The Visitor Levy Scheme Objectives together with the Council's Sustainable Tourism Strategy will provide the strategic direction for making those decisions.

The Council will engage with the Visitor Levy Forum to help inform a Delivery Programme, setting out the necessary investment plans and actions to deliver the Scheme's objectives to sustain, support or develop, facilities and services which are substantially for or used by persons visiting the local authority area for leisure or business purposes.

As part of the Highland Council area is designated within the Cairngorm National Park, the Council will regularly engage with the Cairngorm National Park Authority and have regard to the Cairngorm NPPP.

Park Authority Response: We welcome recognition of the National Park Partnership Plan, which is an example of best practice in developing a multi-stakeholder plan for an area. The National Park Partnership Plan is in part delivered through the actions of the Cairngorms Sustainable Tourism Action Plan and projects identified in the Cairngorms Strategic Tourism Infrastructure Plan and we ask that these plans are used as the basis for the investment of proceeds of the Visitor Levy within the Council's area of the National Park. We consider that these plans provide a strong partnership and place-based framework within the National Park for the Delivery Programme that accompanies the Council's proposals.

8. Review of the Council's decisions relating to the Visitor Levy Scheme

THC proposed position: Annual reports will be prepared for the Visitor Levy Scheme and will include a range of information, for example, how the net proceeds have



been used and progress on achieving the Scheme objectives. These reports will be presented to the relevant Strategic Committee or a meeting of the Highland Council.

At least every three years a review of the Scheme will be undertaken, and a report of the findings will be presented to the relevant Strategic Committee or a meeting of the Highland Council.

The Council will share and engage with the Visitor Levy Forum regarding these reports and will seek advice from the Forum on relevant matters, including operation of the Visitor Levy Scheme in Highland.

Park Authority Response: We recommend that the role and advice of the Visitor Levy Forum in monitoring and review of the scheme is clarified. The Visitor Levy Forum should be able to help the Council by providing external advice and verification of data and impact to inform the three-yearly reports and support the Council's decision-making.

9. Local Exemptions

THC proposed position: To ensure the administration of the Scheme is kept to a minimum, and to maximise the revenues generated to sustain, support and develop the visitor economy, the Council will not exercise its discretion to apply local exemptions. The Visitor Levy Scheme will be payable by all accommodation businesses, including those which have an annual turnover below the VAT threshold.

Park Authority Response: We note the Council's position but suggest that it undertakes a more detailed economic impact appraisal to support this position and that it (with the National Park Authority's support in the Cairngorms National Park) monitors for impacts on levels of roadside and informal camping that does not fall within outdoor access rights, in order that any adverse impacts can be mitigated by the scheme or the proceeds of the Levy.

10. National exemptions and exclusions

THC proposed position: As these are prescribed in the Act, the Highland Council will include these exemptions and exclusions in its Visitor Levy Scheme.



Park Authority Response: None.

11. Reimbursement Arrangements for Administration of National Exemptions and Exclusions

THC proposed position: The Highland Council will adopt the National Digital Portal being developed for the visitor levy in Scotland. This National Digital Portal is being designed to:

- a) Enable accommodation providers to remit collected levies to their local authority.
- b) For eligible visitors to claim reimbursement where a national exemption applies, for example, those in receipt of benefits, payments or allowances for a disability as prescribed within the Act.
- c) For eligible visitors to provide evidence to support their claim for reimbursement.
- d) For local authorities to verify and decide claims for national exemptions and to reimburse levies for eligible visitors.
- e) For local authorities to administer and manage collections of the levies.

Park Authority Response: None

12. How the Highland Council will make decisions on the net proceeds

THC proposed Position: The Highland Council will establish a Visitor Levy Forum within six-months of deciding to implement a Visitor Levy Scheme, with representation from Highland tourism businesses, communities and relevant tourism organisations. The Forum will have an important role in considering and advising on the use of the net proceeds. The Forum will be advisory, and its purpose will be to provide advice to the Council in a number of areas relating to the operation of a Visitor Levy Scheme.

The Council's governance arrangements for decision-making will be used to make the decisions on the use of the net proceeds from the scheme. These decisions will be made by Strategic Committees or at meetings of the Highland Council.

The Scheme objectives together with the Council's Sustainable Tourism Strategy will provide the strategic direction for making those decisions.



Park Authority Response: We are pleased to be part of the Visitor Levy Forum and that the Council intends to engage regularly with the Park Authority and to have regard to the NPPP, but as we have noted in other answers, we consider that the Council should also recognise the value of the Cairngorms Sustainable Tourism Action Plan and the Cairngorms Strategic Tourism Infrastructure Plan as a basis for the investment of proceeds of the Visitor Levy within the Council's area of the National Park. We also encourage the Council to consider establishing a fund for medium and long-term investment in larger strategic projects that could be a potential lever for borrowing.

13. Additional Information.

Park Authority Response: We recognise the challenge the Council faces in introducing a visitor levy scheme and the potential opportunity it presents to support the Highlands. We know that the Council has worked hard to improve the effectiveness of its engagement with the tourism and hospitality industry during this consultation. We recommend that the Council maintains that engagement and supports it with further detail on the economic, social and environmental impacts of the proposed levy scheme as well as on the potential use of income from the levy proceeds to help allay business sector fears and provide clarity and reassurance to support their business planning.