

Visitor Levy (Scotland) Bill - Expert Group
Meeting of 19 March 2024, Microsoft Teams. 14:00-16:00
Minutes of meeting

Attendees

Attending virtually

Rob Dickson – VisitScotland (chair)
Neil Christison – VisitScotland
Gavin Mowat – VisitScotland
Ben Haynes – Scottish Government
Kelly Savage – Scottish Government
Marc Crothall – Chief Executive, Scottish Tourism Alliance
Gareth Dixon – City of Edinburgh Council
Katherine Kennedy – City of Edinburgh Council
Rhona Maurage – Senior Tax Specialist, Revenue Scotland
Mirren Kelly – COSLA
Ed Gordon – COSLA
Leon Thompson – UK Hospitality
Brian Porter – CIPFA Directors of Finance
Fiona Campbell – Chief Executive, Association of Scotland’s Self-Caterers

Apologies

Chris Taylor – VisitScotland
David Storrie – Scottish Government
Elaine Wilson – Scottish Tourism Alliance
Monica Patterson – Chief Executive, East Lothian Council; representing SOLACE
Mollie Johnson – Head of Tax Development, Revenue Scotland

Welcome

1. The chair thanked members for their attendance and noted absences. The chair then opened the meeting up for discussion.
2. Kelly and Katherine were welcomed by the group, as it was their first meeting.

Draft minutes and action tracker

3. The Group agreed to the draft minutes of the 6 March meeting and agreed to the updated action tracker.

Record-keeping – draft guidance

4. A discussion took place on the draft guidance paper presented by COSLA who introduced the paper and opened the discussion up for views and comments. COSLA highlighted that local authorities are working with the Digital Office to look at the approach for single / shared platforms to understand how to work together.
5. VisitScotland highlighted the importance of including details in the guidance on potential single and shared platforms that local authorities could utilise. Industry highlighted the wide variety of platforms used by providers (not just the large

platforms) and suggested consideration could be given to EU's Short Term Rental Initiative as a useful example of articulating collective responsibilities. The group agreed not to overcomplicate, but there is a need to provide clarity in the guidance and therefore keep the detail around shared/single platforms in the guidance for now, and reassess in due course.

Remittance – paper for discussion

6. A discussion took place on the remittance paper prepared by COSLA. Discussions considered how the guidance should emphasise that the information requested by a local authority should be proportionate, noting the desire to reduce administrative burdens and the capacity of smaller businesses, while also providing assurance to local authorities that the information provided is accurate. In discussion the following points were made:

- there should be clarity of what a *minimum* amount of information required to be compliant, and that anything beyond the minimum must be proportionate.
- there was an overlap between the Record Keeping section and Remittance. The Group agreed that it would be appropriate to combine guidance on Record Keeping and Remittance.
- There was a typo, and the reference to section 2 should be Section 23
- IRRV colleagues could have role to play. COSLA agreed to check what IRRV colleagues would deem the minimum provision of information to incorporate this into guidance.

Rate setting – paper for discussion

7. COSLA introduced their paper on rate setting. COSLA highlighted the Workplace Parking Levy as a good example of setting an appropriate charging rate. They also identified a need to be clear on what justifies a formal change to the levy, for example a change in percentage, or adding/ removing an exemption. The group agreed this should be clear in the guidance.

8. In discussion on the paper it was noted:

- that the guidance should explicitly set out the percentage rate set, and crucially the rationale for setting a specific percentage rate, along with the modelling outlining income generation projections. This subsequently leads to the impact that the levy will have in terms of delivering improvements to the visitor economy.
- There was a difference between introducing a scheme and modifying a scheme, and a difference between major and minor modifications. The Guidance may need a parallel section outlining handling scheme modifications (or indeed a decision to cease having a visitor levy).
- the significant nature of the rate-setting decision that councils would be making when introducing a scheme should be highlighted, potentially in the introduction to the guidance.

9. COSLA and industry representatives agreed to come back to the next meeting with a progress update for further discussion.

Timeline – paper for discussion

10. A paper on the potential timelines for introducing a visitor levy was introduced to the Group. It provided an overview of some of the issues to consider when developing guidance related to timetables for considering, introducing and implementing a Visitor Levy. In discussion it was noted:
 - that the table is helpful and will prove to be a useful tool within the guidance;
 - there should be a focus on ‘necessary next steps’, clearly differentiating between mandatory and optional. This could be underpinned by a timeline outlining the mandatory timings within the process.
 - relevant tourism strategies should be part of this section, whether that be the development/refreshing of strategies, or ensuring relevant strategies are a fundamental part of the process.
 - that best practise is to engage with key stakeholders throughout the period in which a local authority is considering and developing a visitor levy scheme.
11. COSLA agreed to develop draft guidance text on this issue.

Communication – draft guidance

12. A paper on communications was presented. This paper followed a number of principles of best practice in communication, including making communications accessible, engaging, transparent and ongoing. It also set out a model timeline for when a local authority should communicate (mandatory and optional) with various stakeholders.
13. In discussion it was asked noted whether further guidance would be required in terms of the specific type of persons best practise should cover. It was also agreed that the guidance needs to be as practical as possible, and case studies / good practice examples could be considered once the draft text is complete.
14. VisitScotland agreed to refine the draft guidance text on this issue.

Publicity – draft guidance

15. A discussion took place on the draft guidance paper presented by VisitScotland. In discussion it was noted that:
 - consideration should be given to locating somewhere centrally information for visitors on the levy, for example on VisitScotland’s website. VisitScotland was open to this idea.
 - there was a discussion as to whether this section should be incorporated as part of the Communication section. The Group agreed that this should be considered in due course when other elements of the guidance are drafted.

- the Group were comfortable with this guidance in its current form at this stage.

Response to Minister letter

16. The Expert Group agreed to complete the response to the Minister's letter of 18 January before the next meeting.

Next meeting and timings

17. Commission, Billing & Use of Funds papers moved from 19th March meeting to 16th April meeting. The chair suggested that all discussions on guidance need to be concluded and agreed by end of May, and therefore the 9 May meeting would be crucial. The group may decide at 16 April meeting to add another meeting prior to 9 May meeting to ensure progress continues.
18. Time would be allocated between late May and mid-June for stakeholder testing/feedback of guidance text. The timings will need to ensure that we complete the guidance with adequate time for testing, final changes, ministerial sign-off, and allow time for local authorities to have regard to the published guidance before implementing any visitor levy schemes.