

Policy & Sustainability Committee

10am, 11 March 2025

Cruise Ship Levy

Executive
Wards: All

1. Recommendations

- 1.1 It is recommended that Committee:
 - 1.1.1 Notes the timelines for the Scottish Government consultation to explore the introduction of a local authority Cruise Ship Levy in Scotland;
 - 1.1.2 Notes that members have been invited to workshops throughout March to give feedback on the consultation questions;
 - 1.1.3 Agrees that the consultation response will be brought back to Policy and Sustainability Committee on 27 May for approval.
 - 1.1.4 Notes the questions of the consultation from the Scottish Government as set out in Appendix 1.

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Chief Executive

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Cruise Ship Levy – response to Scottish Government’s Consultation

2. Executive Summary

- 2.1 This report outlines the approach to agreeing a consultation response to the Scottish Government’s consultation on the exploration of a local authority Cruise Ship Levy in Scotland.

3. Background

- 3.1 At the full council meeting on the 19 December 2024 a motion was approved to:
- 3.1.1 Note that officers would bring a draft consultation response to Policy and Sustainability Committee for approval before submission;
 - 3.1.2 Agree that the Council should support a Cruise Ship Levy in principle, but asks that officers highlight any specific concerns in the draft consultation response they bring to committee, and that the council should also ask the Scottish Government to consider allowing the Levy to be introduced on a variable basis to reflect the environmental impacts of the worst-polluting cruise ships.
- 3.2 Across the Edinburgh & South East Scotland region, there are five ports for cruise ships. These are South Queensferry, Rosyth, Newhaven, Leith and Eyemouth (only one or two per year at Eyemouth). Forth Ports operate at Leith, Newhaven and Rosyth ports, and provide anchorage and tender to the City of Edinburgh Council at South Queensferry. Rosyth, South Queensferry, Newhaven, and Leith are all marketed to the cruise industry as ‘Edinburgh’.
- 3.3 Between April and October 2024, which is the peak tourist season for cruise visitors, there were 140 cruise calls to South Queensferry, Rosyth, Newhaven, and Leith combined, with approximately 217,423 passengers. This included 27 calls at Leith, 48 at Newhaven, 29 at Rosyth and 36 at South Queensferry. Not only have there been more ships since 2019 which had 80 cruise calls, but the ships were also larger in capacity.

- 3.4 Acting on behalf of the six local authorities in the wider city region, the Council has taken the lead on the commissioning and development of a Strategic Regional Cruise Management Plan (the Plan) as part of the Visitor Economy strand of the Regional Prosperity Framework.
- 3.5 The Plan is due to be completed in Spring 2025 and its primary aim is not to attract more cruise ships but rather to implement effective measures for visitor management and ensuring an enjoyable experience for visitors as well as residents and businesses. The Plan will allow the partners to better understand how to maximise the benefits of cruise tourism for the region, ensuring that the influx of cruise passengers contributes positively to the region's economy, environment, culture and our communities.
- 3.6 This work will also:
- 3.6.1 analyse the economic impacts of cruise tourism;
 - 3.6.2 look at the key opportunities should a cruise ship levy become a reality in the future;
 - 3.6.3 evaluate the regulatory framework governing cruise tourism in the region; and
 - 3.6.4 provide insights into how a levy might affect the overall economic viability and sustainability of the cruise industry.
- 3.7 The [Scottish Government confirmed in October 2023](#) that they would seek to give local authorities the power to create a Cruise Ship Levy in Scotland. The ability to introduce a cruise ship levy was not included in the Visitor Levy (Scotland) Act 2024. The Government's reasons included a desire not to delay the Visitor Levy Bill and the requirement for further policy development and for a public consultation on a cruise ship levy.
- 3.8 A series of roundtable discussions were held across Scotland in late 2024. The intention for a public consultation on a cruise ship levy by Scottish Government was further confirmed in the [2024/25 Programme for Government](#).

4. Main report

- 4.1 The Scottish Government launched a consultation on the cruise ship levy on 27 February 2025. The closing date to submit a response is 30 May 2025.
- 4.2 To ensure we can meet the closing date, officers have invited Elected Members to attend workshops in March 2025 to gather feedback on the consultation questions. Following these workshops, officers will draft a response to the consultation. Member approval of the draft response will be sought at Policy and Sustainability Committee on 27 May 2025.

5. Next Steps

- 5.1 Following the workshops in March 2025 officers will draft a response from the Council for Elected Member consideration and submit to the Scottish Government by the deadline.
- 5.2 After the consultation on the cruise ship levy closes on the 30 May 2025, the Scottish Government will prepare a summary report outlining the main findings from the consultation exercise.
- 5.3 Subject to the findings of the consultation, Scottish Ministers will then make a decision on whether a cruise ship levy is to be introduced in Scotland.
- 5.4 Officers will continue to work with officials in COSLA and the Scottish Government to develop these proposals.

6. Financial impact

- 6.1 Funds raised from a cruise ship levy will depend on factors including the size and the basis of the levy, the number of cruise ship calls to Edinburgh and the number of passengers.
- 6.2 It will be important to balance the cost benefits of a levy with money currently raised through operational charges. The Council is the Port Authority for South Queensferry and in the 2024 season there were 36 ship calls to South Queensferry, with a total of 42 day stays. From these calls, the Council raised £239k in operational charges in which covered the cost of managing/staffing the cruise business. Approximately £790k in passenger tariff fees (£7 per person) was collected from approximately 111,000 visitors through Hawes Pier, South Queensferry. This is up on previous years.
- 6.3 In 2025 a reduction in visits are expected at South Queensferry, which is being seen across all ports in the Forth area. There are 27 visits booked with £166k in operational charges and £614k in passenger tariff fees. If a levy were to be added to the existing passenger tariff fees, this is likely to place Edinburgh in the higher range of fees and therefore could lead to cruise ships to go elsewhere.

7. Equality and Poverty Impact

- 7.1 It is not envisaged that introducing a potential cruise ship levy for Edinburgh will have any direct equality or poverty implications, however, it is acknowledged that by carefully designing and implementing a cruise ship levy with attention to equality and poverty impacts, Edinburgh can create a more sustainable and inclusive tourism model that benefits both residents and visitors.

8. Climate and Nature Emergency Implications

- 8.1 Cruise ship transport is a contributor to CO2 emissions. While there is no evidence that introducing a potential cruise ship levy would reduce the number of visitors to Edinburgh, the proceeds from the levy could be invested in promoting more sustainable ways of travelling to Edinburgh and, while here, in and around the city.

9. Risk, policy, compliance, governance and community impact

Key Risks

- 9.1 We do not know if, or when, local authorities will be given powers to introduce a cruise ship levy, or whether we will introduce one in Edinburgh. The following key risks have been identified (with mitigating comments):
- 9.1.1 There is a risk that the introduction of a cruise ship levy in Edinburgh has a potential adverse impact on the cruise ship travel and the competitiveness and profitability. However, while price is certainly a factor in planning a trip, visitors face other costs including taxes and fuels costs and weigh against other factors such as the appeal of the package tour or destination;
- 9.1.2 No information or exploration of the potential use of net proceeds raised from a cruise ship levy in Edinburgh has been conducted to date. Cities around the world have introduced a cruise ship levy and funds raised are typically for city infrastructure maintenance, environmental sustainability projects and local transport improvements.

Impact on Council policy

- 9.2 There are no health and safety implications associated with the recommendations in this report.
- 9.3 There are no governance, compliance or regulatory implications associated with the recommendations in this report.

Community Impact

- 9.4 There is no community impact assessed in association with the recommendations in this report. It is too early to tell at this stage. If a cruise ship levy were to be introduced or considered in Edinburgh and IIA would be carried out at the appropriate stage.

10. Background reading/external references

- 10.1 [Scottish Government consultation on potential cruise ship levy \(Scotland\)](#)
- 10.2 [Visitor Levy \(Scotland\) Act 2024](#)
- 10.3 Previous Visitor Levy Committee reports

10.3.1 [Edinburgh Transient Visitor Levy Consultation 2018](#) - February 2019

10.3.2 [A Visitor Levy for Edinburgh – Final Scheme and Consultation Results – January 2025](#)

10.4 [Council Business Plan 2024-30](#)

10.5 [Edinburgh 2030 Tourism Strategy](#)

10.6 [City of Edinburgh Council meeting – 19 December 2024 – approved motion \(item 24\)](#)

11. Appendices

Appendix 1 – Scottish Government consultation questions on a potential local authority cruise ship levy in Scotland

12. Appendix 1 – Scottish Government consultation questions

Consultation on a potential local authority Cruise Ship Levy in Scotland



Respondent Information Form

Please Note this form **must** be completed and returned with your response.

To find out how we handle your personal data, please see our privacy policy:

<https://www.gov.scot/privacy/>

Are you responding as an individual or an organisation?

- Individual
 Organisation

Full name or organisation's name

Phone number

Address

Postcode

Email Address

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

Information for organisations:

The option 'Publish response only (without name)' is available for individual respondents only. If this option is selected, the organisation name will still be published.

If you choose the option 'Do not publish response', your organisation name may still be listed as having responded to the consultation in, for example, the

- Publish response with name
- Publish response only (without name)
- Do not publish response

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

- Yes
- No

Questionnaire

Question 1

Do you support giving local authorities the power to create a cruise ship levy in their area, if they wish to do so?

- Yes
- No
- Don't know

Please provide the reasons for your answer.

Question 2

What alternatives (if any) do you think would achieve the same goals as a cruise ship levy? Please provide details of any alternative option(s).

Question 3

What should the primary basis of a Cruise Ship Levy charge be, if introduced in Scotland?
Select one

- Tonnage of a ship
- Passenger capacity of a ship
- Number of passengers on board a ship
- Number of passengers to disembark from a ship
- Other (please specify)
- Don't know

Please provide the reasons for your answer.

Question 4

In addition to the main basis of the charge, should any cruise ship levy also take into account the environmental impact of a cruise ship?

- Yes
- No
- Don't know

Question 5

Who should collect any cruise ship levy? Select one.

- Cruise ship operator
- Port operator
- Local authority
- Other (please specify)
- Don't know

Please provide the reasons for your answer.

Question 6

What enforcement powers should a local authority, or other relevant body, have to ensure compliance (and prevent avoidance and evasion) by those required to pay a cruise ship levy? Please select all of the powers you think the body should have.

- Powers to request, and obtain or inspect, the information necessary to assess the cruise ship levy liability of a body.
- power to apply a penalty (e.g. a fine) if a cruise ship levy is not paid when it is required to be.
- power to apply a penalty (e.g. a fine) if a body provides inaccurate information in relation to a cruise ship levy, or destroys requested information.

Question 7

Do you think the rate of any cruise ship levy should be set at a national level or should it be for a local authority to decide?

- Set at the national level
- Decided by local authorities
- Don't know

Please provide the reasons for your answer.

Question 8

If the rate of any cruise ship levy were to be set by individual local authorities, should an upper limit be set at a national level?

- Yes
- No
- Don't know

Question 9

Which (if any) of the following proposed actions do you believe local authorities should be required to undertake before being able to introduce a cruise ship levy? Please select yes, no, or don't know for each proposed action below.

Have held a consultation to gather views from all those who will be affected by a cruise ship levy.

- Yes
- No
- Don't know

Have conducted relevant impact assessments, e.g. impact on business, equality impacts, etc.

- Yes
- No
- Don't know

Have set and published objectives for any cruise ship levy and what it was seeking to achieve (either directly and/or through the use of revenue raised).

- Yes
- No
- Don't know

Have assessed and documented the administrative burden from a proposed cruise ship levy and any steps taken to minimise this.

- Yes
- No
- Don't know

If a cruise ship levy rate is set locally, demonstrated why the chosen rate is suitable for that area.

- Yes
- No
- Don't know

Have appropriate mechanisms in place to allow for collection (and if necessary, remittance) of a cruise ship levy.

- Yes
- No
- Don't know

Have made information about the cruise ship levy and how to pay it available in the public domain, for businesses and others.

- Yes
- No
- Don't know

Established an approach to monitoring and publicly reporting on revenues raised and their use on an annual basis.

- Yes
- No
- Don't know

Established an approach to monitoring and publicly reporting on the impact of a cruise ship levy on an annual basis.

- Yes
- No
- Don't know

Question 10

How should revenue raised by a cruise ship levy be used? Select one.

- Revenue raised by a cruise ship levy should be required to be spent on facilities and services used by cruise ship passengers and/or the cruise ship industry.
- A local authority should be able to use revenue raised by a cruise ship levy in any way it wishes.
- Don't know.

Please provide the reasons for your answer.

Question 11

Should any of the following groups be granted exemptions from payment of a cruise ship levy?

Passengers who are 18 years or under

- Yes
- No
- Don't know

Passengers who are disabled

- Yes
- No
- Don't know

Passengers who are paid carers

- Yes
- No
- Don't know

Crew members

- Yes
- No
- Don't know

Passengers disembarking at the final port of call

- Yes
- No
- Don't know

Question 12

If national exemptions are introduced, do you think local authorities should be able to create additional exemptions at a local level?

- Yes
- No
- Don't know

Question 13

Should there be an implementation period for any cruise ship levy? (This would be a required period to run from the time a local authority formally decides to introduce a cruise ship levy to when it came into force).

- Yes
- No
- Don't know

Question 14

If there should be an implementation period how long should it be? Select one.

- Less than 6 months
- 6 months
- 12 months
- One complete financial year
- 18 months
- More than 18 months

Question 15

What, if any, transition arrangements should apply when a cruise ship port call is arranged before a local authority chooses to impose a cruise ship levy, but the port call takes place after the levy has been put in place?

- a cruise ship levy should be paid in this situation
- a cruise ship levy should not be paid in this situation

Question 16

What impact do you think a cruise ship levy would have on the following?

Cruise ship operators

- Very positive impact
- Somewhat positive impact
- Neither positive nor negative impact
- Somewhat negative impact
- Very negative impact
- Don't know

Ports

- Very positive impact
- Somewhat positive impact
- Neither positive nor negative impact
- Somewhat negative impact
- Very negative impact
- Don't know

Businesses linked to cruise ship industry

- Very positive impact
- Somewhat positive impact
- Neither positive nor negative impact
- Somewhat negative impact
- Very negative impact
- Don't know

Local Communities

- Very positive impact
- Somewhat positive impact
- Neither positive nor negative impact
- Somewhat negative impact
- Very negative impact
- Don't know

Local authorities

- Very positive impact
- Somewhat positive impact
- Neither positive nor negative impact
- Somewhat negative impact
- Very negative impact
- Don't know

Scotland as a whole

- Very positive impact
- Somewhat positive impact
- Neither positive nor negative impact
- Somewhat negative impact
- Very negative impact
- Don't know

Please provide the reasons for your answer(s). This helps with developing a robust BRIA which considers as wide a range of impacts as possible. If there are any other groups that would be impacted by a cruise ship levy please also list them below, together with the extent to which you believe they would be impacted.

Question 17

Would the name 'cruise ship levy' be appropriate for a potential levy as explored in this consultation paper?

- Yes
- No
- Don't know

If you believe another name would be more appropriate please suggest it below.

Question 18

Do you believe local authorities with islands should be given the power to create a broader 'point of entry' levy for one or more islands in their area, if they wish to do so?

- Yes
- No
- Don't know

Please provide the reasons for your answer.

Question 19

If there any other points you would like to make in relation to a potential cruise ship levy that you have not been able to make elsewhere in this consultation, please add them below.