

# Partial Business and Regulatory Impact Assessment (BRIA)

## Title of proposal

A Proposal for a Local Discretionary Transient Visitor Levy

## 1. Purpose and intended effect

### 1.1. Objectives

1.1.1. The Scottish Government is consulting to help inform the content of a proposed bill which will introduce a discretionary power so that local authorities will be able to apply a visitor levy or 'tourist tax' on overnight stays in commercially let accommodation. In line with the terminology in the accompanying consultation document, this iteration of the partial BRIA will use the term 'visitor levy'. A successfully implemented local discretionary visitor levy bill will meet the following objectives:

- Support the sustainable growth of the tourism sector across Scotland, particularly in cities and regions which have experienced high visitor numbers in recent years.
- Strengthen local democracy through increased local decision making and more empowered communities.
- Create a new local tax power which is consistent with the Government's overall approach to taxation<sup>1</sup>.

These specific objectives are aligned with the following national outcomes:

- Economic: We have a globally competitive, entrepreneurial, inclusive and sustainable economy.
- Business: We have thriving and innovative businesses, with quality jobs and fair work for everyone.
- Communities: We live in communities that are inclusive, empowered, resilient and safe.
- Environment: We value, enjoy, protect and enhance their environment.

### 1.2. Background

1.2.1. As part of the 2019-20 Budget Deal, the Scottish Government committed to formally consult on the principles and design of a locally determined visitor levy and

---

<sup>1</sup>Scottish Government (2017) '[The role of income tax in Scotland's budget](#)'

introduce legislation thereafter. As the power will be discretionary, it should be noted that no local authority will be obligated to introduce a visitor levy.

1.2.2. In order to inform the required legislation a public consultation has been launched to further develop the Scottish Government's understanding of the issues and concerns around proposals for a visitor levy.

1.2.3. This iteration of the partial BRIA has been prepared to accompany the consultation document and presents our initial view, based on the available evidence, of the potential impacts in terms of costs and benefits to various groups arising from local authorities choosing to implement and operate a visitor levy.

1.2.4. This is the first iteration of the partial BRIA. The analysis and evidence presented will be revised in a further iteration which will be published alongside a draft bill next year and build upon the responses to the public consultation.

### **1.3. Rationale for government intervention**

1.3.1 The Scottish Government engaged with a range of partners and stakeholders from the tourism industry, local authorities and the wider business community in Scotland in a National Discussion on a transient visitor tax (referred to as 'the National Discussion')<sup>2</sup> between November 2018 and January 2019. As highlighted in the National Discussion there was a shared appreciation among participants of the importance of tourism as a key sector of the economy. It was also recognised that future growth in the sector depended on supporting and investing in tourism infrastructure and facilities to ensure that Scotland remains an attractive tourism destination. In their contributions to the National Discussion, several local authorities highlighted that they faced financial challenges around providing such support and that there were limited discretionary options open to local authorities to raise revenue in response to meet local needs.

1.3.2. Through the National Discussion, CoSLA and local authorities like Edinburgh and Aberdeen City expressed support for the principle of a new power that would enable local authorities to introduce a visitor levy, to allow for revenues to be raised to support individual areas' tourism priorities, should local circumstances be supportive. Examples of such support included physical infrastructure such as roads, public toilets and transport links, as well as additional services at peak times, such as street cleaning, and maintenance of facilities in popular areas.

1.3.3. The submissions to the National Discussion from certain local authorities highlighted specific challenges related to tourism activity in their areas, and suggested that a visitor levy would potentially provide an appropriate response to these. These included provision of services to help address tourism pressures, such as additional street cleaning in peak tourist seasons, where costs were currently borne by local taxpayers. They also included provision and maintenance of 'public goods' such as such as parks, walkways, public toilets, public spaces, and cultural amenities, where the costs of provision were often borne by local taxpayers.

---

<sup>2</sup> Scottish Government (2018) ['Tourism tax: messages from the national discussion'](#)

1.3.4. However, the National Discussion also highlighted that these pressures are not experienced across Scotland, and that its introduction across all local authorities may not be appropriate for some areas looking to increase visitor numbers. The National Discussion also highlighted the existing tax burden on accommodation providers, and the potential for externalities across local authority boundaries arising from negative messages around taxation on tourism or changes in visitor behaviour. This suggested that a visitor levy may not be appropriate for each local authority, created discussion around the desirability of national consistency across local authorities, and the balance between national consistency and local discretion and autonomy.

1.3.5 In addition to these factors, the introduction of a discretionary power is also consistent with the Scottish Government policy commitment to strengthen local democracy through devolution of local decision making and more empowered communities.

1.3.6. In recognition of these issues, a visitor levy introduced in the bill will be a discretionary local tax, which individual local authorities could choose to enact, depending on their local circumstances. However, the public consultation is considering the appropriate balance between national consistency and local discretion in the design and operation of the visitor levy power.

1.3.7. Some contributors to the National Discussion also highlighted that visitors who are responsible for potential sources of pressure for local areas, and the types of visitors who would be liable for a new tax (overnight visitors) may not necessarily be well aligned. In particular, it was highlighted that a tax on stays in overnight accommodation may not capture day visitors or those staying in 'mobile accommodation' such as camper vans or cruise ships. In recognition of this, the consultation asks how a visitor levy could be practically applied to other categories of visitors. However, consideration of a tax on these categories of visitors is not included in this iteration of the partial BRIA.

## **1.4. Consultation**

**1.4.1. Within Government:** A range of Directorates across Scottish Government have and will continue to feed into the general policy development for the visitor levy. This iteration of the partial BRIA has been developed with input and feedback from three divisions within Scottish Government: Local Government and Analytical Services Division; Tourism and Major Events Division, and the Economic Strategy Division of the Office of the Chief Economic Adviser. We have also received feedback on this iteration of the partial BRIA from the Scottish Government's Tax Policy Division, and from VisitScotland.

**1.4.2. Public Consultation:** The formal consultation process will run for 12 weeks from 9 September 2019 to 2 December 2019, and will provide an opportunity for civic engagement and participation ahead of the introduction of the bill. This engagement will be critical to support the development of the legislation. An analysis of responses will inform the draft legislation and analysis in the future BRIA iteration.

1.4.3. **Business:** a number of businesses and business representative organisations participated in and contributed to the Scottish Government's National Discussion on Tourist Taxes, both by attending round table discussions and providing written contributions. The evidence gathered and issues raised during the National Discussion process have informed the development of this iteration of the partial BRIA, and the public consultation document.

1.4.4. In keeping with the specific requirements of the partial BRIA, the Scottish Government is in the process of conducting a number of interviews with individual businesses from the overnight accommodation sector. These businesses have been identified through engagement with the Association of Scottish Self Caterers, the Federation of Small Businesses and UK Hospitality. We have also interviewed representatives of other sectors potentially affected by a visitor levy including the Hostelling Scotland and the Caravan and Motorhome Club. These discussions will aim to build government understanding of the business compliance challenges which a visitor levy will present accommodation providers as well as other pertinent issues. More detail is provided in section 6.1.

## **2. Policy options**

This section describes two broad approaches to introducing a discretionary power to allow local authorities to introduce a visitor levy and identifies the key sectors and groups that are likely to be affected by a visitor levy, should individual local authorities choose to implement it. We also note the challenges around the quantification of benefits and costs in this context and the likely interaction between a visitor levy and VAT.

### **2.1. Sectors and groups affected by a visitor levy**

2.1.1. Based on evidence gathered during the National Discussion and informal engagement with stakeholders, the following groups and sectors are identified in this iteration of the partial BRIA as key groups which will face additional benefits and costs as a result of a local authority introducing a visitor levy<sup>3</sup>:

- Local authorities that choose to implement a visitor levy
- Accommodation providers (including hotels, B&Bs, guest houses, hostels, campsites, marinas, term-time student accommodation and self-catering accommodation including short-term lets that are part of the collaborative economy)<sup>4</sup> who it is anticipated would be liable for collecting and remitting a visitor levy
- The wider business community (excluding accommodation providers)
- Visitors (both domestic and international)
- Residents of local authorities
- Scottish Government

2.1.2. In accordance with Scottish Government guidance, this iteration of the partial BRIA assesses several options for implementing a visitor levy in relation to the potential costs and benefits arising to each of the identified groups.

### **2.2. Description of options for a local discretionary visitor levy bill**

2.2.1. This iteration of the partial BRIA sets out two broad options for a visitor levy which are described below. The BRIA also assess the impact of a 'do nothing' or business as usual option (Option 0) where no local authority has the power to introduce a visitor levy.

2.2.2. The difference between the broad options considered in this document reflect a key theme of the consultation document: the appropriate balance between local autonomy and control and national consistency across a number of key design parameters and aspects of implementation and operation of a visitor levy.

---

<sup>3</sup> It should be noted that question 33 of the consultation seeks views on any other groups that may have been overlooked in the analysis presented in this iteration of the partial BRIA.

<sup>4</sup> See Annex A in the Consultation Document for data regarding types of accommodation across Scotland.

2.2.3. In light of this, the broad options outlined are intentionally stylised to highlight the differences between an approach that maximises national consistency and an approach that maximises local autonomy in the design, implementation and operation of a visitor levy. This iteration of the partial BRIA does not prejudge the content of the future bill.

2.2.4. Under **Option 0**, a business as usual case is examined in which a bill to introduce a discretionary power for local authorities to implement a visitor levy is not introduced, and as a consequence, no local authority is able to implement a visitor levy.

2.2.5. Under **Option 1**, a bill would be introduced which would grant local authorities a power to implement a visitor levy. The parameters of the levy would be set out in a national framework which would ensure a substantial level of consistency across Scotland. The national framework would ensure national consistency in the visitor levies enacted by local authorities, particularly in the following respects:

- The **taxable activity** for the purposes of a visitor levy is limited to overnight stays in commercially let accommodation and the liable party for a visitor levy is the accommodation provider.
- A common '**basis of charge**' for a visitor levy. As set out in the consultation, the basis of charge could be one of four models: a per person per night levy (a), a per room per night levy (b), a percentage of the accommodation charge levy (c) or a flat rate per night which varies by the quality of accommodation (d). Models a, b and c could be adopted under Option 1 and the partial BRIA discusses potential benefits and costs of each of these models as distinct sub-options. Model d is not considered in this iteration of the partial BRIA as there is no existing mandatory visitor accommodation rating system in Scotland.
- The **rate** of a visitor levy would be the same across all local authorities. This would either be a fixed charge per room, a fixed charge per person or a fixed percentage of the accommodation charge.
- As outlined in the consultation document, the Scottish Government believe that some exemptions should be set out nationally (see consultation document section 4.5 for details). Under this option, local authorities would not have any flexibility to introduce further exemptions beyond those specified at national level.
- Local authorities would be required to establish, operate and maintain a local record of commercial overnight accommodation providers in order to identify the accommodation providers who would be liable for remitting a visitor levy.
- Local authorities operating a visitor levy would be required to allocate revenues raised from a visitor levy to priorities articulated through local tourism strategies where these exist. Local authorities would be required to engage with local stakeholders to determine how revenues are to be

allocated and the local authority must publically account for how revenue raised will be allocated.

- A national framework would set out a number of other requirements (as set out in section 5.1 of the consultation document) that local authorities must meet before a visitor levy could be introduced.

2.2.6. In addition to consideration of potential impacts arising from the issues above, sub-options a, b and c under Option 1 are discussed in relation to potential benefits and costs for visitors, local authorities and accommodation providers. At this stage, it is not anticipated that there would be substantial material differences in costs and benefits arising from sub-options for the wider business community, residents of local authorities or Scottish Government.

2.2.7. Under **Option 2**, a bill would be introduced which would grant local authorities a power to implement a visitor levy. Individual local authorities would have substantial discretion over the parameters of the levy's design, implementation and operation. There would be limited national requirements for local authorities to meet and there would be the potential for different visitor levies to emerge in different local authority areas as a result. The main features of this option are:

- The **taxable activity** for the purposes of a visitor levy is limited to overnight stays in accommodation let on a commercial basis and the liable party for a visitor levy will be the accommodation provider.
- No requirement for a common '**basis of charge**' for a visitor levy. A local authority could choose any of the four options set out in the consultation or an alternative option for the basis of charge if they were to judge this to be workable and more suited to their particular circumstances.
- The **rate** of a visitor levy would be determined locally.
- As outlined in the consultation document, the Scottish Government believe that some exemptions should be set out nationally (see consultation document section 4.5 for details). However, under Option 2 local authorities would have the flexibility to introduce further exemptions over and above those specified in national legislation.
- Whilst there will be an expectation that local authorities will use revenue raised through a visitor levy to fund tourism related activity and that local stakeholders are consulted in this process, there will be no formal requirements set out in a national framework. This could lead to different practices emerging in different local authority areas in this regard.
- There would be no consistent formal requirements (such as those measures set out in section 5.1 of the consultation document) for local authorities to meet before introducing a visitor levy, although it is anticipated that local authorities would undertake activities such as consultation with local businesses and residents as a matter of good practice.

2.2.8. Table 1 summarises the main features of each option and sub-options.

Table 1: Description of Options Presented within the partial BRIA

Option	Option Description	Sub-Options (Description)
Option 0	A bill to enable a visitor levy is not introduced	N/A
Option 1	A visitor levy defined within a national framework, part of which states that the basis of the charge is:	1a (a per person per night levy)
		1b (a per room per night levy)
		1c (a percentage of the accommodation charge)
Option 2	A visitor levy defined within locally determined frameworks	N/A (There are no sub-options as basis of charge would be determined locally)

2.2.9. The analysis outlined in this iteration of the partial BRIA does not take account of any future changes to the regulation of short-term lets in Scotland. The Scottish Government recently consulted on the issue of potential new regulatory approaches which might involve registration and/or licensing of short-term lets<sup>5</sup>. While new regulations in this area may be a consideration for any local authority intending to introduce a visitor levy they are not included in the benefits and costs of options outlined in the partial BRIA, as no final policy decision has been made. The partial BRIA therefore reflects the current regulatory arrangements for short-term lets.

### 2.3. Quantification of benefits and costs

2.3.1. Annex A of the consultation document and the Tourism Tax: discussion document<sup>6</sup> provide data on tourism activity in Scotland, including visitor numbers across different areas in Scotland, and data on commercial accommodation.

2.3.2. This iteration of the partial BRIA does not set out estimates of potential set-up or ongoing costs to local authorities associated with operating a visitor levy, or those that may be incurred by accommodation providers. It is anticipated that the former will be developed through engagement with individual local authorities through the consultation process, while the latter will be developed in part through the detailed business engagement referred to in paragraph 1.4.3.

2.3.3. This iteration of the partial BRIA does not present new evidence on potential behavioural responses among visitors to a potential visitor levy. The National Discussion found that there was limited existing evidence on this for Scotland. Visitors' behavioural responses would likely be influenced by the basis and overall size of a visitor levy, particularly relative to their overall accommodation bill, and

<sup>5</sup> Scottish Government (2019) '[Short-term lets: consultation](#)'

<sup>6</sup> Scottish Government (2018) '[Tourism Tax: Discussion Document](#)'



could also be influenced by availability and price of alternative accommodation (e.g. hotel rooms in adjacent local authorities if these were not implementing a levy). Behavioural responses may also vary across visitors to different parts of Scotland, and at different times of the year; they may also affect duration of visit, accommodation choice, or decisions on ancillary spending. The Scottish Government will seek to develop our understanding of the potential implications of these during the consultation process.

2.3.4. In their contributions to the National Discussion, individual local authorities provided initial estimates of potential revenues that could be raised by a visitor levy in their areas, under specific scenarios. The Scottish Government will look to develop a more detailed understanding of the potential revenues that could arise from a visitor levy during the consultation process.

2.3.5. Whilst this iteration of the partial BRIA presents the Scottish Government's initial assessment of the possible sources of costs and benefits that might arise for different groups as a result of the introduction of visitor levy, it does not quantify of the overall economic impact or provide an aggregate view at a Scotland level. The Scottish Government will seek to develop its understanding of the overall economic impact of a visitor levy for a further iteration, although it should be noted that providing an aggregate view may prove overly complex given the discretionary nature of the power.

## **2.4. Interaction with UK reserved taxes**

2.4.1. VAT is chargeable on holiday accommodation at the standard rate (20%), although there is an exception for very small traders. As the consultation document highlights, it is likely a visitor levy would form part of the total cost subject to VAT (i.e. VAT would be payable on the base price plus the levy amount) as is the case in other EU countries where a similar levy operates. Scottish Government officials will liaise with their counterparts in HMRC to discuss this treatment.

2.4.2. A visitor levy could, therefore, result in a marginal increase in UK VAT revenue by increasing the price on which VAT is paid, representing a benefit to the UK Exchequer that could be viewed as a spillover effect for the purposes of the Fiscal Framework. On the other hand, if reductions in economic activity occur as a result of the introduction of a visitor levy (e.g. due to reduced visitor nights spent in commercial accommodation or reduced visitor spend on accommodation) a spillover effect may arise in the other direction by reducing UK VAT revenues collected by UK Government. This VAT impact will emerge, to a greater or lesser degree under any policy option presented in this iteration of the partial BRIA.

2.4.3. The fiscal consequences of the interaction with VAT will depend on the rate(s) at which a visitor levy is set and the behavioural response of visitors. Forecasting in this area will be particularly important because of the Scotland Act 2016 provisions for the assignment of VAT receipts to the Scottish Government, which will create the potential for a reduction in VAT receipts to directly impact central Scottish Government funding. The interaction is also likely to create some additional administrative complexity for accommodation providers.

### 3. Option 0 (business as usual)

This section sets out the Scottish Government's initial assessment of the costs and benefits arising for different groups and sectors if a power to create a locally determined levy is not introduced, no local authority will be able to raise revenue through taxation of overnight visitors to their area.

3.1 As no new levy would be in operation, **accommodation providers** would not be required to incur any additional administration costs associated with collecting and remitting a levy. Accommodation providers would also not be required to either absorb or pass-on the impact of a visitor levy, meaning their revenues will not be negatively affected by its introduction.

3.2 **Visitors** would not have to pay an additional levy to stay overnight in commercial accommodation. This means there will be no potential negative impact on visitor spending. There will also be no confusion to visitors who may face a visitor levy in one local authority area and not in another.

3.3 As there is no negative response in visitor behaviour due to a new visitor levy, the **wider business community** would be largely unaffected.

3.4 **Local authorities** in Scotland would not incur additional costs arising from consultation and engagement on a levy, start up costs, operating costs, or costs associated with monitoring and compliance. However, some local authorities may continue to face challenges to maintain funding to respond to pressures arising from high number of tourist numbers and to provide the infrastructure expected of visitors to their area were this to be the case.

3.5 Pressure on provision of funding in some local authorities could lead to challenges in maintaining the quality and provision of public amenities. This is potentially detrimental to **residents** in some parts of local authorities experiencing high numbers of visitors, and to the experience of visitors to these areas.

## 4. Option 1 (a visitor levy with parameters set out in a national framework)

This section sets out the Scottish Government's initial assessment of the costs and benefits arising for different groups and sectors from Option 1.

This option would see a bill introduced to parliament which would grant local authorities a power to implement a visitor levy on stays in commercial accommodation, the parameters of which are set out with a national framework that ensures a substantial level of consistency across Scotland. Under this option the basis of the charge will be the same across all areas (one of three sub-options), the rate will be set at a national level and would be the same across all local authorities implementing the levy. There will be some limited exemptions set out at a national level but no other exemptions would be applied. If a local authority chose to implement a visitor levy, they would be required to establish a record of all commercial accommodation in their area, allocate revenue according to priorities articulated in their local tourism strategies, and comply with other requirements as set out in section 5.1 of the consultation before implementing a visitor levy.

### 4.1. Benefits of Option 1

4.1.1. **Local authorities** that choose to introduce a visitor levy under a national framework would generate revenues from an additional funding source, which would be directly allocated to priorities articulated through their local tourism strategies. This would provide an opportunity to improve the tourist offer in a local area, and support delivery of tourism priorities agreed with local stakeholders. Local authorities could also see potential reputational benefits from improving the public realm, improving visitor amenities, and improving destination management.

4.1.2. **Visitors** to local authorities where a visitor levy has been implemented could benefit directly from local authority investment in maintenance and improvements to the public realm and investment in broader tourism priorities articulated through local tourism strategies. A variety of spending priorities could yield benefits for visitors as stated in 1.3, such as provision of public parks, provision of funding for cultural amenities, maintenance of public footpaths and funding for local events and festivals.

4.1.3. **Residents of local authorities** would also directly benefit from investment in the kinds of activities outlined above which maintain and improve the public realm.

4.1.4. Although it should be recognised that there would be new costs arising for **accommodation providers** in areas where a visitor levy is introduced (see 4.2), the sector may also indirectly benefit from the decisions of local authorities to invest in the public realm and amenities, and from the delivery of shared priorities articulated through local tourism strategies. These could also have indirect benefits for **wider business community** especially those that are dependent on visitor spending such as leisure and recreation businesses, tour operators, visitor attractions,

bars and restaurants. Accommodation providers operating in different local authority areas would also benefit from the consistency of approach provided through a national framework.

## **4.2. Costs of Option 1**

4.2.1. Should they choose to introduce a visitor levy, **local authorities** would incur costs associated with consultation, engagement, and decision-making; setup costs; operating costs; and monitoring and enforcement costs. However, as the parameters of a visitor levy would be largely defined by a national framework, a visitor levy would be less complex to implement than under a system where local authorities were required to exercise substantial discretion on levy design.

4.2.2. Prior to deciding to implement a visitor levy, local authorities would be required to consult with local businesses and stakeholders, and comply with conditions articulated through the national framework.

4.2.3. Following the decision to implement a visitor levy local authorities would be required to set up a method of collecting the visitor levy from accommodation providers. This would require some upfront set-up costs in new collection systems, staff recruitment and training, and the establishment of a comprehensive record of accommodation providers within their area. Local authorities would also have to set up an account into which accommodation providers would remit tax receipts at regular intervals and implement new procedures around collection and forecasting of revenue. Local authorities will have to comply with relevant data protection legislation when setting up these systems. Local authorities would also incur costs from communicating the requirements of a visitor levy to accommodation providers, and provision of information on rates, operation of exemptions, and remittance requirements.

4.2.4. Local authorities would also incur ongoing costs associated with the operation of a visitor levy. These would include ongoing staff costs associated with the collection of revenues, ongoing maintenance of the record of accommodation providers, revenue forecasting activity, monitoring revenue outturns, reporting on use of revenues against priorities articulated in local tourism strategies, and ongoing costs associated with communicating any changes in operation of the visitor levy, and associated levy liabilities, with accommodation providers and visitors.

4.2.5. In order to ensure compliance, local authorities may also incur costs relating to monitoring and enforcement. Local authorities implementing a visitor levy may need to inspect occupancy records and other data held by accommodation providers. There will also be costs associated with establishment and operation of appeals processes, and through pursuit of non-payment of liabilities should this be required.

4.2.6. A national framework could reduce some of these set-up and administration costs by mandating some form of standardisation in the administration of visitor levies. It should be noted that these costs are also likely to be higher for the first local authority implementing a visitor levy, with those that follow potentially being

able to take advantage of lessons learned during implementation in an early adopted local authority. Finally, a potential constraint for local authorities under Option 1 is that the single rate set in a national framework may be imperfectly aligned with what a particular local authority would choose to set.

4.2.7. **Accommodation providers** in areas where a visitor levy is introduced are likely to face three main sources of additional costs. The first source of cost will be any initial set-up costs required to comply with a new visitor levy and the second will be ongoing administrative and compliance costs, including making visitors aware of levy requirements. The third source of cost will be related to potential changes in visitor behaviour as outlined below which will potentially negatively impact profitability and competitiveness.

4.2.8. Accommodation providers will face set-up costs and on-going administrative costs due the introduction of a visitor levy. Set-up costs could include changes to property management systems/booking systems (software changes) in order to process visitor levy payments, costs in relation to collecting new data and record keeping above that already in place, costs associated with new processes to remit taxes electronically and costs associated with training staff in new processes. Ongoing administration costs may also be borne in relation to regular processing of payments such as the additional processing time required. The significance of these costs may vary by size and type of accommodation provider: for instance, they may represent a more significant burden to smaller hotels, self-caterers or B&Bs than to larger hotel chains. It should be noted that the fact that the basis of charge will be consistent across different areas under Option 1 potentially reduces scope for confusion and administrative complexity arising from the emergence of different visitor levy designs.

4.2.9. An additional complication and increased source of cost for accommodation providers may arise around commissions that hotel operators pay third-parties such as Online Travel Agents (OTAs) which are typically based on a proportion of the room rate inclusive of taxes.

4.2.10. The impact of a visitor levy on accommodation providers' competitiveness and profitability depends firstly on whether businesses are able to pass on the cost to visitors, and secondly on the behavioural response of visitors to a change in accommodation price. The extent to which accommodation providers would or could pass tax increases would be passed on to consumers would depend on the degree and intensity of competition among accommodation providers; their ability to adjust capacity quickly; and the extent to which accommodation providers and locations can differentiate themselves, and therefore charge higher prices. The extent to which cost increases can be passed through can also increase over time.

4.2.11. Under Option 1 **visitors** staying in accommodation in local authorities where a levy is implemented could face new costs as a result of a visitor levy increasing the price paid for commercial accommodation, should accommodation providers choose to pass on the levy. Higher prices for visitors could lead to changes in visitor behaviour, such as less visitor spending in the local economy, reductions in the number of nights visitors choose to stay in the local authority and, in extreme cases, a sufficiently high rate of visitor levy could lead to visitors

choosing alternative destinations to visit. The degree to which visitors will be affected by a visitor levy will depend on the rate set. Visitors with more constrained budgets may be more likely to change behaviour in response to an increase in accommodation prices, such as travellers under the age of 25. Depending on ease of payment and transparency of a visitor levy, visitors may face increased inconvenience as well, however, this is likely to be mitigated due to a level of national consistency in the application of visitor levies by local authorities under Option 1. There is also a potential for reduced choice of accommodation for visitors should smaller scale providers choose to exit the market (see 5.2.2).

4.2.12. **Residents and the wider business community** may face costs under Option 1 due to potential behavioural change from visitors reacting to higher prices due to the addition of a visitor levy. The wider business community could be negatively affected through reduced levels of turnover, should the visitor levy result in reduced ancillary spending by visitors or reduced visitor numbers. Residents, especially in areas with a high dependence on tourism for employment could also be negatively affected if falls in visitor spend fed through to less employment locally. It should be noted that, at a Scotland level, some of these impacts may in part be displacement if for example visitors chose to spend money in other areas of Scotland where a visitor levy is not introduced.

4.2.13. **Scottish Government** could incur costs relating to the development and drafting of the bill and its passage through the Scottish Parliament.

4.2.14. Sections 4.3 discusses additional costs and benefits specifically related to the sub-options outlined in table 1.

### **4.3. Option 1 – sub-options**

As highlighted in the consultation document, a key parameter in the design of a visitor levy is the basis of the tax charge. As discussed, Option 1 would see a single basis of charge with a national framework which would allow a level of consistency in the design of a visitor levy across local authorities which choose to implement one. Table 2 below summaries our initial view on some of the advantages and disadvantages of each sub-option in terms of their likely impact on accommodation providers, local authorities and visitors.

**Table 2 – Overview of the impact of basis of charge sub-options**

	Option 1a A per person per night levy	Option 1b A per room per night levy	Option 1c A % of accommodation charge levy
Impact on Accommodation Providers	<ul style="list-style-type: none"> <li>- New data collections: Some self-caters will not know how many people stay, or intend to stay, in the accommodation each night; hotels may need to start recording this.</li> <li>- Self-declaration: Visitors would have to declare number in party.</li> </ul>	<ul style="list-style-type: none"> <li>- Definition of room for tax purpose: may be easier for hotels, but challenge in defining a room in other sectors (hostels, self-catering, campsites).</li> </ul>	<ul style="list-style-type: none"> <li>- Administration may be complex, as requiring identification of revenue from accommodation use, and potential reconciliation activities between forecast and outturn.</li> <li>- Accommodation providers with higher prices face higher tax burdens in cash terms.</li> <li>- Those in the sector operating under the VAT threshold may find this harder to administer.</li> </ul>
Impact on Local Authorities	<ul style="list-style-type: none"> <li>- Compliance: Reliance on self-declaration by guests and/or accommodation providers – more room for manipulation and avoidance.</li> </ul>	<ul style="list-style-type: none"> <li>- A more stable and predictable source of revenue if number of rooms available known – only varies by occupancy.</li> </ul>	<ul style="list-style-type: none"> <li>- Revenue subject to higher volatility due to movements both in occupancy and price level.</li> <li>- Easier to establish compliance by inspecting revenue from room sales.</li> </ul>
Impact on Visitors	<ul style="list-style-type: none"> <li>- Flat rate charge means relatively higher bill for users of lower cost accommodation.</li> <li>- Multiple occupancy of single room (e.g. families with children) would pay more compared to other models (unless complex exemptions applied).</li> <li>- More information required when booking compared to current practice.</li> </ul>	<ul style="list-style-type: none"> <li>- Flat rate charge means relatively higher bill for users of lower cost accommodation.</li> <li>- Multiple occupancy of single room (e.g. families with children) potentially better off.</li> <li>- Little additional information required when booking.</li> </ul>	<ul style="list-style-type: none"> <li>- Visitors booking budget accommodation such as hostels will pay less than those opting for higher-end hotels.</li> <li>- Reflects seasonality in accommodation sector. Visitors in low season pay less in cash terms.</li> </ul>

## 5. Option 2 (a visitor levy with key parameters set locally)

Option 2 would see a bill introduced to parliament which would grant local authorities a power to implement a visitor levy on overnight stays in commercial accommodation, the parameters of which are mainly determined locally.

Were local authorities to make use of this power, design features such as the basis of the charge, rate of charge, exemptions operated, and remittance and compliance requirements could vary between participating local authorities. Whilst there will be an expectation that local authorities will use revenue to fund tourism related activities, and an expectation that local authorities would follow good practice in consulting on levy operation and design, and on accounting for use of revenues, there would be limited levels of national consistency in this regard compared to a national framework.

### 5.1. Benefits of option 2

5.1.1. Under Option 2, the design and implementation of a visitor levy will be more closely aligned with local circumstances. This could deliver greater local empowerment for local authorities and allow greater flexibility for local authorities in terms of allocating additional funding. Similar to Option 1, **local authorities** that choose to introduce a visitor levy are likely to access additional funding from revenues raised by a visitor levy, providing an opportunity to fund new tourism related expenditure and improvements to the public realm. Under Option 2 local authorities can set their own rate for the levy, which may be higher or lower than the rates set in a national framework under Option 1. This could lead to more revenue being raised and, with less constraints on how revenue raised should be allocated locally, provide greater flexibility for local authorities to meet local priorities.

5.1.2. The benefits for **visitors** from a visitor levy will depend upon how local authorities choose to invest the revenues raised. Visitors could benefit from improvements or maintenance funded from the revenues raised, but under Option 2, there will potentially be less national consistency in how such revenues should be allocated. The potential for this also increases under Option 2 if there is no statutory requirement in the bill for local authorities to account publically for how revenues raised would be allocated.

5.1.3. Option 2 could lead to enhanced benefits for **residents** compared to Option 1 because local authorities would not be restricted in the rate they choose to set. This means more revenue could be raised and more investment could be made in priorities that benefit local residents.

### 5.2. Costs of Option 2

5.2.1. As there is no national framework under Option 2, there would be no restrictions on the rate that local authorities could introduce through a visitor levy. This risks local authorities setting a rate that would maximise local revenues, but potentially result in wider damaging effects for the local economy in reducing visitor spending and visitor numbers. This could impose higher costs on **accommodation**



**providers** who would have to absorb or pass on higher visitor levy rates affecting competitiveness and profitability in the sector. There is likely to be increased negative spillovers to the **wider business community** and **residents** as business turnover is negatively affected by less visitor spending.

5.2.2. The possibility of different visitor levies emerging in different local authority areas also potentially presents higher costs for accommodation providers who operate in more than one area and to visitors who travel to more than one area. Accommodation providers could potentially have to ensure their property management systems are able to process and remit tax payments for multiple different schemes. If local authorities were to introduce exemptions to a visitor levy at a local level this might impose even greater compliance costs depending on the type of exemption adopted.

5.2.3. In contrast, costs for **local authorities** under Option 2, could be lowered. While they will have set up and administration costs, local authorities will not have to comply with the requirements of a national framework and may therefore avoid costs associated with this ie conducting local consultations, or conducting impact assessments prior to implementation. A local authority might also avoid the costs associated with having to compile an accurate record of accommodation providers. On the other hand, design costs for local authorities could be greater under this model, while local authorities might have increased administrative and enforcement costs if they choose to introduce a more complex visitor levy design than is envisaged in Option 1 with, for example, a number of additional exemptions.

5.2.4. There is also a risk that as a result of different local authority decisions under Option 2 there would be increased confusion for **visitors** who might face different visitor levies in different areas. In addition this may reduce transparency around how revenues raised by the visitor levy would be used leading to increased annoyance for visitors who will not have a clear sense of why they are paying an additional charge.

5.2.5. Similar to Option 1, the Scottish Government would incur costs relating to the development and drafting of legislation and its passage through the Scottish Parliament.

## 6. Additional assessments within the BRIA

### 6.1. Scottish firms impact test

6.1.1. As discussed in the analysis of the options, the introduction of a visitor levy is likely to have an impact on Scottish firms providing commercial accommodation. Annex A of the consultation document summarises available data covering the types of businesses which will be impacted by the introduction of a visitor levy, with a selection of relevant information replicated below.

6.1.2. Accommodation providers are largely micro- or small businesses, with relatively small numbers of employees. Table 3 sets out registered business units within the accommodation sector by employee sizeband. These are business units that are registered to pay either VAT and / or PAYE.

**Table 3: Accommodation, Registered Business Sites, by Employee Sizeband, 2018<sup>7</sup>**

	<b>0-4 Employees</b>	<b>5-9 Employees</b>	<b>10-14 Employees</b>	<b>15-49 Employees</b>	<b>50+ Employees</b>	<b>Total</b>
Hotels and similar accommodation	480	320	240	710	225	<b>1,980</b>
Holiday and other short-stay accommodation	635	125	35	35	5	<b>840</b>
Camping grounds, recreational vehicle parks and trailer parks	200	50	20	20	10	<b>300</b>
<b>Total</b>	<b>1,320</b>	<b>495</b>	<b>295</b>	<b>765</b>	<b>240</b>	<b>3,120</b>

Source: ONS (2018), Inter-Departmental Business Register

6.1.3. There are also a number of accommodation providers that do not currently generate turnover sufficient to exceed the VAT threshold. The Scottish Valuation Roll contains a list of all hotels, guest houses, hostels and most self-catered accommodation as these properties are rateable for non-domestic rates purposes

<sup>7</sup> The Inter-Departmental Business Register (IDBR) is maintained by the Office for National Statistics (ONS) and is a database of all registered enterprises operating in the UK i.e. enterprises that are registered for VAT and/or PAYE. It covers 99% of economic activity in the UK. Those excluded are small sole traders or partnerships with no employees and an annual turnover of less than the VAT threshold (£83,000 in 2017).

(although many properties listed will benefit from relief so do not actually pay any business rates<sup>8</sup>). Table 4 shows the number of properties registered as at April 2019, by Scottish local authority area.

**Table 4 – Hotels, Guest Houses, B&Bs and Self-Catering Units on the valuation roll (as at April 2019)**

	Hotels	Guest Houses / B&Bs	Self-Catering Units		Hotels	Guest Houses/ B&Bs	Self-Catering Units
Aberdeen City	260	90	30	Highland	370	335	4,265
Aberdeenshire	175	55	570	Inverclyde	5	-	20
Angus	40	15	205	Midlothian	10	10	45
Argyll & Bute	175	170	1,970	Moray	90	15	410
Clackmannanshire	10	-	30	North Ayrshire	40	40	460
Dumfries & Galloway	160	65	1,265	North Lanarkshire	25	10	30
Dundee City	35	20	50	Orkney Islands	35	20	400
East Ayrshire	20	5	25	Perth & Kinross	130	85	990
East Dunbartonshire	5	-	10	Renfrewshire	15	5	30
East Lothian	30	20	215	Scottish Borders	85	40	670
East Renfrewshire	5	-	10	Shetland Islands	20	15	265
Edinburgh, City of	185	215	1,555	South Ayrshire	55	30	250
Eilean Siar	30	25	590	South Lanarkshire	35	10	80
Falkirk	35	5	60	Stirling	90	55	465
Fife	115	65	575	W. Dunbartonshire	15	10	60
Glasgow City	80	35	215	West Lothian	30	10	45
<b>Total</b>					<b>2,380</b>	<b>1,465</b>	<b>15,815</b>

\*All figures rounded to the nearest 5 properties

6.1.4. As set out in 1.4.3, as part of the BRIA process Scottish Government is taking forward a series of semi-structured interviews with between 6 and 12 accommodation providers across Scotland which have been identified by key stakeholder groups (UKHospitality, the Federation of Small Businesses and the Association of Scottish Self Caterers). We aim to capture the diversity of the sector by talking to businesses ranging from small self-catering businesses with a couple of properties to multinational hotel chains with a large hotel presence. We will also capture accommodation providers in different parts of the country with a mix of responses from city locations to rural locations across a number of different local authority areas.

6.1.5. The semi-structured interviews, whilst primarily a forum for accommodation providers to raise specific concerns around proposals for a visitor levy will also specifically ask what adjustments accommodation providers would need to make to their business models to comply with a visitor levy, ranging from software changes through to hiring new staff and any new data collections that would be required.

<sup>8</sup> Scottish Government (2018), Transient Visitor Taxes: Supporting a National Discussion, p15. <https://www.gov.scot/publications/transient-visitor-taxes-scotland-supporting-national-discussion/>

The interviews also seek views on what models of tax collection/remittance and what 'basis of charge' model would work best for accommodation providers in terms of minimising any set-up and on-going compliance costs.

6.1.6. Full details of this engagement work will be published in the further iteration of the partial BRIA once the public consultation is completed.

## **6.2. Competition assessment**

6.2.1. It is envisaged that a visitor levy would apply to all accommodation providers within a local authority area that introduces the levy including short-term let visitor accommodation. However, particularly under Option 2, there may be discretion for local authorities to introduce higher or lower levies in certain areas of a local authority or to exclude certain types of accommodation. This would potentially have an impact on competition between accommodation providers.

6.2.2. The following sets out the Scottish Government's initial view on the impact of a visitor levy on standard questions within the competition assessment:

- **Will the measure directly or indirectly limit the number or range of suppliers?**

There is potential that some smaller accommodation providers, particularly in the self-catering sector or providers through collaborative economy platforms could exit the sector if administration and compliance costs are significant.

- **Will the measure limit the ability of suppliers to compete?**

A visitor levy may impact on competitiveness where the substitutability of accommodation within a local authority applying a visitor levy and accommodation with a local authority not applying the levy is high. For example, tour bus operators may choose to use hotels in areas where the price of accommodation is not affected by a visitor levy and travel to destinations within a local authority applying the levy. In addition, as highlighted in section 4.3, a visitor levy applied on a per room basis might lead to different treatment of accommodation providers due to the definition of a room. This could potentially make some types of accommodation less competitive relative to others.

- **Will the measure limit suppliers' incentives to compete vigorously?**

It is not anticipated that a visitor levy will limit incentives for competition between accommodation providers.

- **Will the measure limit the choices and information available to consumers?**

Provided the advertised price of accommodation in local authorities operating a visitor levy makes clear the requirement to pay a visitor levy, and its value, there will be no material impact on information available to consumers. There

is a potential impact on consumers looking to stay within local authorities that have a visitor levy if some providers choose to exit the sector due to additional compliance costs.

### **6.3. Consumer assessment**

6.3.1. The following sets out the Scottish Government's initial view on the impact of a visitor levy on standard questions within the consumer assessment:

- **Does the policy affect the quality, availability or price of any goods or services in a market?**

A visitor levy could affect the price of commercial accommodation within local authorities choosing to implement the tax, assuming that at least part of the cost of the tax is passed onto visitors. As stated in the competition assessment, availability of accommodation may be reduced at the margins if some accommodation providers withdraw from the market.

- **Does the policy affect the essential services market, such as energy or water?**

There is no expected impact on markets for essential services as a result of the introduction of a visitor levy

- **Does the policy involve storage or increased use of consumer data?**

Accommodation providers are likely to be required to collect and store data on consumers (visitors) in order to comply with any record keeping requirements imposed by local authorities introducing a levy. These records may or may not be additional to current practice. There is more likely to be additional information required if exemptions to the visitor levy are applied. Any changes in data collection would have to comply with relevant data protection legislation.

- **Does the policy increase opportunities for unscrupulous suppliers to target consumers?**

This is unlikely to occur as a consequence of the introduction of a visitor levy.

- **Does the policy impact the information available to consumers on either goods or services, or their rights in relation to these?**

It is the intention that the advertised price of commercial accommodation in areas where a visitor levy is applied will clearly show any visitor levy, therefore there should be no impact on information available to consumers. There may be occasions where information held by third party booking platforms on the rates of local taxes applicable may not align with current local authority rates. This may lead to some confusion for visitors if visitor levy rates were to change frequently and platforms are not kept up to date.

- **Does the policy affect routes for consumers to seek advice or raise complaints on consumer issues?**

There is no expected impact on routes for consumers to seek advice or raise complaints as a result of the introduction of a visitor levy.

#### **6.4. Test run of business forms**

6.4.1. As referred to above and evidenced through discussions with accommodation providers there is likely to be new compliance costs on businesses in local authority areas that chose to implement a visitor levy. However, as this is a local levy which will be designed by local authorities (potentially within a broad national framework), any particular new forms which accommodation providers would be required to complete, for example, a tax return, should be piloted by the local authority choosing to implement the levy. The consultation asks whether the national framework should stipulate that local authorities must assess the burden on businesses and take steps to minimise this and we would expect the test run of business forms to be a part of this wider requirement.

#### **6.5. Legal aid impact test**

6.5.1. There may be an impact on legal aid if local authorities are granted new powers to impose civil penalties on accommodation providers for enforcement purposes. There are still final policy decisions to be taken in relation to how such penalties could be challenged, and an assessment of whether there would be an impact on legal aid in these circumstances will be considered in the future iteration of the BRIA.

#### **6.6. Enforcement, sanctions and monitoring**

6.6.1. Final policy decisions have yet to be taken on a range of issues relating to enforcement, sanctions and monitoring by local authorities that choose to implement a visitor levy. The consultation asks what powers a local authority should have to ensure against avoidance and evasion by accommodation providers. The answers to this question and further consultation with stakeholders will clarify our final position in relation to these issues.

#### **6.7. Implementation and delivery plan**

6.7.1. The proposals will be implemented through primary legislation currently envisaged for this parliamentary term. Following this, local authorities are expected to undertake assessments and conduct appropriate local consultation before a visitor levy can be implemented. Therefore we do not expect a visitor levy will be implemented anywhere in Scotland before 2021.

6.7.2. Final policy decisions have yet to be taken on a range of issues relating to the legislation ahead of the consultation process including any plans on post-implementation review.

#### **6.8. Summary and recommendation**

6.8.1. The consultation asks a number of questions relating to how a visitor levy should be designed. This iteration of the partial BRIA does not present a formal recommendation to endorse any of the options presented. An updated BRIA will present more detailed consideration of the options upon which a recommendation could be made. These options will reflect feedback gathered through the consultation.

6.8.2. Table 5 summarises the costs and benefits identified in this iteration of the partial BRIA for each identified group/sector under Option 1. Costs and Benefits arising from options are similar, therefore, the table only notes any differences in benefits and costs arising from Option 2.

**Table 5 – Summary of identified costs and benefits of Options 1 and 2**

Group Affected	Option 1		Option 2	
	Costs	Benefits	Costs	Benefits
Local Authorities	<ul style="list-style-type: none"> <li>• Consultation and decision-making costs</li> <li>• Setup costs (implementing new collection systems, developing record of accommodation providers, staff recruitment and training)</li> <li>• Administration costs (maintaining records, revenue forecasting, revenue collection, administering exemptions)</li> <li>• Monitoring and enforcement costs (undertaking investigations into non-compliance, raising and pursuing civil actions)</li> </ul>	<ul style="list-style-type: none"> <li>• Additional funding stream for maintenance and improvement of public realm, and broader tourism and cultural offer, in line with tourism strategies</li> <li>• Potential reputational benefits from improved public realm and destination management</li> </ul>	<ul style="list-style-type: none"> <li>• Consultation and decision-making costs, potentially increased through lack of national framework</li> <li>• Setup costs (implementing new collection systems, developing record of accommodation providers, staff recruitment and training)</li> <li>• Administration costs (maintaining records, revenue forecasting, revenue collection, administering exemptions)</li> <li>• Monitoring and enforcement costs (undertaking investigations into non-compliance, raising and pursuing civil actions)</li> </ul>	<ul style="list-style-type: none"> <li>• Local empowerment, stronger alignment between design and local circumstances</li> <li>• Additional funding stream for maintenance and improvement of public realm, and broader tourism and cultural offer, in line with tourism strategies</li> <li>• Potential reputational benefits from improved public realm and destination management</li> </ul>

Accommodation Providers	<ul style="list-style-type: none"> <li>• Setup costs (changes to booking, invoice-generation and record-keeping systems; staff training; staff recruitment; remittance systems)</li> <li>• Compliance costs (ongoing record-keeping; staffing; remittance; price display changes)</li> <li>• Impact on profitability, if tax charge is absorbed within existing margins.</li> <li>• Impact on turnover and profitability, should tax charge be passed on to customers, and depending on customer response.</li> <li>• Significance of costs may vary according to size of accommodation provider, segment of accommodation market (e.g. hotel, self-catering)</li> </ul>	<ul style="list-style-type: none"> <li>• Indirect benefit from maintenance and improvement of public realm, broader tourism and cultural offer, and broader reputational benefit for municipality</li> <li>• Indirect benefit from broader resident support for tourism</li> <li>• Consistency of approach through national framework.</li> </ul>	<ul style="list-style-type: none"> <li>• Setup costs (changes to booking, invoice-generation and record-keeping systems; staff training; staff recruitment; remittance systems)</li> <li>• Compliance costs (ongoing record-keeping; staffing; remittance; price display changes)</li> <li>• Impact on profitability, if tax charge is absorbed within existing margins.</li> <li>• Impact on turnover and profitability, should tax charge be passed on to customers, and depending on customer response.</li> <li>• Additional costs for accommodation providers who have to comply with different LA's levy requirements</li> <li>• Significance of costs may vary according to size of accommodation provider, segment of accommodation market (e.g. hotel, self-catering)</li> </ul>	<ul style="list-style-type: none"> <li>• Indirect benefit from delivery of tourism priorities (e.g. maintenance and improvement of public realm, broader tourism and cultural offer, and broader reputational benefit for municipality)</li> <li>• Indirect benefit from broader resident support for tourism</li> </ul>
-------------------------	--	---	---	--



Visitors (Scottish, RUK, International)	<ul style="list-style-type: none"> <li>• Increased price of accommodation, should provider pass tax on.</li> <li>• Reduced choice of accommodation, should smaller scale providers choose to exit the market.</li> <li>• Inconvenience and dissatisfaction, depending on ease of payment and transparency of tax charge.</li> </ul>	<ul style="list-style-type: none"> <li>• Direct benefit from maintenance and improvement of public realm, broader tourism and cultural offer</li> </ul>	<ul style="list-style-type: none"> <li>• Increased price of accommodation, should provider pass tax on.</li> <li>• Reduced choice of accommodation, should smaller scale providers choose to exit the market.</li> <li>• Inconvenience and dissatisfaction, depending on ease of payment and transparency of tax charge. Potentially increased low national consistency</li> </ul>	<ul style="list-style-type: none"> <li>• Direct benefit from maintenance and improvement of public realm, broader tourism and cultural offer</li> </ul>
Wider Tourism Sector	<ul style="list-style-type: none"> <li>• Reduced turnover, should tax result in reduced ancillary spending by visitors, or reduced visitor numbers.</li> </ul>	<ul style="list-style-type: none"> <li>• Indirect benefit from funding maintenance and improvement of public realm, broader tourism and cultural offer, and broader reputational benefit for municipality</li> <li>• Indirect benefit from broader resident support for tourism</li> </ul>	<ul style="list-style-type: none"> <li>• Reduced turnover, should tax result in reduced ancillary spending by visitors, or reduced visitor numbers.</li> </ul>	<ul style="list-style-type: none"> <li>• Indirect benefit from maintenance and improvement of public realm, broader tourism and cultural offer, and broader reputational benefit for municipality</li> <li>• Indirect benefit from broader resident support for tourism</li> </ul>
Residents		<ul style="list-style-type: none"> <li>• Direct benefit from maintenance and improvement of public realm, broader tourism and cultural offer</li> </ul>		<ul style="list-style-type: none"> <li>• Direct benefit from maintenance and improvement of public realm, broader tourism and cultural offer</li> </ul>

Scottish Government	<ul style="list-style-type: none"> <li>• Cost of developing and implementing legislation.</li> </ul>	<ul style="list-style-type: none"> <li>• Indirect reputational benefit from improved public realm and destination management</li> </ul>		
---------------------	--	---	--	--

**Declaration and publication**

I have read the Business and Regulatory Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options. I am satisfied that business impact has been assessed with the support of businesses in Scotland.

**Signed** *Kate Forbes*

**Date: 5 September 2019**

**Kate Forbes**

**Minister for Public Finance and Digital Economy**

**Scottish Government Contact point: Kevin Brady**