FALKIRK COUNCIL

Draft Visitor Levy Scheme for Consultation: FAQs

What is a visitor levy?

A visitor levy is a small charge on overnight stays in paid accommodation. Any money raised would be used to support local services and facilities that visitors use and contribute to local areas.

Why is Falkirk Council considering a visitor levy?

Tourism makes a significant contribution to Falkirk's economy and supports local businesses, jobs, and communities. The latest data published by VisitScotland shows that visitors spent £127 million in the area and there were 350 businesses and 4,500 jobs in the sector locally.

Visitor activity can also create additional demands on local infrastructure, facilities, and services, particularly when visitor numbers are higher during the peak season.

A visitor levy could help improve the places, facilities, experiences, and marketing that support Falkirk's visitor economy, and the money raised would help fund local services and facilities that visitors use as well as benefit local residents.

Has Falkirk Council decided to introduce a Visitor Levy?

No.

Earlier this year, Falkirk Council carried out initial engagement on this proposal. We are now asking for your views on a Draft Visitor Levy Scheme for the Falkirk area.

Consultation responses will be considered alongside other evidence (for example, impact assessments) before the Council decides whether or not to introduce a Visitor Levy Scheme in Falkirk.

Falkirk Council has commissioned EKOS Ltd, an economic consultancy, to prepare the independent consultation analysis report and impact assessments.

Your feedback will help inform a decision on whether a visitor levy should be introduced, which is expected to be considered by Full Council in January 2027.

How can I have my say?

You can respond to the survey and provide comments on any aspect of the Draft Visitor Levy Scheme.

The Council has also arranged a number of public drop-in sessions and a few roundtable discussions, and more detail is provided on the Council's website.

You can also email the Council - VisitorLevy@falkirk.gov.uk - to ask questions or share any other views or feedback.

Who would have to pay a visitor levy?

A visitor levy would be paid by visitors staying overnight in paid accommodation in the Falkirk Council area. It would also apply to Falkirk residents if they choose to stay in paid accommodation within the Council area that is not their sole or main residence, unless they qualify for a statutory exemption.

How much would a visitor levy cost?

Falkirk Council is consulting on a proposed visitor levy of 5%. The 5% charge would apply only to the cost of overnight accommodation. It would not apply to other costs, such as food and drinks, parking, laundry services, entertainment, leisure facilities or transport.

As an example, a one-night stay costing £100 would mean a visitor levy of £5. A one-night stay costing £60 would mean a visitor levy of £3.

Why is the proposed rate 5%?

Councils can choose to introduce a visitor levy as either a percentage of the accommodation cost or a fixed amount per room or area per night.

When developing the Draft Visitor Levy Scheme, Falkirk Council looked at several options. Each option was modelled to show how different visitor levy rates might affect the amount of money raised.

EKOS Ltd carried out detailed financial modelling for Falkirk Council. This looked at likely income, possible impacts on visitors and businesses, and what other councils in Scotland are already doing or planning to do. The modelling tested a range of scenarios, including lower and higher percentage rates and different fixed-charge options.

The work is based on the most up-to-date tourism and economic data available, including:

- STEAM tourism data.
- Falkirk Council's own internal data.
- Previous analysis by JJ Lennon Tourism Development Consultancy Ltd.
- VisitScotland data.
- Airbnb analytics.
- Official Scottish Government economic statistics.

Independent estimates suggest that a 5% visitor levy could raise around £1.76 million per year in gross revenue.

It is estimated that around £1.52 million per year would remain available to invest in local services and facilities after deducting set-up costs, ongoing administration costs, and the proposed 2% retention for accommodation providers as a contribution towards their costs. This net figure represents the funding that could directly support the places, infrastructure, and amenities that visitors use and that contribute to the wider local area (see Table 1).

Actual revenue would depend on the final scheme design (if approved), visitor numbers and other factors. This figure does not include the impact of any national or local exemptions that may apply. The proposed 5% rate is intended to raise enough funding to support the aims of the scheme while keeping the additional cost to visitors at a reasonable level.

The Council is consulting on the proposed 5% rate and welcomes views on whether it is appropriate.

Table 1: Summary of estimated revenue forecasts

Visitor levy structure	Rate	Average annual net revenue
Percentage rate	3%	£810,000
	5%	**£1,520,000**
	7%	£2,230,000
Fixed rate per room or area per night	£1.00	£100,000
	£2.50	£490,000
	£5.00	£1,150,000
	£7.00	£1,680,000

Source: EKOS modelling for Falkirk Council.

While higher percentage rates or alternative fixed-charge models may generate more money, they may also raise concerns around affordability, perceived fairness (for instance, the proportional impact of percentage-based versus fixed charges across different accommodation types), operational complexity for both the Council and businesses, and overall stakeholder acceptability.

Lower visitor levy rates would reduce the level of money raised to support tourism and visitor facilities across Falkirk.

Which accommodation types would be included?

The proposed visitor levy would apply to all paid overnight accommodation within the Falkirk Council area, as set out in the 2024 Act. This includes:

- hotels.
- hostels.
- guest houses.
- bed and breakfast accommodation.
- self-catering accommodation, including short-term lets; caravan parks and camping sites – including, but not limited to, static caravans, self-catering units, touring pitches for campervans/ motorhomes/caravans, tent pitches and temporary campsites.
- accommodation in a vehicle, or on board a vessel, which is permanently or predominantly situated in one place.
- any other place in which the occupier makes a room or area available for residential use, provided that the accommodation is not the visitor’s sole or habitual place of residence.

Any amount charged by an accommodation provider for a visitor levy would be included in their turnover, which is used to determine if they need to register for VAT.

Why is a visitor levy proposed to apply across the whole of Falkirk?

The Draft Visitor Levy Scheme proposes that a visitor levy would apply across the whole Falkirk Council area.

Having one scheme for the whole area would make it easier for businesses and visitors to understand and simpler for the Council to manage. This approach is the same as the visitor levy schemes already approved elsewhere in Scotland.

The Council is consulting on this proposed approach and welcomes views on whether it is appropriate.

Why doesn't the draft scheme include a cap on chargeable nights?

The Draft Visitor Levy Scheme proposes a Visitor Levy Scheme for Falkirk would have no cap, meaning a visitor levy would be charged for every night of a stay. This would make the scheme easier for the Council and accommodation providers to manage, reduce running costs, and ensure more of the money raised can be used to support tourism and visitor facilities across Falkirk.

Why is a visitor levy proposed to apply throughout the year?

The Draft Visitor Levy Scheme proposes that a visitor levy would apply all year round, with the same rules in place every day of the year. This would make the scheme simpler for the Council and accommodation providers to manage, reduce administration costs, and maximise the money available to support tourism and visitor-related improvements across Falkirk. The Council is consulting on this approach and welcomes views on whether it is appropriate.

Why are accommodation providers allowed to retain 2%?

The Draft Visitor Levy Scheme proposes that accommodation providers may retain 2% of visitor levy revenues they collect to contribute towards the costs of administering, collecting, and paying remitting a visitor levy to the Council. The Council is consulting on this proposed arrangement and welcomes views on whether it is appropriate.

Are any groups or accommodation providers exempt?

Yes. Statutory exemptions apply as set out in the Visitor Levy (Scotland) Act 2024 as amended, including certain people who are homeless or at risk of homelessness, asylum seekers and refugees, and people entitled to specified disability-related benefits. The Council cannot remove these exemptions.

The Draft Visitor Levy Scheme does not propose any additional local exemptions, and the Council is consulting on this proposal and welcomes views on whether it is appropriate.

How would the money be spent?

After set-up, administration costs, as well as the proposed 2% that accommodation providers could keep as a contribution towards their costs have been deducted, money raised by a Visitor Levy Scheme would be used to support, develop, or sustain facilities and services substantially for or used by visitors.

The Draft Scheme identifies potential areas of investment aligned to the draft objectives:

- To help grow Falkirk's visitor economy.
- To make Falkirk a more attractive destination and improve the experience for visitors.

- To support a sustainable, year round visitor economy that benefits visitors, businesses, and local communities.
- To create vibrant and thriving places across the Falkirk area.
- To raise Falkirk's profile as a place to visit.

The Council is consulting on the above draft objectives and welcomes views on whether these are appropriate.

Who decides how money generated by a visitor levy is spent?

Spending decisions would be made by Falkirk Council's Executive.

The Council would be supported by advice from a local statutory Visitor Levy Forum comprising representatives of tourism businesses, communities and relevant organisations, which would provide advice on the operation of a scheme and the use of net proceeds.

The Council is asking for views on which type of groups and organisations should be represented on a Visitor Levy Forum and for any wider comments on its role.

If a scheme is approved, the detailed governance arrangements for the Visitor Levy Forum, including its membership and operating arrangements, would be developed before a scheme is implemented.

How will the success of the scheme be monitored?

Falkirk Council would publish an annual report within 18-months of a visitor levy starting, and then every year after that. These reports would show how much money has been raised, how it has been spent, and how well the scheme is meeting its aims.

The scheme would also be formally reviewed within three years of starting, and every three years after that. These reviews would look at how well the scheme is working, its impact on businesses and communities, and feedback from visitors, accommodation providers, tourism organisations and community groups. The findings would be published and shared with the Falkirk Visitor Levy Forum.

When could a visitor levy start?

The commencement date for any Visitor Levy Scheme will be determined by Falkirk Council following consideration of consultation responses and will be subject to the minimum 18-month implementation period required by the 2024 Act.

Subject to approval by Falkirk Council in January 2027 and formal notification to Scottish Ministers, the earliest start date for a Falkirk Visitor Levy Scheme could be July 2028.

Are there other sources of useful information to look at?

The VisitScotland website provides a range of useful information, including:

- Guidance on the Visitor Levy for Local Authorities (last updated August 2026).
- FAQs for accommodation providers (August 2026).