

## Response ID ANON-5SEV-7DHX-X

Submitted to Potential cruise ship levy (Scotland)

Submitted on 2025-05-30 12:07:00

### Questions

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

Please provide the reasons for your answer.:

If appropriately designed and implemented, a cruise ship levy (CSL) could unlock transformational socio-economic benefits for communities across Scotland and improve the nation's cruise offer by:

(1) Supporting long-term investment in destinations

- A CSL would provide a means for destinations to support and harness the opportunities of cruise tourism while enabling cruise lines and their passengers to contribute to the places they visit.

- As tourism continues to grow and public sector budgets are stretched, the proceeds of a CSL would help local authorities to maintain services and infrastructure that support the visitor experience and are essential to local quality of life.

(2) Forging a relationship between cruise stakeholders and destinations

- Beyond economic benefits, one of the most significant outcomes of the introduction of a CSL would be the development of a relationship between cruise stakeholders and destinations that could help to reshape cruise tourism into a more sustainable model.

- Cruise lines sell the experience of their ships and our places. While they have a relationship with those who facilitate access to destinations, i.e. ports and shore excursion operators, cruise lines often do not have a direct relationship with the communities they visit and in some destinations this has aggravated adverse impacts and perpetuated local anti-cruise sentiment. The introduction of CSL would facilitate a direct, mutually beneficial relationship between cruise lines and destinations via local authorities whose primary obligation is protecting and serving the interests of local people and their places.

2 What alternatives (if any) do you think would achieve the same goals as a cruise ship levy?

Please provide the reasons for your answer(s).:

For islands, a point of entry levy would achieve the same goals as a CSL. The introduction of a point of entry levy could be transformational for local authorities with islands, creating a long-term framework to support investment in local infrastructure and services. Output from recent stakeholder engagement suggests widespread support for a well-designed point of entry levy in Orkney. Viewed as an equitable option, it would enable all visitors, including those arriving onboard cruise ships and in motorhomes, to make a much-needed contribution towards sustaining the islands' visitor economy.

3 What should the primary basis of a cruise ship levy charge be, if introduced in Scotland?

Number of passengers on board a ship

Please provide the reasons for your answer.:

The application of existing legal mechanisms and practices would ensure simplicity in the design of legislation to enable a CSL and also facilitate stakeholder understanding and compliance. Accordingly, the basis of a CSL should be a flat rate per passenger, with actual passenger numbers declared via their agent, reflecting existing national reporting requirements.

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?

No

5 Who should collect any cruise ship levy?

Other (please specify)

Please provide the reasons for your answer.:

The application of existing legal mechanisms and practices would ensure simplicity in the design of legislation to enable a CSL and also facilitate stakeholder understanding and compliance. The usual charging regime for a vessel's call into port is completed through the designated shipping agent who acts on behalf of the shipowner and, among other things, ensures compliance with local regulations. On this basis, a CSL could be collected and remitted by shipping agents.

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?

Power to apply a penalty (e.g. a fine) if a cruise ship levy is not paid when it is required to be

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?

Decided by local authorities

Please provide the reasons for your answer.:

- There should be a balance between local and national consistency. Given the unique circumstances of cruise destinations across Scotland, with differing levels of cruise tourism, port ownership models, types and areas of related land-based activity, and local requirements, a one size fits all approach would not be appropriate.

- Local authorities are best placed to understand the needs and preferences of their local communities and, therefore, it is essential that a CSL supports local flexibility to respond accordingly.

- A degree of national consistency could facilitate greater cruise stakeholder understanding of their obligations and how to effectively and efficiently comply with them. It could also reduce some complexity in the design of local schemes and support local authorities in establishing joint or regional CSL schemes where appropriate.

- In principle, the Council would be supportive of a discretionary levy that devolves decision-making to local authorities, yet provides some overarching principles set out in national legislation to preserve Scotland's competitiveness as a premier cruise destination.

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?

No

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?

Radio Buttons - Have held a consultation to gather views from all those who will be affected by a cruise ship levy:

Yes

Radio Buttons - Have conducted relevant impact assessments, e.g. impact on business, equality impacts, etc:

Yes

Radio Buttons - 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

Radio Buttons - Have assessed and documented the administrative burden from a proposed cruise ship levy and any steps taken to minimise this:

Yes

Radio Buttons - If a cruise ship levy rate is set locally, demonstrated why the chosen rate is suitable for that area:

Yes

Radio Buttons - Have appropriate mechanisms in place to allow for collection (and if necessary remittance) of a cruise ship levy:

Yes

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

Yes

Radio Buttons - Established an approach to monitoring and publicly reporting on revenues raised and their use on an annual basis:

Yes

Radio Buttons - Established an approach to monitoring and publicly reporting on the impact of a cruise ship levy on an annual basis:

Yes

10 How should revenue raised by a cruise ship levy be used?

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

Please provide the reasons for your answer.:

- As tourism continues to grow and public sector budgets are stretched, the proceeds of a CSL would allow local authorities to maintain services and infrastructure that support the visitor experience and are essential to local quality of life.

- A CSL should support improved visitor management in areas accessed by cruise tourism and development that harnesses the opportunities of cruise

tourism to both enhance the visitor experience and improve wellbeing of local communities.

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

Select one - Passengers who are 18 years or under:

No

Select one - Passengers who are disabled:

No

Select one - Passengers who are paid carers:

No

Select one - Crew members:

Yes

Select one - Passengers disembarking at the final port of call:

No

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

Yes

13 Should there be an implementation period for any cruise ship levy?

Yes

14 If there should be an implementation period how long should it be?

18 months

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

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

Select one - Cruise ship operators:

Somewhat positive impact

Select one - Ports:

Neither positive nor negative impact

Select one - Businesses linked to cruise ship industry:

Somewhat positive impact

Select one - Local Communities:

Very positive impact

Select one - Local authorities:

Very positive impact

Select one - Scotland as a whole:

Somewhat positive impact

Please provide the reasons for your answer(s):

The foregoing assessment is based on consideration of potential positive and negative impacts as follows.

The implementation of a CSL would provide a means for destinations to harness the socio-economic opportunities of cruise tourism by:

- Supporting long-term investment. A CSL would offer long-term benefits for stakeholders through targeted investment in the public realm for which the cost of provision has traditionally been borne by local taxpayers. As tourism continues to grow and public sector budgets are stretched, proceeds could help local authorities to maintain services and infrastructure that support the visitor experience and are essential to local quality of life.

- Forging cruise stakeholder relationships. Collaborative development and implementation of a CSL by cruise stakeholders would facilitate a direct relationship between cruise lines and destinations via local authorities. This could deliver mutual benefits for stakeholders, such as community capacity building and industry access, improved visitor management, and innovative product development, improving destinations' cruise offer while, crucially, helping to garner and maintain local support for cruise tourism.

• Enabling viability of other levies. Crucially, the availability of multiple mechanisms to generate revenue from tourism is especially vital for islands and other smaller local authorities as it could enable the viability of levy schemes which may not be practicable on their own.

Conversely, a CSL could potentially have the following adverse effects:

• Increasing costs. A CSL would increase the cost for cruise lines to visit Scotland, which would likely be passed on to their passengers and reflected in higher-priced cruises. However, the long-term investment enabled through a CSL would significantly improve the visitor experience, increasing perceived quality and value for money and providing justification for a levy.

Additional administration costs would also be introduced for whomever is liable to collect and remit the levy to the local authority (e.g., ships' agents). This cost would likely be passed on to cruise lines who would, in turn, recover it from their passengers.

• Limiting cruise tourism. A CSL could be wielded to limit visitor numbers or even deter cruise tourism, which would not only restrain local economic opportunities but could also potentially compromise Scotland's attractiveness as a cruise destination. However, a more sustainable approach would be to instead manage cruise ship arrivals through a policy such as Orkney's Cruise Ship Booking and Confirmation Policy ( <https://www.orkneyharbours.com/documents/oicha-cruise-booking-and-confirmation-policy> ) developed by the Harbour Authority in consultation with stakeholders and introduced in August 2023.

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

Don't Know

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

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

Please provide the reasons for your answer.:

The introduction of a point of entry levy could be transformational for local authorities with islands, creating a long-term framework to support investment in local infrastructure and services. Output from recent stakeholder engagement suggests widespread support for a well-designed point of entry levy in Orkney. Viewed as an equitable option, it would enable all visitors, including those arriving onboard cruise ships and in motorhomes, to make a much-needed contribution towards sustaining the islands' visitor economy.

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.

Are there any other points you would like to make?:

Supplementary information to previous questions:

Question 4 – A CSL should not take into account environmental impact of a cruise ship. This would add a level of complexity to the levy scheme. It would also exclude consideration of the environmental impact of cruise's related land-based activity. Whilst we agree that charges should be made on all visiting vessels for their environmental impact, this should be in line with recognised measurement and charging regimes already in place for all shipping, not only cruise ships. The Orkney Harbour Authority already implements an environmental levy on all vessels calling into the harbour areas and also has joined the Environmental Port Index ( <https://epiport.org/> ) through which visiting cruise vessels voluntarily provide details on their emissions to participating ports to allow them to understand the emission rates and then define charging strategies.

Question 6 – Assuming a CSL would be based on passenger numbers, with vessels and their agents required to declare these as part of the reporting process, the need to request additional information for levy charges would be eliminated. It is understood that legislation would require a robust enforcement clause and the inclusion of a provisions allowing local authorities to add charges to unpaid levies should be sufficient. Cruise ships frequently call at multiple ports within the same regions, and there is little evidence of non-payment, as the risk of brand damage is too high. A cruise line unwilling to pay a CSL would likely avoid booking calls at the relevant port.

Question 15 – A CSL should apply to port calls booked before a local authority has decided to introduce a CSL, provided there has been an implementation period of a minimum of 18 months.

About you

What is your name?

Name:  
Christie Hartley

Are you responding as an individual or an organisation?

Organisation

What is your organisation?

Organisation:  
Orkney Islands Council

Further information about your organisation's response

Please add any additional context:

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

Publish response with name

Do you consent to Scottish Government contacting you again in relation to this consultation exercise?

Yes

What is your email address?

Email:  
christie.hartley@orkney.gov.uk

I confirm that I have read the privacy policy and consent to the data I provide being used as set out in the policy.

I consent

Where did you hear about this consultation?

Other

If other, please say where::

Scottish Government through direct engagement regarding a cruise ship levy