

Integrated Impact Assessment – Summary Report

Each of the numbered sections below must be completed
Please state if the IIA is interim or final – Interim.

1. Title of proposal

Edinburgh Visitor Levy's (EVL) Housing and Tourism Mitigation Fund (HTMF) and the use of £5 million to provide around 472 affordable homes, and around 75% of these could be social

2. What will change as a result of this proposal?

The Visitor Levy (Scotland) Act 2024 gained Royal assent in July 2024. The legislation allows councils in Scotland to have tax paid for overnight accommodation. Following years of consultation, the Council has decided to use the powers set out in the Act.

The Act sets out some requirements for the Visitor Levy, which include the following:

- the levy must be a percentage of the cost of an overnight stay in some types of overnight accommodation.
- before a levy can be introduced, the local authority must consult with local communities, businesses and tourist organisations: revenue generated by the levy must be used to develop, support or sustain local facilities and services substantially used by business and leisure visitors.

The Edinburgh Visitor Levy Scheme ('The Levy') was approved in January 2025 by the City of Edinburgh Council. The main objective of The Levy is as follows.

To Sustain, Support and Develop:

1. Public services, programmes and infrastructure that provide an enjoyable and safe visitor and resident experience
2. Edinburgh's culture, heritage and events provision to ensure it remains world-leading and competitively attractive to residents as well as visitors
3. The city's visitor economy, by fostering innovation in response to environmental and societal challenges, enhancing Edinburgh's global reputation while promoting responsible and sustainable tourism.

The use of the HTMF will be to support the cost of borrowing for around 472 affordable homes. The provision of new permanent social rented homes would enable households in unsuitable bed and breakfast temporary accommodation to access settled accommodation, enabling B&B's to be returned to the visitor sector.

3. Briefly describe public involvement in this proposal to date and planned

In October to December 2018, the Council carried out a formal consultation with public on a visitor levy for Edinburgh. The Council reported the [findings and set out a position on a levy](#) in February 2019.

The Council conducted a formal engagement process and consultation on the draft proposal for an EVL supported by further roundtable events open to all groups, residents and businesses.

The Council commissioned a survey using an independent research firm to test the views of visitor and residents on a potential EVL.

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In November 2023 – January 2024, the Council carried out an informal survey gathering views from residents and visitors. We reported the [findings of the informal survey](#) to the Policy and Sustainability Committee in March 2024.

A public consultation was carried out between 23 September and 15 December 2024. The results of this consultation can be seen in the [report](#) which was taken to the Policy and Sustainability Committee on 17 January 2025.

From the Edinburgh Transient Visitor Levy Consultation 2018, a summary of consultation findings and the roundtable discussion that accompanied it are noted below

- 85% of all respondents expressed strong support for the introduction of a EVL in Edinburgh, as did the majority of all category stakeholders, including Edinburgh businesses and Edinburgh accommodation providers.
- 67% of respondents felt that Edinburgh should introduce a EVL at a rate of around £2/2% of the cost of accommodation while 18% felt this was too low.
- The majority of respondents (47%) preferred a flat £ per night per room rate but a high number of respondents (38%) wanted to see a charge based on the percentage of the room fee introduced.
- Respondents felt there should be no significant exemptions or variations to this rate based on quality of accommodation, time of year, type of accommodation or length of stay.
- The majority of respondents (81%) wanted to see a cap on charges of no less than seven days to help protect festival performers and other nonleisure visitors.
- Consideration should be given to how those not staying overnight could also make a fair contribution to the maintenance of Edinburgh as a major tourist destination, given that day visitors to the city significantly outnumber overnight visitors while spending less with local businesses.

- EVL should be considered alongside the rate of value-added tax applied to accommodation.
- While respondents largely supported the purpose of the EVL, it was felt that a narrower set of objectives for funding should be identified and that the Council must be able to demonstrate clear outcomes and visible success in the short term.
- In setting priorities for investment, respondents felt that revenue from EVL should be prioritised to street cleaning and transport in the first instance, then to parks and policing of tourist areas.
- Concerns were high that EVL revenue will be reallocated to fill gaps in Council spending or effectively removed in any Scottish Government funding settlement.

The Edinburgh Visitor Levy Advisory Forum (EVLAF or Forum) was established and consulted on the proposed options for spending programmes, including Housing and Tourism Mitigation.

The EVLAF consists of both community and industry stakeholders. The Forum has been kept updated on the HTMF proposals and have been provided opportunity to comment on all VL spend proposals.

Stakeholders have also been involved to discuss the development of the definition of the visitor economy sector worker.

4. Is the proposal considered strategic under the Fairer Scotland Duty?

Yes, the introduction of the spending of the net proceeds received from the EVL is a strategic decision and aims to deliver the Council's commitments, including increasing the supply of new affordable homes, which helps to meet people's housing needs, including homeless households, and those who are working in the visitor economy. The key vision here is to facilitate the ability to have those in temporary, overcrowded or unsuitable Bed and Breakfast/ Hotel accommodation to move to sustainable, suitable and permanent affordable accommodation.

5. Date of IIA

Original IIA workshop was undertaken on 19 November 2025.

Review was undertaken on 1 July 2026.

6. Who was present at the IIA? Identify facilitator, lead officer, report writer and any employee representative present and main stakeholder (e.g. Council, NHS)

For the Interim IIA meeting 19/11/2025 and review on 01/07/2026

Name	Job Title	Attendance	Date of IIA training
Alex Blyth	Office Programme Manager (Report Writer).	19/11/2025 01/07/2026	
Ella Thomas	Project Manager.	19/11/2025 01/07/2026	September 2025
Karen Allan	Access to Housing Manager.	19/11/2025	
Julie Shannon	Senior Solicitor (Property and Planning).	19/11/2025	
Andrew McLoskey	Senior Housing Development Officer.	19/11/2025	
Jill Thomson	Housing and Homelessness Strategy Manager.	19/11/2025	
Chris Glover	Housing Development Officer (Facilitator).	19/11/2025 01/07/2026	February 2025
Niamh O'Reilly	Senior Housing Development Officer	01/07/2026	

7. Evidence available at the time of the IIA

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal
Data on populations in need – where available use disaggregated data	City Plan 2030 Housing Technical Note. September 2021.	Affordable Housing Supply Targets have not been set at a level that would meet the full estimate of need for affordable homes estimated by HNDA 2. Delivery of affordable housing is severely limited by funding. The Council Business Plan 2017-2022 set out a commitment to develop a programme to deliver at least 10,000 social and affordable homes over the following five years, with a plan to build 20,000 by 2027.
Data on service uptake/access	Annual Assurance Statement on Housing Services 2024/25. 23 September 2025.	Demand for homelessness services and social housing in the city has remained high, with 3,455 households assessed as homeless, or threatened with homelessness in 2024/25, similar to the previous year (3,436). As of 31 March 2025, there were 7,936 open cases where the Council has a duty to secure settled housing. This is a 11% increase from 2023/24. There were on average 291 bids for every home which became available on EdIndex in 2024/25 and as of March 2025 26,824 households were registered for EdIndex.
Data on socio-economic disadvantage e.g. low income, low wealth, material deprivation, area deprivation	Yes, Scottish Index of Multiple Deprivation (SIMD)	The SIMD data shows that many of the Council homes are situated in the most deprived areas in the City / Scotland. The rent increase options for consultation have considered the affordability of tenants. The Scottish Government's 'Rent affordability in the affordable housing sector' report states that 'Based on research, a rent can be considered affordable when housing costs do not consume more than 30-40% of households' incomes'. Taking into account the three consulted rent options and increases over the next five years and basing income on full-time minimum wage (with 2% annual

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	Tenant Hardship Fund (THF) management data. Scottish House Condition Survey (SHCS)	uplifts), all three rent options would be less than 35% (two bed average rent) of household income. About 70-80% of the tenants get help through Housing Benefits or the Universal Credit housing element to pay for their rents. A Tenant Hardship Fund (THF) was set up in April 2023 to help tenants facing financial difficulties, including those who cannot access benefits. In the first nine months (April to December 2023) of introduction, the THF received a total of 2,180 applications. Over £394,000 (c.60% of the budget) fund has been paid to tenants of approved applications. Overall rates of fuel poverty differed between the social (61%) and private sector (25%). Similarly, households in the social sector were more likely to be in extreme fuel poverty (32%) compared to households in the private sector (15%).						
Data on equality outcomes	Accessible Housing Study 2022	There is a general lack of demographic data relating to Overnight visitors to Edinburgh and the owners or managers of overnight accommodation providers in Edinburgh. Some evidence is available from a sample of visitors in 2018 that shows the age profile of visitors to Edinburgh varies during the time of year reflecting price variations, with a younger age profile more likely to visit in the off-season compared to the peak summer months. Summer: <table><tr><td>16-34 year</td><td>32%</td></tr><tr><td>35-54 years</td><td>39%</td></tr><tr><td>Over 55s</td><td>29%</td></tr></table>	16-34 year	32%	35-54 years	39%	Over 55s	29%
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	Scottish Tourism Index – Making Tourism More Accessible January 2024	Base Number561 Autumn: 16-34 year38% 35-54 years41% Over 55s20% Base Number323 <i>Note: the data above was collected using quota sampling method using age and gender and is therefore not a representative sample of the population, however it may be useful to determine the differences between summer and autumn visitors.</i> The Scottish Tourism Index from January 2024 details the views of Scottish households living with health conditions and impairments on the current barriers they face when travelling for leisure. It should be noted that the figures relate to Scottish people living with disabilities and their experiences of barriers to leisure travel. There is no data relating to travel to Edinburgh specifically, but the report notes that 42% of those interviewed named Scotland as their first choice of destination.
Research/literature evidence	Visitor Levy IIA	During the development process of the Visitor Levy scheme, a body of evidence has been used to inform and influence the decision making process. This information is highlighted within the Visitor Levy IIA. This mean in total the Visitor Levy funds could support around 472 affordable homes, through new development and open market

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		purchase, with more than 75% of all the homes being for social rent.
Public/patient/client experience information	Policy & Sustainability Committee: A Visitor Levy for Edinburgh: Update on progress and stakeholder engagement March 2024	A survey was carried out between 23 November 2023 – 19 January 2024 to gather views from visitors, residents and other members of the public on Edinburgh’s plans to introduce a Visitor Levy. The full report can be viewed on page 13 of the report brought to the Policy & Sustainability Committee on 12 March 2024. • 97% of residents and 87% of visitors were aware of the visitor levy. • Overall, the majority of respondents were supportive of introducing a visitor levy in Edinburgh, (85% provided a more supportive rating on a scale of one to ten, and 60% were totally in favour). However, visitors were less supportive (53% provided a more supportive rating on a scale of one to ten, and only 24% were totally in favour).
Evidence of inclusive engagement of people who use the service and involvement findings		
Evidence of unmet need	Yes Homelessness in Scotland: 2022-23 Energy Advice Service monthly monitoring	The Council received 3,506 homelessness application in 2022/23; the first increase following the pandemic and back to the pre-Covid level of 3,567 in 2019/20. The Energy Advice Service had a waiting list of 91 households as of 1

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	EdIndex and Key to Choice data	February 2024. The service has received an additional £158,000 funding at start of 2023 from the HRA to increase capacity as demand has increased. In 2022/23, there were 23,516 applications on EdIndex, Edinburgh's common housing register, of which 567 applicants were awarded with Gold priority and 5,892 applicants with Silver - Homeless priority. There is high demand for housing with an average of 197 households bidding for each available home advertised on the Key to Choice system.
Good practice guidelines	VisitScotland Visitor Levy Guidance	A Guidance document has been produced by VisitScotland in collaboration with representatives from the tourism industry, COSLA, Scottish Local Authorities and Scottish Government. .
Carbon emissions generated/reduced data	Edinburgh Tourism Strategy 2030 – January 2020.	Environmental ambitions were set out in the Edinburgh Tourism Strategy 2030: • Tourism will proactively contribute to Edinburgh's transition to net zero carbon emissions by 2030. • Visitors will make more environmentally sustainable choices throughout their visit to the city. • Edinburgh's tourism businesses will embrace carbon emission and waste reduction as a source of competitive advantage.

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	City Plan 2030: Environmental Report	The City Plan 2030: Environmental Report identifies, describes and evaluates effects of the choices for City Plan 2030 and considers the environmental effects of development.
Environmental data	Edinburgh by Numbers 2023	Some environmental data on Edinburgh is provided in Edinburgh by Numbers: • The percentage of people who believe that climate change is an urgent problem continues to increase and it has reached over 88% in Edinburgh, the highest percentage in Scotland.
Risk from cumulative impacts	Yes	The costs-of-living crisis means that tenants are facing increasing costs in all aspects of their daily lives. In additions, Council Tax and service charges are also likely to increase. However, 70% to 80% of tenants each year receive assistance with their rent payment responsibilities through Housing Benefit or the housing element of Universal Credit. Any increase in the rent charge is proportionately covered by a corresponding increase in the benefit received if there are no other changes in the household circumstances. Fees and charges for additional services provided as part of tenancies (e.g. stair cleaning, communal heating, furnished tenancies, etc) have been frozen for seven years prior to the increase in 2023/24. The majority of these charges cannot be covered by benefits and therefore provide a direct financial saving to tenants. Fees and charges, except for the communal heating and heat with rent charges, will be increased at the same rate as the rent increase agreed by Council, but

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		capped at 5.0%, which is the default increase for Council's general fund service charges. Heating charges will be frozen in 2024/25 while a detailed review is being carried out. Three annual rent increase options for each of the following five years were consulted with tenants: 4.1% p.a. to deliver the 2023/24 approved investment plan; 5.0% p.a. to align to an inflationary increase; and 8.4% p.a. to deliver the preCOVID investment plan. The Scottish Government's 'Rent affordability in the affordable housing sector' report states that 'Based on research, a rent can be considered affordable when housing costs do not consume more than 30-40% of households' incomes'. Taking into account the three consulted rent options and increases over the next five years and basing income on full time minimum wage (with 2% annual uplifts), all three rent options would be less than 35% (two bed average rent) of household income. The rent increase would support different levels of capital investment regarding building more affordable homes and bringing existing homes to meeting EESSH2 standards. Without the rent increase (or significant increase from government grant funding), the capital investment would have to be elongated and reduced significantly. As part of a mitigation to the proposed rent increase, officers proposed to continue the Tenant Hardship Fund to help tenants experiencing financial hardship; including those who cannot access benefits.
Other (please specify)	Housing Emergency	The Council declared a housing emergency in November 2023. The

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal
	Action Plan (HEAP). Strategic Housing Investment Plan (SHIP) <u>Review:</u> CIPD Turnover Data	Housing Emergency Action Plan (HEAP) was considered by the Housing, Homelessness and Fair Work Committee on 25 February 2025. The implementation of action HS1.9 of the HEAP could result in the increased supply of larger, family-sized homes, should sites and costs allow for this. These would however require higher levels of grant funding which could negatively impact the total number of new affordable homes delivered through the AHSP. The SHIP contributes to the public sector equality duty and advances equality of opportunity. It will increase access to affordable housing and well-designed, safer, and cleaner communities. It will contribute to improved health by increasing the supply of good quality homes, reducing fuel poverty, and providing homes which meet varying needs. Review: On average, 80% of workers in the arts, entertainment and recreation and 2/3 of workers in accommodation and food services have been in roles longer than a year.
Additional evidence required	N/A	N/A

8. In summary, what impacts were identified and which groups will they affect?

Equality, Health and Wellbeing and Human Rights and Children's Rights	Affected populations
Positive The delivery of high quality, affordable homes is essential in helping to end poverty and tackle homelessness. By providing homes that are built to strict energy efficiency standards and building standards, this will help to provide secure, well insulated properties that reduce heating and energy costs for tenants. The provision of socially rented homes through the SHIP enables households on the lowest incomes to access more settled, long-term accommodation and reduces the risk of homelessness.	Low-income individuals All All
Negative Creating a geographical boundary for eligible applicants for the visitor levy funded MMR properties could be exclusionary	Rural communities All

Environment and Sustainability including climate change emissions and impacts	Affected populations
Positive New affordable homes are constructed to high standards in terms of energy efficiency and sustainability. There is a lower energy demand to heat the homes, with low or zero emissions heating systems required. This means they will minimise the amount of carbon emissions to aid with the city's ambition to be net zero carbon. The affordable house-building programme seeks to maximise delivery of homes on brownfield sites, reducing pressure on Edinburgh's green belt. Building more homes will inevitably produce more carbon, however, all new developments are required to meet minimum Building Regulations, which contain stringent targets for meeting certain energy efficiency standards.	All

Environment and Sustainability including climate change emissions and impacts	Affected populations
The Scottish Government's New Build Heat Standard (NBHS) requires all new buildings requiring a building warrant (from 1 April 2024 onwards) to install a zero direct emissions heating (ZDEH) system that produces negligible direct greenhouse gas emissions at the point of use. These systems are already being installed as standard in all new Council.	
Negative Building new homes inevitably creates embodied carbon dioxide emissions through the creation and transport of building materials to the site, transporting of waste away from building sites and demolition can also cause emissions are also created by tenants and residents when they heat and light their homes. All builders have sustainability policies and environmental impact assessments are carried out to protect the environment as much as possible in the construction phase. In addition, all new developments are required to meet minimum Building Regulations, which contain stringent targets for meeting certain energy efficiency standards. Since November 2020, all new build Council homes have been designed to achieve net zero operational emissions.	

Economic	Affected populations
Positive Provision of properties to those working in the visitor economy sector should impact on the retention of staff and allows for those on lower/ moderate income having access to accessible housing	Low-income households Businesses
Negative Minimum lengths of service for those applying for visitor levy funded MMR properties could put some at a disadvantage Having properties specifically for those working in the visitor economy excludes those not working in the visitor economy from apply for those MMR properties.	Students Low-income households All

9. Is any part of this policy/ service to be carried out wholly or partly by contractors and if so, how will equality, human rights including children's rights, environmental and sustainability issues be addressed?

As part of the Council's procurement process, due regard is required to be given to all equalities and rights, environmental and sustainability impacts when undertaking work on behalf of the Council.

10. Consider how you will communicate information about this policy/ service change to children and young people and those affected by sensory impairment, speech impairment, low level literacy or numeracy, learning difficulties or English as a second language? Please provide a summary of the communications plan.

All communications regarding the EVL and the HTMF will be available on the CEC website. The website content will adhere to communication policy and best practice. Direct communication has been and will continue to be undertaken with stakeholders and members of the public in the form of written communication, meeting, workshops and messages will be issued through the Council's social media channels.

Formats will be designed to be understood by a range of population groups. The Council also offers an Interpretation and Translation service, which provides interpreters and translations to people who cannot speak English, have problems understanding English, or have sight or hearing loss. The translations and interpretations are available in a wide range of different languages including British Sign Language, Braille, Large print and Audio.

11. Is the plan, programme, strategy or policy likely to result in significant environmental effects, either positive or negative? If yes, it is likely that a Strategic Environmental Assessment (SEA) will be required and the impacts identified in the IIA should be included in this. See section 2.10 in the Guidance for further information.

The recommended projects are not expected to have significant environmental effects.

The Strategic Housing Investment Programme (SHIP) contributes to the public sector equality duty and advances equality of opportunity. It will increase access to affordable housing and well-designed, safer, and cleaner communities. It will contribute to improved health by increasing the supply of good quality homes, reducing fuel poverty, and providing homes which meet varying needs.

12. Additional Information and Evidence Required

If further evidence is required, please note how it will be gathered. If appropriate, mark this report as interim and submit updated final report once further evidence has been gathered.

13. Specific to this IIA only, what recommended actions have been, or will be, undertaken and by when? (these should be drawn from 7 – 11 above) Please complete:

Specific actions (as a result of the IIA which may include financial implications, mitigating actions and risks of cumulative impacts)	Who will take them forward (name and job title)	Deadline for progressing	Review date
The ongoing impact of the use of EVL funds for housing will be assessed each year and reported to Committee	Alex Blyth Programme Office Manager	April 2027	April 2027
The impact of the visitor economy worker definition on application processes will be assessed after the initial allocation of MMR properties	Ella Thomas Project Manager Alex Blyth	April 2028	April 2028

14. Are there any negative impacts in section 8 for which there are no identified mitigating actions?

N/a

15. How will you monitor how this proposal affects different groups, including people with protected characteristics?

This IIA will be continuously monitored as projects progress. Some of the projects proposed will also have individual IIAs. Where any further public consultation is required for individual projects, analysis will be carried out to ensure an appropriate level of response from all sectors of society.

16. Sign off by Service Director

Name Derek McGowan, Service Director - Housing & Homelessness

Date 4 August 2026

17. Publication

Completed and signed IIAs should be sent to:

integratedimpactassessments@edinburgh.gov.uk to be published on the Council website www.edinburgh.gov.uk/impactassessments

Edinburgh Integration Joint Board/Health and Social Care

sarah.bryson@edinburgh.gov.uk to be published at www.edinburghhsc.scot/the-ijb/integrated-impact-assessments/