Consultation Responses to the Survey on a Potential Visitor Levy in North Yorkshire
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Background

At the most recent Budget, the Chancellor announced the Government's intention to consult on giving Combined Authority Mayors the power to introduce a Visitor Levy on overnight stays. The Mayor of York and North Yorkshire have publicly indicated support for exploring this power and expressed intent to make use of it, subject to consultation and the development of a clear local framework.

In response, North Yorkshire Council's Cabinet instructed *Visit North Yorkshire* to engage directly with businesses and organisations across the visitor economy. The purpose of this engagement was to gather evidence, understand sector views, and ensure that local decision making is informed by the insights and experience of those most directly affected.

Introduction

This report summarises the views of businesses and organisations working in, or closely connected to, the visitor economy in North Yorkshire on the potential introduction of a Visitor Levy on overnight stays.

It presents only the views expressed during the engagement process and does not take a position for or against a levy, nor does it put forward recommendations.

Important note:
This consultation did not survey residents or visitors. All findings represent the perspectives of businesses and those working around tourism.

Who responded

A total of **277 usable responses** were received from businesses and organisations across North Yorkshire. Some respondents did not complete every question; therefore, the number of responses varies between sections.

Responses came from every major part of the visitor economy, with the largest number from accommodation providers, followed by visitor attractions, food and drink businesses, tourism related retail, event organisers, activity providers and community groups.

Respondents were geographically spread across the county, including the coast, national parks, market towns, rural villages and urban centres.

Overall Views on a Visitor Levy

Levels of support and opposition

Among the **270 respondents** who expressed a clear view:

- **71% oppose** the introduction of a Visitor Levy
- **18% support** it
- **11% are neutral**

Importantly, the majority of opponents selected "strongly oppose". This group accounts for around half of all respondents who answered the stance question, and approximately 70% of those who opposed. This reflects an unusually high intensity of feeling for a business sector consultation and is consistent with the tone of many written comments.

Examples of opposing comments:

- "It is hard enough to attract visitors already in the current economic climate."
- "All it will do is put more costs on an already stressed sector of hospitality."

Examples of supportive comments:

- "A tourist levy should be one way of returning income to local areas impacted by disproportionate amounts of holiday homes."
- "I think it could help support tourism infrastructure locally."

Differences by sector

While opposition to the levy was the dominant view across the visitor economy, the strength and nature of concerns varied between different types of businesses. Accommodation providers, who would be most directly responsible for collecting the levy, expressed the strongest opposition. Many raised concerns about competitiveness, already thin operating margins, and the possibility that even a small additional charge could deter visitors or introduce "booking friction" at the point of sale.

Visitor attractions also tended to oppose the levy, though their concerns were somewhat more mixed. A notable minority within this group indicated conditional support, particularly where revenue would be clearly ringfenced and reinvested into tourism related infrastructure, marketing, or visitor management. These respondents emphasised that, if a levy were to exist, its benefits would need to be visible and locally felt.

Food and drink businesses and tourism related retailers generally echoed the concerns of accommodation providers. Many feared that an overnight levy could reduce visitor footfall, shorten trips, or reduce discretionary spending in shops, cafés and restaurants. These businesses expressed apprehension that they would feel the economic consequences of a levy without directly collecting it.

The events sector was the most divided group. While the sample was small, these respondents included a higher proportion of those who saw potential benefits in levy funded improvements to infrastructure, public realm and destination marketing. However, this support was conditional and should be interpreted cautiously due to the limited number of responses.

Across all parts of the visitor economy, a consistent theme emerged: businesses felt it would be unfair for accommodation providers alone to collect or fund a levy intended to benefit the wider sector. Many argued that tourism is an interconnected ecosystem, and that any mechanism to raise revenue should reflect the full range of businesses that both contribute to and depend on visitor activity.

Key Concerns Raised by Respondents

Businesses were clear and consistent in outlining their concerns about a potential Visitor Levy. The most frequently cited issue was the perceived risk of reduced visitor numbers. Many respondents feared that even a modest additional charge could discourage overnight stays or shorten trips, particularly among price sensitive visitors and families. Several commented that visitors comparing destinations might be inclined to choose areas without a levy, noting sentiments such as: *"Visitors will simply choose cheaper destinations."*

Another major theme was the administrative burden associated with implementing and managing a levy. Respondents expressed concern about the additional time and cost required to adjust booking systems, update payment processes, and maintain accurate records. This was seen as especially challenging for small businesses with limited administrative capacity. As one respondent noted, *"We already have too much admin work for a small business."*

Fairness across the visitor economy also emerged as a significant issue. Many businesses argued that a levy applied solely to overnight accommodation would be inequitable, given that day visitors, attractions, hospitality operators, and retailers all benefit from tourism and contribute to demand on local services and infrastructure. This concern was reflected in comments such as: *"It's an accommodation tax, not a tourist tax."*

Finally, trust in how any revenue would be used featured strongly in the feedback. A large number of respondents questioned whether funds would genuinely be ringfenced for tourism or spent locally in the areas where they were collected. Scepticism about centralisation or dilution of funds was common, with one respondent summing it up with the view: *"If it goes into a central pot, we will never see it again."*

Priorities for spending, if a levy was introduced

Despite their concerns about the introduction of a Visitor Levy, respondents were clear and consistent about how any revenue should be used if a levy were implemented. Businesses placed strong emphasis on directing funds toward improvements that would visibly enhance the visitor experience and support the long-term sustainability of tourism across North Yorkshire.

The most frequently identified priority was investment in visitor infrastructure. Respondents highlighted the need for improved public toilets, clearer signage, better parking provision, well-maintained footpaths and accessible transport links. These were seen as essential elements of the visitor offer, and areas where additional investment could make a tangible difference to both visitors and local communities.

A second major priority was marketing and promotion of North Yorkshire, particularly efforts aimed at sustaining year-round visitor demand and strengthening the region's profile in a competitive national and international tourism market. Many respondents felt that targeted promotional activity would help stabilise the sector and support growth in off-peak periods.

The third key theme was visitor management and sustainability. Businesses recognised the importance of managing peak visitor volumes, protecting natural assets, and ensuring that tourism growth remains environmentally and socially sustainable. Several noted that levy revenues could help address pressures in sensitive locations and support stewardship of landscapes and heritage sites.

Across all these priorities, respondents stressed the importance of levy spending being visible, local and directly beneficial to the visitor experience. Many indicated that confidence in the levy, if introduced, would depend heavily on transparent governance and clear evidence that funds were being reinvested back into the places where they were raised.

Where levy income should be spent

Most respondents agreed that levy income should be:

- **spent in the place where it is raised**.

Businesses emphasised that tourism pressures are highly localised and that confidence in the levy would depend on visible, place-based reinvestment.

"It would be unfair if money raised here ends up funding other areas."

Views on reasonable levy levels

Respondents were asked to indicate what they considered to be a reasonable level for any potential levy, with the options of £1 per night, £2 per night, or "other". Among those selecting one of the predefined options, the clear preference was for £1 per night, with a smaller number favouring £2 per night. However, a large proportion of those who selected "other" did so to state that they believed the levy should be set at £0, reflecting their opposition to the principle of a levy rather than a preference for an alternative rate.

A smaller group used the "other" option to express support for a percentage-based model, most commonly suggesting a charge at around 1% of the accommodation cost. Several respondents also emphasised that, if a levy were introduced, it should be simple, low and predictable, and administered in a way that minimises complexity for both businesses and visitors.

Across the comments, a recurring theme was caution about the potential impact of any charge on visitor demand. Even those who supported a low levy warned that introducing additional costs during a challenging economic climate could risk deterring overnight stays or shortening visits.

Engagement with the national Government consultation

Around **43%** of respondents indicated they planned to provide feedback directly to the Government's national consultation, while **32%** were unsure.

Given the strength of views expressed elsewhere, this level of planned engagement is comparatively low. Comments suggest this may be due to:

- uncertainty about whether individual responses would influence national policy
- an assumption that the national direction may already be set
- a belief that representative bodies or local authorities would respond on behalf of the sector.

This indicates that, although the issue is clearly important to businesses, many do not feel individually empowered or inclined to contribute directly to the national process.

Summary

This consultation demonstrates **substantial concern** among businesses across North Yorkshire's visitor economy regarding the introduction of a Visitor Levy.
The strongest themes include:

- fears around reduced visitor numbers and competitiveness
- concerns about administrative and financial burden
- perceived unfairness of focusing the levy solely on accommodation
- scepticism about ringfencing and local reinvestment

Where support exists, it is **conditional** and based on:

- low and simple levy levels
- ringfenced, localised spending
- transparent governance
- visible improvements to infrastructure and destination promotion

These findings provide a clear signal that decisions on a potential levy must be taken with careful consideration of the sector's strong and consistently expressed concerns