

Correspondence from the Cabinet Secretary for Finance and Local Government, 10 March 2026

Cruise Ship Levy – Update on Consultation Analysis and Next Steps

Dear Convener,

I am pleased to provide an update following publication of the Cruise Ship Levy consultation analysis on 10 March 2026.

Consultation Findings and Next Steps

The Scottish Government undertook a public consultation from 27 February to 30 May 2025 on proposals to grant local authorities discretionary powers to introduce a levy on cruise ship passengers arriving in their area. The consultation attracted 207 responses (132 from individuals and 75 from organisations).

[The analysis report, now published](#), shows broad support (62%) for the principle of granting local authorities such powers, particularly among individuals and all responding local authorities, while opposition was strongest among ports and cruise operators. Key findings include:

- Preference for calculating the levy based on passengers disembarking, with calls for clear alignment between rationale and method;
- Broad support for local rate-setting within a nationally defined upper limit, and for revenues to be reinvested locally;
- Recognition of the need for a lead-in period and proportionate enforcement and transparency measures; and
- Mixed views on whether island authorities should have powers to apply a broader “point of entry” levy.

Policy Considerations and Economic and Legal Assessment

Cruise tourism contributes around £343 million annually to the Scottish economy and supports over 4,700 jobs. While a CSL could generate up to £5 million per year if fully adopted by local authorities, Ministers consider it important to balance potential local benefits with wider economic impacts.

While the consultation indicates general support for the principle of a CSL, it also highlights significant operational, legal, and economic challenges. In particular, ports and cruise operators expressed concern that a levy could deter vessels from visiting Scotland, negatively affecting itineraries and local economies.

Further work is required to consider practical issues raised during consultation, including port and cruise operators concerns, mechanism for collection, alignment with the Harbours Act 1964.

While this will clearly be a matter for the incoming government to consider, it is my view that any further development of the CSL would benefit from a full assessment of:

- Proposals from the cruise industry for non-fiscal alternatives; and
- Emerging calls from local authorities for a broader “point of entry levy” that might achieve similar objectives.

I anticipate the incoming government would also wish to continue to engage with industry representatives, COSLA, and local authorities as part of the ongoing assessment.

I trust this update is helpful, and my officials will ensure the Committee is kept informed of any future developments.

Yours sincerely,

Shona Robison