# Salcombe businesses warn new tourist parking tax risks crippling local economy



Salcombe, the stylish coastal town in Devon often referred to as 'Chelsea-on-Sea,' finds itself caught in a contentious debate over a proposed 'tourist tax' that may undermine its economic lifeblood. With approximately 60% of the town's properties designated as second homes, South Hams District Council is enacting stricter regulations aimed at both second home owners and tourists. This includes steep parking fees that local business owners believe could deter the very visitors essential for their survival.

Under the new parking scheme, tourists face charges as high as £10 for a single day, while locals enjoy a significantly subsidised annual pass that allows for unlimited daily parking at just £5. Such measures have raised alarms among shopkeepers and restaurateurs who depend heavily on seasonal tourism for their livelihoods. Beck Gordon, owner of Salcombe Yawl cafe, voiced her frustrations, stating, “It's a can of worms. I don't even know where to start.” She highlighted the vital role tourism plays in the local economy, explaining that the community needs it to thrive, despite the ongoing challenges of balancing residents' needs with those of visitors.

The shifting dynamics of Salcombe's visitor demographic—where families are increasingly replacing affluent second-home buyers—have also raised concerns. Beck has noted a significant dip in casual day visitors since parking fees escalated, recounting how some locals and those from nearby cities like Plymouth and Exeter have expressed hesitancy about travelling to Salcombe due to the high parking costs and the complexity of parking solutions. “It's quieter generally. The parking's definitely an issue,” she remarked, illustrating the potential decline in local day trippers, particularly during the off-peak seasons.

Compounding these worries, the business environment in Salcombe has been noticeably fluctuating. Beck recalled how the bustling summers pre-COVID have transformed into quieter seasons, partially blamed on parking difficulties and increased costs. She stated, “It was almost twice as busy in summer... like a sea of people,” contrasting sharply with the current atmosphere. Despite an “okay” Easter buoyed by favourable weather, the future remains uncertain as many businesses grind their operations to a halt during the winter months, unable to sustain when tourist numbers dwindle.

Local authorities have proposed further drastic measures: doubling council tax on second homes by April 2025 to tackle the stress imposed on local services. This initiative aims to redirect funds towards improving highways and essential areas of public infrastructure. However, it raises questions on whether such revenue should insulate the community or bolster broader tourism frameworks.

In tandem with these shifts, recent announcements have emerged regarding government regulations targeting tax loopholes that second home owners have exploited. Starting April 2023, owners must demonstrate that their properties are genuinely rented for a minimum of 70 days a year to receive tax relief. This move seeks to secure fair contributions to local services, a contentious yet necessary action amid ongoing debates surrounding community sustainability.

While some business owners have embraced a proactive stance, calling for increased measures to promote tourism, others express frustration toward the regulations perceived to hinder growth. Many advocate for more accessible parking solutions that could invite rather than dissuade visitors, calling for local policies to reflect the foundational role tourism plays in the local economy.

The tension continues to escalate, with locals actively opposing developers who wish to license new luxury flats as second homes, arguing that such changes could erode the community fabric. Beck's comments encapsulate the sentiments of many: “The message from the council needs to be: 'We want you here,’” highlighting an urgent call for policies that foster rather than threaten small-town tourism.

As Salcombe navigates these rocky waters, the town's future hinges on finding a balance that allows both residents and visitors to coexist, ensuring the vibrancy of its economy whilst preserving the character and essence of this beloved coastal gem.

**Reference Map:**- Paragraph 1: [[1]](https://www.express.co.uk/news/uk/2057105/deserted-seaside-town-locals), [[6]](https://www.southhams-today.co.uk/news/plans-for-a-tourist-tax-for-parking-in-posh-holiday-hotspots-have-left-businesses-concerned-748808)- Paragraph 2: [[1]](https://www.express.co.uk/news/uk/2057105/deserted-seaside-town-locals), [[5]](https://www.bbc.com/news/articles/cm27jyy7e56o)- Paragraph 3: [[1]](https://www.express.co.uk/news/uk/2057105/deserted-seaside-town-locals), [[2]](https://www.bbc.com/news/articles/cn8y9lr8v3no)- Paragraph 4: [[3]](https://www.bbc.com/news/articles/c870q8rqgyjo), [[4]](https://www.gov.uk/government/news/gove-closes-tax-loophole-on-second-homes)- Paragraph 5: [[7]](https://www.travelandtourworld.com/news/article/uks-salcombe-and-dartmouth-face-growing-backlash-over-new-parking-charges-as-businesses-sound-alarm-on-tourism/)- Paragraph 6: [[6]](https://www.southhams-today.co.uk/news/plans-for-a-tourist-tax-for-parking-in-posh-holiday-hotspots-have-left-businesses-concerned-748808)- Paragraph 7: [[7]](https://www.travelandtourworld.com/news/article/uks-salcombe-and-dartmouth-face-growing-backlash-over-new-parking-charges-as-businesses-sound-alarm-on-tourism/)

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## Bibliography

1. <https://www.express.co.uk/news/uk/2057105/deserted-seaside-town-locals> - Please view link - unable to able to access data
2. <https://www.bbc.com/news/articles/cn8y9lr8v3no> - Residents in Salcombe, Devon, are opposing a developer's attempt to overturn a ban on selling new luxury flats as second homes. The town has implemented a principal residency condition to ensure properties are sold only to local residents, aiming to maintain community sustainability. The developer argues that this restriction has made the flats unsaleable, but local authorities and residents fear that removing the ban would set a dangerous precedent for other holiday towns.
3. <https://www.bbc.com/news/articles/c870q8rqgyjo> - Devon councils plan to double council tax on second homes starting April 2025, with the additional revenue potentially allocated to highways maintenance. This move aims to address the strain on local services due to the high number of second homes in the area. However, there is debate over whether the funds should be used for housing or infrastructure improvements, highlighting the ongoing challenges in balancing tourism and community needs.
4. <https://www.gov.uk/government/news/gove-closes-tax-loophole-on-second-homes> - The UK government has announced measures to close tax loopholes exploited by second home owners who falsely claim their properties are holiday lets to avoid council tax. Starting April 2023, owners must prove their properties are rented out for a minimum of 70 days a year to qualify for small business rates relief. This initiative aims to ensure fair contribution to local services and protect genuine holiday lets.
5. <https://www.bbc.com/news/articles/cm27jyy7e56o> - South Hams District Council in Devon plans to introduce higher parking charges for non-residents from April 2025. The two-tier parking fee system would see visitors paying up to double the amount charged to residents. The council justifies the increase as necessary to fund local services, including waste collection and maintenance of public areas, but the proposal has sparked concerns among local businesses about potential negative impacts on tourism.
6. <https://www.southhams-today.co.uk/news/plans-for-a-tourist-tax-for-parking-in-posh-holiday-hotspots-have-left-businesses-concerned-748808> - Plans to implement higher parking charges for tourists in South Hams, including Salcombe, have raised concerns among local business owners. The proposed 'tourist tax' could deter visitors, potentially harming the local economy. Business owners argue that increased parking fees may discourage tourists from visiting, leading to reduced footfall and sales, and call for alternative solutions to address funding needs without negatively impacting tourism.
7. <https://www.travelandtourworld.com/news/article/uks-salcombe-and-dartmouth-face-growing-backlash-over-new-parking-charges-as-businesses-sound-alarm-on-tourism/> - Salcombe and Dartmouth in Devon face backlash over new parking charges introduced by South Hams District Council. The two-tier parking system increases fees for visitors while offering discounted rates for residents. Local businesses express concern that higher parking costs may deter tourists, leading to reduced spending and negatively impacting the local economy. The council defends the decision as necessary to fund essential services but acknowledges the need to monitor its impact on tourism.