

Evidence to be heard at The Scottish Parliament on short term lets

The Scottish Government's Local Government Housing and Planning Committee will hear evidence today from the Director of Festivals Edinburgh and also Professor Cliff Hague the Chair of the Cockburn Association.

The parliament introduced a licensing system for short term lets (STLs) last year to address issues raised by many residents in Edinburgh where around a third of the country's STLs are situated. This introduced new rules that all landlords operating STLs prior to October 2022 had to apply for planning permission, and any new operators would have to do the same.

The new system is intended to ensure that any new STLs meet safety standards and conditions. Although originally planned to be fully operational by the end of March this year, the time limit for STL hosts to obtain a licence may still be extended to the end of September.

Shona Robison, the Cabinet Secretary for Social Justice, Housing and Local Government explained that the extension would allow the summer to pass and allow people letting out their properties on this basis to budget during the cost of living crisis. There will be a review of the new laws,

originally planned for summer 2024, but which may be pushed back due to the six month extension.

THE CITY OF EDINBURGH COUNCIL

All councils are permitted to grant exemptions, and Edinburgh Council allows some temporary exemptions from the licensing scheme for up to six weeks during the festivals in summer and winter, and when there are major sporting or international events.

Hosts must still apply to the council for the exemption, and there is a long stop of three months by which the council should be in a position to issue an exemption or otherwise. These [rules](#) apply to home sharing as well as whole house letting.

The City of Edinburgh Council has been firmly behind the new licensing scheme, both under the last SNP/Labour administration and the current Labour led administration. In its 2022 manifesto, Labour pointed out the acute shortage of homes for people to buy or rent in the city, and said it would “make Edinburgh a short term letting control zone to limit the numbers of short term lets” and would pressure the Scottish Government to “strengthen the licensing scheme to allow councils to limit the number of licences”. The whole of the city became a Short-Term Let Control area in September last year.

Edinburgh Council responded to the Committee after the Cabinet Secretary notified the six month delay to October 2023, and explained that the delay will restrict them from dealing with the problems thrown up by short term lets, such as noise and the impact on available housing for residents to live in.

The council reported that they have processed around 40 applications for licences, and there are many ongoing enquiries about applications. The council expects to receive

many applications later this year, but pointed out that applications will ramp up near the deadline. They plan to deal with the applications in the order that they are received, but probably giving some precedence to new hosts.

FESTIVALS EDINBURGH

The bodies behind our festivals have mostly opposed the new scheme, and in advance of the meeting of the Local Government Committee on Tuesday morning, Festivals Edinburgh, the umbrella organisation representing the major festivals in the capital, has issued a statement pointing out that Edinburgh Council has interpreted the exemption rules in a different way. Festivals Edinburgh also warn that almost a third of people coming to Edinburgh to work or attend the festival would not be able to rent suitable accommodation.

The stark warning is that the festivals could shrink by a third as a consequence of the new rules around festival accommodation.

The statement reads: "Appearing today [7 February] before the Local Government, Housing and Planning Committee, the Edinburgh Festivals call for The Scottish Parliament and Scottish Government to look again at the inclusion of residents' personal primary homes in the planned short term lets legislation.

"The Festivals welcome plans by the Cabinet Secretary for Social Justice, Housing and Local Government to extend the licensing date for existing hosts, as a valuable opportunity to reconsider how the national framework is being interpreted across the country, and to adjust provisions at the margins to avoid unintended consequences.

"Commenting ahead of her Committee appearance, Julia Amour,

Director of Festivals Edinburgh said: “Edinburgh’s Festivals are frustrated at the extent of plans to regulate brief stays in residents’ personal primary homes – compared to commercial secondary lets where we understand the need for regulation – especially when the regulatory plans have no apparent regard to the collection of evidence or the assessment of impact.”

“In speaking to the Local Government, Housing and Planning Committee, Ms Amour asked the Committee members to note the following:

- “Personal primary letting (home-sharing or home-letting) is being conflated with the more complex area of commercial secondary letting whereas it needs to be treated differently
- “Personal primary letting has no effect on the current housing crisis, given that it is simply individuals using their own homes rather than purchasing additional properties
- “Personal primary letting is being treated similarly to commercial lets, in terms of regulations and costs, having an effect on income opportunities for residents in their own homes during a cost of living crisis
- “The national regulation scheme excludes certain categories (eg visiting homestay students where arrangements have been approved by an educational institution) and so why not others (eg visiting homestay event workers)

“The Committee are also asked to note that although the Cabinet Secretary has said temporary exemptions of up to six weeks do not need to comply with mandatory and additional licence conditions, The City of Edinburgh Council has decided to apply many such conditions to temporary exemptions for primary letting. “These local interpretations highlight that the provision in the framework for local temporary exemptions

is not achieving its intended purpose, and we now have an opportunity to look at this again and apply an exclusion at national level”, said Ms Amour.

“The Edinburgh Festivals are concerned that these developments will be a serious disincentive to city residents who want to open their own homes to guests for a brief period. Without the use of primary home lets, the Festivals estimate that 27% of people in the city for August peak season would not be able to find accommodation, with such lets of particular importance to the workers, artists and performers who transform Edinburgh into the world-leading festival city.

The Edinburgh Festival Fringe Society estimates a third of their programme could be lost in 2024. This contraction would obviously have a negative impact on the 4,000+ jobs and over £200m in direct additional economic impact which the Festivals bring, as well as weakening the wider leisure and visitor economy employing 44,000 in Edinburgh alone.

“In conclusion, Ms Amour said: “We ask the Committee to recommend that Scottish Government consider excluding primary residential letting activity (home-sharing and home-letting) for major festivals and events from the proposed legislation, in the knowledge that such activity has no effect on the housing crisis in the city and will safeguard the major economic, cultural and social opportunities that the festivals provide to city residents and to Scotland as a whole.”

COMMITTEE MEETING

The full list of those attending today to offer evidence is:

Professor Cliff Hague, Chartered Town Planner and Chair, Cockburn Association

Rob Dickson, Director of Industry and Destination Development, VisitScotland

Gillian McNaught, Legal Manager, Licensing and Democratic Services, Glasgow City Council

Ailsa Raeburn, Chair, Community Land Scotland

Gary Somers, Solicitor, Licensing, Highland Council

Julia Amour, Director, Festivals Edinburgh

Fiona Campbell, Chief Executive, Association of Scotland's Self-Caterers

In the next phase the Committee will hear evidence from Shona Robison, the Cabinet Secretary for Social Justice, Housing and Local Government on 21 February and may pass the order to the parliament for approval.



Fringe performers on the High Street