

Short term lets – Conservatives' bid to stop legislation fails

The Scottish Conservatives lodged a motion for debate about short term lets at The Scottish Parliament earlier on Wednesday but when put to the vote it failed to pass.

The government had lodged an amendment and this was backed by 62 votes to 54.

The party used their parliamentary business slot to debate the regulation of short-term lets and called for a 12-month delay to allow for “proper engagement with operators” pending changes to the scheme.

The Tories said that operators have warned that the new rules will lead to a dramatic reduction in the availability of accommodation, with a huge knock-on effect for the whole Scottish economy, with estimates suggesting that nearly two-thirds of providers could give up, while one report found some 80 per cent of short-term rentals could disappear from the market in Edinburgh alone.

Accommodation providers protested outside parliament last week and the Scottish Conservatives urged a rethink.

Shadow business and tourism secretary Murdo Fraser MSP asked SNP backbenchers and members of other parties to listen to the concerns of business and back the Scottish Conservative calls.

He warned that ministers risked repeating the mistakes of the Deposit Return Scheme, where the views of those directly affected by the plans were ignored “with disastrous consequences”.

Mr Fraser said ahead of the debate: “The botched introduction of this licensing scheme poses an existential threat to Scotland’s tourist industry and a host of unintended consequences which could cost thousands of jobs.

“Rather than dealing with the problem of party flats – which could easily have been handled at local level – the SNP government has expanded the rules to apply to traditional B&Bs, house swaps, and people who let out their spare rooms.

“As a result, many small businesses are leaving the sector, leading to a shrinkage in available accommodation which will devastate the tourist sector.

“This ‘one-size-fits-all’ approach will affect numerous small operators who have never presented a problem and who boost the economy. It will do nothing to expand affordable housing provision.

“The First Minister promised a reset of the SNP government’s relationship with business. If they are serious, they should pause this legislation to allow for a comprehensive review of its effects.”

Scottish Greens

Meanwhile the Scottish Greens said the Labour Party is selling out communities by lining up with the Tories to try to derail short-term lets licensing.

Both Labour and the Tories called for a further delay to the scheme, which was originally passed in 2018.

The Scottish Greens housing spokesperson, Ariane Burgess MSP,

said: "Communities across Scotland will feel betrayed by the Scottish Labour Party, who are lining up with the Tories to try to halt much-needed regulations that are vital to managing the dramatic growth of short term lets and the impact on communities.

"They are at odds with their own colleagues in Labour-run Edinburgh Council, who have said that they support sticking to the October 1st deadline. They are also at odds with the Labour government in Wales which is developing a licensing scheme that follows the Scottish model.

"There is no direction and no principle behind these attempts to block our progress. It is opposition for its own sake.

"The current housing crisis has many dimensions, reflecting decisions over many decades. Under-investment in new supply, sale of affordable homes under Thatcher's Right to Buy without replacement, empty properties and much else besides.

"Everyone deserves a safe, affordable and suitable home. Tackling short term lets is only one part of the picture. There is so much more to do, which is why, with Scottish Greens in government, we are delivering the biggest expansion of tenants rights and protections since devolution.

"Our parliament voted to regulate short term lets. Many communities are desperate for us to get on with it. Backing yet more delay is bad for those communities, bad for the councils working to deliver the schemes and bad for those thousands of operators who have already applied."

The Government amendment was lodged by Housing Minister Paul McLennan MSP and read as follows: "As an amendment to motion S6M-10411 in the name of Murdo Fraser (Pausing the Short-term Lets Licensing Scheme), leave out from "notes" to end and insert "recognises the success of Scotland's growing tourism sector and that well-managed, short-term lets are a significant part of that economy; welcomes the reassurance and

safeguards for visitors, hosts and communities that the short-term lets licensing scheme provides; acknowledges the work that local authorities have done to date in processing applications, and also those hosts who have submitted applications so far; highlights the six-month extension to the application deadline, giving nearly two years for hosts to comply with licensing conditions and a year to prepare and submit an application; notes the ongoing Scottish Government engagement with local authorities and the short-term lets sector across Scotland; calls on all MSPs to focus on supporting and encouraging any outstanding applications to be submitted to local authorities before 1 October 2023; confirms the Scottish Government's ongoing work to listen to and engage with the sector, and reaffirms the Scottish Government's commitment to an implementation review update in early 2024."

[The City of Edinburgh Council which administers the licensing scheme and the planning applications which may be necessary in certain cases has issued advice here.](#)

Andy Fenner, CEO of the [Short Term Accommodation Association](#), said: "This attempt by MSPs really was the last chance saloon in terms of trying to win a common sense delay to the licensing scheme, so it could be looked at again.

"We remain deeply concerned that the holiday let industry, a sector that brings so much opportunity and prosperity to Scotland, has become the fall guy for insufficient housebuilding over many years. The Scottish short term rental sector is actually an incredibly valuable part of the economy and it is a huge draw for the millions of visitors who flock here every year. Scottish holiday lets need to be recognised as a boon to Scottish tourism and the wider hospitality industry. It's now vital that those owners and operators yet to apply for their licence do so by October 1, otherwise they won't benefit from the ability to continue operating while their application is decided. They will be treated as new operators who cannot accept bookings until they have been

awarded a licence.”



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