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## Local Government, Housing and Planning Committee

## Subordinate Legislation on Short-term lets considered by the Local Government, Housing and Planning Committee on 21 February 2023

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# Local Government, Housing and Planning Committee

To consider and report on matters relating to local government, housing and planning falling within the responsibility of the Cabinet Secretary for Social Justice, Housing and Local Government and the Cabinet Secretary for Finance and the Economy, and matters relating to the Local Government Boundary Commission and local governance review and democratic renewal within the responsibility of the Deputy First Minister.



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## **Committee Membership**



Convener Ariane Burgess Scottish Green Party



**Deputy Convener Willie Coffey** Scottish National Party



Miles Briggs Scottish Conservative and Unionist Party



Mark Griffin Scottish Labour



Paul McLennan Scottish National Party



Marie McNair Scottish National Party



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## Introduction

- 1. At its meeting on 21 February 2023, the Local Government, Housing and Planning Committee considered the following affirmative instrument:
  - <u>Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets)</u> (Amendment) Order 2023
- 2. Prior to that at its meeting on 24 January 2023 the Delegated Powers and Law Reform Committee considered the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets (Amendment) Order ("the Amending Order") and determined that it did not need to draw the attention of the Parliament to the Amending Order on any grounds within its remit.

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## Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2022

- 3. The Amending Order amends the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2022 ("the Order") in the Scottish Parliament, which gave effect to the Scottish Government's proposals for the licensing of short-term lets.
- 4. The policy note to the Order explained that it established a licensing scheme to "ensure short-term lets are safe and address issues faced by neighbours; and to facilitate local authorities in knowing and understanding what is happening in their area as well as to assist with handling complaints effectively."
- 5. A majority of members of the Committee agreed to support the Order and it was subsequently approved by the Parliament.
- 6. On 7 December 2022 the Scottish Government wrote to the Committee advising that it planned to delay the requirement for existing short-term let hosts to obtain a license from 31 March 2023 to 30 September 2023. It indicated that an affirmative instrument would be laid in January to give effect to this delay. The letter further noted that new hosts will still have to obtain a licence before they can start taking bookings or receive guests. The letter explained the justification for the delay:

"This is a one-off 6 month extension recognising the wider economic circumstances of the cost of living crisis that is placing pressure on existing short-term let hosts and businesses at a time when they are organising and budgeting for work to comply with the new licensing requirements."

7. The letter also notes that the proposed review of the licensing scheme, scheduled for next summer, may need to be re-scheduled in light of this delay. A copy of the letter can be accessed via the following link—

Correspondence from the Cabinet Secretary for Social Justice, Housing and Local Government

8. The Amending Order under consideration gives effect to this delay.

## Committee consideration of the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) (Amendment) Order 2023

- 9. The Committee took evidence on the Amending Order at its meetings on 7 and 21 February.
- 10. The Committee would like to thank those who informed its scrutiny of the Amending Order. The Committee took evidence from:
  - Professor Cliff Hague, Chartered Town Planner and Chair, Cockburn Association;
  - Rob Dickson, Director of Industry and Destination Development, VisitScotland;

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- 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; and
- Fiona Campbell, Chief Executive, Association of Scotland's Self-Caterers
- 11. In addition, the Committee received written evidence from the following organisations:
  - PLACE Edinburgh
  - the Association of Scotland's Self-Caterers
  - Visit Scotland
  - City of Edinburgh Council
  - COSLA
  - Festivals Edinburgh
  - Police Scotland
  - Assembly on behalf of other Festival venues
  - Highland Council
  - Glasgow City Council
  - East Lothian Council
  - Shetland Islands Council
  - Dumfries and Galloway Council
  - Midlothian Council
  - Stirling Council
  - Fife Council
  - East Ayrshire Council
  - Perth and Kinross Council
  - Inverclyde Council
  - South Lanarkshire Council

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### Conclusions

- 12. At its meeting on 21 February the Local Government, Housing and Planning Committee considered motion S6M-07566 —that the Local Government, Housing and Planning Committee recommends that the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) (Amendment) Order 2023 be approved.
- 13. The Committee agreed unanimously to recommend approval of the Amending Order.
- 14. The Committee was persuaded that there would be a benefit in delaying the requirement for existing short-term lets owners to have a license from March to September 2023.
- 15. In reaching this conclusion the Committee notes the concerns expressed by those living in short-term let hotspots about the impact of a delay. In particular, the Committee recognises that this will mean residents of such areas having to live through another summer season.
- 16. The Committee also notes the concerns expressed to it by councils who have put in place resources to meet the demand expected in the run-up to the March deadline and may find it difficult to sustain these resources for a further six months.
- 17. At the same time the Committee notes the concerns expressed to it by those representing short-term lets operators about the challenges they are facing in meeting the requirements being set by local authorities and the uncertainty of the meaning of some of these requirements.
- 18. It is in the interests of both short-term lets owners and residents in short-term lets hotspot areas to have certainty about the application of the licensing scheme. It would be of considerable disappointment to the Committee to find itself in the position of considering a further extension in six months because of ongoing concerns about the operation of the scheme.
- 19. The Committee welcomes the willingness expressed by the Cabinet Secretary for Social Justice, Housing and Local Government to use this six month period to respond to the concerns being expressed about the operation of the licensing scheme. The Committee hopes that the adoption of such an approach will obviate the need for a further delay.
- 20. The Committee would also encourage existing short-term lets hosts to continue to apply for licences during this time period to avoid a rush of applications ahead of the September deadline.
- 21. Notwithstanding that, the Committee would intend to return to look at short-term lets again in the context of the review to understand how it is affecting the operation of short-term lets and the experience of those living in proximity to them.

