



Short-Term Lets: Consultation on a Regulatory Framework for Scotland Analysis of Consultation Responses



PEOPLE, COMMUNITIES AND PLACES

Short-Term Lets: Consultation on a Regulatory Framework for Scotland

Analysis of Consultation Responses

Why Research, October 2019

Acknowledgments

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Executive Summary

The Scottish Government's 2018-19 Programme for Government¹ made a commitment to ensure that local authorities have appropriate regulatory powers to balance the needs and concerns of their communities with wider economic and tourism interests.

A Short-Term Lets Delivery Group was established in 2018 to assess the evidence base and the impact of short-term lets, identify the existing powers councils have and explore whether further measures are required. This Group comprises officials from across relevant areas of government including better regulation, community empowerment, consumer policy, housing, licensing, planning, tax and tourism.

On 28 April 2019 the Scottish Government published 'Short-Term Lets: consultation on a regulatory framework for Scotland'², which outlined a regulatory approach that could involve registration and / or licensing of short-term lets, with the possible addition of a market-based mechanism to control numbers. The consultation asked for opinions on the regulatory framework, as well as on the types of short-term lets which should be regulated and the controls which should be applied. 'Why Research', an independent company, were commissioned by Scottish Government to carry out an analysis of the consultation responses.

Respondent Profile

In total, there were 1,086 responses to the consultation³, of which 111 were from organisations and 975 from individuals. The sub-groups with the highest number of responses were affected residents and hosts. The Scottish Government also held a number of consultation events to complement the consultation.

¹ 'Delivering for today, investing for tomorrow: the Government's programme for Scotland 2018-2019', September 2018 (page 97) <https://beta.gov.scot/publications/delivering-today-investing-tomorrow-governments-programme-scotland-2018-19/>

² To access the consultation paper: <https://www.gov.scot/publications/short-term-lets-consultation-regulatory-framework-scotland/pages/2/>

³ A total of 1,144 responses were submitted. After removing duplications this resulted in a final figure of 1,086 responses.

Table 1: Respondent Groups

| | Number |
|-------------------------------------|--------------------------|
| Affected resident | 592 |
| Community organisation | 63 |
| Guest | 62 |
| Host with 1 property | 220 |
| Host with 2+ properties | 103 |
| Platform | 2 |
| Host intermediary | 19 |
| Hotel / B&B owner | 16 |
| Local authority | 18 |
| Other (non short-term let) landlord | 18 |
| Other business | 36 |
| Other | 118 |
| Total organisations | 111 |
| Individuals | 975 |
| Total respondents | 1,086⁴ |

Key themes

Throughout responses to the consultation, affected residents, community organisations and other (non short-term lets) landlords cited mainly negative impacts of short-term lets, while hosts, platforms and hosting intermediaries tended to focus on positive impacts. Likewise, affected residents, community organisations and other landlords tended to support more stringent regulation and enforcement within the sector, while hosts, platforms and hosting intermediaries tended to favour a less stringent approach.

A majority of respondents agreed that a regulatory framework should distinguish between the sharing and swapping of properties and secondary letting; some also felt that more stringent regulations should be applied to secondary letting than to sharing and swapping.

⁴ There is a discrepancy between the total number of respondents and the total of the numbers in each sub-group as respondents were able to assign themselves to as many sub-groups as they wished.

Overall, a majority of respondents supported regulation for short-term lets in some form. Views were mixed as to whether there should be registration or licensing for short-term lets, although there was a degree of support for both elements to be introduced, with some support for a mandatory rather than a voluntary scheme. There was little support for a market-based mechanism.

Regardless of whatever regulation is introduced, a common theme was of the need for enforcement to be undertaken; and to be undertaken quickly where there is non-compliance. There were also a number of comments that local authorities will need additional resources to apply and enforce any regulation.

While there was some agreement for a national framework, there were calls for flexibility within this so that local authorities can apply what is most relevant to their area, its economy and the impacts of short-term lets. For example, some respondents differentiated between cities – in particular Edinburgh – with a high density of short-term lets within the city centre and where there are a number of negative impacts of short-term lets; and rural areas where short-term lets are perceived to cause fewer negative impacts and to be more necessary to the local economy. There were a number of comments that a ‘one size fits all’ approach will not suit the short-term let sector. Additionally, there were some comments that the negative impacts of short-term lets are felt most in Edinburgh and that actions necessary to deal with this in Edinburgh will not be relevant in most other parts of Scotland.

The consultation analysis shows a general perception that short-term lets should be contributing to public services in some shape or form, with some respondents noting there should be no exemptions, no rates relief and a scrapping of the Small Business Bonus Scheme (SBBS). There were also suggestions from a few respondents that owners should be required to prove an intention to let in the year, as well as providing evidence of actual letting in order to be considered exempt from council tax, and liable for non-domestic rates, as recommended by the Barclay Review. That said, there was little consensus on the number of days that should be applied in a days to let limit, with suggestions from respondents ranging between zero to 140 days. However, a few respondents suggested any definition should align with HMRC definitions.

While there were a few suggestions that properties that are short-term lets during the peak tourist season could revert to long-term lets outwith the peak season, it was felt this would not be practicable because the regulatory system which applies to long-term lets is more stringent. However, there were a number of calls for the same regulatory system to be applied to short-term lets, particularly in respect of health and safety requirements which it was felt should be a minimum for any property that is let out. Consistency in regulation across the short and long-term let sectors would also ensure that all conform and operate at the same level. This might also help to return some properties to the long-term letting market and disincentivise short-term lets. It was also felt by a few respondents that some long-term lets have changed to short-term lets because the latter generate higher levels of income and face less stringent regulation.

There were some calls for a list of owners of short-term lets to be available for ease of contact and for the quick resolution of any complaints. There were also calls for a complaint system that is easy to access and use, transparent and which provides fast resolution to complaints.

Overall, there were a number of mentions of the need for a balanced approach taking into account the needs of local communities and residents as well as the benefits to the tourist sector and the local economy that short-term lets bring.

Consultation Questions

This section summarises the main findings from each of the consultation questions.

Main Findings: Awareness of Data on the Impacts of Short-Term Lets (Question 1)

Awareness of additional data on the impacts of short-term lets

A majority of respondents answering this question were unaware of any additional data on the impacts of short-term lets. The most widely cited data source was the Association of Scotland's Self-Caterers' (ASSC) report '*Far More than Just Houses*'. There were some concerns over how data are interpreted; as well as calls for a robust evidence base upon which decisions can be made.

Main Findings: Definition of Short-Term Lets (Questions 2 – 4)

Views on whether a regulatory framework should distinguish between sharing, swapping and secondary letting

A majority of respondents answering this question agreed that a regulatory framework should distinguish between sharing, swapping and secondary letting. The key reason for distinguishing between sharing, swapping and secondary lets, cited by a large minority of respondents, was that secondary lets have negative impacts in terms of community, disruption and housing availability, whereas these impacts do not occur with sharing or swapping. A few respondents requested clear or statutory definitions for each of the different types of short-term lets, without specifying whether the suggested definitions in the consultation paper met this objective. There were also some comments of a need to distinguish between perceived different types of secondary letting, with different regulatory treatment for each; many examples were given including self-catering lets, serviced apartments, holiday cottages, pods and caravans.

Views on whether the rules should be capable of being different depending on the type of accommodation offered

A large minority of respondents answering this question agreed that the rules should be capable of being different depending on the type of accommodation rented, although slightly more disagreed. Tenements, flats or shared blocks in particular were seen as needing special treatment because of the higher levels of negative impacts they have on neighbours. As such, there were requests for stricter rules and protection for residents in tenements or flats, with some requests for

short-term lets to be banned or to have their numbers restricted in tenements. A few respondents agreed with differentiating between residences with communal entrances and those with private entrances. There were some comments that there are relatively limited consequences of short-term lets in detached houses. A few respondents were anti a 'one size fits all' approach as the impacts of short-term lets differ depending on property type. There were also some comments of the need to offer flexibility dependent on location, to reflect local issues and impacts. Those disagreeing that the rules should be capable of being different depending on the type of accommodation, generally felt that all short-term lets have the same impact and should not be distinguished separately, but mainly agreed that there should be some form of regulation.

Comments on other aspects of the definition of short-term lets

To an extent, comments at this question echoed those made at earlier questions. A few respondents noted it is difficult to get a precise definition because short-term lets are not easy to categorise, although there were calls for a simple or straightforward definition to ensure ease of compliance and enforcement. A few respondents proposed different treatment for sharing from other types of short-term let.

Main Findings: Regulation of Short-Term Lets in Scotland (Questions 5 - 23)

The impacts of short-term lets and examples of positive or negative impacts of short-term lets

Affected residents, community organisations and other (non short-term lets) landlords cited mainly negative impacts, while hosts, platforms and hosting intermediaries tended to focus on positive impacts. However, overall a greater number of negative impacts than positive impacts were cited. Key positive impacts were increased tourism and tourist revenue, economic benefits at a local community level and the provision of an alternative positive experience for visitors. Key negative impacts outlined by respondents included damage to local communities, increases in antisocial behaviour and negative effects on the lives of residents; these were particularly noted in relation to short-term lets in tenements and other buildings with communal areas. A small minority of respondents focused on negative impacts in relation to Edinburgh specifically. As an antidote to the negative impacts of short-term lets, there were calls for regulation within this sector.

The impacts of short-term lets on the housing market

Key negative impacts cited were that short-term lets contribute to a lack of available housing and an increase in property prices and long-term rental costs, with some specific reference to Edinburgh, although respondents also cited other areas such as Skye and Arran. There was also a perception from a few respondents that landlords are switching from long-term letting to short-term letting as it is more profitable and subject to less regulation. Conversely, a small minority of respondents perceived little impact on the housing market from short-term lets and cited other issues such as a lack of social housing, poor tourism policies, empty homes and second home ownership as contributing to problems. There were

suggestions from a few respondents for the use of regulatory tools to counteract the problems caused by short-term lets on the housing market.

Breach of planning law

A large minority of respondents answering this question felt that all short-term lets should have to apply for planning permission, although a few respondents noted that current planning law is not designed for short-term lets. Additionally, there was also a perception from a few respondents that planning law will not resolve some issues of short-term lets such as antisocial behaviour. There were requests from a few respondents for clear and consistent guidelines on what constitutes a material change of use; and a similar number supported Andy Wightman's amendment. A small minority also pointed out that local authorities will need to have the necessary resources for enforcement of planning law. A few respondents suggested there should be stricter controls such as a maximum number of properties in specific areas that can be used for short-term lets, the prohibition of short-term lets in tenements, the introduction of higher council tax rates for short-term lets or a requirement to comply with health and safety regulations. A small number of respondents called for discretion for local authorities to have local flexibility to meet local needs in a local context; there were also some calls for enforcement of any regulations.

Antisocial behaviour

A few respondents felt that a registration or licensing scheme, similar to that for the Houses in Multiple Occupations (HMO) sector, should be introduced in order to tackle antisocial behaviour caused by short-term lets. Similar numbers of respondents referred to a need for penalties for landlords and the need for enforcement and powers to impose fines or revoke licences. A few respondents also requested a register of owners to enable direct contact if a complaint needs to be resolved; a similar number of respondents felt that antisocial behaviour cannot be attributed solely to short-term lets; and a few suggested that existing enforcement powers should be utilised.

Complaints

Three strands, each cited by a few respondents, were that they were unaware of a complaints system, that there is not a complaints system at present or that the current complaints system is ineffective. A few respondents outlined a number of required key elements of a complaints system; these included staff who respond quickly, transparency, ease of access and rapid enforcement; a small minority also noted the importance of increasing awareness of the complaints system. There were suggestions from a few respondents for licensing or registration along the lines of the private rental sector.

Safety issues

A large minority of respondents mentioned that safety standards should be the same for short-term lets as in the private rental sector; a smaller number of respondents suggested that safety standards should be the same as apply to bed

and breakfasts (B&Bs), hotels and guest houses. A small minority of respondents also suggested a need for licensing or regulation to ensure that safety issues will be addressed.

Eligibility for non-domestic rates

There was a view from a large number of respondents that short-term lets or self-catering properties should be contributing in some way to the services they use, with a common theme, cited by a large minority of respondents, being that all should pay either non-domestic rates or council tax. In comparison, a few respondents felt they should not be classed as rateable and be able to qualify for full Small Business Bonus Scheme (SBBS) relief. However, a few respondents noted their support for the current system and felt the 140 day rule works effectively.

Additional eligibility requirements recommended by the Barclay Review

A large minority of respondents agreed with the recommendations made by the Barclay Review, with smaller numbers also noting there should be no exemptions, no rates relief and a scrapping of SBBS. Small numbers of respondents noted their support for local authorities to have discretionary powers to decide upon the number of days of letting as not all areas across Scotland will be able to let for as many as 70 days.

Eligibility for the Small Business Bonus Scheme (SBBS)

A large minority of respondents felt there should be no tax breaks or exemptions. Some of these respondents referred specifically to owners of short-term lets, some to owners of self-catering properties and some did not specify to whom this should apply. Additionally, there were also comments from a few respondents that owners should be paying some form of tax or pay higher rates of tax than at present. A small number of respondents noted that taxation levels should not favour short-term lets over long-term lets and that the same regulatory and taxation systems should apply to both. Conversely, a small minority of respondents noted their support for the status quo on the basis that guests contribute to the local economy or that SBBS helps to keep some businesses viable.

Other comments on taxation relating to short-term lets

Comments made in response to this question tended to echo those from the previous questions. A small minority of respondents across most sub-groups felt that taxes should be paid by short-term lets owners. A smaller number of respondents suggested that short-term lets should pay higher rates of tax.

Design principles for a regulatory framework

There was general agreement from a large majority of respondents with the design principles outlined in the consultation paper, although a few respondents noted that these should have a greater focus on residents and communities and their housing

needs. A similar number of respondents also commented that the regulatory framework should be well regulated and robustly enforced.

Scope of a regulatory framework

Views were mixed as to whether there should be registration for short-term lets or go further and include licensing, although there was a degree of support for both elements to be introduced, with some support for a mandatory rather than a voluntary scheme. The few in favour of a licensing scheme also noted this would help to introduce greater control in the sector and that licences could be revoked. A few respondents supported a national framework, although views were mixed as to whether this should offer a consistent approach across Scotland or whether there should be local flexibility.

Controls or conditions that councils should be able to set through a registration or licensing regime

A majority of respondents supported regulation in some form. Small minorities of respondents noted their support for a Level 1 Registration Scheme or a Level 2 Licensing Scheme, with only small numbers not supporting either of these options. Again, there were calls from a few respondents for any scheme introduced to match that in the long-term rental sector. Once again, there were requests from a small minority for local authorities to have discretionary powers to be able to implement measures appropriate to their area. Allied to this, there were also calls from a few respondents for local authorities to have sufficient staff and resources to be able to enforce any scheme that is introduced.

Views on whether a licensing scheme and / or market-based approach should apply to all types of short-term lets

A small minority of respondents noted that a licensing scheme should apply to all types of short-term lets, regardless of their size, type of property or location. That said, a small minority of respondents differentiated between secondary letting and sharing or swapping, with some suggestions that registration should not be needed for the latter. There were also comments from a few respondents that conditions and / or a charge should vary according to the size of a property, or that there should be a stepped charge depending on location, or on the type of property.

Days per year limit

There was a higher level of disagreement with a days per year limit for short-term lets than there was support for this (a small minority of respondents disagreed compared to a few who agreed). A small minority of respondents made suggestions for the number of days that should be applied in a days per year limit, although there was little consensus. A very small number of respondents suggested a limit on the number of short-term lets per year. Once again, there was some differentiation between sharing and secondary letting, with a few suggestions that the former should not be subject to a days per year limit.

Commercial Hosts

A large minority of respondents answering this question made comments about how to define commercial hosts, largely based on the factors outlined in the consultation paper; i.e. VAT registration, the number of properties being hosted by the same host and the concentration of accommodation offered for short-term letting. The largest numbers of these respondents discussed demarcating commercial hosts based on the number of properties offered for short-term lets. Views were split as to whether there should be any differentiation between secondary letting and those which are shared or swapped. A few respondents made other suggestions on how to define commercial; including amount of earnings, the number of days let or revenue achieved each year. Overall, there were also comments from a large majority of respondents on how to regulate commercial hosts, although there was little consensus on how this should be applied. That said, there were calls for more stringent and rigorous regulations as well as robust enforcement; and some calls for limitations on commercial hosts in terms of the number of properties owned. Some respondents outlined concerns over regulations adding more administration and bureaucracy, particularly for small scale hosts.

Enforcement, Violations and Sanctions

There was support for the suggestions in the consultation paper. Key support from a small minority of respondents was for owners / landlords to be subject to enforcement and sanctions. Smaller numbers of respondents also supported enforcement and sanctions for anyone associated with secondary letting of premises, hosts, online letting platforms and agents or management companies.

Introduction

Background

1. Short-term lets are the subject of much debate, with short-term lets facilitated by collaborative economy digital platforms having grown rapidly and significantly in Scotland in recent years. On the plus side, this enlarges the range, choice and flexibility of available accommodation and there are benefits to the local economy and short-term let hosts and increased employment opportunities. On the down side, an increased number of short-term lets is seen to damage communities where local people can no longer afford to buy or rent residential properties, a loss of local shops and services, issues over the behaviour of some visitors in residential blocks, as well as complaints that short-term lets fail to contribute to services and infrastructure, and do not have the same tax treatment as traditional hotels and guesthouses. To exacerbate this issue, according to the [consultation paper](#), there are also concerns that that increased numbers of short-term lets reduces the supply of available homes for longer term lets, which restricts supply for people who want to live and work in specific areas, and increase prices beyond the norms of the traditional housing market.
2. The Scottish Government's 2018-19 Programme for Government made a commitment to ensure that local authorities have appropriate regulatory powers to balance the needs and concerns of their communities with wider economic and tourism interests.
3. A Short-Term Lets Delivery Group was established in 2018 to assess the evidence base and the impact of short-term lets, identify the existing powers councils have and explore whether further measures are required. This Group comprises officials from across relevant areas of government including better regulation, community empowerment, consumer protection, housing, licensing, planning, tax and tourism.

The Consultation

4. On 28 April 2019 the Scottish Government published 'Short-Term Lets: consultation on a regulatory framework for Scotland'; which highlighted a regulatory approach that could involve registration and / or licensing of short-term lets, with the possible addition of a market-based mechanism to control numbers. The consultation asked for opinions on the regulatory framework, as well as on the types of short-term lets which should be regulated and the controls which should be applied.
5. The consultation contained 23 questions, all of which offered the opportunity for respondents to provide comments on specific issues in relation to short-term lets. Respondents could also answer seven optional questions about themselves; these included how they would classify themselves (affected resident, community organisation, guest, host, platform, hosting intermediary,

hotel or B&B owner or other), how they heard about the consultation and the type of short-term let offered. There were also some specific questions for hosts about their type of let, whether they list their room/property(ies) on more than one platform, how many properties they had available for short-term letting in 2018, the approximate number of nights their room/property(ies) were occupied in 2018 and, for those with more than one property, whether these are in more than one local authority area in Scotland.

Respondent Profile

6. In total, there were 1,086⁵ responses to the consultation, of which 111 were from organisations and 975 from individuals.
7. Respondents were assigned to respondent groupings in order to enable analysis of any differences or commonalities across or within the various different types of organisations and individuals that responded.
8. A list of all those organisations that submitted a response to the consultation is included in Appendix 1.
9. As Table 2 shows, the sub-groups with the highest number of responses were affected residents and hosts.

⁵ A total of 1,144 responses were submitted. After removing duplications this resulted in a final figure of 1,086 responses.

Table 2: Respondent Groups

| | Number |
|---------------------------------------|--------------|
| Affected resident | 592 |
| Community organisation | 63 |
| Guest | 62 |
| Host with 1 property | 220 |
| Host with 2+ properties | 103 |
| Platform | 2 |
| Host intermediary | 19 |
| Hotel / B&B owner | 16 |
| Local authority | 18 |
| Other (non short-term let) landlord | 18 |
| Other business | 36 |
| Other ⁶ | 118 |
| Total organisations | 111 |
| Individuals | 975 |
| Total respondents ⁷ | 1,086 |

Methodology

10. Responses to the consultation were submitted using the Scottish Government consultation platform Citizen Space, or by email or hard copy. Seven respondents submitted a response which did not answer the specific questions; these responses have been analysed and incorporated into the report at the relevant sections.
11. The response received from the Association of Scottish Self Caterers (ASSC) was also submitted by another 34 respondents. Another response from PLACE Edinburgh was also submitted by another 14 respondents.
12. The Scottish Government also held a number of consultation events. Many of the issues raised at the consultation events were also raised in consultation

⁶ This category includes responses from public sector organisations, those within the legal and health sectors, estate agents, trade associations etc.

⁷ There is a discrepancy between the total number of respondents and the total of the numbers in each sub-group as respondents were able to assign themselves to as many sub-groups as they wished.

responses, so these are not reported on separately; rather, they are referred to, where relevant, at each of the questions in this report.

13. It should be borne in mind that the number responding at each question is not always the same as the number presented in the respondent group table. This is because not all respondents addressed all questions. This report indicates the number of respondents who commented at each question.
14. Some of the consultation questions contained closed, tick-boxes with specific options to choose from. Where respondents did not follow the questions but mentioned clearly within their text that they supported one of the options, these have been included in the relevant counts.
15. The researchers examined all comments made by respondents and noted the range of issues mentioned in responses, including reasons for opinions, specific examples or explanations, alternative suggestions or other comments. Grouping these issues together into similar themes allowed the researchers to identify whether any particular theme was specific to any particular respondent group or groups. Where any specific sub-group(s) held a particular viewpoint, this is commented on at each relevant question.
16. When considering group differences however, it must also be recognised that where a specific opinion has been identified in relation to a particular group or groups, this does not indicate that other groups did not share this opinion, but rather that they simply did not comment on that particular point.
17. While the consultation gave all who wished to comment an opportunity to do so, given the self-selecting nature of this type of exercise, any figures quoted here cannot be extrapolated to a wider population outwith the respondent sample.

Structure of report

18. The chapters in this report follow the structure of the consultation paper. The following chapter looks at awareness of data on short-term lets. The next chapter examines the definition of short-term lets; and the final chapter considers views on the regulation of short-term lets in Scotland. The appendix to this report provides a list of organisations who responded to this consultation.

Part 1 - Data

19. The consultation paper provided a range of statistics⁸. Annex A of the consultation paper presented an overview of the available evidence on the short-term rental sector in Scotland. Question 1 asked,

Q1: 'Are you aware of any additional data on the impacts of short-term lets (over and above that set out in Annex A – *The Short-Term Rental Sector, Housing and Tourism in Scotland* and briefly summarised above) which the Scottish Government should take into account when considering proposals for regulation?'

20. A total of 799 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

⁸ To access the consultation paper: <https://www.gov.scot/publications/short-term-lets-consultation-regulatory-framework-scotland/>

To access the technical annexes: <https://www.gov.scot/publications/short-term-lets-annexes-consultation-regulatory-framework-scotland/>

Table 3: Q1

| | Number |
|-------------------------------------|------------|
| Affected resident | 411 |
| Community organisation | 48 |
| Guest | 42 |
| Host with 1 property | 173 |
| Host with 2+ properties | 93 |
| Platform | 2 |
| Host intermediary | 15 |
| Hotel / B&B owner | 12 |
| Local authority | 17 |
| Other (non short-term let) landlord | 15 |
| Other business | 29 |
| Other | 92 |
| Total organisations | 99 |
| Individuals | 700 |
| Total respondents | 799 |

21. A majority of respondents were unaware of any additional data on the impacts of short-term lets. While a range of data sources were mentioned by respondents, each was cited only by a small number. There were a small number of comments on a lack of existing evidence, and attendees at one event noted the need for more research on short-term lets.
22. Of those respondents who cited specific data sources, the most commonly mentioned, albeit by only a few respondents, was the Association of Scotland's Self-Caterers (ASSC) report 'Far More than Just Houses' and a small number of respondents also referred to unspecified ASSC reports.
23. Very small numbers of respondents referred to data from Airbnb, Zoopla, local authority statistics, data from Visit Scotland or data from other work that had been conducted.
24. There were a very small number of concerns over how data are interpreted, with the example given that some short-term lets are listed on multiple sites and may be counted more than once. A very small number of respondents also commented that any decisions relating to a regulatory framework need

to be based on robust data. A similar number also made suggestions to consider how other cities are dealing with short-term lets.

25. A very small number of respondents noted there are issues in collating data on the impacts of short-term lets because the sector is so unregulated and holiday lets can be found on a wide range of different sources including online platforms and websites such as Gumtree. A very small number of respondents suggested that a registration scheme would allow data to be collected which could also be reviewed regularly and be used as an evidence base. One respondent submitted some qualitative data of individuals' experiences of living within close proximity of short-term lets.
26. Many of those responding to this question took the opportunity to outline positive and negative aspects in relation to short-term lets. These are commented on further at the relevant questions.

Part 2 - Definition of Short-Term Lets

Types and Definitions of Short-term Lets

27. The consultation paper noted that there is currently no statutory definition of what constitutes a short-term let in Scotland; although the term is widely used, it has different meanings depending on the context and the speaker. The paper set out three ways in which a host might make accommodation available to a guest. First, by the letting of a room or rooms to the guest with the host in residence (called 'sharing'). Second, the letting of a room or rooms or the entire property where the host normally lives, when the host is absent, i.e. on holidays (called 'swapping'); thirdly, the letting of a room or rooms or the entire property, where the host does not normally live and the host is absent (called 'secondary letting'). The consultation paper also suggested a cumulative period during which accommodation is made available for use. Various types of accommodation to be excluded were also stated.
28. Question 2 asked,

Q2: 'Should a regulatory framework distinguish between sharing, swapping and secondary letting?'

29. The breakdown of answers of the full respondent base (1086) for this question is shown below:

Table 4: Q2

| | Number | | | |
|--|------------|------------|------------|-------------|
| | Yes | No | Don't know | No response |
| Affected resident (592) | 474 | 55 | 46 | 17 |
| Community organisation (63) | 57 | 2 | 3 | 1 |
| Guest (62) | 48 | 11 | 2 | 1 |
| Host with 1 property (220) | 159 | 29 | 26 | 6 |
| Host with 2+ properties (103) | 55 | 28 | 18 | 2 |
| Platform (2) | 1 | - | 1 | - |
| Host intermediary (19) | 13 | 5 | 1 | - |
| Hotel / B&B owner (16) | 10 | 4 | 2 | - |
| Local authority (18) | 12 | - | 1 | 5 |
| Other (non short-term let) landlord (19) | 13 | 2 | 2 | 1 |
| Other business (36) | 26 | 2 | - | 8 |
| Other (118) | 96 | 11 | 10 | 1 |
| Total organisations (111) | 82 | 9 | 6 | 14 |
| Individuals (975) | 728 | 119 | 93 | 36 |
| Total respondents (1,068) | 810 | 128 | 99 | 50 |

30. A majority of respondents agreed that a regulatory framework should distinguish between sharing, swapping and secondary letting, with only a few disagreeing; a similar number of respondents were unsure. Results between organisations and individual respondents were similar, although there was some variation between types of respondents; large majorities of community organisations, affected residents and guests agreed, whilst smaller majorities of hosts with more than one property and host intermediaries agreed.
31. Respondents were asked for their reasons for their response and 861 commented, with the breakdown of those making a response as follows:

Table 5: Q2

| | Number |
|-------------------------------------|------------|
| Affected resident | 464 |
| Community organisation | 54 |
| Guest | 55 |
| Host with 1 property | 181 |
| Host with 2+ properties | 88 |
| Platform | 2 |
| Host intermediary | 19 |
| Hotel / B&B owner | 15 |
| Local authority | 16 |
| Other (non short-term let) landlord | 15 |
| Other business | 29 |
| Other | 90 |
| Total organisations | 95 |
| Individuals | 766 |
| Total respondents | 861 |

32. Overall, reflecting the answers above, there were far more reasons and explanations put forward in favour of, rather than against, distinguishing between sharing, swapping and secondary letting. By far the most common reason put forward (cited by a large minority of respondents, and especially larger minorities of affected residents, guests and local authorities) was that secondary lets have negative impacts in terms of community, disruption and housing availability, whereas there are no such impacts incurred with sharing or swapping. It was pointed out by a small minority of respondents that in sharing or swapping scenarios, the owners (having a vested interest) are present or contactable to solve problems, whereas owners are often absent with secondary lets.
33. Another distinguishing feature perceived by a small minority of respondents was that secondary letting is commercial in nature and therefore a business activity, whereas swapping and sharing are not done for profit. As noted by a local authority:

“Both sharing and swapping are distinct to outright secondary letting (which is presumably commercial in nature) where the circumstances are different as an

owner is probably less likely to be known to neighbours and the potential frequency of operation as STL [short-term let] can be far higher.”

34. Similar but slightly smaller numbers reasoned that they have clear differences, risks and impacts without specifying further.
35. In addition a few respondents remarked that secondary letting needs stronger regulation than sharing or swapping or that sharing and swapping needed no regulation in order to encourage these activities, given they were more acceptable. That said, similar numbers were generally in favour of a regulatory system for all short-term lets, as long as this did not result in a ‘one size fits all’ approach or as long as it ensured there were no loopholes to be exploited.
36. A need for clear or statutory definitions of short-term let types was requested by a few respondents as there were perceived to be grey areas among types of let, making it difficult to tailor regulations to each. For example, attendees at one event felt the use of the term ‘swapping’ can be confusing as some individuals would assume this refers to a mutual swapping of two homes at the same time, rather than someone making their primary home available while they are absent, for instance on holiday. There were also some comments from attendees at consultation events that any short-term let which makes money should be classed as ‘commercial’ and that ‘secondary letting’ should be referred to as ‘professional letting’. One organisation referred to the Planning (Scotland) Bill and the definition used for a short-term let. This organisation also pointed out that a property may be used in a number of different ways over a period of time and that any framework will need to be capable of dealing with these changes.
37. Small numbers of respondents felt that the three distinctions of sharing, swapping and secondary letting needed reassessment as they do not reflect how short-term lets operate. Smaller numbers of respondents regarded swapping as having similar detrimental impacts to secondary letting and therefore needed distinguishing from sharing; reasons given included owners being present in a sharing scenario, and the perception that the swapping concept could be easily exploited or abused.
38. A majority of respondents also felt that there was a need to distinguish between different types of secondary letting, since it was perceived that some should have different regulatory treatment from others given that some types have less of a negative impact. Various possible demarcations and separate classifications, many of which were set in the context of giving beneficial treatment to more rural-type lets, were suggested as below, mostly without giving any views as to whether regulations should be stricter or looser for the suggested types of letting:
 - Serviced apartments, or multiple properties in a tailored building.
 - Self-catering.

- Duration of stays per year (e.g. less than 140 days vs more than 140 days).
 - Second homes letting.
 - Holiday cottages.
 - Pods.
 - Caravans.
 - Huts.
 - ‘ghost hotels’; these are listings that may look like private rooms to let in a primary residence, but actually a two bedroom flat could be let out as two separate rooms so that guests do not live with the host, but with another guest (or guests). It was also suggested that there is a need to be careful in considering this in regulations because of a potential loophole if ‘sharing’ is considered acceptable without same level of regulation as ‘secondary letting’. There was also a suggestion that ‘ghost hotels’ could be a fourth model of short-term let alongside other types of short-term lets.
39. A few respondents maintained there was a need for regulations to be area-specific, as, for instance, the situation in Edinburgh was perceived to be very different to that in rural areas such as the Highlands and Islands.
40. Other points made about how to regulate secondary lets specifically were made by small numbers of respondents as follows:
- All short-term lets, and particularly secondary lets, should have fire and health and safety regulations on a par with long-term rentals, houses in multiple occupation (HMO) properties, B&Bs or guest houses to protect occupants.
 - Secondary short-term lets need to be properly taxed. Suggestions for taxation included: scrapping the council tax exemption (since local services are used), scrapping capital gains tax relief, levelling the playing field with other accommodation providers, ensuring they are paying business rates, taxing the income and ensuring they do not benefit from Rent a Room tax relief. There were also a very small number of observations that there need to be different taxation rules for different forms of secondary let, without specifying further.
 - Numbers of secondary lets need controlling or restriction in terms of number of nights rented.
 - Secondary lets need to be licensed (e.g. have planning permission for a change of use).
41. Much smaller numbers of respondents put forward reasons for the regulatory framework not distinguishing between sharing, swapping and secondary letting. These included:

- All types of short-term lets need regulating equally in virtue of being short-term lets (e.g. for consistency).
- All short-term lets need to meet the same safety standards to protect guests.
- All types of short-term lets have negative impacts (e.g. on communities or availability of housing).
- Differentiating between them would add too much complexity (keeping the rules simple will make them easier to police).
- Differentiating would leave too many loopholes and make it easy to 'game' the system (e.g. difficult to confirm whether a property is a swap or a secondary let).
- All types need to pay the same tax as all operate as businesses.
- Defining types of short-term lets is too difficult; flexibility is required.

42. Question 3 then asked,

Q3: 'Should the rules be capable of being different depending on the type of accommodation? For example, to distinguish between tenement flats and detached houses?'

43. The breakdown of answers of the full respondent base (1086) for the first part of this question is shown overleaf:

Table 6: Q3

| | Number | | | |
|--|------------|------------|------------|-------------|
| | Yes | No | Don't know | No response |
| Affected resident (592) | 249 | 262 | 72 | 9 |
| Community organisation (63) | 27 | 28 | 7 | 1 |
| Guest (62) | 25 | 30 | 6 | 1 |
| Host with 1 property (220) | 70 | 114 | 30 | 6 |
| Host with 2+ properties (103) | 23 | 66 | 13 | 1 |
| Platform (2) | - | 2 | - | - |
| Host intermediary (19) | 7 | 10 | 2 | - |
| Hotel / B&B owner (16) | 4 | 10 | 2 | - |
| Local authority (18) | 11 | 1 | 1 | 5 |
| Other (non short-term let) landlord (18) | 5 | 10 | 3 | - |
| Other business (36) | 14 | 12 | 1 | 9 |
| Other (118) | 50 | 50 | 14 | 4 |
| Total organisations (111) | 46 | 40 | 8 | 17 |
| Individuals (975) | 384 | 448 | 114 | 29 |
| Total respondents (1,086) | 430 | 488 | 122 | 46 |

44. Opinions were split; a large minority of respondents agreed that the rules should be capable of being different depending on the accommodation type, but a slightly larger minority disagreed. Across types of respondents, a majority of local authorities agreed, but only a small minority of hosts with more than one property agreed.
45. Respondents were also asked for their reasons; 866 respondents commented, with the breakdown of those making a response as follows:

Table 7: Q3

| | Number |
|-------------------------------------|------------|
| Affected resident | 469 |
| Community organisation | 53 |
| Guest | 52 |
| Host with 1 property | 175 |
| Host with 2+ properties | 88 |
| Platform | 2 |
| Host intermediary | 19 |
| Hotel / B&B owner | 12 |
| Local authority | 16 |
| Other (non short-term let) landlord | 15 |
| Other business | 29 |
| Other | 94 |
| Total organisations | 93 |
| Individuals | 773 |
| Total respondents | 866 |

46. Among those giving reasons in favour of the rules being different depending on accommodation type, a large minority of respondents (but only a few hosts with more than one property or hosting intermediaries) singled out tenements, flats or shared blocks as needing special treatment, because of negative impacts on neighbours, many of which were mentioned and included:

- Noise, partying and antisocial behaviour of guests.
- Security issues (e.g. presence of strangers and key safe issues).
- Health and safety.
- Wear and tear on communal areas and pressure on common maintenance.
- Absentee hosts (no-one to contact).
- Waste issues (poor sorting of recycling and increased amounts).
- Building insurance issues.
- Loss of community.

- Parking problems.
47. Stricter rules and strong protection for residents in tenements or flats were recommended by a few respondents, with similar numbers wanting short-term lets banned or restricted in number in tenements. Rules were suggested including only allowing short-term lets if all other owners or long-term tenants agreed, or with council permission or licensing. Edinburgh was mentioned in particular as being an area that had problems associated with short-term lets in tenements.
 48. A few respondents agreed with the importance of differentiating between residences with communal entrances (e.g. doors, hallways, stairs and back greens) and those with private entrances; in the latter case there were felt to be fewer disturbances imposed on residents. It was pointed out by a very small number of respondents that in some cities (Barcelona, Madrid and Glasgow were cited) guests had to enter through separate entrances in a short-term let scenario.
 49. A few respondents chose to focus on how there were relatively limited consequences of short-term letting where the use of detached houses was concerned, although one organisation noted that there should be some limitations on detached houses as these are often needed as accessible homes for disabled people. 'Lighter touch' regulation was suggested, and reasons suggested as below:
 - Absence of communal space.
 - Fewer negative effects on neighbours.
 - Fewer neighbours to be affected.
 - Fewer security issues.
 - Guests likely to be older or paying more.
 50. A few respondents were against a 'one size fits all' approach, and stated that impacts differ depending on property type so that flexibility in rules was desirable. Similar numbers specified various types of short-term let accommodation which they thought should have their own rules as they produced lots of different effects; B&B's, semi-detached properties, terraced houses, student flats, crofts, pods, bothies and wigwams were all cited in this respect. Further, similar numbers of respondents cited a need to take account of location to reflect local issues and impacts, particularly in lieu of differences in accommodation issues between urban and rural (e.g. where there are no tenements but short-term rentals are traditional) scenarios. Comments included suggestions to leave specific conditions to individual local authorities, or to only regulate in areas with identifiable problems.
 51. Other comments referred back to the previous question with smaller numbers of respondents citing the need to regulate more heavily with secondary lets, or the need to regulate short-term lets more strictly whichever the type of

property. A few respondents stated that the most important issue was how well managed the property is, rather than the type of property.

52. Reasons were also given by respondents for not agreeing that the rules should be different depending on the type of accommodation; chief amongst these was that all short-term lets have the same impact irrespective of property type and therefore regulation should not distinguish between them (cited by a large minority of hosts with more than one property). Smaller numbers of respondents thought it would be more useful to differentiate using other criteria when constructing the rules; a few stated that all types of short-term let accommodation can generate problems for neighbours in terms of noise, behaviour and safety.
53. Further reasons for not agreeing that the rules should be different depending on the type of accommodation were given by small numbers of respondents as follows:
- Rules need to be consistent between property types to ensure fairness.
 - Differing rules would make enforcement more difficult.
 - Differing rules would overcomplicate administration.
 - All types of short-term let are perceived as negatively affecting housing availability, rent and prices for residents.
 - All short-term lets are commercial in nature.
 - Different rules are exploited by landlords (e.g. redesignation of property types).
 - Differentiation having unintended consequences such as e.g. incentivising short-term letting in detached properties if there was advantageous regulatory treatment.
 - All property irrespective of type needing to have the same health and safety and fire regulations.
 - A need for consistency so as not to confuse guests.
 - Rules should only vary according to the type of short-term let (sharing, swapping or secondary letting) or other specified criteria (suggestions included: number of nights available, number of occupants, amount of income, type of owner (company vs. individual), size of unit and density of short-term lets in the area).
 - Rules should be flexible and proportionate so that under-utilised occupied property can be used beneficially.
54. Finally, a very small number of respondents were against any further regulation of short-term lets, or thought that better enforcement of existing laws or local regulations would be adequate. One respondent noted that this is a planning matter and that planning authorities should determine the suitability of rules based on local plans and policies.

55. The final question in this section of the consultation paper asked,

Q4: ‘Do you have any other comments on any other aspect of the definition of short-term lets?’

56. A total of 716 respondents made comments at this question. The following table provides a breakdown of those making any response to this question.

Table 8: Q4

| | Number |
|-------------------------------------|------------|
| Affected resident | 366 |
| Community organisation | 47 |
| Guest | 39 |
| Host with 1 property | 146 |
| Host with 2+ properties | 83 |
| Platform | 2 |
| Host intermediary | 17 |
| Hotel / B&B owner | 9 |
| Local authority | 16 |
| Other (non short-term let) landlord | 12 |
| Other business | 30 |
| Other | 81 |
| Total organisations | 92 |
| Individuals | 624 |
| Total respondents | 716 |

57. A large number of those making comments simply reiterated their positions from the previous 2 questions. Small numbers of respondents said that they agreed with how short-term lets were defined in the consultation, and smaller numbers agreed with or preferred the Association of Scotland’s Self-Caterers (ASSC) description of short-term rentals (four models: traditional self-catering, collaborative economy via online platform, serviced apartments and aparthotels⁹).

⁹ ASSC commissioned Frontline to carry out the following report: <https://www.assc.co.uk/wp-content/uploads/2018/06/MoreThanJustHouses.pdf>

58. A few respondents stated that it was difficult to get a precise definition because short-term lets were not easy to categorise; opinions indicated that the definition given in the consultation was regarded as too much of a 'catch-all' and that greater flexibility was needed because of the blurring of types of short-term lets. That said, similar numbers were in favour of a simple or straightforward definition in order to ensure ease of compliance and enforcement, and reduce the chances of unintended consequences. One organisation suggested the need for a consistent definition across all local authorities to help ensure clarity and consistency for all those operating within the sector.
59. A few respondents proposed different treatment for sharing from other types of short-term let, based on the host being present and renting a room only as being different to renting an entire property.
60. A wide variety of other suggestions were made about how to define short-term lets, each made by a few respondents and some of which went over the ground covered in questions 2 and 3. These included the following:
- Differentiating between professional or full-time or multi-let operators and amateurs or part-time or one property short-term let hosts.
 - The definition should explicitly reference or involve online accommodation platforms; for instance by defining a short-term let as any property advertised on a platform, by requiring platforms to identify non-registered or non-licensed properties themselves or by providing data to a regulatory database to enable tracking of property use.
 - Including specified types of other properties in short-term let definitions (e.g. student accommodation / flats / halls of residence, accommodation for short-term workers, self-catering offered by hotels or all types of holiday let).
 - Excluding specified types of properties from any short-term let definition (e.g. self-catering accommodation, caravans, yurts, boats, pods, tents, accommodation for short-term workers, scout centres, temporary homeless accommodation or term-time lets).
 - Differentiating between commercial or business activity-related short-term letting and non-commercial (e.g. in situations where non-paying guests such as the family of the owner are staying).
 - Differentiating between holiday lets (e.g. self-catering accommodation in rural areas or extended stay holiday homes) and other city-based short-term lets.
 - Define by numbers of guests staying in the property or number of stays per year.
 - Clarity of definition between short-term letting and HMOs / Long-term rentals (LTR) / Private Rented Sector (PRS) accommodation.

- Various concerns or alterations to the cumulative 28 day rule; both longer and shorter time periods were suggested, as well as comments that a short-term let should be defined as any individual stay that is less than a given period. Suggestions as to alterations to the cumulative rule varied between 14 days and 45 days.
 - A need to distinguish between good and bad hosts, acknowledging the quality of short-term letting arrangements.
 - Short-term letting definitions need to coincide with government or HMRC definitions.
61. Other responses took the form of general comments about the regulation of short-term lets rather than how they should be defined; more of these comments were negative than positive about the current regulatory situation for short-term letting. Examples included:
- Ensuring all short-term lets are taxed appropriately.
 - All short-term lets having the same health and safety standards as other forms of accommodation.
 - Implementing regulations at a local or area-specific level as local conditions vary.
 - Limiting numbers of short-term lets in shared dwellings or having an upper limit for the number of nights let per year.
 - Short-term lets needing planning permission for change of use.
 - Concerns about obtaining accurate data about short-term lets in order to regulate them.

Part 3 - Regulation of Short-Term Lets in Scotland

62. The consultation paper outlined a number of benefits and potential problems from short-term lets. Benefits included its contribution to tourism and the associated economic activity as well as providing flexibility in the amount and variety of accommodation for tourists, but also other temporary tenants such as contract workers. New collaborative online short-term rental platforms can help respond to short increases in demand for accommodation.
63. According to the consultation paper, in terms of potential problems, these can include a loss of residential housing, a loss of amenity to a neighbourhood, personal safety risks, damage to property, regulatory mismatches, poor visitor experience and loss of revenue to public authorities. That said, there is little by way of objective evidence of the incidence and severity of these potential problems.

The Impacts of Short-term Lets

64. Question 5 of the consultation paper asked,

Q5: 'Do you have any comments on the positive or negative impacts of short-term lets?'

65. A total of 979 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

Table 9: Q5

| | Number |
|-------------------------------------|------------|
| Affected resident | 543 |
| Community organisation | 59 |
| Guest | 56 |
| Host with 1 property | 197 |
| Host with 2+ properties | 95 |
| Platform | 2 |
| Host intermediary | 17 |
| Hotel / B&B owner | 15 |
| Local authority | 15 |
| Other (non short-term let) landlord | 16 |
| Other business | 28 |
| Other | 111 |
| Total organisations | 93 |
| Individuals | 886 |
| Total respondents | 979 |

66. Overall, views were split; affected residents, community organisations and other (non-short-term let) landlords cited mainly negative effects, and hosts, platforms and hosting intermediaries on the other pointed out predominately positive impacts. Guests, local authorities and other businesses not related to short-term lets gave a mix of positive and negative impacts. Overall, higher numbers of respondents made comments about negative impacts than positive impacts.
67. The negative impacts described by respondents to a large degree focused on problems accruing to the local community and long term residents of areas (particularly central areas of Edinburgh) where short-term lets are commonplace. A small minority of respondents (but large minorities of affected residents, community organisations and local authorities) commented on the following issues:
- Damaging community effects including the loss or ‘hollowing out’ of communities due to a preponderance of visitors with no vested interest in the locality visited; a lack of care for resident communities by hosts was also mentioned.

- An increase in antisocial behaviour including loud noise, smoking, drugs, alcohol and littering, and other disturbances due to 24 hour access of properties (comings and goings, suitcases clattering, etc.).
- Negative effects on the lives of residents such as increased poor health and wellbeing, increased isolation, disturbed sleep patterns due to noise at unsocial hours, a general lack of privacy and security and safety concerns owing to the prevalence of strangers.

68. The issues above were particularly described in relation to the impact of short-term lets in tenements and other buildings with communal areas. Many other problems associated with short-term lets in tenement buildings or similar were reported, including the following:

- Non-maintenance of common areas by short-term let landlords, including ignoring mutual repairs.
- Residents being left with the burden of cleaning common areas.
- Increase in wear and tear due to increased footfall caused by short-term let guests.
- Inability to contact absentee hosts, owners or agencies.
- Key safe or key box issues or problems associated with shared keycode numbers (e.g. perceived as a security risk, regarded as unsightly and frequently installed without residents consent).
- Problems with obtaining home insurance, insurance validity or elevated costs of home insurance because of the presence of short-term lets.
- Security issues related to common stairwells.
- Noisy or disruptive conversions or renovations.

69. The other common theme expressed by those stating negative impacts was the effect on property pricing and availability in short-term let areas. In particular, a small minority of respondents, including the majority of responding local authorities, remarked upon the loss of long-term residential accommodation, making it more difficult for residents to obtain housing, both in terms of supply and affordability. Factors involved in this were pinpointed, including:

- Rents for long-term residents being driven up.
- Rising property prices, the latter particularly impacting upon first time buyers.
- Instances of long-term residents being asked to move out of homes due to landlords changing to short-term letting; some respondents, notably a large minority of other (non short-term) landlords, cited regulatory burdens in favour of long-term tenants and the loss of tax relief on mortgage interest as being a motivation to change to short-term letting.

70. A small minority of respondents, spread across all sub-groups, focused on the above factors as applying to impacts on Edinburgh specifically; there was

a general feeling that too many short-term lets were causing problems within the housing rental and purchase markets. Small numbers of respondents added that there was a loss of the genuine 'Edinburgh' experience for visitors, complaining that the city centre was becoming like a 'theme park' due to the high proportion of tourists. A few respondents, most notably including a small minority of hotel and B&B suppliers and other (non short-term) landlords, pinpointed similar negative effects in rural areas (e.g. Skye, Arran, NW Scotland) in terms of the loss of residents' housing or unaffordability for residents. As noted by a community organisation:

"... a property that is being let out to holiday-makers is not providing a permanent residential home. We are all well aware of the lack of housing in our city; we are aware of hundreds of households living in temporary accommodation because a sustainable home isn't available for them. We are aware of the complete unaffordability of the housing market in Edinburgh and the enormous challenges of getting a foothold on the property ladder. We are aware that the Scottish Government spends substantial sums of money supporting first time buyers on to the property ladder, and at the same time there are substantial numbers of properties that should be providing relatively affordable homes that are given over to holiday-makers."

71. Other negative impacts attributed to short-term lets were discussed by small numbers of respondents (mainly affected residents and community organisations) and included:

- Additional strains on local infrastructure including transport, parking, policing and amenities generally.
- Increased rubbish generation; particular issues mentioned included incorrect recycling by visitors, bad refuse management and overflowing bins.
- Lack of regulations, or lack of enforcement of regulations, for short-term lets (e.g. health and safety checks, lack of consents obtained for change of property use); in particular cited by a small minority of local authorities.
- Perceptions of unreliable taxation of short-term lets (e.g. undeclared income, reduced council tax for second home owners, no requirement to pay business rates due to owners applying for small business relief, and tax avoidance).
- Short-term lets being over-occupied (i.e. being turned into 'party flats', with one or two-bed flats hosting too many people at once).
- Concerns about properties being unoccupied seasonally or for large parts of the year.
- Negative aspects attributed to online accommodation platforms; among more general comments about regulation being required, some respondents cited impacts on the commercial viability of B&B's, hotels, guest houses and more traditional holiday lets.

72. A small minority of respondents suggested remedies for the negative impacts; in particular there was a focus on the need for short-term lets to be well-regulated or subject to regulatory control, most notably by guests and other (non short-term let) landlords. Suggestions included that short-term lets should have the same regulatory requirements as long-term lets (to help level the playing field), health and safety checks should be carried out equivalently to any other type of accommodation, and that regulation should be tightened to be on a par with that of cities which have tight regulatory action such as Barcelona, Amsterdam and San Francisco. Furthermore, a few respondents (particularly affected residents) thought that there needed to be limitations or controls on the numbers of short-term lets. That said, a few respondents stated that they were unconcerned about people renting out a room in their own property and that this scenario should be treated differently. A small number of respondents also noted the need to clearly communicate requirements to short-term let owners.
73. Small numbers of respondents, spread across all categories, made the following other suggestions for improving the current situation:
- The instigation or implementation of a licensing system and / or landlord registration system.
 - Greater accountability of, and better management by, those renting out short-term lets.
 - Regulation of online accommodation platforms, given their expansion from peer-to-peer arrangements and sharing to letting of entire properties.
 - Need for planning permission when there is a change of use of properties.
74. However, concerns about strict regulation were voiced by a few respondents, mainly by small minorities of hosts with more than one property and hosting intermediaries; arguments against regulation were that this would be to the advantage of the large commercial operators, it would result in a reduction in visitor numbers, the economics of short-term letting businesses would be negatively affected, jobs would be lost; and that educating hosts perhaps via industry accreditation would be a better approach to adopt.
75. A few respondents, particularly community organisations, cited general concerns about 'over-tourism' and its impact on the environment and infrastructure, whilst others in very small numbers saw a need for further research and analysis about the benefits of short-term let tourism against the displacements caused by it.
76. There were also some queries at events as to whether owners are aware of the need to have the appropriate insurance in place; as well as some suggestions of a need for owners to check their title deeds or mortgage documentation and ensure they are permitted to run a short-term let.

77. A large minority of respondents who described positive impacts focused on three main themes, each discussed by a small minority of those giving a response to the question. The key sub-groups to focus on these positive impacts were hosts, host intermediaries, and local authorities.
78. Firstly, short-term lets either lead to increased tourism and tourist revenue, or support an existing increase in tourism, e.g. by providing required extra tourist accommodation, particularly enabling larger visitor groups and families to stay together.
79. Secondly, short-term lets help to provide economic benefits, particularly at a local level, for example by providing business for small enterprises such as pubs, restaurants, cafes and grocery shops, and by providing employment for people such as agents, cleaners and tradespeople. As noted by another (non short-term let) business respondent:

“Holiday lets and short-term lets are an important part of Scotland’s flourishing tourist sector and provide a significant economic boost to the country, as highlighted in [the] study by Frontline Consultants, ‘Economic Impact Assessment of Short-Term Lettings on the Scottish Economy’, which was commissioned by the ASSC. Overall, it demonstrated that there are 16,949 self-catering holiday and short-term let properties in Scotland. The self-catering sector represented 3.4million visitor nights per year where 1.8million are non-Scottish visitors. The annual direct visitor spend is equal to £723.3 million (£470.1 million from non-Scottish visitors). Traditional self-catering in Scotland supports 10,725 direct FTE jobs and self-catering/short-term rental provides £205.8 million in direct GVA contribution.”

80. Thirdly, short-term lets provide an alternative positive experience for visitors, in terms of providing a ‘home from home’, enabling self-catering, its affordability compared to other options and by giving a chance to experience local culture; these points were highlighted roughly equally by respondents representing all short-term letting types, and notably by a large minority of guests.
81. Other positive impacts described by a few respondents included the following:
- Benefits for rural or less populous areas (e.g. by ensuring housing that would otherwise lie empty is used, including both holiday homes and non-renovated housing that are brought back into habitable use, by providing valuable income for locals, and by helping to increase visitor spend). Areas specifically mentioned in this regard included the Highlands, Argyll & Bute, Eilean Siar and Arran.
 - Short-term let properties tend to be better maintained (than, for example long-term rentals); reasons for this included high visitor expectations for accommodation and the owner having a vested interest in them.

- Provision of a flexible accommodation option for non-tourists such as short-term workers (e.g. film and TV workers), students, conference attendees and festival participants.
- Advantages provided by online accommodation platforms (e.g. 'democratisation', in the sense of enabling mass participation, of short-term lets and the self-policing of short-term lets through online reviews).
- Benefits for hosts including: host wellbeing (e.g. for mental health reasons and because of social aspects), the opportunity to meet new people, the opportunity to stay in the property themselves (e.g. for second-home owners visiting family), working flexibility (e.g. for carers and families with children) and the extra income (for home sharers or swappers) enabling the owner to continue living in their own home.
- Perceptions that short-term let guests normally behave better (e.g. less noisy and more respectful of neighbours) than long-term renters or local people.

Examples of Impacts of Short-term Lets

82. Question 6 asked,

Q6: 'Do you have any examples of other positive or negative impacts of short-term lets?'

83. A total of 833 respondents commented at this question, some of whom reiterated their answers to the previous questions. The following table provides a breakdown of those who chose to respond.

Table 10: Q6

| | Number |
|-------------------------------------|------------|
| Affected resident | 461 |
| Community organisation | 53 |
| Guest | 50 |
| Host with 1 property | 165 |
| Host with 2+ properties | 88 |
| Platform | 2 |
| Host intermediary | 15 |
| Hotel / B&B owner | 9 |
| Local authority | 16 |
| Other (non short-term let) landlord | 13 |
| Other business | 28 |
| Other | 92 |
| Total organisations | 93 |
| Individuals | 740 |
| Total respondents | 833 |

84. As in question 5, greater numbers of negative impacts than positive impacts were given by respondents; examples of positive impacts tended to be given by hosts and hosting intermediaries and examples of negative impacts by affected residents and community organisations; guests, local authorities and other businesses gave a mix.
85. Negative impacts broadly reflected respondents' views provided in question 5; the most frequent examples (given by a small minority of affected residents and community organisations) related to disturbances caused to residents, effects on their wellbeing and their security and safety. Examples given by affected residents largely related to experiences in tenement or communal block living where short-term lets are present.
86. Negative experiences and examples, mainly raised by small minorities of affected residents and community organisations, also included:
- 'Party flats' and over-occupied short-term lets.
 - Increased rubbish generation and problems with recycling and waste management.

- Key safe or key box issues.
87. Other experiences in living with short-term lets in communal blocks were related to difficulties in solving communal issues, in particular contacting absent hosts. Negative or damaging community effects were also frequently mentioned.
 88. General concerns about the loss of long-term residential accommodation to the short-term letting market were also expressed by in particular a small minority of community organisations. Examples of those who experience issues in finding long-term accommodation included students and travelling workers.
 89. Positive examples broadly reflected the positive impacts given in question 5, although the most often mentioned examples centred around those of short-term lets providing an alternative positive experience for visitors, as noted below:

“When my young family and I travel, whether within Scotland or abroad, short-term lets are the only option we will use due to the convenience and flexibility it offers our whole family. Sometimes these are sourced via Airbnb and sometimes via alternatives, such as more traditional letting providers. Wherever we go we contribute to the local economy in many ways. If there was a location where short-term lets were not available, or available only at a premium, we'd be very unlikely to visit.” (Guest & Host with one secondary let property)

90. A few respondents (and in particular a small minority of hosts, either with one or more than one property), cited examples of the benefits for local businesses (e.g. food shops, pubs, cafes, restaurants and launderettes), local economic benefits and for providing local employment. Examples were also cited about the benefits for local tourist attractions, such as museums, galleries, festivals, exhibitions and golf courses, and how short-term letting can reinvigorate local areas by bringing in new people and investment. Leith, Glasgow, Edinburgh, Kintyre and the East Neuk of Fife were among the areas cited in this respect.
91. The other main positive themes, primarily discussed by a few hosts and other non short-term let related businesses, suggested benefits for hosts and benefits in rural or less populous areas. Points on the latter mainly centred on the benefits of the traditional self-catering sector for bringing in visitors and short-term letting enabling an extra source of income for farms and crofts.
92. Finally, there were a few respondents who voiced a need for more or easily applied regulatory control and / or regulatory enforcement.

The Impact of Short-term Lets on the Housing Market

93. The consultation paper then noted that typically, properties used for short-term lets have previously been used for residential purposes and there is

concern that increased numbers of short-term lets reduces the supply of available homes for longer term lets. Additionally, there is concern that higher returns from short-term lets incentivises purchase of residential properties for that purpose, which in turn reduces the supply of properties to individuals wanting to live in these areas. More broadly, there is also concern about a loss of sense of community due to the displacement of the residential population, particularly in Edinburgh city centre.

94. Question 7 asked,

Q7: ‘Do you have any comments about the impact of short-term lets on the housing market?’

95. A total of 929 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

Table 11: Q7

| | Number |
|-------------------------------------|---------------|
| Affected resident | 523 |
| Community organisation | 55 |
| Guest | 53 |
| Host with 1 property | 183 |
| Host with 2+ properties | 90 |
| Platform | 2 |
| Host intermediary | 18 |
| Hotel / B&B owner | 15 |
| Local authority | 16 |
| Other (non short-term let) landlord | 15 |
| Other business | 25 |
| Other | 103 |
| Total organisations | 90 |
| Individuals | 839 |
| Total respondents | 929 |

96. The majority of respondents cited negative impacts on the housing market. By far the largest amount (a large minority, including affected residents and community organisations and a majority of local authorities) were concerned

that a preponderance of short-term lets result in a lack of availability of housing, particularly affordable housing, by reducing property supply.

97. Building on this, a small minority of respondents (including a large minority of local authorities and other (non short-term landlords), said that short-term lets were responsible for locals being unable to buy or live in local homes, with the result that residents are being pushed out of localities where short-term lets are prevalent, such as city centres, tourist areas and rural communities; many respondents perceived that these areas' properties were only accessible by the rich or investors. Edinburgh was specifically pinpointed as having issues in this regard by smaller numbers of respondents: locals were perceived as being pushed out to live on the periphery of the city or in neighbouring areas such as West Lothian and Fife.
98. A small minority of respondents (across all categories) cited property prices as having been pushed up by short-term letting. Various communities in Edinburgh (Old Town, New Town, Grassmarket, West End and Leith) were frequently cited as being particularly problematic in this regard. Those perceived as being the worst affected by the unavailability and / or cost of housing were first time buyers, young people wishing to get on the property ladder and households on lower incomes. A very small number of respondents commented that this may be a factor in increasing homelessness.
99. However, a small number of respondents saw short-term letting as having the opposite effect, i.e. pushing down house prices as it can be more difficult to sell property situated next to a short-term let because of perceived disruption or having no idea of who the neighbours might be.
100. Short-term lets were also viewed (largely by affected residents) as being responsible for pushing up long term rents, with Edinburgh again being frequently cited as a problem in this respect.
101. A few respondents (particularly small minorities of hosts and non-short-term let landlords) said that landlords were switching to short-term letting from long-term renting. Reasons given included:
 - Regulatory and tax changes in the long-term renting sector (e.g. more protection for tenants, no more offsetting of mortgage interest against tax).
 - Perceived lack of regulation.
 - Relative profitability of short-term lets.
 - General perceptions of an unequal playing field between the sectors.
102. A very small number of respondents across all categories specified rural tourist areas, including Skye, Arran and Argyll & Bute, which have seen an increase in the number of properties being used for short-term lets. This increase, along with a lack of affordable housing has helped to lead to a lack

of long-term lets for residents; though conversely short-term lets were perceived by small numbers (mainly hosts) in some areas (e.g. the Hebrides, Lewis, Highlands and Argyll & Bute) as helping to alleviate a broader problem of empty housing and enabling the refurbishment and renovation of existing housing. To add to the lack of consensus on this issue, a very small number of respondents viewed short-term lettings as resulting in empty or unoccupied housing for large periods of the year. There were also some comments from consultation events of the difficulties travelling workers face, such as being unable to find suitable accommodation in some areas such as Grangemouth (in the Falkirk council area), Skye and Fort William, due to a lack of accommodation.

103. A small minority of respondents (including large minorities of short-term let hosts and hosting intermediaries) perceived little impact on the housing market emanating from short-term letting; housing costs and availability issues were blamed on other factors, with the following mentioned:
- Poor housing and planning policies.
 - Lack of social housing (e.g. because of Right to Buy legislation and local authorities selling off affordable housing stock).
 - Lack of affordable homebuilding.
 - Discouragement from long-term renting.
 - Poor tourism policies.
 - Population growth.
 - Increases in stamp duty.
 - Second home ownership.
 - Prevalence of student block and hotel building.
 - Empty homes.
104. Short-term lets were thus seen by some hosts and hosting intermediaries as only one factor among others that contribute to broader housing issues.
105. A few respondents (mainly hosts with one property) noted that impacts on the housing market depended on the type of short-term let, with sharing or letting of spare rooms in primary residences, or letting in second homes, not seen as having negative effects since they do not impact on housing availability, unlike commercial investments.
106. A small minority of respondents (mainly comprising affected residents and community organisations) chose to focus on impacts caused by short-term lets that are less directly related to the housing market; chief amongst these were negative effects on communities caused by issues such as absentee landlords, corporate or foreign ownership and perceived increases in inequality (e.g. property owners getting wealthier at the expense of residents

and workers). Smaller numbers of respondents pointed out positive effects such as convenience for tourists and travellers and economic benefits.

107. Comments about potential regulatory action (and the perceived lack of current controls) were made by a few respondents and in particular a large minority of guests and community organisations: the majority suggested the use of various regulatory tools in general terms such as rent caps, tax, limits to short-term let numbers and registration. Small numbers said a geographical approach was needed as conditions differed between rural and urban areas, whilst a slightly smaller number perceived the housing market as balancing out on its own and so were in favour of letting market forces dictate rather than introducing new regulations.
108. A small number of respondents overall, but including a small minority of local authorities, noted that more research was needed on the issue, citing a lack of accurate or independent studies, with too much short-term letting data being based on anecdotal information only. One organisation noted the need to examine the impact of other new regulations (possible tourist tax / levy, changes to non-domestic rates and the new planning restrictions that were introduced in June 2019) on the short-term letting market in Scotland before creating more restrictions
109. Finally, there was some debate at consultation events as to whether social housing tenants should be allowed to rent out rooms for short-term lets. On the one hand, this means they make money out of a state-provided asset, which could be considered unfair on other taxpayers. On the other hand, it encourages the generation of extra income and an entrepreneurial spirit, as well as bringing some economic advantages to the area.

Breach of Planning Law

110. The consultation paper noted that under current planning legislation, planning permission may be required for a change of use where a dwelling house is used for short-term lets. Whether a material change of use has occurred, and planning permission is therefore required, is a matter for the relevant planning authority to consider on a case-by-case basis. There are concerns that the increase in properties used for short-term lets reflected in the growth of Airbnb numbers is not always in accordance with planning requirements. Enforcement action is a matter for each planning authority, again on a case-by-case basis.
111. Under Section 17 of the Planning (Scotland) Act 2019, Local Authorities will be able to establish 'short-term let control areas' where planning permission will always be required if owners want to change the use of their property to a short-term let. Question 8 asked,

Q8: 'Do you have any comments on the restrictions imposed on short-term lets by planning law?'

112. A total of 697 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

Table 12: Q8

| | Number |
|-------------------------------------|------------|
| Affected resident | 375 |
| Community organisation | 45 |
| Guest | 45 |
| Host with 1 property | 145 |
| Host with 2+ properties | 75 |
| Platform | 2 |
| Host intermediary | 14 |
| Hotel / B&B owner | 13 |
| Local authority | 17 |
| Other (non short-term let) landlord | 9 |
| Other business | 24 |
| Other | 75 |
| Total organisations | 84 |
| Individuals | 613 |
| Total respondents | 697 |

113. Overall a large minority of respondents felt that all short-term lets should have to apply for planning permission. The majority of those in support of planning permission were affected residents and community organisations; there was far less support for this from hosts. However, a few respondents noted that current planning law is not designed for short-term lets and should not be the mechanism for dealing with short-term lets; that planning law would need to be strengthened (and enforced) if it is to be applied to short-term lets. The highest numbers of respondents presenting this point of view were hosts and host intermediaries. One organisation noted that the Planning (Scotland) Act 2019 is a positive move and will give local authorities the power to declare established control areas and effectively cap the number of short-term lets in high concentration areas.

114. A few respondents also noted that planning permission should not be needed for short-term lets, with a key point being that this will not address issues of antisocial behaviour. Allied to this, a similar number of respondents

commented on the need for a clear and consistent definition or guidelines on what constitutes a material change of use. Perhaps not surprisingly, this was cited by a high number of local authorities.

115. While a common theme throughout the consultation was of a need for a clear definition of short-term lets, one organisation noted the importance of establishing a clear definition of short-term lets particularly in relation to planning, as well as considering property usage; they suggested three different regulatory solutions according to the number of nights of short-term lets and the type of activity (sharing a room or letting a whole property).
116. A few respondents noted their support for the Andy Wightman amendment that local authorities could regulate through a combination of planning and licensing. A smaller number of respondents commented that planning should not be required for the sharing or swapping of homes and that different regulations should apply to these types of short-term let.
117. Another common theme cited by a small minority of respondents, was that local authorities need to have the resources for enforcement, with some of these respondents commenting that the current enforcement of planning law is weak.
118. A few respondents cited alternative solutions. These included a need for stricter controls such as a maximum number of properties that can be used for short-term lets in specific areas, a maximum number of properties for a landlord, or short-term lets being prohibited from tenements with common stairwells. A similar number of respondents suggested a need for regulation along the lines as that for Houses of Multiple Occupancy (HMOs) which would be less stringent than having to apply for a change of use via planning law but nonetheless ensure that there is a regulatory framework for short-term lets.
119. Other suggestions made by small numbers of respondents included:
 - A need for short-term lets to comply with health and safety regulations.
 - The introduction of a high(er) council tax rate for short-term lets; or the removal of council tax relief on second homes.
 - The application of non-domestic rates for short-term lets.
 - Neighbours should be able to veto a change of use from a private residence to a short-term let.
 - There should be limitations on the number of days a property can be let.
 - A need for regulation and a balanced approach; for example, a registration system allowing for enough short-term lets to meet demand but taking local residents and communities into consideration; to ensure the demand from short-term visitors can be met as well as the needs of long-term tenants.

- A need for discretion for local authorities so they can decide whether to apply planning law to short-term lets. This would offer local flexibility and meet local needs in a local context.
120. Alongside comments on the need for some form of regulation, there were also a small number of references to the need for enforcement to be applied; and that enforcement needs to be applied quickly.
121. A small number of respondents reiterated comments made at earlier questions in relation to the positive and negative impact of short-term lets. A very small number of respondents referenced registration processes undertaken in other cities such as London (where there is a limit on 90 days), Paris (120 days) and Berlin (90 days).

Antisocial Behaviour

122. The City of Edinburgh Council and some Edinburgh MSPs have reported that antisocial behaviour is a common complaint from residents in relation to short-term lets; most commonly about noise and disruption. These complaints appear to be more common and of greater severity where short-term lets are located in tenements or flats with a common stairwell. While local authorities have a range of powers to tackle antisocial behaviour, these can be challenging to apply where there are difficulties in establishing the identity of visitors or the owners of a property. Question 9 asked,

Q9: 'Do you have any comments on powers to tackle antisocial behaviour caused by short-term lets?'

123. A total of 867 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

Table 13: Q9

| | Number |
|-------------------------------------|------------|
| Affected resident | 473 |
| Community organisation | 54 |
| Guest | 59 |
| Host with 1 property | 184 |
| Host with 2+ properties | 83 |
| Platform | 2 |
| Host intermediary | 16 |
| Hotel / B&B owner | 11 |
| Local authority | 17 |
| Other (non short-term let) landlord | 17 |
| Other business | 26 |
| Other | 85 |
| Total organisations | 88 |
| Individuals | 779 |
| Total respondents | 867 |

124. A few respondents – primarily affected residents and community organisations – suggested the introduction of a short-term let licensing scheme similar to the licensing scheme for HMO properties. In line with this, a similar number of respondents suggested a need for effective regulation that imposes clear penalties on landlords whose guests display antisocial behaviour. A few respondents referred more generally to the need for police and local authorities to impose regulations in the short-term let sector, although a smaller number noted the need for more resources for local authorities and / or the police to be able to deal with antisocial behaviour in short-term lets. A few respondents referred specifically to the need for powers to revoke or suspend licences if there are continual problems at a particular property, and a smaller number referred to fines for landlords or on-the-spot fines for guests demonstrating antisocial behaviour. A small number of respondents suggested very heavy fines and penalties for landlords e.g. equivalent to the amount of rent paid.
125. Another suggestion from a few respondents was for a register of owners so they can be contacted directly if there is a complaint to be resolved. This

comment came from most groups of respondents, although the highest levels of support were from host intermediaries and community organisations.

126. A small number of respondents suggested that short-term lets should be limited, either in terms of overall numbers, or in particular types of property such as tenement blocks or properties with a shared common entrance or stairwell.
127. The need for landlords to be accountable for the behaviour of their guests was referred to by a few respondents; this was supported most by local authorities. A slightly smaller number felt that guests should be greeted on arrival and provided with guidelines or a code of conduct or provided with details of house rules that should be followed. Some of these respondents referred specifically to the ASSC Code of Conduct.
128. A few respondents suggested that existing regulations need to be utilised, but with local authorities and police being provided with enough resources to be able to implement the existing regulations. While this comment was made by respondents across most sub-groups, higher numbers of organisations and hosts made this point. Small numbers of respondents pointed out that local authorities already have the necessary power to deal with antisocial Behaviour under Antisocial Behaviour Notices (Houses Used for Holiday Purposes) (Scotland) Order 2011. Another organisation noted that Part 7 of the Antisocial Behaviour Act 2004 provides a local authority with enforcement powers to deal with antisocial behaviour.
129. Another comment, cited by a few respondents, was that antisocial behaviour should not be attributed solely to short-term lets as this is a general problem and can be caused by those in long-term lets or by students; a smaller number of respondents noted that antisocial behaviour is not an issue that has impacted upon them or in their area. These comments came primarily from hosts and those who are listed on a short-term let platform or a member of ASSC. A slightly smaller number felt that the issue of antisocial behaviour is overhyped by the media and that the numbers of actual complaints about antisocial behaviour are minimal.
130. Other comments, each made by a small number of respondents included:
 - Requests for clarification on the definitions of privately let properties and short-term lets.
 - A clear definition of what is antisocial behaviour to be outlined in the contractual agreement between the tenants and the owner of the short-term letting property. The same definition could apply to all long-term and short-term lets so there is a consistent approach to the treatment of antisocial behaviour.
 - A need to differentiate between secondary lettings, swapping and sharing; the latter two are perceived to be different to short-term lets and

do not need to be regulated in the same way as antisocial behaviour is not an issue when the owner is present.

- The need for letting platforms to take some responsibility for the issue of antisocial behaviour caused by short-term lets.
- The use of planning law so that planning officials could choose whether or not to give consent to short-term lets in close proximity to domestic homes.

Complaints

131. The consultation paper noted that the [Scottish Expert Advisory Panel on the Collaborative Economy](#) recorded that, while the number of recorded short-term let premises with antisocial behaviour investigations in 2016 and 2017 appeared to be small relative to the tourist footfall, information provided by the City of Edinburgh Council indicated that this issue is significantly under-reported. The Advisory Panel recommended that communities and residents need to be aware that they are able to make complaints, and how to make these complaints. Question 10 asked,

Q10: ‘Do you have any comments about complaint systems for short-term lets?’

132. A total of 704 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

Table 14: Q10

| | Number |
|-------------------------------------|------------|
| Affected resident | 394 |
| Community organisation | 46 |
| Guest | 43 |
| Host with 1 property | 130 |
| Host with 2+ properties | 66 |
| Platform | 2 |
| Host intermediary | 14 |
| Hotel / B&B owner | 8 |
| Local authority | 17 |
| Other (non short-term let) landlord | 15 |
| Other business | 24 |
| Other | 72 |
| Total organisations | 80 |
| Individuals | 624 |
| Total respondents | 704 |

133. A number of respondents commented on the current complaints system, with the main comments from a few respondents being that they were unaware of a complaints system or that there is not a complaints system at present. These comments were made by higher numbers of affected guests and community organisations than other sub-groups of respondent. Smaller numbers of respondents (again, more affected guests and community organisations than other sub-groups) felt the current complaints system in general is ineffective, or too slow and ineffective as the individuals who are complained about will have left by the time the complaint is dealt with. Some of these respondents referred specifically to the complaints system in Edinburgh.
134. A small minority of respondents mentioned the need for a complaints system to be advertised so that individuals are aware that this exists and have information on how to make a complaint. This comment came from respondents across all sub-groups.
135. A few respondents highlighted elements of a complaints system they would like to see introduced and these included a procedure in place to allow formal

complaints to be registered, staff who can respond quickly to complaints, a system that is transparent and offers easy access, and rapid enforcement of complaints. Many of these respondents highlighted that a complaints system should not simply be for collating information but that it needs to be enforced. There were higher levels of support for these elements of a complaints system from affected residents and community organisations. A very small number of respondents felt that any complaints system should have independent oversight, with a governing body, a regulator or an ombudsman.

136. The issue of licensing and registration was cited by a few respondents who felt this should be introduced in line with the private rented sector so as to provide a framework for short-term lets which would be simple to replicate. The benefits of licensing or registration in relation to a complaints system included that this would help to increase awareness of landlords' responsibilities, it would give neighbours a point of contact for complaints and force owners to follow a Code of Conduct.
137. While this question focused on a complaints system for short-term lets, a few respondents referred to sanctions that should be applied when complaints are made. These included revocation of licences and fines; and were cited by higher numbers of affected residents and hotels / B&Bs. A similar number of respondents also suggested there should be a public register of owners providing contact details of the owner or agent so that they can be contacted immediately and act upon a complaint when it is made.
138. Other issues raised by very small numbers of respondents included:
 - Most hosts are already responsible and provide contact details to neighbours who might be affected by antisocial behaviour.
 - Reference to the need for a code of conduct for all owners to sign up to; some of these referred specifically to the ASSC Code of Conduct.
 - Antisocial behaviour is not specific to short-term lets and, for example, students and private rental tenants can exhibit antisocial behaviour all year round.
 - Most complaints will be minor.
 - Platforms should be obliged to forward complaints and information to the local authority.
 - Any complaints system needs to operate 24 hours a day, seven days a week; most complaints are likely to be late at night.
 - There is a need for a centralised complaints system to allow for monitoring of complaints. There were some suggestions for a hotline to be set up, although there were also comments that this would need to be well publicised.
 - There should be a review-based approach similar to that offered by Airbnb that offers a capacity for neighbours to comment.

- Concerns that this could create legislation that may be needed in Edinburgh but is not needed elsewhere.
- The need for resources to be able to effectively operate a complaints system.
- The need for joint working across stakeholders. As one organisation noted,

“Complaints regarding the activities of short-term lets are distinct from complaints about the change of use. Management and monitoring requires a joined up approach between housing officers, antisocial behaviour teams, the police, environmental health and planning. However if the remit is shared across too many departments the approach might be inconsistent and piecemeal. This has been the experience at Westminster council, where initially a taskforce was set up in the planning departments enforcement team has subsequently moved to the Public Protection & Licensing team as part of the Housing Standards Taskforce.”

Safety

139. The consultation paper noted that concerns have been expressed about the lack of appropriate safety standards relating to short-term lets. The Advisory Panel recommended there should be parity in health and safety regulation for all short-term let accommodation that is not the owner’s primary residence, regardless of the frequency or method of booking of accommodation. Question 11 asked,

Q11: ‘Do you have any comments on safety issues related to short-term lets?’

140. A total of 761 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

Table 15: Q11

| | Number |
|-------------------------------------|------------|
| Affected resident | 391 |
| Community organisation | 51 |
| Guest | 51 |
| Host with 1 property | 163 |
| Host with 2+ properties | 79 |
| Platform | 2 |
| Host intermediary | 16 |
| Hotel / B&B owner | 10 |
| Local authority | 17 |
| Other (non short-term let) landlord | 15 |
| Other business | 27 |
| Other | 87 |
| Total organisations | 90 |
| Individuals | 671 |
| Total respondents | 761 |

141. There were two common themes to this question. The first, noted by a large minority of respondents across all sub-groups (there were particularly high levels of support from local authorities, other landlords and host intermediaries), was that safety standards for short-term lets should be the same as tenancies in the private rented sector (the Repairing Standard¹⁰). While the Repairing Standard is required for any privately rented home, some of these respondents felt it is not necessarily applied by owners of short-term lets; they suggested that all short-term lets should be required to comply with this requirement. Some of these respondents cited tenement blocks specifically where one property which is not protected against fire can impact on all other flats and residents in the tenement. A smaller number of respondents suggested that safety standards should be the same as apply to B&Bs, hotels and guest houses.

142. The second common theme, mentioned by a small minority of respondents across all sub-groups, was that short-term lets should be licensed or

¹⁰ This involves a compulsory electrical safety inspection and a requirement that any furnishings and appliances supplied by a landlord are safe.

regulated with regular inspections to ensure they adhere to all relevant regulations.

143. Another issue cited by a few respondents was a general comment on the need for owners to comply with regulations and that these regulations should be enforced. A similar number of respondents felt that owners are usually safety-conscious.
144. Very small numbers of respondents felt that platforms should have some responsibility in relation to short-term lets, with suggestions that booking platforms could carry out safety checks or insist on these being carried out to enable an owner to use the platform, and / or that booking platforms should have to provide information on health and safety requirements with which owners have to comply.
145. A number of safety issues were highlighted as concerns; each mentioned by a very small number of respondents. These included:
- Strangers staying in short-term lets and coming and going through common stairwells (primarily in relation to tenements and blocks of flats).
 - The use of key boxes.
 - Overcrowding, with some reference to party flats where large numbers of guests may be staying.
 - A lack of insurance.
 - Fire risks.
 - The need for smoke alarms, carbon monoxide detectors.

Taxation

146. The consultation paper noted that self-catering properties which make up just under 6% of non-domestic properties in Scotland (as at June 2018), can in some circumstances be liable for non-domestic rates. While 45% of non-domestic properties receive Small Business Bonus Scheme (SBBS), over 86% of self-catering properties benefit from this, providing an average saving for these properties of £1,398 in 2018-19. To be eligible for SBBS relief, the cumulated rateable value of all non-domestic properties held by the ratepayer must be no more than £35,000. Self-catering holiday accommodation is exempt from council tax and liable for non-domestic rates if it is not the sole or main residence of any person. Question 12 asked,

Q12: 'Do you have any comments on eligibility for non-domestic rates?'

147. A total of 639 respondents commented at this question and the following table provides a breakdown of those who responded.

Table 16: Q12

| | Number |
|-------------------------------------|------------|
| Affected resident | 335 |
| Community organisation | 37 |
| Guest | 39 |
| Host with 1 property | 136 |
| Host with 2+ properties | 83 |
| Platform | 2 |
| Host intermediary | 11 |
| Hotel / B&B owner | 14 |
| Local authority | 14 |
| Other (non short-term let) landlord | 13 |
| Other business | 18 |
| Other | 64 |
| Total organisations | 69 |
| Individuals | 570 |
| Total respondents | 639 |

148. Responses to this question demonstrated a perception on the part of a large number of respondents that short-term lets or self-catering properties should be contributing in some way to public services used by guests. The most common theme, cited by a large minority of respondents across all sub-groups, was that all rental accommodation should pay either commercial (non-domestic) rates or council tax.
149. A small minority of respondents felt that council tax should be paid in full so that there is parity across the board (the highest level of support came from other landlords). Similar numbers also commented that properties should be contributing to council services at least on a pro rata basis; or that the rates paid by owners should be higher than council tax levels. Once again, the highest levels of support for these came from affected residents, community organisations and other landlords.
150. A few respondents (including a high number of other (non short-term let) landlords) also felt that properties should not be classed as rateable and get full SBBS relief or that short-term lets should not qualify for the SBBS and / or that tax breaks should not be available. As noted by an organisation:

“The eligibility for non-domestic rates does not necessarily create issues, but rather the eligibility of small-scale hosts, with 1 or 2 properties, for the Small Business Bonus Scheme, which can result in a property being operated commercially, with no non-domestic rates or council tax liability. This creates an unfair advantage for small-scale, short-term let hosts when compared either to larger more commercial operators, who will be liable for non-domestic rates or private rental sector landlords and their tenants who remain liable for council tax. There are also implications for revenue collection.”

151. While large numbers of respondents supported payment of some form of domestic or non-domestic rates, a few noted their support for the current system and felt the 140 day rule works well. This point was raised by higher numbers of hosts and other businesses.
152. One organisation cautioned that any changes to taxation would need to be carefully designed so as to encourage behaviours that would benefit the working of the whole housing system, while also supporting the tourism sector and short-term accommodation needs.
153. Very small numbers of respondents echoed themes cited at earlier questions and noted:
 - The need for regulation and enforcement.
 - Introduction of a licensing system and / or a register of all short-term lets.
 - Owners who share or swap their homes should not be liable for increased costs.
 - There is a need to encourage tourism, with no additional charges to be levied on short-term lets.
 - The introduction of a tax on rental income.
 - Universities who let out student accommodation should have to pay some form of non-domestic rates or council tax.
 - Suggestions for a tourist tax / levy to be introduced, with attendees at an event suggesting this could fund local services and help to empower local communities.
 - Regardless of what options are introduced, there should be no loss of revenue to local councils.

The Barclay Review on Non-Domestic Rates

154. The independent Barclay Review on non-domestic rates noted that some property owners, to avoid paying council tax on second homes, and because there is currently no requirement to provide evidence of actual letting, may claim that the property has moved from domestic use to non-domestic use as self-catering holiday accommodation. If the rateable value is low enough, they can apply for SBBS relief and receive up to 100% non-domestic rates relief. Instead they will be liable for business water and sewerage charges

and waste disposal charges. However, anecdotal evidence suggests that self-catering properties do not always face non-domestic charges in other areas, and are therefore not contributing to local services. To counteract this issue, the Barclay Review recommended that self-catering properties should be required to prove an intention to let for 140 days in the year as well as evidence of actual letting for 70 days in order to be considered exempt from Council Tax and liable for non-domestic rates. Following on from this, the Non-Domestic Rates (Scotland) Bill makes provision for local authorities to have discretion in certain circumstances over the criteria defining a class of property that is exempt from council tax. Question 13 asked,

Q13: ‘Do you have any comments on the additional eligibility requirements recommended by the Barclay Review?’

155. A total of 454 respondents commented at this question; the following table provides a breakdown of those who responded.

Table 17: Q13

| | Number |
|-------------------------------------|------------|
| Affected resident | 232 |
| Community organisation | 28 |
| Guest | 31 |
| Host with 1 property | 98 |
| Host with 2+ properties | 62 |
| Platform | 2 |
| Host intermediary | 11 |
| Hotel / B&B owner | 9 |
| Local authority | 15 |
| Other (non short-term let) landlord | 11 |
| Other business | 11 |
| Other | 56 |
| Total organisations | 52 |
| Individuals | 402 |
| Total respondents | 454 |

156. The key comment at this question, cited by a large minority of respondents across all sub-groups, was one of agreement with the recommendations

made by the Barclay Review. However, there was a degree of support for local authorities (this comment came primarily from community organisations and local authorities) to have discretionary powers to decide upon the number of days of letting as not all areas across Scotland will be able to let for as many as 70 days. Examples were provided of longer letting opportunities in Edinburgh and Glasgow and shorter seasons in more rural areas.

157. In line with responses made at the previous question, a small minority of respondents, primarily affected residents, community organisations and host intermediaries, felt that there should be no exemptions, so that owners pay either council tax or non-domestic rates, with no rates relief and a scrapping of SBBS.
158. Once again, there were some suggestions, primarily from affected residents, community organisations, host intermediaries and other landlords that all owners should pay council tax, with the reasoning being that this would be easier to apply. Also, and mentioned by higher numbers of affected residents and host intermediaries, calls for owners to be contributing something towards public services that are used by guests.
159. There was some agreement from a few respondents – often from hosts and hotels / B&Bs – that owners should be required to prove an intention to let in the year, as well as providing evidence of actual letting in order to be considered exempt from council tax, and liable for non-domestic rates.
160. Comments made by very small numbers of respondents included:
 - Reference to a need for regulation and enforcement; and a need for sanctions to be applied.
 - A need for a registration system to be introduced.
 - A need to harmonise different tax thresholds as there is an incongruity between the Barclay Review recommendation and HMRC requirements for business tax treatment of furnished holiday lets. There were a small number of suggestions that HMRC tax information could be used as proof of letting a property.

Eligibility for the Small Business Bonus Scheme (SBBS)

161. The consultation paper noted that self-catering properties are in some circumstances liable for non-domestic rates; with over 86% of self-catering properties benefitting from Small Business Bonus Scheme (SBBS). Properties with individual rateable values of no more than £15,000 are eligible for 100% relief and 25% relief if the rateable value is between £15,001 and £18,000.
162. Question 14 then asked,

Q14: 'Do you have any comments on the eligibility of self-catering accommodation for the Small Business Bonus Scheme?'

163. A total of 477 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

Table 18: Q14

| | Number |
|-------------------------------------|---------------|
| Affected resident | 234 |
| Community organisation | 24 |
| Guest | 32 |
| Host with 1 property | 102 |
| Host with 2+ properties | 70 |
| Platform | 1 |
| Host intermediary | 7 |
| Hotel / B&B owner | 8 |
| Local authority | 12 |
| Other (non short-term let) landlord | 7 |
| Other business | 11 |
| Other | 61 |
| Total organisations | 46 |
| Individuals | 431 |
| Total respondents | 477 |

164. The main comment, as cited by a large minority of respondents, was that there should be no tax breaks or exemptions. Some of these respondents referred specifically to owners of short-term lets, some referred to owners of self-catering properties and some did not specify to whom this should apply. Reasons given for this included that guests will be using local public services that should be paid for or that there should be no financial incentive to remove houses from the housing market to be used for short-term letting. There was more support for accommodation to lose entitlement to the SBBS from affected residents, community organisations and other landlords than from hosts. Allied to this point, a few respondents also commented that owners should be paying some form of tax; either council tax or income tax, so as to contribute to the services used by their guests (supported by higher numbers of community organisations, guests, host intermediaries and hotels

/ B&Bs). One organisation referred to the ongoing review of SBBS and commented,

“The ongoing review of SBBS should consider whether the availability of SBBS for these types of premises is having the unintended consequence of encouraging property owners to construct arrangements with occupiers designed to take advantage of valuation regulations to avoid the payment of local taxes. If this is demonstrated consideration should be given as to whether this should be the intention or consequence of SBBS scheme.”

165. Conversely, a small minority of respondents felt the current status quo should be maintained. Reasons for this included that guests contribute to the local economy, that small businesses should receive support or that SBBS can help to keep some small businesses viable. This was supported mostly by hosts and other businesses. A small number of these respondents who were owners of short-term lets commented that they rely on business relief to maintain viability of their business.

166. A few respondents suggested that if a short-term let is being run as a business, then it should be treated the same way as any other business; this was supported most by local authorities and community groups. A smaller number of respondents commented that local authorities need to have income to maintain services and an infrastructure that can support tourism (this was supported most by local authorities).

167. Other comments made by very small numbers of respondents included:

- Short-term lets should not be eligible for SBBS in city centres, with some specific reference to Edinburgh.
- Suggestions for a reduction in the rateable value of properties so that more valuable properties do not receive any tax relief; or for a cap on the amount of SBBS relief available.
- Individuals should not be allowed to remove properties from the housing market to become self-catering properties or short-term lets or that these types of accommodation should not be encouraged at the expense of the housing market and there should be a tax system that disincentivises homes being removed from the residential supply. One organisation commented:

“The practical impact of the current eligibility for self-catering accommodation for the Small Business Bonus Scheme is to create a system which incentivises the small-scale hosts letting 1-2 units on a short-term lets basis, who have no liability for either council tax or non-domestic rates. This comes at the expense of larger commercial operators and the private rental sector landlords. Larger commercial operators with multiple units under the same ownership will be subject to both non-domestic rates and VAT on their revenue while private rental sector landlords and their tenants remain liable for council tax. This creates a system which drives some

less suitable properties into the short-term lets market, which would otherwise be maintained as a PRT [Private Rental] providing long-term homes.”

- SBBS should only be allowed on the first property rented out and not on any subsequent properties.

168. Once again, there were also a small number of references to the need for a licensing regime or for registration, with effective enforcement.

Other comments on taxation

169. The consultation paper explained that rental income is included in earnings, and is therefore, for Scottish residents, subject to Scottish Income Tax. Rental providers are responsible for declaring their earnings to HMRC. However, income tax reliefs and exemptions remain a reserved matter set by the UK Government and anyone letting a room under the Rent a Room Scheme on a short-term basis, or running a bed and breakfast or guest house, can receive up to £7,500 per year in rent without paying income tax. The final question in this section of the consultation paper asked,

Q15: ‘Do you have any other comments on taxation relating to short-term lets?’

170. A total of 529 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

Table 19: Q15

| | Number |
|-------------------------------------|------------|
| Affected resident | 293 |
| Community organisation | 33 |
| Guest | 30 |
| Host with 1 property | 106 |
| Host with 2+ properties | 65 |
| Platform | - |
| Host intermediary | 7 |
| Hotel / B&B owner | 7 |
| Local authority | 5 |
| Other (non short-term let) landlord | 10 |
| Other business | 16 |
| Other | 59 |
| Total organisations | 52 |
| Individuals | 477 |
| Total respondents | 529 |

171. To a large extent, comments made in response to this question echoed themes from the previous three questions. The common theme across most sub-groups, and from a small minority of respondents, was that short-term lets should pay taxes in some shape or form. A small minority also felt that owners of short-term lets should pay higher rates of tax than at present; supported by higher numbers of affected residents. Examples given by respondents included tax rates of 40% of income created or double the council tax or non-domestic rates. It was felt this would help to raise money to contribute to local services such as road maintenance or the tourist infrastructure or that it would help to disincentivise short-term lets and keep more properties in the long-term rental or housing markets. A few respondents felt there should be no tax benefits or tax relief for short-term lets; supported most by hotels / B&Bs and affected residents. However, a similar number of respondents supported the status quo; and this position was adopted primarily by hosts of single and multiple properties.

172. Smaller numbers of respondents commented that:

- Short-term lets should be taxed in the same way as other businesses with liability for corporate gains tax, national insurance, VAT and rates.
- Taxation levels should not favour short-term lets over long-term lets and that the same regulatory and taxation system should apply to both.
- There should be a level playing field with the same system applied to all bed and breakfast properties, guesthouses, hotels and short-term lets.
- Local authorities and / or HMRC should enforce whatever system is applied to short-term lets. There were also comments from a small number of organisations of the need for cohesion between HMRC and local authorities as to whether short-term lets are a business or not. It was noted at an event that there will need to be a clear definition, given that there are various different thresholds for HMRC, Business Rates, VAT etc. One stakeholder suggested a starting point could be to harmonise these elements.
- Letting platforms should be used to help declare income from short-term lets and / or work alongside HMRC or local authorities to provide the necessary information.
- Revenue from any taxation should be used for local communities and local infrastructure.
- Any additional taxation for short-term lets would damage the tourist sector as well as making some businesses unviable.
- Tourists should play a role in contributing to the services used and supported a tourist tax or visitor levy. That said, a smaller number noted they did not support a tourist tax and noted a preference for businesses to pay additional rates. There were a small number of references to the separate Scottish Government consultation on whether local authorities should be allowed to levy a tourist tax. One organisation referred to the system adopted in Amsterdam where Airbnb manage the collection of a tourist tax through the online platform and suggested this could be adopted in Scotland.
- The need to treat rural areas differently as they have a shorter tourist season with a more limited capacity to earn income from short-term lets, in comparison to cities like Edinburgh or Glasgow where the tourist season is longer and offers greater opportunities for property owners to earn significantly higher sums of money through short-term lets.

Design Principles for a Regulatory Framework

173. The Scottish Government has set out 10 design principles, building on the principles in the Scottish Regulators' Strategic Code of Practice (which sets out five key principles of good regulation: proportionate, transparent, accountable, consistent and targeted). Question 16 asked,

Q16: 'Do you have any additions or amendments to the proposed design principles?'

174. A total of 377 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

Table 20: Q16

| | Number |
|-------------------------------------|------------|
| Affected resident | 190 |
| Community organisation | 31 |
| Guest | 23 |
| Host with 1 property | 78 |
| Host with 2+ properties | 42 |
| Platform | 2 |
| Host intermediary | 10 |
| Hotel / B&B owner | 5 |
| Local authority | 14 |
| Other (non short-term let) landlord | 6 |
| Other business | 16 |
| Other | 47 |
| Total organisations | 60 |
| Individuals | 317 |
| Total respondents | 377 |

175. The most common theme, across all sub-groups, in response to this question was agreement with the principles (cited by a large majority of respondents). A few respondents (cited by higher numbers of affected residents) commented on the need for the design principles to show greater consideration of residents and communities and housing needs, with less focus on the tourism sector, with a few respondents making specific

reference to Edinburgh. A similar number of respondents noted that the framework needs to be well regulated and robustly enforced; this was mentioned by more affected residents and community organisations.

176. A few respondents identified additional principles that should be included:

- Controlling the number of short-term lets, with suggestions to reduce or limit the number of short-term lets; limit short-term lets to specific zones or limit the number of short-term lets per year.
- Having a balance between hosts offering short-term lets and long-term lets so as to make long-term lets more appealing to owners of properties; to be fair across all tenures.
- Referring to rural areas separately.
- For any design principles to be simple and not overly complicated.
- For clarity so as to minimise any administrative burden and ensure compliance.
- To include equalities, climate change and sustainable communities.
- To be transparent.
- To prioritise the quality of life over the economy, as place and housing affordability are both important.
- Balance the needs of local communities and residents against the impact of short-term lets so as to contribute positively to the maintenance of vibrant local communities.
- Supporting competition, consumer choice and innovation.
- To avoid or minimise unintended consequences for the housing system.

177. Other comments made by small numbers of respondents included:

- A need for a degree of compromise as it can be difficult to design a framework that will satisfy all 10 design principles.
- There is no need for this framework as it will damage the tourist sector and introduce minimal benefits.
- These principles do not need to be Scotland-wide and there needs to be regional variations. These would be more relevant in Edinburgh and Glasgow than in rural areas. Linked to this, there were a few calls for local authorities to have discretionary powers with a capacity to adopt different approaches to meet local needs.
- There is a need for a licensing scheme, with a transitional phase for established operators.
- All short-term lets should be banned.
- Learn lessons from other European countries.
- Exclude those who share their properties from any new regulations.

- Local authorities need appropriate resources.
- There was a degree of support for applying the existing landlord regulations to short-term lets as this infrastructure is already in place. However, some respondents felt that current legislative powers are not fit for purpose; with conflicts between licensing and planning; and the system is slow.

Scope of a Regulatory Framework

178. The consultation paper proposed that, building upon these principles, a national framework would be established; empowering councils to establish regimes appropriate to their local needs. In terms of a regulatory framework, there are two key strands to be considered: first, the participants (what guests, hosts, platforms and service providers are or are not permitted to do); second, the accommodation (what is or is not required at the accommodation or whether the accommodation is permitted to be used for this purpose).
179. There are two approaches that could be adopted for a locally compulsory regime. These are registration (where the presumption is that the host is required to provide certain information and fee in relation to themselves and / or their accommodation) and licensing (where the host has to provide the requisite information and fee but is subject to oversight by the licensing authority to ensure that additional licence conditions are met). Both of these approaches can be supplemented by restrictions on whether the property may be used for short-term lets at all. Question 17 asked,

Q17: ‘Do you have any comments on the proposed scope of a regulatory framework?’

180. A total of 406 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

Table 21: Q17

| | Number |
|-------------------------------------|------------|
| Affected resident | 186 |
| Community organisation | 32 |
| Guest | 19 |
| Host with 1 property | 92 |
| Host with 2+ properties | 49 |
| Platform | 2 |
| Host intermediary | 12 |
| Hotel / B&B owner | 8 |
| Local authority | 14 |
| Other (non short-term let) landlord | 6 |
| Other business | 23 |
| Other | 45 |
| Total organisations | 68 |
| Individuals | 338 |
| Total respondents | 406 |

181. A wide range of comments were made by respondents, although each was cited by a small number of respondents.
182. A few respondents noted their support for registration or licensing for short-term lets; and there was also a degree of support for both elements to be introduced. Support for licensing came from higher numbers of affected residents, guests and local authorities, while support for registration came from higher numbers of community organisations, hosts with one property and other businesses. There were also a very small number of comments (higher numbers of affected residents) that a licensing scheme would be preferable to registration as licences can be withdrawn. While only small numbers of respondents referred to whether a scheme should be mandatory or voluntary, a slightly larger number of respondents (higher numbers of affected residents and other landlords) supported the former than the latter.
183. There were also comments that any scheme which is introduced needs to be properly policed and enforced (cited by higher numbers of community organisations, hotels / B&Bs and local authorities), and that it needs to be simple (cited more by guests, hosts with a single property and host

intermediaries). Furthermore, a small number of respondents were concerned that local authorities would struggle to cope with a regulatory framework without additional resources; cited by higher numbers of local authorities.

184. A few respondents supported a national framework, although views were mixed as to whether this should offer a consistent approach across Scotland, or whether there should be flexibility to allow for local differences to be taken into account. There was a degree of support for a national framework for regulations so that the short-term let market can operate in a consistent and predictable way but with flexibility for local authorities to apply their own regulations; this was supported more by local authorities and other businesses.
185. A small number of respondents commented that councils already have appropriate powers and there is no need for further regulation (cited more by guests, hosts and host intermediaries); and a similar number – primarily hosts – noted their support for the stance taken by the Association of Scotland’s Self-Caterers (ASSC) in favour of councils having the ability to use existing powers to control short-term lets. Once again, there were a small number of respondents who wanted to see all short-term lets subject to planning consents as well as a licensing regime.
186. One organisation did not want to see a mandatory scheme on a Scotland-wide basis, particularly because of the differing impacts of short-term lets in different areas of Scotland, and the differences in types of letting and letting properties.

Policy Considerations and Outline Proposals

187. This section of the consultation paper asked two questions in relation to the potential for a national framework that provides a menu of discretionary powers for councils to implement measures appropriate to their area or parts of their area, so they can respond to local conditions and concerns:
 - Level 1 Registration scheme - where a council opted to implement regulation, a minimum requirement might be a basic registration scheme, for which a fee may be charged. Registration could be required for all types of hosting. This would be unlikely to curtail any short-term letting activity.
 - Level 2 Licensing scheme - councils wishing to apply additional measures could opt for a licensing scheme, which could include and expand on the registration scheme.
 - Level 3 Market-based mechanisms to control short-term lets - this might include additional financial (dis)incentives to control some types of short-term let. It might also be necessary to take account of, and / or consider changes to relevant taxes and reliefs such as council tax, non-domestic

rates, Small Business Bonus Scheme, VAT or Rent a room relief on income tax. Question 18 asked,

Q18: 'Do you have any comments on the controls or conditions which councils should be able to set through a registration or licensing regime?'

188. A total of 558 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

Table 22: Q18

| | Number |
|-------------------------------------|---------------|
| Affected resident | 277 |
| Community organisation | 39 |
| Guest | 33 |
| Host with 1 property | 126 |
| Host with 2+ properties | 68 |
| Platform | 2 |
| Host intermediary | 16 |
| Hotel / B&B owner | 10 |
| Local authority | 15 |
| Other (non short-term let) landlord | 11 |
| Other business | 21 |
| Other | 67 |
| Total organisations | 75 |
| Individuals | 483 |
| Total respondents | 558 |

189. A majority of respondents, across all sub-groups, supported regulation for short-term lets in some form.

190. A small minority of respondents noted their support for a Level 1 registration scheme, with some highlighting the benefit of this in providing data on the levels of activity across participating council areas; this was supported more by hosts with more than one property, local authorities and other businesses. Some of these respondents suggested this should be on a par with the Landlord Registration Scheme in relation to long-term lets. A few respondents also made some form of reference to different elements of the Landlord Registration Scheme, such as gas safety checks, smoke detectors

and having an Electrical Installation Condition Report (EICR) and felt that owners of short-term lets should have to comply with these; this was supported most by host intermediaries, local authorities and other businesses. There was very little opposition to the Level 1 registration Scheme.

191. A small minority of respondents also noted their agreement with a Level 2 licensing scheme and felt this should be mandatory; highest levels of support came from affected residents, guests and local authorities. A key benefit was that this would help to provide data on the numbers of short-term lets. Only a very small number of respondents – primarily hosts – did not support a Level 2 licensing scheme, on the grounds that this would lead to more bureaucracy and red tape. A smaller number of respondents referred specifically to licensing with a levy or charge to raise tax which could be used to support the oversight and enforcement of the short-term sector. There were also a few comments that this would match the HMO licensing scheme.
192. There was a degree of crossover between support for Level 1 registration and Level 2 licensing, with a large majority who supported either of these also supporting both.
193. While small numbers of respondents felt that properties that are shared or swapped should not be included in any licensing scheme, small numbers of respondents suggested that those who share or swap their properties should have to register their property, but should not have to comply with Level 2 licensing. A small number also suggested that all short-term let properties should have to register.
194. A very small number of respondents agreed with the option for a consistent national framework across Scotland with standardised regulation and registration, although some of these suggested a need for local flexibility to be built in. Linked to this, a small minority of respondents noted their support for discretionary powers for councils to be able to implement measures appropriate to their area or parts of their area; this was heavily supported by local authorities. It was felt that councils need flexibility to determine suitable rules or to have local variations to suit the local market. Some suggestions from respondents included being able to refuse licences in areas of high tourist pressure, in tenements, in blocks of flats and residential buildings, with some specific reference to Edinburgh.
195. Allied to this point, a few respondents noted that councils will need enough staff and resources to be able to police any licensing scheme that is introduced so that they can enforce any regulations and introduce effective restrictions and penalties such as revoking licences or in limiting the number of licences in a specific area. There were comments from a consultation event that regulations introduced may be unworkable and that there will be difficulties in implementation due to a lack of funding and support of government who seem unwilling to act robustly. This latter point was made

specifically in relation to Edinburgh. One example given during a consultation event in Edinburgh was of the difficulties of dealing with antisocial behaviour within the private rented sector, which would be a much greater challenge within the short-term lets sector. Furthermore, consultation event attendees also noted that some aspects of regulation should be compulsory as it will not be possible for local authorities to be able to effectively enforce all aspects of a regulatory framework.

196. Other comments made by very small numbers of respondents included:

- A need to consider the impact of short-term lets on the local community, with any granting of licences to include the views of community groups and local residents; any granting of licences should be approved by neighbours; and the needs of local residents should be considered first in terms of the availability and affordability of housing.
- The taxation system should not favour short-term lets over long-term lets.
- A need for a centrally-managed database or register of landlords to allow for visibility of ownership and to provide contact details when they are needed.
- All short-term lets should have to register, with no exceptions.
- The need to differentiate between properties that are shared or swapped, and other short-term lets, as the former do not create the same potential for antisocial behaviour.
- Short-term lets have an impact on the loss of housing stock and in some instances, will keep property occupied which otherwise would be empty (particularly in rural areas). There were some requests for data that demonstrates the correlation between short-term lets and a loss of housing stock; this viewpoint was supported by high numbers of platforms.
- While there is a need for local variations, there is not a need for additional regulatory burdens as these will not benefit most areas.
- Some requests for a low fee for registration, as many landlords with short-term lets, particularly those not in large cities such as Edinburgh, only make small amounts of money. Examples were provided of crofters who supplement their annual income by sharing their home during the tourist season.
- There is a need to rebalance the housing market and any licensing or registration scheme needs to take account of this.
- A small amount of criticism that current regulations for HMOs are not enforced and some supposition that any regulations introduced for short-term lets would also not be enforced.

197. Question 19 then asked,

Q19: ‘Do you have any comments on whether a licensing scheme and / or market-based approach, and any associated charges, should apply to all types of short-term lets and whether conditions and / or charges should vary according to the type of property, its location or the number of rooms?’

198. A total of 656 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

Table 23: Q19

| | Number |
|-------------------------------------|---------------|
| Affected resident | 332 |
| Community organisation | 42 |
| Guest | 37 |
| Host with 1 property | 153 |
| Host with 2+ properties | 68 |
| Platform | 2 |
| Host intermediary | 13 |
| Hotel / B&B owner | 11 |
| Local authority | 17 |
| Other (non short-term let) landlord | 11 |
| Other business | 24 |
| Other | 73 |
| Total organisations | 84 |
| Individuals | 572 |
| Total respondents | 656 |

199. The most common theme, cited by a small minority of these respondents was that a licensing scheme should apply to all types of short-term lets regardless of size, type of property or location. The key benefit was that this would provide a level playing field. Higher numbers of affected residents and community organisations supported this stance. A few respondents reiterated their general support for a licensing scheme and regulation within the short-term lets market; again, this was supported by higher number of affected residents and community organisations.

200. Once again, a small minority of respondents felt that registration should not be needed for sharing or swapping. Higher numbers of community

organisations, hosts with one property, hotels / B&Bs and local authorities supported this viewpoint.

201. A few respondents commented that a condition and / or charge should vary according to the size of the property in terms of the number of bedrooms or rooms available to rent; there was more support from community organisations, hosts with more than one property, platforms and local authorities than across other sub-groups. A similar number felt there should be a stepped charge depending on the location; examples given by these respondents included the potential to charge more in Edinburgh where there is higher demand for short-term lets and less in more rural areas where there is a greater reliance on tourism for the local economy and where the tourist season may be shorter than in the major cities. A similar number cited type of property as a lever for a sliding scale of charges.
202. A smaller number suggested there should be a higher charge in areas where there is high demand for housing and where local residents have to pay more in rent or to purchase properties and where there is considerable pressure on available housing, or in areas designated as rent pressure zones (RPZs).
203. A very small number of respondents referred to the number of days per year allowed for short-term lets, with some suggestions that up to 140 days should incur no charge (more support from hosts with more than one property and platforms), although others (little by way of differentiation by sub-group) suggested a shorter period of only 90 or 30 days.
204. Once again, there was some reference to the need for councils to be able to set charges in line with local needs and problems.
205. Other comments, each made by very small number of respondents, included:
 - Charges should be in line with profitability or income potential of a short-term let.
 - Only charge landlords operating as commercial businesses or that those operating a commercial business should pay a higher charge.
 - There should be higher charges in tenement blocks or in residential areas.
 - Short-term lets should have the same regulations as HMOs or long-term lets.
 - Licence fees should only cover the cost of administration and enforcement of regulations, and should not be a source of revenue for the local authority.
 - All short-term lets should be compliant with health and safety regulations or planning regulations.
 - Whatever regulation is adopted needs to be kept simple for administrative purposes and easy to enforce.

- Suggestions for limitations to be set on the number of licences in a stair or the number of properties to be rented out as short-term lets.
- Warning against creating a system that is difficult to enforce.
- Suggestions for registration for all short-term lets but licencing in some circumstances, for example, only for those operating on a commercial basis or those with multiple properties would have to have a licence; those sharing or swapping properties should be registered but not require a licence.
- Edinburgh is unique and its problems with short-term lets should not impact on legislation that affects the whole of Scotland; one or two respondents felt the consultation paper is too Edinburgh-centric.
- There should be collaboration between Scottish Government and online accommodation platforms, although one organisation cautioned against penalties being imposed against platforms for deliberately or negligently advertising unregistered or unlicensed hosts as this could have detrimental consequences for consumers and Scottish businesses.
- While there was a small amount of support for a market-based approach, a similar number of respondents noted their dislike for such an approach.
- Attendees at a consultation event suggested consideration of a limited number of licenses being made available for short-term lets as is the case in the taxi and HMO sectors. However, it was acknowledged that this would disadvantage new entrants to the sector.
- A cautionary note from one organisation was that if there are to be different conditions for different properties, then there will need to be clarity around these; they would also offer a potential for uncertainty in the sector.

Days per year limit

206. As noted in the consultation, the Scottish Government wishes to see Scotland's homes productively occupied for as much of the time as possible. The regulatory framework establishing a licensing regime could allow councils to set other controls and conditions such as the number of days per year for which accommodation may be made available for short-term lets. For example, there could be a 90-day restriction on any person wanting to rent their property over the course of a 12 month period; exceeding this limit would require a change of use. Question 20 asked,

Q20: 'Do you have any comments on the effectiveness of a days per year limit in meeting the Scottish Government's objectives?'

207. A total of 610 respondents commented at this question and the following table provides a breakdown of those who responded.

Table 24: Q20

| | Number |
|-------------------------------------|------------|
| Affected resident | 318 |
| Community organisation | 40 |
| Guest | 35 |
| Host with 1 property | 144 |
| Host with 2+ properties | 61 |
| Platform | 2 |
| Host intermediary | 11 |
| Hotel / B&B owner | 9 |
| Local authority | 13 |
| Other (non short-term let) landlord | 8 |
| Other business | 24 |
| Other | 70 |
| Total organisations | 72 |
| Individuals | 538 |
| Total respondents | 610 |

208. The most common response to this question, as cited by a small minority of respondents, was disagreement with a days per year limit for short-term lets (only a few respondents agreed). There was more support for this from hosts with single and multiple properties, platforms and hotels / B&Bs. Reasons given included that this would result in job losses, tourists choosing to travel elsewhere, that this is bad for communities which rely on tourism for the local economy or that this would not result in more properties being available to the local community. Other negative impacts from the introduction of a days per year limit included that this would encourage people to leave flats empty or that this would go against Scottish Government policy of wanting to maximise housing usage.
209. In contrast, a few respondents felt a days per year limit would be effective. Most did not provide any details as to why they felt this would be effective but there were very few mentions that this would reduce disruption to residents and tenants in other properties outwith the key tourist season, that this is an approach that has been taken by other cities or that this would be a deterrent for potential short-term lets entering the market.

210. Overall, a small minority of respondents made suggestions for the number of days which should be applied in a days per year limit, although there was little by way of consensus. Limitations were supported by respondents across all sub-groups, although hosts tended to support a higher level of days per year limit and affected residents tended to support lower levels of days per year. Suggestions for the number of days included:
- No limit.
 - A minimum of 14 days.
 - No more than 14 days.
 - 28 days or less per year.
 - 30 days per year.
 - 40 days per year.
 - 45 days per year.
 - 50 days per year.
 - 60 days per year.
 - Less than 90 days.
 - 90 days per year.
 - 100 days per year.
 - 140 days per year (with some reference that this would coordinate with HMRC and SBBS).
 - 180 days per year.
 - 210 days per year.
211. A very small number of respondents suggested that rather than have a limit on the number of days per year, there should be a limit on the number of lets in a year; for example, a limit of four licensed lets per year but with no limit on the number of nights of each let.
212. Once again, some respondents differentiated between those who share their properties and those who rent out whole properties, with suggestions that the former should not have a limit placed upon them.
213. As at some previous questions, there were calls from a few respondents – primarily local authorities and other businesses – for local flexibility as there is variation in demand and availability across Scotland. Examples provided included that days per year limits should be low (or short-term lets banned completely) in rent pressure zones but not in rural areas.
214. Once again, there were also a small number of respondents who noted their preference for a licensing system, or who noted the need for short-term lets to comply with health and safety regulations such as smoke detectors.

215. A small number of respondents noted the need for regulation, monitoring and oversight of all short-term lets, with some suggestions of the need for regulations along the lines as the private rented sector. That said, a few respondents queried who would be responsible for monitoring a scheme and noted that online accommodation platforms would need to co-operate with the Scottish Government in providing information. There were also some comments that this would be difficult to enforce in that it is possible for owners to circumvent the regulations, for example, by using multiple platforms for their properties.

Commercial Hosts

216. The Scottish Government is interested in whether a regulatory regime should make a distinction between the small scale hosts and those with property portfolios; and how commercial hosts should be defined. Question 21 asked,

Q21: ‘Do you have any comments on how regulations should deal with commercial hosts?’

217. A total of 674 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

Table 25: Q21

| | Number |
|-------------------------------------|------------|
| Affected resident | 352 |
| Community organisation | 43 |
| Guest | 45 |
| Host with 1 property | 145 |
| Host with 2+ properties | 77 |
| Platform | 1 |
| Host intermediary | 14 |
| Hotel / B&B owner | 12 |
| Local authority | 16 |
| Other (non short-term let) landlord | 13 |
| Other business | 26 |
| Other | 74 |
| Total organisations | 88 |
| Individuals | 586 |
| Total respondents | 674 |

218. A large minority of respondents, across all sub-groups, made comments about how to define commercial hosts separately from non-commercial hosts, largely focusing on the three factors suggested in the consultation document. The largest numbers of these respondents discussed demarcating commercial hosts based on the number of properties a host was offering for short-term let. Opinions however were split; the highest number inferred that any whole property let out should be classified as commercial, i.e. any property where the host or owner does not normally live, effectively excluding sharing or swapping as commercial but including all other scenarios. However, only slightly smaller numbers stated that commercial hosts should be defined as anyone earning income from a property, irrespective of the letting model (sharing, swapping or secondary letting). Similar numbers inferred that anyone letting more than one property should be defined as commercial (i.e. with single property hosts treated differently), or that anything over a suggested larger number of properties should be deemed as commercial, with suggestions ranging from two to five properties.
219. A small number of respondents (again evenly spread across sub-groups categories) agreed that any host earning above the VAT benchmark (£85k

per year) should be classified as commercial, with several citing that this factor would be the simplest method as it should be easy to obtain records. However, smaller numbers thought that VAT should not be a consideration or was not relevant: reasons given included that the VAT limit was too high and few hosts would reach the benchmark, that hosts or owners could be subject to VAT because of other (non-property related) business, and perceptions that VAT is poorly enforced.

220. Smaller numbers of respondents agreed that concentration of lets needed to be a consideration, generally without giving detailed suggestions as to how to account for this factor when trying to define what should be a 'commercial host'.
221. A few respondents,(evenly spread across sub-groups) noted other factors on which it may be useful to base the classification of commercial hosts, including the following,
- Number of days a short-term let property is let out per year; varied limits were suggested including 140 days (as per tax legislation), 90 days or 30 days.
 - Revenue achieved per year.
 - A threshold based on the number of bedrooms.
 - Whether or not a host is present to greet or meet guests.
 - Agencies and / or online accommodation platforms to be defined as commercial hosts.
 - Owners or hosts which are corporate bodies to be defined as commercial hosts.
222. A large majority of respondents also commented about how to regulate commercial hosts. Again there were many points made, each by a few respondents or less, but these offered little by way of consensus. A few respondents, including a large minority of local authorities and small minorities of community organisations and hosts with more than one property, said that all hosts, irrespective of scale, should be held to the same standards or rules, and a few noted that the key is what happens in relation to individual properties, and smaller numbers noted that all types of short-term lets need to have equal consideration for health and safety. Conversely, similar numbers, including small minorities of guests, hosts with one property and local authorities, thought there was a need to differentiate between small and large-scale hosts so that they would be treated differently. Very small numbers also advocated different treatment for urban and rural hosts, so as not to include rural holiday landlords such as providers of holiday accommodation on farms into any new regulatory system. As noted by a local authority:

“While there is a clear temptation to make a distinction between commercial and small scale hosts at the moment we have no evidence that they pose more

significant or even different problems. By definition commercial hosts will be taxed on earnings and if there is a need to make changes here then we would not object. Further research needs to be carried out to determine the impact and quantify the number of commercial hosts who are operating in this market and whether or not they should be regulated differently.”

223. A few respondents (including small minorities of community organisations and local authorities) perceived a need for more stringent and rigorous regulations, with specific suggestions including the following:
- Compliance to a code of conduct (with several hosts and hosting intermediaries recommending compliance with the ASSC Code of Conduct).
 - Instigating an overseeing body with improved monitoring.
 - Vetting of guests and / or guest numbers.
 - Compulsory greeting of guests.
 - Compulsory identification of the ultimate property owner.
 - Vetting of owners (i.e. fit and proper person checks).
224. A small number of respondents would like to see robust regulatory enforcement actions for hosts in breach of the regulatory system, with prosecutions, fines, the refusal or removal of short-term let licences and property seizures all suggested. Smaller numbers preferred to focus on the importance of identifying rogue operators and bad practice in order to keep industry standards up.
225. However, a small number of respondents expressed concerns about additional regulations leading to increased administration and bureaucracy, particularly for small scale hosts. Similar numbers were also concerned about the perceived ease of evasion or avoidance of regulations by some operators; purported methods included owners putting property ownership under names of different family individuals or different company names (e.g. to avoid going over the VAT threshold), owning properties in different local authority areas and overseas ownership.
226. Regulatory requirements for commercial hosts were also discussed. A small minority of respondents suggested each of the following:
- Commercial hosts need to be regulated or treated like any other business (mentioned by a large minority of hotel or B&B owners).
 - Commercial hosts should have the same treatment as letting agents or managing agents of commercial property.
 - Commercial hosts should be registered (e.g. required membership of a relevant trade association).

- Commercial hosts should be licensed (including suggestions that hosts should pay a higher licensing fee or that individual properties require their own license).
227. However, a very small number of respondents (mainly hosts) maintained that commercial hosts were already subject to considerable regulation and that the burden was already high: examples given included the landlord registration scheme (where the threshold is reached), electrical installation condition reports (EICR), fire and safety standards and HMRC coverage.
228. A few respondents across all sub-groups said that steps should be taken to limit commercial hosts in terms of numbers of properties owned or managed, and several were in favour of introducing a cap and others were in favour of an area-based approach. Small numbers were also in favour of controls in terms of numbers in tenements or shared blocks, or banning them completely from such accommodation. To this end, very small numbers of respondents suggested using planning law to help control short-term let numbers (e.g. by taking density into account when issuing permits or ascertaining the suitability of the property in question). Similar numbers perceived a need to make regulations proportionate to the number of properties let, with more stringent controls for those with more properties.
229. A few respondents (including small minorities of other non-short-term let landlords and hotel or B&B owners) wished to ensure that commercial hosts will pay or are registered for relevant taxes, with no loopholes available. Income, property, business, VAT and UK tax were specified in this regard. To assist with this, respondents posited a need to identify owners and obtain host information from platforms. Smaller numbers thought:
- Commercial hosts should pay more tax as they have more properties and the money earned was less likely to stay in the local economy.
 - Taxation (and regulation more generally) should be equivalent to that in place for the long term letting sector.
 - The VAT registration threshold should be lowered so that all hosts should be liable to VAT.
 - Tax should be on a sliding scale, i.e. with increasing tax rates for greater numbers of properties in the portfolio.

Enforcement, Violations and Sanctions

230. The consultation paper noted that the enforcement of short-term lets could be done through councils operating a registration or licensing scheme having new powers; and data sharing across local government and national government and relevant agencies. Council officials would have certain powers such as a capacity to visit any accommodation that was registered or licenced for short-term lets, or require a host, platform or hosting intermediary to provide relevant information or documentation. There would be various penalties that could be applied for a number of issues such as operating

without a licence or registration. Sanctions could include fines and / or revocation of licence. Question 22 asked,

Q22: ‘Do you have any comments on who should be subject to enforcement and sanction?’

231. A total of 563 respondents commented at this question. The following table provides a breakdown of those who chose to respond.

Table 26: Q22

| | Number |
|-------------------------------------|------------|
| Affected resident | 316 |
| Community organisation | 38 |
| Guest | 33 |
| Host with 1 property | 103 |
| Host with 2+ properties | 53 |
| Platform | 1 |
| Host intermediary | 10 |
| Hotel / B&B owner | 10 |
| Local authority | 17 |
| Other (non short-term let) landlord | 10 |
| Other business | 19 |
| Other | 62 |
| Total organisations | 73 |
| Individuals | 490 |
| Total respondents | 563 |

232. A small minority of respondents noted their agreement with suggestions in the consultation paper; and some outlined a number of suggestions as to who should be subject to enforcement and sanctions. These included:

- Owners (cited by a small minority; with highest support coming from affected guests, community organisations and local authorities; there was very little support from hosts with multiple properties).
- Hosts (cited by a few respondents; with highest support from affected residents and local authorities).

- Everyone associated with secondary letting of properties (cited by a few respondents; highest support from affected residents and host intermediaries, local authorities and other businesses).
- Platforms (mentioned by a small minority of respondents); with higher support from affected residents, host intermediaries and other businesses. A small number of respondents suggested that platforms should be required to provide information to local authorities, or check the suitability of properties or co-operate with the enforcement of appropriate regulations.
- Agents / hosting intermediaries / management companies (cited by a few respondents).
- Tenants / guests (cited by a few respondents).
- Commercial operators / individuals with multiple properties (cited by a very small number of respondents).

233. A small number of respondents also noted their agreement with the imposition of penalties and sanctions, with some reference to the need for fines or for revocation of licences.

234. Small numbers of respondents also reiterated points made to earlier questions, which included:

- The need for licensing or registration.
- The need for local authorities to have discretion so that they can add conditions.
- That local authorities would need resources to deal with enforcement.
- A need for fast and proactive enforcement, with some comments that the current regulations for the PRS are not enforced effectively or quickly enough.

Final Thoughts

235. The final question in the consultation asked,

Q23: Do you have any other comments on short-term lets not covered in your answers to the above?

236. Some respondents welcomed the opportunity to respond to this consultation; and some provided background on their organisation or lifestyle to set the context for their responses. A number of respondents took the opportunity to provide details of their own experiences, either as a host or as a resident with experience of short-term lets in their tenement or in their local community.

237. Overall, most of the comments reiterated issues and points that had been made at earlier questions in the consultation. Many focused on the positive and negative impacts of short-term lets; and a number of these focused

specifically on Edinburgh. Once again, there were comments that Edinburgh is in a unique situation, and that while short-term lets may impact negatively on Edinburgh, they have positive impacts elsewhere across Scotland and bring necessary income to more rural and remote areas.

238. One organisation pointed out the importance of ensuring that any regulation which is introduced needs to take account of the right of people with disabilities under Article 19 of the UN Convention on the Rights of Persons with Disabilities to reside in the accommodation of their choice and to have the necessary services provided to them.
239. There was a degree of support to pilot any registration or licensing regime that is introduced, with some additional suggestions for a phased approach based on the extent and location of any issues in relation to short-term lets. This would also allow for transitional arrangements to give owners time to ensure they comply with any registration and standards requirements.
240. Additional points made at some of the consultation events included:
 - University accommodation has lobbied to be excluded from the private rented sector, so that it can offer long-term lets to students for most of the year but then use accommodation during the summer as short-term lets to tourists. This might be one way of rectifying the problems identified by a number of respondents over changing a property from being in the private rented sector to being a short-term let.
 - There is a need for home sharing listings that are explicitly LGBT-friendly where people feel safe and know they will not be judged. These can also provide a personal and curated experience of the city that will help visitors to feel safe and comfortable. It was noted that often single travellers in these communities feel especially vulnerable even in commercial settings e.g. city centre. There was also reference to EBAB, a website originating in Germany for LGBT travellers; and that there is now an LGBT tool on Airbnb.

Appendix 1: Respondent Organisations¹¹

38 Degrees and Living Rent

Aberdalgie and Forteviot Farms

A Flat in Town Limited

Airbnb

Airsleeps

ALACHO

Angus Council

Argyll and Bute Council

Arisaig District Community Council

Association of Scotland's Self-Caterers (ASSC)

At Home In Edinburgh Ltd

Blantyre Community Council

Boat of Garten and Vicinity Community Council

Britannia Quay Proprietors' Association

Brodies LLP

Burnbrae Holidays

Central Scotland Network of Registered Tenants Organisations

Chardon Hotels

Chartered Institute of Housing Scotland

City of Edinburgh Council

Click Book Stay Limited

Colvend Community Council

Comhairle nan Eilean Siar

Competition and Markets Authority (CMA)

¹¹ The names of all organisations submitting a response to this consultation are included in this listing. However, duplicated responses have been removed from the analysis – hence the number of organisations listed here does not correspond with the numbers cited in the report.

COSLA

Crispie Limited

Discover Scotland Self Catering Cottages Ltd

Dowanhill Hyndland and Kelvinside Community Council

Drumboy Lodge

Dumfries and Galloway Council

Easdale Experiences Ltd

East Lothian Council

Eastside Cottages

Edinburgh Festival Fringe Society

Edinburgh Old Town Community Council

Edinburgh University Student Union

Edlets

Electrical Safety First

Eòlas Holiday Cottages

Equity

European Holiday Home Association

Falkirk Council

Fevitur

Fife Council

Fife Holiday Lettings

Fort Residents Association Ayr

Fortis Property Limited

Gael Holiday Homes

Galbraith

Glasgow City Council

Glencrest Limited

Grange/Prestonfield Community Council

Grassmarket Residents Association

Harmari STR

Heads of Planning Scotland (HOPS)

HHD Limited Interhome

Highland Council

Highlands and Islands Enterprise

Homes for Good

Homeless Action Scotland

Hot House Owners Association

Inver Farmers

Kincardine Community Council

Laidlaw Lettings

Lismore Asset Management Limited

Lochardil & Drummond Community Council

Lowther Homes

MacLeod Estate

Mansley Group Holdings Ltd

Merchiston Community Council

Morenish Mews Business Partnership

Newhill Farm Lodgings

New Town and Broughton Community Council

North Ayrshire Council

North of Scotland Regional Network 1

NUS Scotland

Orchard Brae Avenue and Gardens West Proprietors Association

Old Aberdeen Community Council

Partnership - Tower Building Town Apartments, t/a Northlight Apartments

Pavillion Properties

Peebles Community Council

PLACE Edinburgh

Platinum Point Owners Association

Port of Leith Housing Association

Property Ahead Limited

QBM Property Ltd

Quality in Tourism

Rettie & Co

Royal Environmental Health Institute of Scotland

RTPI Scotland

Rubha Mor Self Catering

Rural Housing Scotland

Scottish Association of Landlords

Scottish Bed & Breakfast Association

Scottish Council for Development & Industry

Scottish Fire and Rescue Service

Scottish Land and Estates

Scottish Property Federation

Scottish Tourism Alliance

Shelter Scotland

South Lanarkshire Council

Southside Community Council

South West Scotland Regional Network

Stirling Council

The Clan Carmichael Charitable Trust

The Cockburn Association

The Dupplin Trust 2000

The Element Newhaven Owners' Association (TENOA)

The Homelands Trust-Fife (SCIO)

The Law Society of Scotland

The Moat House Annan

The Northumberland Street Mews Company Ltd (North)

The Scottish Assessors' Association (SAA)

The Scottish Licensed Trade Association

Tollcross Community Council

UK Hospitality Industries (UKH)

UK Short Term Accommodation Association

Urban Big Data Centre

VisitArran

Visit Dornoch

West Dunbartonshire Council

West Harris Trust

West Lothian Council

Yellow Door Apartments

How to access background or source data

The data collected for this social research publication:

- are available in more detail through Scottish Neighbourhood Statistics
- are available via an alternative route
- may be made available on request, subject to consideration of legal and ethical factors. Please contact STLresearch@gov.scot for further information.
- cannot be made available by Scottish Government for further analysis as Scottish Government is not the data controller.



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