FOI Request - For Release

All correspondence between Scottish Government Officials and Ministers and HomeLink and any other Home Swapping and Time Share organisation since 2021 regarding Short-Term Let Licensing.

Documents provided

- 1. Letter from Shona Robison MSP to Caroline Connolly at HomeLink, 6 March 2023
- 2. Correspondence from Caroline Connolly at HomeLink, 9 February 2023
- 3. Presentation attachment (attached to e-mail in e-mail exchange in document6)
- 4. Document Questions (attached to e-mail in e-mail exchange in document 6)
- 5. Spreadsheet (attached to e-mail in e-mail exchange in document 6) Attached separately
- 6. E-mail exchange
- 7. E-mail exchange
- 8. Spreadsheet (attached to e-mail in e-mail exchange in document 7)
- 9. Presentation (attached to e-mail in e-mail exchange in document 7)
- 10. Presentation (attached to e-mail in e-mail exchange in document 7)
- 11. E-mail exchange
- 12. E-mail exchange
- 13. Letter to Minister for Housing from Home Exchange
- 14. Letter from Minister for Housing to Home Exchange
- 15. E-mail exchange
- 16. Letter from Home Exchange
- 17. Attachment from Home Exchange (attached separately)
- 18. Correspondence from People Like Us Home Exchange
- 19. Letter from Minister for Housing to People Like Us Home Exchange
- 20. E-mail exchange

Cabinet Secretary for Social Justice, Housing and Local Government

Rùnaire a' Chaibineit airson Ceartas Sòisealta, Taigheadas, agus Riaghladh Ionadail

Shona Robison BPA/MSP

T: 0300 244 4000

E: scottish.ministers@gov.scot

mail@homelink.org.uk

Our Reference: 202300342907

Your Reference: Short Term Let Legislation

6 March 2023

Dear ·

Thank you for your email dated 9 February regarding short-term let licensing, specifically the inclusion on home swapping arrangements within the scope of the scheme.

We recognise that short-term lets can offer people a flexible and cheaper travel option, and have contributed positively to Scotland's tourism industry and local economies across the country. However, we know that in certain areas, particularly tourist hot spots, high numbers of lets can cause problems for neighbours and make it harder for people to find homes to live in. Our licensing scheme will allow local authorities and communities to take action to manage issues more effectively, without unduly curtailing the many benefits of short-term lets to hosts, visitors and the Scottish economy whilst ensuring short-term lets are safe and the people providing them are suitable.

Home swapping arrangements are included within the scope of the short-term let licensing scheme, as the principal component of our scheme is a set of mandatory standards which will help to protect the safety of guests and neighbours in short-term lets across Scotland. We appreciate many hosts will already be following these standards as a matter of compliance with existing law or best practice. We do not consider them to be onerous although we recognise that the process of applying is a new requirement. Safety matters - whether someone is sharing their own home or letting a portfolio of properties, in rural Skye or in central Edinburgh. We have set out in guidance the parameters that licensing authorities should consider when setting fees, in particular distinguishing between home sharing / home letting and secondary letting, and scaling fees according to the size of the premises. This approach will help to ensure fees take account of the host or operator's likely revenue from operating short-term lets at the premises, recognising that those occasionally home sharing or home

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

Tha Ministearanna h-Alba, an luchd-comhairleachaidh sònraichte agus Rùnaire Maireannach fo chumhachan Achd Coiteachaidh (Alba) 2016. Faicibh www.lobbying.scot

St Andrew's House, Regent Road, Edinburgh EH1 3DG www.gov.scot





Scottish Government

Riaghaltas na h-Alba

gov.scot



letting are less likely to be making as much money as those offering secondary letting year round.

It may also be helpful to note that licensing authorities have wide discretion in granting temporary exemptions or temporary licences within the powers of the Civic Government (Scotland) Act 1982 and the Licensing Order. Temporary licences of up to six weeks are permitted under the 1982 Act. This would allow them to be used for events such as the Edinburgh Festival and other events that last a number of weeks, such as an annual family holiday. The Licensing Order also makes provision for licensing authorities to grant temporary exemptions on applications for a specified single continuous period not exceeding 6 weeks in any period of 12 months. These powers give licensing authorities the flexibility to cater for large events through the provision of short-term let accommodation. Equally, we do not want exemptions or temporary licences to be used inappropriately to lower standards. For this reason, licensing authorities can also attach conditions to temporary licences or temporary exemptions, and we consider they are only appropriate for short, continuous periods of time.

We are committed to getting short-term lets regulation absolutely right and we have consulted and engaged extensively on our proposals. In 2019 we consulted on a regulatory framework for short-term lets. We consulted again in 2020 and 2021 on detailed proposals for the licensing scheme. We received over 1,000 responses to each consultation.

Your may also be aware that in recognition of the challenges facing businesses at this time we laid legislation in January that, if approved by Parliament, will extend the deadline when existing hosts must apply for a licence by – from 1 April 2023 to 1 October 2023. Further, we have committed to review levels of short-term let activity with a view to assessing how the actions we are taking are working and whether any further measures are required. This review will also seek to confirm that the wider sector is still healthy, and check there are no unintended consequences. In light of the extension to the transition period for existing hosts we are considering the timing and scope of this review, and I intend to update the Local Government, Housing and Planning Committee in the Scottish Parliament on this in due course.

Yours sincerely,



SHONA ROBISON

From: HomeLink UK small@homelink.org.uk>

Sent: 09 February 2023 15:10

To: Cabinet Secretary for Social Justice, Housing & Local Government <CabSecS.HLG@gov.scot>

Subject: Short Term Let Legislation - Devastating impact on home exchange

I write in reference to the Short Term Let legislation currently being implemented across Scotland which will have a devestating impact on Scotland home exchangers and my business. Homelink was not consulted during the drafting of this legislation.

formetinik Ltd, the UK office of HomeLink International. We're a small UK-based business facilitating non-commercial reciprocal home exchanges between members around the world. If the company since 2004 and in that time thousands of overseas HomeLink members have visited Scotland for a home.
These visitors stay primarily in a member's main home which would otherwise be standing empty when the member goes on holiday. It's one of the most sustainable ways to holiday because it brings tourist money into an area without having any negative impact on the supply of rental accommodation for local families.

HomeLink has been running since 1953 and in that time tens of thousands of members around the world have shared their homes with like-minded families fosiering a sense of community and understanding. A longstanding Scottish member joined # The Kay Adams show on Racio Scotland last month to telk about the world have shared their home exchanges that's \$0 overseas families who have stayed in nome and contributed to the local economy because of home exchange.

Home link members are quiet and respectful individuals who enjoy sharing their home with another family for short periods. Most are young families or retired couples (almost exclusively home owners) who invite other members into their home as their guests. The reciprocal nature of home exchanging you stay in my home and i stay in yours means that there are no wild parties or anti-social behaviour as there is strong sense of mutual obligation and respect towards each other's homes and neighbours.

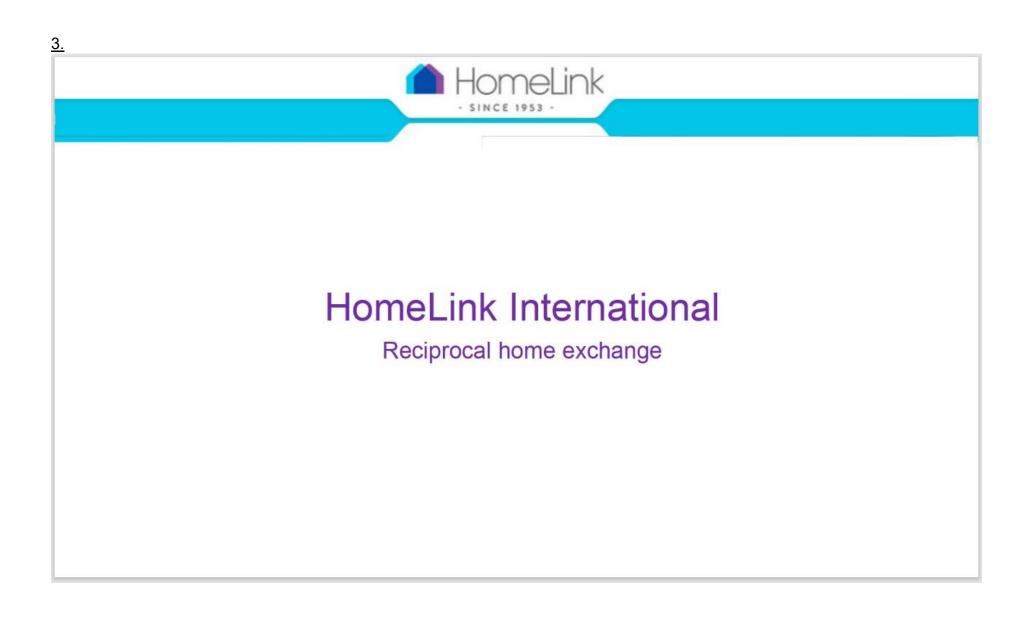
While I understand the background to the legislation for central accommodation, the inclusion of non-commercial reciprocal home exchanges in the legislation is between guests and the costs of a licence would far outweigh any benefit. Having alerted my Scottish members to this legislation, not a single one has said that they will continue to exchange their home.

Impacts

- 1) The new legislation effectively prevents all Scottish residents from enjoying a home exchange as the costs of gaining a licence outweigh the cost of a holiday rental in their destination
- 2) When renting, their homes will be standing empty, rather than being occupied by tourists who come to enjoy the local area
- The Scottish economy will miss out on the incoming tourist money that accompanies a reciprocal home exchange
 From a personal perspective it
 po' my business overnight, but my sympathies lie with all the Scottish of my business overnight, but my sympathies lie with all the Scottish members who can no longer enjoy the benefits of sharing their home and in these financially difficult times, that is a loss to them and to Scotland more broadly

appeal to you to consider removing reciprocal non-commercial home exchanges from the scope of this legislation.

Many thanks





How reciprocal home exchange differs from rental

- A direct relationship between two members
- You stay in my home and I stay in yours
- No money changes hands between guests and hosts
- A sharing relationship founded on trust and friendship
- A strong sense of mutual obligation and responsibility towards each other's homes and neighbours



How reciprocal home exchange differs from a points exchange

- A reciprocal exchange involves a direct arrangement between two members a close bond is formed during this mutual sharing of homes
- Most members do no more than 1 or 2 swaps per year
- A points exchange 'values' a property and allows members to accrue
 points by hosting members which they can 'spend' on another exchange –
 there is no direct relationship between two members. This is the
 HomeExchange.com model.



Who are home exchangers?

- Our membership:
 - Active retirees
 - Young families
- Honest, trustworthy, friendly individuals bound by a sense of mutual trust
- Home owners who enjoy immersing themselves in other cultures - "live like a local"



About HomeLink

- The world's oldest home exchange organisation (est 1953)
- HomeLink UK is one of the largest members of HomeLink International Associates
- HomeLink UK managed by Caroline Connolly since 2004
- Since when, HomeLink UK members have enjoyed tens of thousands of exchanges



Health and safety

- Most reciprocal home exchanges involve a primary residence.
- Family homes are often better equipped and cared for than second homes.
- HomeLink members are typically affluent homeowners



Antisocial behaviour

- Home exchange of a primary residence is not associated with anti-social behaviour
- Families don't want to upset their neighbours as it's their main home. Neighbours often help exchange guests with keys etc



Impact of STL legislation on HomeLink in Scotland

- Before the STL legislation HomeLink had members in Scotland
- Since STL Scottish members have renewed their membership
- As current memberships expire we expect to end up with members in Scotland (i.e those who swap a second home already covered by STL)



What our members say...

- "if we follow this route, our outlays will be greater than staying in a hotel, along with a huge amount of hassle, so our only option is to remove ourselves from the Homelink website."
- "The bureaucracy involved and potential cost of the licensing process makes our continued participation in Home Swaps untenable. It is with deep regret, we will not be renewing our membership unless things change. Please keep in touch if anything changes as I'm sure you will be fighting our cause. Thanks for your support and assistance over the last 15 years.
- "I fear if there are not exceptions to swapping there will be no houses for HomeLink in Scotland after October. If we are required to get a license in Fife the process is onerous and we will not be renewing after our exchange this summer."
- -"if I need the very costly license then I will reluctantly resign my membership of Homelink. The £1000 fee for a license could be added to a holiday fund.
- "we can no longer carry on home exchanging as the demands are too great to make it worthwhile from our point of view. We have been doing home swaps for 13 years and it is very sad that we can no longer carry on. Best wishes"



A final plea...

- Excluding reciprocal home exchange from the legislation would enable Scottish residents to continue sharing their homes as they have done so quietly for decades.
- As a home exchange is not carried out 'in the course of business' there is a strong argument for it not to be included.
- Thank you for reading!

Questions for Home Exchange Organisations Response from HomeLink UK, December 2023

1. Has the STL licencing legislation impacted your subscribers?

Yes/No/Not sure

Please add any additional information to support your answer

As home exchange is a non-commercial arrangement, it is not financially viable for them to pay the licence fee as well as the significant sums involved in meeting the various certification requirements.

The motive for most home exchangers is not saving money. They do it:

- · for the cultural benefits of living like a local
- · for the friendships that develop with like-minded families around the world
- because it's a more sustainable way to holiday than staying in a holiday rental

The STL legislation means that for most Scottish members home exchanging is no longer possible. The loss of this unique way to travel brings huge disappointment to many of our long-term members.

Homes (primary residences) that would have had overseas guests paying into the local economy with no adverse effect on local housing stock, will now be standing empty when the owners are on holiday.

2. Have you lost any of your participants due to this legislation?

Yes/No/Not sure

Please add any additional information to support your answer

The STL legislation has had a on HomeLink member numbers in the structure of the structure

HomeLink members pay for 1,2 or 3 years in advance so the full impact will take some time to become apparent.

None of the Scottish members expiring in the last month have renewed.

3. Is this because of the additional cost involved for participants?

Yes/No/Not sure

Please add any additional information to support your answer

Yes, the cost of the licence is a barrier but also the cost and inconvenience of meeting the certification requirements. Numerous members have used the phrase 'over the top' to describe the requirements, for example there is no risk of legionella in a home that is permanently occupied, yet a legionella certificate is required.

4. Have any of your subscribers/participants applied for a Short-term Let licence?

Yes/No/Not sure

Please add any additional information to support your answer

No members have applied for a licence to my knowledge.

It appears that few councils have taken action to accommodate home exchange following Shona Robison's letter of March 2023. I've attached an updated version of the spreadsheet which shows that very few accommodate home exchange. The only one that has updated its policy to mention home exchange is Scottish Borders.

5. If yes, did they find the application process simple?

Yes/No/Not sure/Not applicable

Please add any additional information to support your answer

Several members have investigated a licence and / or temporary exemption with their local council but have been frustrated by the speed and helpfulness of the response. I am not aware of any applications.

The administrative burden and financial outlay is simply too onerous when no money changes hands (these are not business arrangements). In addition, many members enjoy the spontaneity of a short notice home exchange – these are now impossible, even with a temporary exemption.

6. The primary reason for the introduction of the legislation is safety. Do you feel that home swapping should be exempt and, if so, what other method would you suggest to ensure the safety of guests?

Yes/No/Not sure

Please add any additional information to support your answer

Reciprocal home exchanging should be exempt – not least because the arrangement is not 'in the course of business'.

Homelink has been running since 1953 and we take a proactive approach to feedback and complaints. If any members fail to meet our high standards, we take action to limit or terminate their membership – it's not in HomeLink's interest to have below-standard homes on our books as most of our new members come via word-of-mouth. Our members are affluent home-owners

with well-cared for homes and complaints are rare. In the nearly 20 years that I've been running HomeLink UK, I cannot recall a single incident involving a Scottish member and a safety concern.

If some form of oversight is required, then the light touch approach suggested by Shona Robison would be a pragmatic compromise.

Self-declaration of compliance (public liability insurance and fire safety requirements) along with a 'token' fee would not be acceptable to all Scottish members, but I would hope that many would be willing to comply to enable them to continue home exchanging.

The 'token' fee suggested by Ms Robison should be in the region of £20, not the £100s of pounds currently being charged for a temporary exemption or full licence (see spreadsheet) which is prohibitive for a non-commercial home exchange.

It is also important that no restrictions are placed on duration or timing of the licence (as is currently the case with temporary exemptions). Home exchange involves a lot of compromise (they come to your home at the same time as you go to theirs) and so plans are often very fluid and spontaneous.

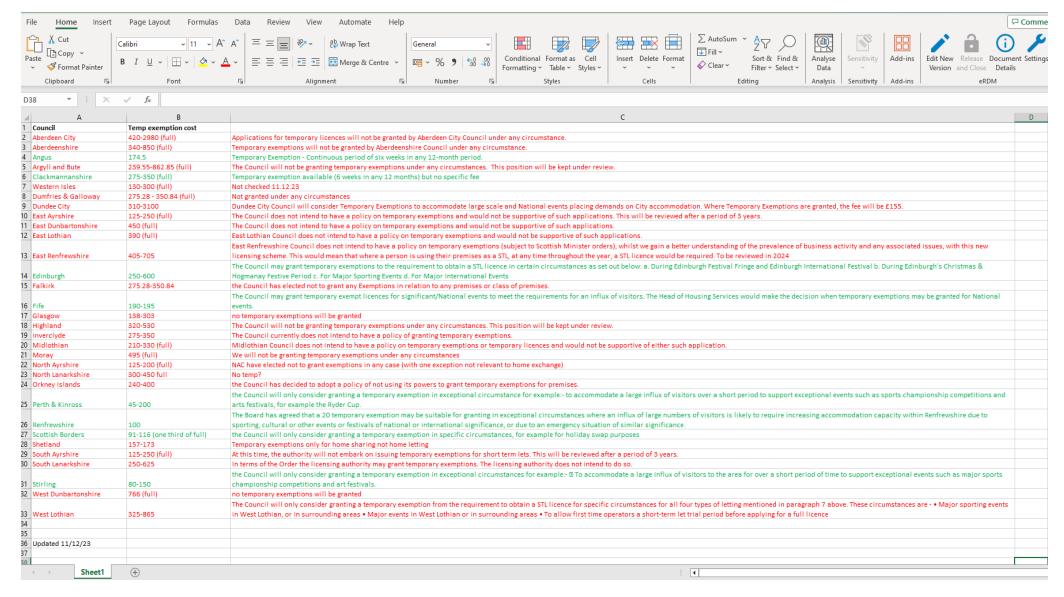
Temporary exemptions

The attempt to accommodate home exchange via a temporary exemption has not worked because:

- · Most councils have chosen not to offer temporary exemptions
- Councils that do offer them are charging high fees
- The time and duration restrictions do not work for home exchangers, many of whom do multiple short exchanges throughout the year or who travel to Australia for family reasons for 4-6 months.
- Only one council (Scottish Borders) has updated their policy to include home exchange and I do not know of anyone attempting to use this.

Recent correspondence from Scottish members:

- It's a real shame, we've enjoyed our many exchanges. Now we're confined to renting soulless and expensive apartments.
- Having a quick look at the proposed short term let criteria, it will certainly be impractical for us to adhere to for the sake of a two week holiday a year.
- We have enjoyed many happy exchanges with Homelink but ... I don't feel I can renew our membership.
- Having considered all of this I have decided that we shall withdraw from the Homelink Exchange scheme.
- Do keep us informed if there are any further developments. We have had so many great exchanges we don't want to give up just yet!



RE: Short Term Lets Legislation

HomeLink UK mail@homelink.org.uk
To:
Cc:
Dear

Thanks for your email and the heads up about the proposed legislation in England and Wales.

Temporary Exemptions

I've been through the local council websites to see how they intend to accommodate Temporary Exemptions. As you'll see from the attached spreadsheet, the majority have taken the decision not to offer temporary exemptions. Those that do are still charging a considerable fee and along with the documentation required, this will not be viable for non-commercial home exchangers.

Numbers of Home Exchangers in Scotland

- It's not possible to get accurate data on the number of Scottish home exchangers across all platforms.
- Attached is a slide showing approximate active member numbers in Scotland by company.
- HomeLink currently has active members in Scotland with Scottish homes on offer (some members offer more than one home).
- HomeLink has another Scottish listings going back several years, making a total of around homes. Many members come and go over the years as their family circumstances change.
- Across all platforms I would estimate there are more than 1300 active exchangers in Scotland – with perhaps double that currently dormant, making a total of around 4000.
 Active user numbers may already be significantly reduced as some will know about the legislation (including many HomeLink members).
- Each time these 1300 members exchange (usually a couple of times per year), it brings in
 another family to the region who a) may not visit Scotland otherwise and b) is not using a
 holiday home
- I have seen almost no discussion of this legislation online within the home exchange
 community, so I'm confident that other home exchange companies have not alerted their
 Scottish members indeed they may not have come across it. Once more companies and
 members become aware, this number will almost certainly reduce to virtually zero, leaving
 only second home owners who will have to become compliant anyway.
- I'm afraid I have no historic data to show trends, but certainly within HomeLink our numbers had been recovering steadily since the huge impact of Covid on the travel industry.

Scotland vs UK

The profile of HomeLink UK membership shows that Scotland is about home exchanging. Of our members are in Scotland, compared to the population of the UK as a whole in which are in Scotland. This proportion was before my alert about the STL legislation in January, since when have

Response from members

I've attached a copy of my final slide which shows some of the comments from Scottish members.

If you can see a way forward in which some form of temporary exemption would enable home exchangers to continue in Scotland without the cost and logistical hurdles, it would be of huge benefit to the home exchange industry (and Scotland!). Do let me know if there's anything I can do to help develop this idea.



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From @gov.scot @gov.scot>

Sent: Thursday, March 23, 2023 10:40 AM To: HomeLink UK <<u>mail@homelink.org.uk</u>>

@gov.scot

Subject: RE: Short Term Lets Legislation

Hi ;

Thanks to you (and provided pr

During the meeting we mentioned that the Welsh Government recently consulted on a licensing scheme for holiday accommodation, and the UK Government undertook a call for evidence on a tourist accommodation registration scheme in England last year – links to both below:

Statutory licensing scheme for all visitor accommodation providers in Wales | GOV.WALES |
Developing a tourist accommodation registration scheme in England: call for evidence - GOV.UK (www.gov.uk)

Many thanks,

From: HomeLink UK < mail@homelink.org.uk >

Sent: 23 March 2023 09:30

To: @gov.scot>

Cc @gov.scot>

Subject: RE: Short Term Lets Legislation



Many thanks for your time yesterday and for listening to my concerns about the STL legislation and its impact on the home exchange industry. I will pull together some numbers to estimate the scale of the problem and will also take a look at how individual councils in Scotland have decided to treat temporary exemptions (many have decided not to offer this option).

I'll be in touch in a few days.



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From: @gov.scot @gov.scot>

Sent: Wednesday, March 22, 2023 1:21 PM To: HomeLink UK <<u>mail@homelink.org.uk</u>>

Cc: @gov.scot;

Subject: RE: Short Term Lets Legislation

Hi

Looking forward to meet you all at 2pm. Here's the MS Teams Link:

Microsoft Teams meeting

Join on your computer, mobile app or room device

Kind regards,



From: HomeLink UK < mail@homelink.org.uk>

Sent: 22 March 2023 12:25

To: @gov.scot>

Cc @gov.scot>;

Subject: RE: Short Term Lets Legislation

Dear

Looking forward to our discussion later – are you able to send me a Teams link and also to the Jacksons?

Many thanks



- SINCE 1953 -

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From: HomeLink UK

Sent: Monday, March 13, 2023 8:52 AM

To: @gov.scot
Cc @gov.scot

Subject: RE: Short Term Lets Legislation

Good morning

That's great and Teams is fine with me.

I look forward to speaking with you next week.

Many thanks



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@gov.scot>

Sent: Monday, March 13, 2023 8:17 AM To: HomeLink UK <mail@homelink.org.uk>

Cc: @gov.scot

Subject: RE: Short Term Lets Legislation



Thanks – we use MS Teams, does that work for you? I can send an invite out for 2pm on 22 March, and copy it to-

Many thanks,

From: HomeLink UK <mail@homelink.org.uk>

Sent: 11 March 2023 16:25

Subject: RE: Short Term Lets Legislation



Thank you very much for agreeing to take the time to discuss this issue in more depth. I'd be very happy to meet with you at 2pm on Wednesday 22nd March if that still suits you.

Would you be willing to extend the invitation to the HomeLink members who contacted you initially? Although they're relatively new to home exchanging (2018) they are very representative of a 'typical' HomeLink member so can add an independent perspective.

Do you usually use zoom / teams / GoogleMeet?

Kind regards



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From: @gov.scot

Sent: Friday, March 10, 2023 3:45 PM To: HomeLink UK <mail@homelink.org.uk>

Cc: @gov.scot

Subject: RE: Short Term Lets Legislation



Many thanks for your email, and thanks to your members who have been in touch recently to provide details of the home swapping arrangements they take part in, and outlining concerns about the short-term let licensing scheme.

We would be happy to meet to discuss the points outlined in your email in more detail. Do any of the following dates / times suit for a meeting:

- · Tue 21 March after 2pm
- Wed 22 March after 2pm
- Thu 23 March am or pm

Many thanks,



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