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Local Government, Housing and Planning
Committee

By email: localgov.committee@parliament.scot

28 May 2024

Dear Ariane,

Thank you for your letter of 20 May about short-term let licensing. I hope the information below is helpful in answering the Committee's questions, and I look forward to discussing the statutory amendments with the Committee in June.

Will the next release of official statistics about short-term let licensing applications be published on 23 May?

The official statistics covering the period up to 31 December 2023 were published on 23 May and are available to view at: [Short Term Lets Licensing Statistics Scotland to 31 December 2023 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/statistics/short-term-lets-licensing-statistics-scotland-to-31-december-2023/)

It is encouraging to see that licensing authorities report at least 23,576 short-term let license applications have been submitted for that period. I wish to stress that this is still only a partial picture, which will gradually be completed as local authorities continue to validate applications and include them in future data returns. An application is validated once local authorities confirm that all the required information and documentation has been provided, and the host has paid the application fee.

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Will the Committee still be provided with an update about the implementation of short-term let licensing by the end of June?

It is our intention to provide the Committee with this update before recess.

What is the Scottish Government's view on stakeholder suggestions that home-sharing should be removed from the scope of the short-term lets licensing scheme?

My letter to Committee of 27 October 2023 outlined the scope of ongoing monitoring and the implementation update that I propose to provide to Parliament in 2024, which confirmed that the core health and safety principles of licensing will remain.

These core principles, which the Committee and Parliament recognised as being integral to the original legislation, form the basis for local schemes to which many thousands of hosts have already applied and been granted licences.

Our intent is therefore still not to alter licensing types (home-sharing, home letting and secondary letting), the core principles of licensing (mandatory and additional conditions, public scrutiny and the opportunity to object) or the delegation of powers to licensing authorities to administer local licensing schemes.

Home-sharing, which covers B&Bs and guest houses, has been within scope since our first public consultation on the regulation of short-term lets in 2019.

It is included because, prior to the introduction of short-term let licensing, unlike other sleeping accommodation such as hotels, home-sharing (including B&Bs and guest houses) had not been regulated. This meant that despite existing legal requirements on hosts to ensure the safety of guests, such as the responsibility on hosts offering sleeping accommodation to ensure guests are safe from a wide range of issues including fire, there was no consistent mechanism to safeguard visitors by ensuring compliance.

With the growth of online booking platforms over the past decade, which led to an exponential growth in the market for short-term lets, including home-sharing, this position was no longer tenable.

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As the Committee is aware, the purpose of licensing is therefore to ensure all short-term let accommodation complies with consistent safety standards across Scotland and hosts are deemed suitable to provide them. Parliament passed legislation¹ in January 2022 that stipulates the mandatory conditions of short-term lets licensing. These conditions align with those required of private rental and houses of multiple accommodation landlords but many of the safety elements are pre-existing legal requirements that short-term let hosts, including those home-sharing, should already be compliant with.

The mandatory licensing conditions are relevant whether an individual is letting out a room in their own home or letting separate accommodation for the purpose of short-term lets. It ensures equity and fairness across the short-term let sector.

There is no policy justification for treating the safety of guests staying in a home-share differently from those guests staying in secondary letting. As outlined above, the mandatory conditions are in place to regulate the safety of guests. Home-sharing being in scope means that there are oversights to ensure legal requirements are being met.

There is also no obvious legal mechanism to differentiate between “traditional” B&Bs and other forms of home sharing, nor would it be fair to do so.

Most other schemes globally either have regulations for all short-term lets or all visitor accommodation. The inclusion of home-sharing is therefore established practice, with sound rationale for doing so. Differing rules or the removal of home-sharing from short-term let licensing would make enforcement more difficult and leave loopholes, and would overcomplicate administration (potentially increasing application fees). All of which is set out in consultation reports published in 2019, 2020 and 2021 that are available to view at <https://www.gov.scot/publications/short-term-lets/pages/background/>

The Committee may find it helpful to also refer to [the letter my colleague Ms Robison sent on 7 October 2021](#) in her former role as the Cabinet Secretary for Social Justice, Housing and Local Government. This references the changes we made to the original legislation before it

¹ The Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2022

was laid in November 2021, to recognise concerns from stakeholders and to facilitate responsible home-sharing.

What is the Scottish Government's view on stakeholder suggestions that the permitted period for temporary exemptions should be more than six weeks per year?

The Amendment Order laid on 16 May introduces greater flexibility for temporary exemption periods. If passed by Parliament, hosts will be able to apply for a maximum of up to three periods (currently one) totalling six weeks overall in a calendar year. We believe this is sufficient to enable hosts to apply for temporary exemptions to cover key events such as Christmas, Hogmanay and the summer period. If hosts wish to operate for longer than six weeks per year we view this as a more established operation that requires a full licence. This ensures the purpose of licensing is upheld, with oversight to ensure the safety of accommodation and suitability of hosts.

We continue to engage and listen to all stakeholders on implementation of the policy. I hope the above is helpful and I look forward to speaking with the Committee at the session on 11 June.

Yours sincerely,

PAUL MCLENNAN
Minister for Housing

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