



5<sup>th</sup> January 2021

Dear First Minister,

### **Consideration of Short-Term Let Licensing Regulations by Regulatory Review Group**

First of all, the Association of Scotland's Self-Caterers (ASSC) would like to wish you a Happy New Year and we send our best wishes for 2022. With the Scottish Parliament returning to business following Christmas recess, we are once again writing to you on a matter of great importance to those working in Scottish tourism: short-term let licensing.

This is a policy causing substantial anxiety amongst small tourism accommodation providers, namely traditional self-caterers and B&B operators. Such concerns were articulated in our letter of 20<sup>th</sup> December 2021, also signed by the Professional Association of Self-Caterers UK, Scottish AgriTourism, Scotland's Best B&Bs, the Scottish Bed & Breakfast Association, and Scottish Land & Estates. These organisations, representing hardworking professionals, often based in rural and remote communities, form the backbone of our tourism offering. We are united in calling for the licensing plans to be reassessed to protect jobs and livelihoods at this critical time of Covid recovery.

One way this can be realised is through consideration of the licensing proposals by the Regulatory Review Group (RRG), which of course works by "*identifying and trying to fix regulations causing concern for Scottish businesses*" and "*finding ways of improving the regulatory system*".<sup>1</sup> We believe this is necessary for three principal reasons:

- The Licensing Order will entail a significant new regulatory burden on the tourism sector which includes a material financial consequence in the shape of licensing fees. The regulations are causing widespread concern in the small accommodation sector and business community as the proposed scheme is disproportionate and highly damaging to micro, small and medium businesses in Scotland. The RRG needs to be formally consulted on the proposals given its remit;
- The sector has provided cost-effective and less burdensome alternatives for Scottish Ministers to consider (in terms of our mandatory registration and exemption proposals). The RRG should seek further detail from the Scottish Government as to whether this could offer a genuine alternative, particularly given the challenges faced by businesses due to Covid-19; and
- The costs of licensing remain unknown. The RRG should therefore seek further detail on the scale of the costs for a range of Scottish properties not just an average property to understand the full costs impact of the proposal.

Furthermore, we note the publication of the Principles Agreement between Scottish Government and Business from December 2021.<sup>2</sup> The encouragement of a more collaborative approach between government and business is something we wholeheartedly endorse; indeed, industry wants to work with the Scottish Government to establish a regulatory framework that works for all affected stakeholders. Therefore, further consideration of the regulations by the RRG is within the spirit of those principles as

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<sup>1</sup> <https://www.gov.scot/groups/regulatory-review-group/>

<sup>2</sup> <https://www.gov.scot/publications/principles-agreement/>

the concerns raised by large sections of the business community over the Licensing Order needs to be fully respected and constructively assessed.

We urge you to use your influence to help ensure that Better Regulation principles are upheld and that we fully assess the impact on business of short-term let licensing.

Yours sincerely,

Fiona Campbell

Chief Executive

Association of Scotland's Self-Caterers