

ASSC Submission to Edinburgh City Council Short-Term Let Control Area Consultation
Response

8. Do you support the designation of a Short-Term Let Control Area for Edinburgh?

Yes **No** Unsure

The Association of Scotland's Self-Caterers (ASSC) welcomes the opportunity to respond to the City of Edinburgh Council's consultation on establishing a Short-Term Let Control Area for Edinburgh. Founded in 1978, the ASSC are the leading source of knowledge on short-term letting and holiday homes in Scotland and are the only trade body representing the interests of the traditional self-catering sector. We represent over 1300 Members, operating tens of thousands of self-catering properties throughout Scotland, from city centre apartments to rural cottages, to lodges and chalets, to castles. The ASSC commits its members to maintaining the principles of "quality, integrity, cleanliness, comfort, courtesy and efficiency" and to offering visitors to Scotland consistently high standards within their self-catering properties.

The ASSC opposes the designation of a Short-Term Let Control Area for Edinburgh but wishes to put this stance in context, setting out our responsible and proactive regulatory position, before commenting in detail on the deficiencies in the City of Edinburgh Council's approach.

First and foremost, the ASSC is not averse to regulation; but we do challenge policies that are pursued while lacking a firm evidence base which will damage the livelihoods of our members and Scotland's vital tourism industry. Overall, we want to ensure a balanced and proportionate approach for business, tourism and local communities and get a regulatory framework in place that works for all. We will work constructively with all stakeholders, including City of Edinburgh Council, to achieve this crucial objective.

Moreover, we proactively worked with MSPs and the Scottish Government on the short-term let provisions in the Scottish Government's Planning (Scotland) Act during the Bill's passage through the Scottish Parliament which will now enable local councils to introduce Control Areas subject to satisfying certain conditions and achieving Ministerial approval. The introduction of Control Areas, in areas of housing stock pressure with a demonstrable link with short-term lets, is in line with the ASSC's Long-Term Approach to Short-Term Letting Policy, published back in February 2019. [1] This underlines the fact that the industry is in fact supportive of regulations when they are targeted, proportionate and balanced.

However, the ASSC holds a number of concerns with the proposals as set out by City of Edinburgh Council for a Control Area covering the entire local authority. We cannot support this policy for the following three reasons:

1. The Council's proposals will entail a negative impact for operators, potential visitors and the local economy that tourism supports. Indeed, it comes at a time where our tourism industry should be supported by local and national government for a sustainable recovery, especially when so many businesses remain in survival mode. Taken together with plans for short-term let licensing, this is a perfect storm for small tourism businesses, and jeopardises a self-catering industry that boosts Edinburgh by £70m per annum. [2]
2. The proposals lack a firm, reliable and robust evidence base to justify the entire local authority area being captured by a Control Area. If the aim is to control the number of short-term lets due to pressures on housing stock, the ASSC maintains that this has to be properly evidenced using robust data and not rely on anecdote or unreliable 'scrapings' of data using third-party websites like AirDNA and Inside Airbnb. The ASSC have previously argued that there is a lack of data showing an empirical link between short-term lets and housing shortages and that a more holistic approach needs to be taken to the issue. Housing challenges are multifaceted and the growth of short-term lets should not be used as a convenient scapegoat for wider policy failures; namely the failure to build more homes or bring empty homes back into use. Thus far, no evidence has been published in Scotland that demonstrates a concrete link between short-term letting and the Scottish housing supply.
3. The proposals will pose significant resourcing implications for City of Edinburgh Council which have not been properly assessed. The ASSC believes the Council needs to undertake an economic impact assessment in terms of costs of introducing a city-wide Control Area. At a time when there are severe constraints on local government finance, additional burdens will be placed on planning teams to manage the requirements of the Control Area. With the absence of any estimations in the Council's plans, the Financial Memorandum for the Planning (Scotland) Bill estimated that the cost to planning authorities of additional applications resulting from short-term lets would be between £358,207 and £2.7m per year. Given that this was prepared in 2017, the costs may have increased further.[3] Moreover, research carried out by the Royal Town Planning Institute (RTPI) in connection with the implementation of the Planning (Scotland) Act 2019 estimated the costs of a planning authority designating all or part of its area as a short-term let control area between £640,710 (lower estimate) and £14,756,800 (higher estimate). [4] The RTPI also commented that the "increase in demand for planners comes at a time when there is a diminishing resource base with planning authorities' budgets decreased in real terms by 40.8% and staff numbers cut by 25.7% since 2009." [5] Likewise, the Law Society of Scotland warned that local authorities may not be ready from a resourcing perspective: *"There are unlikely to be resources in place at present in*

local authority licensing or planning departments to cover such additional and in certain areas, extensive work.” [6]

Self-catering properties have been a longstanding and welcome presence in the capital for decades, enhancing the tourist offering and boosting the local economy. For a city that is renowned for its hospitality, it is very disappointing that local policymakers are looking to solve multifaceted housing challenges in Edinburgh by concentrating on tourist accommodation and damaging small businesses in the process.

Sources for Question 8:

- (1) ASSC, *Long Term Approach to Short-Term Letting* (2019). Url: <https://www.assc.co.uk/wp-content/uploads/2019/02/ASSC-Policy-Paper.pdf>
- (2) Frontline Consultants, *Economic Impact of Self-Catering Sector to the Scottish Economy* (2021). Url: <https://www.assc.co.uk/wp-content/uploads/2021/09/Economic-Impact-Study%E2%80%93Scotland.pdf>
- (3) Scottish Parliament, *Planning (Scotland) Bill. Revised Financial Memorandum* (2019). Url: [https://archive2021.parliament.scot/S5_Bills/Planning%20\(Scotland\)%20Bill/SPBill23AFMSO52019.pdf](https://archive2021.parliament.scot/S5_Bills/Planning%20(Scotland)%20Bill/SPBill23AFMSO52019.pdf)
- (4) Royal Town Planning Institute, *Financial Implications of Implementing the Planning (Scotland) Act 2019* (2019), p10. Url: <https://www.rtpi.org.uk/media/1211/rtpi-scotland-financialimplications-of-implementing-the-planning-scotland-act-2019.pdf>
- (5) Royal Town Planning Institute, ‘Short Term Lets: RTPi Scotland’s response to the Scottish Government’s Consultation on a licensing scheme and planning control areas in Scotland’, 06/10/20. Url: <https://www.rtpi.org.uk/consultations/2020/october/short-term-lets/>
- [6] Law Society of Scotland, *Consultation Response: Short-Term Lets* (2019), p13. Url: <https://www.lawscot.org.uk/media/363183/19-07-19-plan-lic-short-termlets.pdf>

9. Do you agree with the proposal to designate the entire Council area as a Short-Term Let Area of Control?

Yes **No** Unsure

The ASSC argues that designating the entire Council area as a Short-Term Let Control Area is wholly disproportionate and lacks an empirical evidence base to underpin the proposals. The Council have set out a proposed Statement of Reasons, as well as a Background Report. We contend that a city-wide Control Area will not achieve the policy objectives, and that the Background Report does not provide sufficient data, or a proper evidence base to justify it. Our response to this question will, in turn, assess the assertions set out in both the Statement of Reasons and its accompanying Background Report.

For ease, we have framed our remarks around four areas identified in the Council's Background Report: (a) the scale of short-term letting in Edinburgh (b) the housing market (c) impacts on communities and residents; and (d) visitor accommodation.

(a) The Scale of Short-Term Letting in Edinburgh

In the Background Report (p1), the Council acknowledge that *"the precise scale and scope of the short-term let (STL) industry in the city is currently unknown as there is no requirement to register such a property with the Council."* The Council's proposals also rely on pre-pandemic listings from two online platforms only (Airbnb and VRBO) and this does not provide an accurate reflection of the short-term letting landscape in Edinburgh. While they do recognise that *"Airbnb is not the only platform of its type"*, they then also state that the figures *"may be a conservative estimate of the total number of short-term lets operating within the city."* (p1) Such statements simply underline that the Council do not possess adequate data to make such significant policy changes. There also appears to be no real differentiation between legitimate small businesses, such as self-catering, and casual amateur hosts, who utilise online marketing platforms but are not subject to the same levels of existing regulation as professionals.

Again, the Council's Background Report highlights that *"in 2019, 31% of all Airbnb listings in Scotland were in the city of Edinburgh"*. There is no discussion of the fact that listings do not necessarily equate to the number of houses that would be available on the long-term housing market, that a single property may have multiple listings, or even acknowledge the diverse range of accommodation on the platform. For instance, a cursory search of the accommodation available on Airbnb in Edinburgh shows hundreds of listings for *"unique stays"* encompassing bothies, campervans/motorhomes, stables, boats, farm stay, and a castle; guest suites; chalets; guest houses; and hotel rooms. Moreover, there are also private rooms within the permanent residences of homeowners listed on the site. **None** of these listings will solve housing challenges in Edinburgh but are still included as part of the Council's Background Report justifying the need for a city-wide Control Area.

In addition to the failure to understand the diverse range of accommodation on Airbnb, the Council are unable to distinguish between data that has been provided by the platform itself and those who claim to provide analytics, as seen in the following comment: *"Data provided by Airbnb indicates the number of days within a year that properties are available."* (p2) This was not data provided by Airbnb but taken from 'Inside Airbnb' which instead uses unreliable scraped data.

Unfortunately, there has been a tendency to focus on scraped data, based on inaccurate information and flawed methodologies, which leads to misleading conclusions about the nature of the short-term letting landscape. The number of listings on online platforms in any given area is not necessarily an indication of impact on long-term housing. For example:

- (i) many of these properties are already the primary residences of individuals involved in 'homesharing' who share a room(s), or their entire home while away;
- (ii) each listing does not represent a single housing unit. A property can have multiple listings; and
- (iii) marketing platforms like Airbnb contain a diverse range of accommodation including hotels and B&Bs, as well as unconventional accommodation like yurts, barns, boats, and campervans, which cannot be seen as housing stock.

Furthermore, properties can also be advertised across multiple platforms, be it Airbnb, Expedia or Booking.com – referred to as 'cross-listing' – creating the mistaken perception that there are more properties available for short-term let than there actually are. Properties can be listed multiple times on one or many platforms. Whole homes or single rooms in the same house often appear on more than one platform.[1] We find it deeply troubling that a Background Report which is meant to provide "*an evidence base*" to support the Statement of Reasons fails to understand such basic information about how properties are advertised on accommodation marketing platforms.

The Council's Background Report also breaks down the number of listings per council ward and further breaks it down by the entire property registered for let, entire property listed for let for more than 90 days, entire property registered for let for less than 90 days, room only registered for let. According to the report, there are 13,766 "*properties registered (entire property and room only)*" and of this, 5,796 are room only and 4,437 are entire properties registered for let for less than 90 days. These cannot be regarded as properties which would be available on the long-term rental market as this is the owner's primary residence. This 'data' is based on 2019 figures and is now entirely irrelevant in the context of Covid-19. We also wonder what the relevance of 90 days is, apart from referencing planning legislation in London.

(b) The Housing Market

More widely, short-term lets are often presented as being a leading cause of Scotland's housing crisis. However, it is important to place the debate in a holistic context – for instance, noting the number of empty homes in Scotland, demographic changes, and the need to build more homes – while recognising the value of tourist accommodation to the Scottish economy and local communities. Policymakers should not use holiday accommodation as a means to solve housing challenges in Scotland, instead focusing on building more affordable homes and tackling the scourge of empty properties.

There is no baseline data on which to evidence a link between short-term letting and loss of housing stock or increasing house prices in either Scotland or within Edinburgh. This assumption is based on anecdote and narrative. In addition, any figures should be placed in

context. For instance, as of 21 October 2021, according to data from the Scottish Assessors Association, there are 1462 self-catering properties on the Non-Domestic Rates roll within Edinburgh.[2] This is an insignificant number when set against the housing needs in the city and the number of existing dwellings, not to mention the number of empty homes which could be put to more effective use. Figures released from GoodMove showed that Edinburgh was Scotland's empty home hotspot, with over 7,000 in the capital. [3]

City of Edinburgh Council should also be aware of the unintended consequences of their approach. The Statement of Reasons (p4) notes that *"the loss of housing to short term-let use results in a city wide problem of reduced housing availability and issues of affordability."* Many professionally run self-catering units, located in prime locations in Edinburgh, could not in any way be described as affordable housing within the reach of those on an average salary, if the owner decided to place it on the long-term housing market. Moreover, even if a property did not receive planning permission under the Control Area proposal, there is no guarantee that the owner will either sell the property or make it available on the long-term rental market; they could use their property as a second home, something which would only benefit the individual owner while damaging the tourism economy in the process. This consideration is absent in the Council's Background Report.

As already outlined in our answer to Question 8, the ASSC supports Control Areas in places where there is a demonstrable, evidence-based link between short-term lets and loss of housing stock, and robust evidence that reducing the capacity of short-term lets will directly benefit the availability of housing. The Council has singularly failed to provide that. Indeed, the Background Report essentially makes our point: *"It is very difficult to track how much housing has been transferred to short-term letting"* (p14). In essence, the Council hold no empirical evidence to validate their claims about the impact of holiday letting on the housing market.

The research that the Council does hold falls short of what is required. The Background Report highlights pre-pandemic work commissioned by the Council from Rettie & Co in 2018 – which, given the company's commercial interests is far from independent – assessing the impact that the short-term let sector was having on rents within Edinburgh's traditional private rented sector, and the availability of residential property in the city. This research claimed that there was a *"loss of around 10% of private rented homes to short-term lets in recent years"* while *"between 2014 and 2017 the city saw 2,700 more properties per year listed as available on Airbnb, while private rented sector stock fell 560 per annum"* (p14). However, there are several reasons why private rented stock may have decreased which may not be to do with short-term lets. Private residential tenancy legislation from 2016 has acted as a disincentive for long-term rental and has pushed many landlords into short-term letting due to the inflexibility of the system.

As previously stated, Airbnb listings do not necessarily equate with homes which would be available on the housing market. Any short-term let regulations taken forward, either at a national or local level, needs to be informed by robust empirical data. Scraped data from online platforms can lead to misleading conclusions about the nature of the short-term letting market.

The Background Report states the following: *“There is concern that increased numbers of short-term lets reduces the supply of available homes for longer term lets, which would tend to increase the cost of renting. Research also indicates a displacement of demand, with rents rising significantly above average (between 20-27% over the period 2014-17) in areas bordering a high concentration of short term lets. Private rents have increased by more than 30% over the last five years. Research indicates rising rents occurring in those areas bordering a high concentration of Airbnb, suggesting a displacement of demand. In those areas bordering the city centre, rents increased around 20-27% over the period 2014-2017.”* (p15)

“There is concern” does not mean hard evidence – and once again, the paper is referencing dated figures, this time at least four years old. Rents will rise for a whole host of reasons but this is not explored or explained within the paper. Nonetheless, the Private Housing (Tenancies) (Scotland) 2016 Act granted Scottish councils the power to ask Scottish Ministers to designate a Rent Pressure Zone (RPZ). To date, no Scottish council, including City of Edinburgh Council, has made an application for a RPZ which would limit rental increases for tenants with private residential tenancies.

When launching their plans, and in the associated documents, the Council emphasised that their Control Area proposal does not amount to a de-facto ban on short-term lets within Edinburgh. However, that is the situation that many professional operators will find themselves in: a city-wide control area coupled with no letting within tenemental properties is a ban in all but name. Indeed, it also does not match the statements made by leading Council officials. To take one example, the Convener of the Planning Committee, Councillor Neil Gardiner, has said: *“Once we get the legislation in place, these properties will be returned to homes and strong neighbourhoods restored across the city.”* [4] It is difficult to read such remarks and not conclude that the real agenda is to eliminate short-term letting.

Edinburgh Council’s draft proposals for a short-term let control zone covering the entire city are disproportionate and lack an empirical evidence base to substantiate claims that such accommodation has reduced housing stock. When housing demand and the level of empty housing is set against the number of self-catering units, it suggests self-catering activity is not of a scale sufficient to affect housing supply issues in Scotland. Ultimately, building too few homes remains the core cause of Scotland’s housing problems, not the holiday let sector.

(c) Impacts on communities and residents

The Background Report (p8) makes the following claim:

“Regular use of any tenement flat as a short term let is inconsistent with tenement living, and often leads to anti-social behaviour and undue nuisance to other residents. This generates a high number of complaints. The issue is not restricted to this type of accommodation. Residents have experienced persistent difficulties as a result of anti-social behaviour in properties which have a shared or common space. The transfer of noise into neighbouring properties is another well-known problem, especially in tenement flats but can also lead to complaints from residents in detached or semi-detached accommodation.”

Similarly, on p10, it states:

“Analysis of some cases received indicates that most complaints received relate to low level disturbance, which nonetheless can have a serious impact on residential amenity. For example, visitors who use flats will often arrive and depart at anti-social hours and in the process of doing so will disturb neighbouring properties when moving through communal areas. Many hosts allow two-night minimum stays and there have been several cases where one night stays have been permitted by the host. In these circumstances, the likelihood of disturbance, with guests changing over on a more regular basis, also has a tangible impact on residential amenity.”

However, the Council do not provide a proper explanation as to why users of a short-term letting property would exhibit behaviour markedly different from permanent residents – be it families, students, or those with employment/leisure interests which may enter/leave the property at different times of the day and night. Anti-social behaviour can occur from permanent residents in tenemental properties and councils have powers to deal with this type of ASB and anti-social behaviour associated with holiday lets.

The Background Report (p11) notes: *“Concentrations of entire property STLs let full-time in common stairs often results in daily disruption and stress caused by constant ‘visitor use’, rather than residential use – noise, disturbance, buzzers, door knocking, littering, anti-social behaviour, the loss of a sense of community and security where the majority in both the close, and within the wider local community, were constantly changing strangers.”* We find the use of the term *“constantly changing strangers”* to be an interesting use of language – do permanent residents only invite a select few people into their abode? The differences in behaviour between visitor and residential use has not been adequately explained by the Council.

Back in March 2018, the ASSC obtained legal advice from Brodies LLP on the requirement for planning permission for self-catering properties. Some of the main points from the legal advice include the statement that: *“...the commercial element (in self-catering use) is broadly similar to a residential property being occupied by a tenant paying rent...The*

question is therefore whether short stay occupation necessarily has different planning considerations/impacts. Short stay occupation involves people living in the property, just for shorter periods. However, that does not necessarily mean the nature/impacts of the occupation are different.”

The advice goes on to discuss how permanent residents can have different movements depending on a variety of issues, including employment, leisure interests, family circumstances, health. For instance, a family with teenage children might enter and leave the property many times during the day and night. Therefore, the advice maintains that: *“Users of a self-catering property are therefore unlikely to exhibit markedly different characteristics to more permanent residents. Disruptive or anti-social behaviour is just as likely in residential use as self-catering use.”* The advice concludes with the following: *“...reasonable arguments can be made that self-catering use does not involve a material change of use from residential use. That has been the outcome in individual cases decided by appeal reporters/inspectors and upheld by the courts. It is also impliedly supported by the statements in the Scottish Government Circular 4/1998.”* [5]

Regarding other community and residential impacts, the Background Report does not provide a breakdown of the number of anti-social behaviour complaints against short-term lets (or indeed how they compare to complaints made against other tenants). Through contact with City of Edinburgh Council officials in September 2021, we were informed that when the Council records an ASB complaint, it can be logged against the following tenures: Short-Term Let, City of Edinburgh Council, Private Sector Leasing, Owner Occupied, Private Rent, Housing Association, and Unknown.

In July 2021, the ASSC made an FOI request of all 32 local authorities in Scotland, including City of Edinburgh Council, to ascertain the level of reported ASB complaints attributed to holiday lets from 2018 to 2021, as well as making a comparison with ASB complaints made against other types of housing tenure, and to gauge how councils were utilising existing ASB legislation in response. Across Scotland, the number of complaints made against short-term lets remains rare. In response to our request, City of Edinburgh Council said that complaints related to short-term lets were as follows:

2018 - 14
2019 - 58
2020 - 29
2021 (Jan-Jun) – 3.

While these figures are relatively low, they also need to be viewed in context, both in terms of the total number of short-term let properties in Edinburgh, as well as how this relates to other types of property. Unfortunately, unlike other local authorities who readily supplied information, City of Edinburgh Council did not release figures showing the total number of

ASB complaints made against other types of housing tenure, data which we know the Council collect, which would enable a proper comparison to be made and to view the matter in a more rounded way. What we do know from responses from other local authorities is that ASB complaints made against short-term lets are minute when compared to other housing tenures. Similarly, City of Edinburgh Council did not provide data relating to incidences when they deployed anti-social behaviour legislation both in response to short-term lets and other housing tenures.

While making passing reference to it, data from the Council's complaint system should be included in the Background Report. The Council also need to show that they are using the powers available to them to tackle any anti-social behaviour associated with short-term lets. If not, we can only assume that they are not using the Antisocial Behaviour Notices (Houses Used for Holiday Purposes) (Scotland) Order 2011, which the former Minister for Housing Kevin Stewart described as, *"quite comprehensive powers to deal with antisocial behaviour and noise nuisance"*, before noting that *"I expect them to use those powers effectively...I challenge local authorities to consider using it [Order 2011] and other antisocial behaviour powers, as well as the powers in relation to noise and environmental health that are currently at their disposal."* [6]

In terms of background, Part 7 of the Antisocial Behaviour etc. (Scotland) Act 2004 enables local authorities to serve an Antisocial Behaviour Notice on a private landlord when an occupant or visitor engages in antisocial behaviour at, or in the locality, of the property. The Antisocial Behaviour Notices (Houses Used for Holiday Purposes) (Scotland) Order 2011 granted local authorities the power to deal specifically with the problem of antisocial behaviour in properties let for holiday use. To again quote the Minister formerly in charge of short-term let regulation, Kevin Stewart MSP: *"The [ASB] powers may not be being applied properly, which might be the difficulty in all this...Under the order that I mentioned, the antisocial behaviour notice is served not on the people in the property who are causing the problem but on the landlord. That is extremely important. Folk having left a property should not affect in any way, shape or form the serving of a notice on the landlord."* [7]

More recently, the Cabinet Secretary for Housing Shona Robison MSP stated that *"We expect all relevant authorities to use the powers available to them to deal with antisocial behaviour"*. [8] If the Council are not utilising these powers, they need to explain why and also whether they think the Scottish Government's legislation is deficient, with a view to getting this strengthened for the benefit of local residents. The Scottish Government state they have no plans to review the Antisocial Behaviour Notices (Houses Used for Holiday Purposes) (Scotland) Order 2011 but are *"always open to listening to the police, local authorities, the court services and communities to see how we can improve the approach being taken to tackle antisocial behaviour for the benefit of all communities."*[9] We would therefore recommend that the Council engages with the Scottish Government if it feels that the existing regulatory powers are not fit for purpose.

Overall, the Council needs to exercise full transparency and provide more data to:

- (i) show the total number of ASB complaints made against short-term let properties over the last few years;
- (ii) compare the number of such ASB complaints against other types of property and tenant (see the aforesaid types of tenure logged by the Council) over the same time period;
- (iii) highlight how many times they have utilised existing anti-social behaviour legislation in respect of short-term lets over the last few years; and
- (iv) explain whether they believe that the existing ASB legislation from the Scottish Government provides them with sufficient means to act on such complaints.

Without such data, the Background Report falls woefully short of providing an evidence base for the Statement of Reasons regarding the impact on communities and residents. The Council needs to recognise that the vast majority of operators in Edinburgh are responsible. Rather than such a broad-brush approach, we should instead focus on removing bad actors within the system rather than penalising hardworking professional operators who have been present in their communities for a number of years with no negative impact on their neighbours.

(d) Visitor Accommodation

It is extremely disappointing that the Council's Background Report does not elaborate in any great detail about the economic benefits of short-term letting to Edinburgh, other than to highlight that homesharing is exempt from the Control Area (p10), which is in any case already part of the regulations passed by the Scottish Parliament. Regrettably, the Council completely ignore the economic contribution from the traditional industry which Frontline Consultants estimated as providing a £70m annual boost to the city. Short-term letting also adds to the diverse range of accommodation available within the capital and responds to consumer trends towards more authentic local experiences. The fact that consumer trends are shifting towards short-term lets and self-catering is illustrated by the fact that hotel chains are moving into this market and why they list rooms on popular booking platforms like Airbnb and Booking.com.

Traditional short-term letting activity, such as self-catering, is a small business like any other, with dedicated full-time professionals striving to provide positive experiences for guests and visitors. Given the competition to maintain standards, holiday let owners often spend money more frequently on additional property maintenance than they would on their own property. Their guests spend money in local food shops, cafes, gift shops, galleries, restaurants, tourist attractions etc – many of which would simply be unviable without visitor spending. Therefore, the impact of a city-wide Control Area with the aim of reducing the number of properties, will not be limited to self-catering and short-term letting overall as there will be a significant negative impact to businesses in the wider supply chain. This

emphasises the value that short-term letting provides to the wider economy (especially within the context of Covid recovery) from the operators themselves, with negative knock-on effects on hospitality, local activity providers and local attractions. There will also be a negative impact on laundry providers and cleaning services and guests, not to mention property managers, and the onward tech supply chain.

Short-term letting also adds to the economic vibrancy and success of Edinburgh in other ways. The following comment comes from one of our leading members in the capital, Dickins Edinburgh Limited (who have been operating for nearly 25 years), who explain exactly the sort of offering they provide and how it benefits Edinburgh beyond simply providing tourist accommodation:

“We let to blue chip companies bringing staff here – Baillie Gifford, Rockstar, Cirrus Logic etc. We work with a number of consulates. We are recommended by Edinburgh University for visiting academics and when they have special projects here and need to provide accommodation. We house Fullbright scholars. We provide temporary accommodation for people relocating to the city, whilst they try to buy or to rent long term (and as we discussed, the realities of renting a long-term flat are not at all straightforward). We look after local families whilst they have renovations done or need alternative accommodation during an insurance claim. We house Edinburgh people who now live abroad and are visiting family in Edinburgh. We’re currently housing a lot of people connected to the new film studio in Leith. None of these people would be able to stay in a hotel.”

In the determination to use short-term lets as a scapegoat for much more complex housing challenges, this is just one example of what Edinburgh could lose through these damaging proposals for a disproportionate city-wide Control Area.

When discussing visitor accommodation, the Background Report contends that: *“there is considerable supply of serviced visitor accommodation in Edinburgh, along with student halls which provide visitor accommodation at key times of the year. A study carried out on behalf of the Council, Edinburgh Visitor Accommodation Sector Commercial Needs Study, January 2019, Ryden identified almost 16,000 rooms within 422 properties.”* (p16) While there may be ample numbers of hotel rooms and hostels in Edinburgh, this is not necessarily reflective of consumer trends who may want a more authentic local experience through short-term letting and may prefer the flexibility and convenience afforded by self-catering accommodation. [10]

Furthermore, it remains extremely doubtful that, if one excludes short-term lets, that there would be sufficient capacity amongst those sources of visitor accommodation to house visitors during key events in the city’s cultural calendar such as the Festival, Hogmanay, and large sporting events. When looking at the problems associated with hosting a major international conference of the scale of COP26 in Glasgow, would Edinburgh be able to rise to the occasion if short-term lets were regulated out of existence? Nonetheless, it goes

without saying that the Council should not be preferring one type of accommodation – be it budget hotels or serviced apartments – over another.

The Background Report mentions that out of term student accommodation could “*provide short-term accommodation suited to visitors. There were 37 student halls identified by the study in Edinburgh, 35 of which are available to rent during summer (nine are exclusively let during the festivals in August). These provide self-catering managed accommodation within purpose-built units.*” (p17) We seriously question whether this is the sort of quality accommodation the Council think is appropriate for visiting guests to the city, an important cultural capital in Europe.

The Background Report concludes with the following (questionable) statement: “*Purpose built tourist accommodation in the form of hotels, hostels, apart hotels, guest houses and bed and breakfasts is readily available throughout the city. Along with student halls, which provide visitor accommodation at key times of the year, this accommodation is better suited to meeting the vast majority of tourism needs in Edinburgh while balancing its impacts on neighbourhoods. Short-term lets will continue to have a small role to play in addressing visitor accommodation. It is appropriate to control short-term lets to ensure that they are only allowed in appropriate locations and circumstances.*” (p22) It should be remembered that many guest houses and B&Bs were previously residential properties and some are contained within tenemental properties. Given the movement of guests, would this also be considered as unreasonable as short-term lets and self-catering? If not, the Council need to explain this anomaly.

Conclusion

The ASSC want to work with policymakers at a national and local level to establish fair, proportionate and balanced regulations that work for affected stakeholders – communities, businesses and Scottish tourism. Unfortunately, we are not in a position where we can support City of Edinburgh Council’s plans for a Short-Term Let Control Area.

In summary, we believe that the Statement of Reasons and the associated Background Report:

- Fails to assess the cost of introducing a city-wide Control Area for Edinburgh at a time when the Council’s resources are stretched.
- Fails to provide empirical and robust data to show a link between short-term letting and the housing market in Edinburgh.
- Fails to understand the nature of the short-term letting landscape within Edinburgh, instead utilising pre-pandemic figures and unreliable scraped data which leads to misleading conclusion about the size and scope of the market.
- Fails to provide a proper holistic examination of the various housing challenges in the city and instead discriminates against one form of tourist accommodation that has benefitted the city’s economy for decades.

- Fails to adequately explain the differences in behaviours between those using visitor accommodation and permanent residents, nor does it set out how it has used existing legislation to respond to anti-social behaviour complaints against holiday lets.
- Fails to appreciate the substantial economic contribution that professional self-catering business make to Edinburgh and how it adds to the diversity of tourist accommodation that a modern, vibrant and competitive tourist economy requires.
- Fails to provide assurance to operators in Edinburgh that the city-wide Control Area would not amount to a de-facto ban on short-term lets.

For these reasons, the ASSC cannot support the proposals for a city-wide Control Area. We would respectfully recommend that the City of Edinburgh Council withdraw their plans as drafted and work constructively with stakeholders to improve the regulatory regime at a local and national level for the benefit of all.

Sources for Question 9

[1] Airbnb, *Short-term Lets Registration White Paper* (2021). Url:

https://news.airbnb.com/wp-content/uploads/sites/4/2021/06/UK_RegistrationWhitepaper_2021.pdf?_ga=2.58889198.2135609438.1634834161-1390504533.1634834161

[2] Data from search through the Scottish Assessors Association website, 21/10/21. Url:

https://www.saa.gov.uk/search/?SEARCHED=1&ST=advanced&SEARCH_TABLE=valuation_roll_cpsplit&TYPE_FLAG=C&STREET=&TPTLA=edinburgh&POSTCODE=&ASSESSOR_ID=&CLASS=&CORE=SELF+CATERING&CORE2=Self+catering&EFFECTIVE_DATE=&EFFECTIVE_DATE=&MIN_RV=&MAX_RV=&searchtype=listing&AS_UARN=&DISPLAY_COUNT=10#results

[3] Goodmove data (2021) Url: <https://goodmove.co.uk/empty-housing-hotspots/>

[4] Cllr Gardiner quoted in I. Swanson, 'Action over report on Airbnb-style lets in Edinburgh rejected', *Edinburgh Evening News*, 02/10/20. Url:

<https://www.edinburghnews.scotsman.com/news/politics/action-over-report-airbnb-style-lets-edinburgh-rejected-2990143>

[5] Legal opinion provided by Brodies LLP to the Association of Scotland's Self-Caterers, March 2018.

[6] Kevin Stewart MSP quoted in Scottish Parliament., *Official Report*, 08/11/17. Url:

<https://www.parliament.scot/api/sitecore/CustomMedia/OfficialReport?meetingId=11177>

[Accessed 10/08/21]

[7] Ibid

[8] Shona Robison MSP, in answer to Parliamentary Question S6W-03022, 01/10/21. Url:

<https://archive2021.parliament.scot/parliamentarybusiness/28877.aspx?SearchType=Advance&ReferenceNumbers=S6W-03022&ResultsPerPage=10>

[9] Shona Robison MSP, in answer to Parliamentary Question S6W-03021, 29/09/21. Url: <https://archive2021.parliament.scot/parliamentarybusiness/28877.aspx?SearchType=Advance&ReferenceNumbers=S6W-03021&ResultsPerPage=10>

[10] Transparent, 'Short term rental trends: Why STR is dominating the travel industry (and why it's going to stay that way)', 24/08/21. Url: <https://seetransparent.com/blog/short-term-rental-trends-2021/>