

1st March 2022

Dear Cabinet Secretary,

## EDINBURGH COUNCIL PROPOSAL TO DESIGNATE A CITY-WIDE CONTROL AREA: A RESPONSE FROM LOCAL SMALL BUSINESSES

As you will be aware, City of Edinburgh Council's Planning Committee recently agreed (23<sup>rd</sup> February 2022) to endorse the proposal to designate a city-wide control area for short-term lets. The planning authority is shortly expected to submit this to the Scottish Government for approval. This news comes at the most inopportune time for the sector. Scottish tourism is still emerging from one of the most challenging periods in living memory due to the impact of Covid-19 – and ratifying these proposals as drafted will impede Edinburgh's recovery and damage the city's reputation as possessing a diverse, world-leading tourism offering and one which is open for business.

As small accommodation providers and business owners based in Edinburgh, we are contacting you to express our profound concerns at these developments from City of Edinburgh Council which will lead to the closure of hundreds of established businesses – as well as hitting others relying on footfall from short-term lets – and the livelihoods of those who have worked tirelessly within the Scottish tourism sector. However, it is important to highlight that a city-wide control area will have much more far-reaching effects beyond tourism: this will damage Edinburgh as a place to do business.

Many of the bookings taken by operators are connected to the economy of the city – for instance, Dickins Edinburgh Ltd estimate that 75% of their bookings are non-tourism related. This has included offering accommodation to those linked with key sectors of the city's economy, such as blue-chip companies relocating to Edinburgh, film companies housing staff during shooting in the city, consulates housing representatives, academics working temporarily at our four universities, and art organisations housing staff while they work/perform in the city. Moreover, they have also accommodated those associated with the Edinburgh Festival and Fringe. We have grave concerns that Edinburgh's ability to house the numbers with these events will be severely jeopardised as the sector is regulated out of existence.

Such facts have not been fully appreciated by City of Edinburgh Council and demonstrates that the Scottish Government must take cognisance of Edinburgh's unique position as a Festival city, leading tourist destination and business centre when reaching their decision on this matter.

It is clear that a city-wide control area will hit tourism businesses and the wider economy but it will also have huge detrimental impact on those providing short-term lets. The personal testimonies below illustrate the serious economic and personal consequences which will arise if the plans are enacted. These are real people with professionally run businesses who have been unjustly caught up in a much wider debate centering on unregulated amateur hosts and the lack of affordable housing in Edinburgh. Here is what they have to say in their own words:

- Louise Dickins, Managing Director, Dickins: "Dickins have been providing great quality Festival, holiday and temporary housing in Edinburgh for 24 years. 75% of our business is non-visitor related, it's vitally connected to Edinburgh's economy. We have a central office, 24-hour emergency phone, we have made a conscious choice not to use lockboxes by tenements or advertise sofa beds. The only noise compliant we've received in the past five years was about a baby crying. We do not recognise the issues (disturbance for neighbours) that Edinburgh Council cites as the reason a Planning Control Area is needed as the way Dickins operates does not cause any issues for neighbours. But after working tirelessly for our owners, guests and community for 24 years, we are now facing the very real potential that our excellent business may not be able to survive. That will result in job losses for ourselves and all our team and the financial impact on the many local business whose services we currently use."
- Wojtek Maslanka, BNB Property Services: "We currently employ 60 staff from linen packers, linen drivers, cleaners to managers and maintenance people. Once the properties that we service are off the market we will probably have to let go between 40-50 people due to many flats looking unlikely to obtain planning permission."
- Daniel and Sarah Noon: "Our inability to operate as a SLT would have a major Impact on us as a family. We are a couple with a young baby aged 4 months and we rely heavily on the business to support ourselves. My wife was diagnosed with kidney cancer in 2020 and is presently in remission. Her ability to work full time has been significantly impacted and our business is a lifeline to us financially. We pride ourselves in running one small flat considerately within a small tenement building of 5 domestic premises which has commercial premises on the ground floor. We have full support of neighbours and their friends and family often use our STL."
- Antonia Allan: "I have a one bedroom flat in Stockbridge. It has its own front door and is in a sparsely populated mews. We have never had any complaints from the neighbours about our guests and we have never had any antisocial guests just quiet couples enjoying the benefits of reasonable self-catering accommodation. If we are refused planning and have to cease to operate it will be devastating for me. I have 4 children and our flat has bolstered my income, allowed me to work flexibly around my children, provided me with my own income and even massively enhanced my self-esteem. We employ a cleaner, laundry service and our guests use the local restaurants, bars and shops all the time."
- Eddie Harper, Harper's Concierge Services Limited: "We have worked exceptionally hard over the past 10 years to build one of the most reputable holiday let management companies in Edinburgh. We work diligently to build and maintain relations with neighbours in buildings where we operate, and provide a beneficial service to our clients, visitors to Edinburgh, and those within the supply chain. Our business relies on approximately 90% of properties within shared stairs, and the new planning requirement along with licensing means we would likely close down. This will result in 3 direct job losses, along with at least 25 cleaning and laundry support staff losing income and potentially going out of business, as they all rely on our existence for their own business."
- Danielle Birkett, Castle Heights: "Castle Heights, based in the Grassmarket, has for over 7 years offered wonderful guests from around the world a world class service, stay and experience of our beautiful city of Edinburgh. With a passion for Edinburgh's culture, history and thriving hospitality I promote independent local businesses and wider Scottish tourism. It's a small business, my sole income, and the impact of a Planning Control Area will be nothing short of catastrophic to my business as well as having a serious impact on my cleaner and also affecting the independent Edinburgh businesses whose artisan goods I supply. It just seems crazy that genuine, small businesses like mine that enhance Edinburgh's tourism are to be forcibly closed when impersonal, corporate hotels have been springing up all over the city in the last few years."

• Linda McDonald-Brown, Edinburgh Concierge: "I have been working in the hospitality industry in Edinburgh for 10 years and then before that 25 years running our B&B. I have worked incredibly hard to be a credit to the city of Edinburgh, my clients and the thousands of tourists and workers who have stayed with us in our well-run properties. I am a 61 year old single mum to two sons, one I am putting through university, the other is currently sitting in the dark as he has done for the past nine months suffering from a mental illness. Without the income from my company, I will without a doubt lose my home and everything I have worked for. I have no hope of finding a job at my age again, at least not one that would give me the income to keep my home and pay for my son in university and more importantly care and provide for my mentally ill son. My cleaners will lose their jobs and my colleague who works so hard alongside me will also lose his income. To put it bluntly, the government and council are making me destitute and putting a dagger through the heart of this family."

Put simply, they do not deserve this. However, this is just a small selection of those who will be affected. The decision on the city-wide planning control area is just too important to get wrong as livelihoods and jobs are at stake.

It should be recognised that the signatories to this letter do not oppose the empowerment of local councils to respond to communities, nor do we oppose evidence-based regulations for short-term lets. However, these plans from City of Edinburgh Council do not strike the appropriate balance required. To designate the entirety of Edinburgh as a control area is wholly disproportionate.

We have repeatedly heard from the Council that this will not amount to a 'de facto ban' on short-term lets. While control areas will not apply to those engaged in homesharing, it will impact those professional operators who have done so much to enrich and enhance the accommodation offering in the capital. Frontline Consultants have estimated that self-catering boosts the Edinburgh economy by £70m per annum. However, we believe that the Council have not properly considered the economic implications from their plans.

Furthermore, as the <u>Association of Scotland's Self-Caterers consultation submission outlined</u>, the Council's plans:

- **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 conclusions 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, we would therefore implore you to not approve the city-wide control area so that City of Edinburgh Council can revisit their plans to ensure a more balanced and proportionate outcome for all affected stakeholders. We will work constructively with all stakeholders, including City of Edinburgh Council and the Scottish Government, to achieve this crucial objective.

Yours sincerely,

Association of Scotland's Self-Caterers, Fiona Campbell, Chief Executive

At Home In Edinburgh, Rick & Vicky McCann

BNB Property Services, Wojtek Maslanka

Bonjour Residences, Fan Zhang, Managing Director

Bookster, Robin Morris, Director

Calton Hill, Philip Moet, Owner

Castle Heights, Danielle Birkett

Dunc & Dees, Duncan & Daniela Forbes

Dickins, Louise Dickins, Managing Director

Edinburgh Getaways, Lea O'Connor, Owner/Operator

Edinburgh Heart Hosting Homes Ltd, Raffaele, Luigi and Stefano, Directors

Edinburgh SC (Self Catering) Ltd, Glenn Ford

**Edlets.com**, Alison Ro, Owner/Directorgers

Evergreen Property Ltd, Barry Burton

Gorgie Property Management Ltd, Joseph Kellie, Owner/director

Grassdrum Management Ltd, Ben Powell

HandyHouses, Pamela Johnston, Owner

Harper's Concierge Services Ltd, Eddie Harper

Heritage City Lets Ltd, Melanie Angus, Director

Holiday let's Assist, Scott Zelenka, Partner

InterC Consultancy Partners Ltd, C Soccal, Director

Landlord's Little Helper Ltd, Jen Burton, Owner/Director

MR Properties Ltd, Michael Russell Owner/Director

Murphy's Place - The Hopetoun St Apt, Adele Murphy

North Berwick Getaway, John O' Brien, Owner

P and A Developments, Angus Neilson, Owner/Director

Raza Properties, Shahid Raza

Reserve Apartments, Craig Douglas, Director

Stay In Style Ltd., Belinda and Stephen Caswell, Directors

The Bonnie Thistle Apartments, Jacqueline Robertson, Owner/Manager

The Edinburgh Address, Siobhan Lees, Sales and Guest Relations Manager

The Edinburgh Concierge Co, Linda McDonald-Brown

The Restairig Apartment, Susan Walsh

**TLB Property Management Ltd.,** Tony Leatherbarrow, Owner/Director

Violet Bank Apartments, Steven MacLennan, Owner

Western Harbour Apartments, Tony Barry, Owner

Antonia Allan, Owner/Operator

Daniel & Sarah Noon, Owner/Operator

**Dawn McRoberts,** Owner/Operator

**Glenda A Robertson,** Owner/Operator

Jana Fitzpatrick, Owner/Operator Lynne Lister, Owner/Operator

Natasha Wilson, Owner/Operator

Ralph Averbuch, Owner/Operator

Raffaele Ottaviano, Owner/Operator