

ASSC Submission to Orkney Islands Council Short-Term Lets Consultation

Background

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 1400 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.

Introduction

The ASSC welcome the opportunity to respond to Orkney Islands Council’s consultation on short-term let licensing regulations. This submission includes our views on the Council’s proposals regarding both temporary exemptions and on licensing fees, as detailed below.

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 Orkney Council, to achieve this crucial objective.

1. Short-term Lets – Temporary Exemptions – Draft Statement of Policy – Consultation

- i. The ASSC notes that Orkney Council, further to their [Draft Statement of Policy](#), do not intend to provide temporary exemptions as it would “provide little advantage to a licence holder and indeed would be likely to be unreasonably burdensome.”
- ii. It is the view of the ASSC that wherever temporary exemptions are granted, all properties should be subject to the same mandatory and additional conditions to ensure consistency and a level playing field between operators.
- iii. We therefore agree with the Council’s statement that “given that most of the mandatory licence conditions relate to fundamental safety matters, and the Licensing Authority’s own duty of care, the Council note that it seems inconceivable that temporary exemptions granted should not be made subject to the same essential safety standards as those required for licences.”

2. Short-term Lets – Fees for Short-term Let Licences and Duration

- i. Overall, the fees attached to short-term let licensing are meant to be based on the principle of cost recovery – therefore, the ASSC believes that fees should not be set at a level greater than the amount necessary to recover establishment and running costs.
- ii. We believe more explanation is required as to the discrepancy between fees charged against those engaged in secondary letting and those who are homesharers. For instance, why is it more expensive for secondary letting compared to other types of short-term let when the Council will be checking for the same mandatory conditions?
- iii. In addition, the ASSC would request that the Council sets out the numbers of short-term lets within each category.
- iv. We note that the [report to Orkney Council’s Licensing Committee](#) on 22 June 2022 stated “*it is recommended that application fees for licensing...take cognisance of the charging structure of HMOs.*” It should not be forgotten that tourist accommodation through short-term letting and residential properties like HMOs are two entirely separate things. In Orkney, the current fees for HMO applications are: £476 for properties with capacity up to 9 occupants; and £799 for those with capacity up to 10 occupants.

- v. In the table for the proposed licensing fees for 2022-23, for the section for secondary letting – which would include well-established businesses like self-catering, as opposed to amateur homesharers – the Council propose to charge those with 7-9 capacity £638. This would be more than an equivalent HMO property with the same capacity. This is unfair to those operators on Orkney who would fall within this bracket.
- vi. We would refer the Council to Scottish Government guidance which highlights ways to keep costs down, including: (a) economies of scale; (b) integrating service delivery with other housing and licensing functions; (c) using online and digital verification where possible, for example through photo and video evidence instead of a visit; and (d) taking a proportionate, risk-based approach to checks and verification, for example in considering whether, when and how often visits to premises are needed, especially in more remote and rural areas where the costs of such visits could be higher.
- vii. In terms of your Council's plans for their short-term let licensing scheme, we wish to highlight our proposal which we believe could assist with an efficient and cost-effective way of securing compliance with the Licensing Order. The ASSC has worked in partnership with Quality in Tourism (QiT) to develop a white-label online tech solution to promote a self-declaration compliance model. This includes the uploading of mandatory condition certification, including a date check system, enabling a desk-based assessment and a risk-based inspection approach by the licensing authority. Management reporting enables data collation and success measurement. QiT has been delivering such accreditation / verification solutions over a number of decades, including the Isle of Man Register for short-term lets.
- viii. Overall, this approach has four main advantages: (1) It minimises the work required by the licensing authority to set the system up and renew licences; (2) It allows the licensing authority to focus its inspection resources on a risk-based basis; (3) It requires responsible behaviour and compliance by the operators; and (4) It minimises the additional costs to operators (which will have to be absorbed as an additional business cost and/or passed on to the very visitors we want to visit your area to boost our economic recovery).
- ix. We understand that local authorities across the country like Orkney Islands Council face severe pressure on their resources and we believe this system can go some way to help with the administrative challenges associated with the new licensing regulations. We would be delighted to meet with you to discuss this in further detail to see whether it would be appropriate for your Council.
- x. Finally, the ASSC would like to emphasise the importance of self-catering to the tourist economy in Orkney. If a fee structure with costly, disproportionately high fees was introduced, this will reduce accommodation capacity on the islands and will damage the industry at a time when we need to work towards a sustainable recovery.

For further information, please contact:

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