

**ASSC Briefing on Short-Term Let Licensing Fees – October 2022**

**Executive Summary**: Based on information by local councils, they ASSC has analysed the short-term let licensing fees published so far which strongly indicates that the figures have not been set on a cost recovery basis. For those secondary lets accommodating four or more occupants, the average fee for a license is over £1,000 which will have implications for the viability of many businesses.

**Context:**

* The Scottish Government’s More Homes Division have suggested that ***“the majority of the fees published so far by local authorities … fall within the estimate of £218 to £436 for a three-year licence predicted in the Scottish Government’s Business Regulatory Impact Assessment, and follow our guidance to tailor according to licence type and accommodation size”.***
* However, regardless of theses assurances, it is clear that they are clearly far higher than Landlords Register Fees, of which there are three: Principal Fee: £68; Property Fee: £16 (per let property); and Late Application Fee: £137.

**Fees**

* Approximately twenty (20) local councils have provided information regarding the level of fees for short-term let licensing thus far.
* The ASSC believe that there is strong evidence to suggest that fees are **not** being set on a cost recovery basis, with large variations seen throughout Scotland.
* As Table A below shows, the average fees for both homesharing/letting and secondary letting for those accommodating more than 4 occupants averages above £1,000. Such costs – coupled with compliance with existing regulation as well as energy price increases – may force some operators out of business.
* Additional costs will have to be passed onto guests in a price sensitive market. If this becomes too prohibitive, visitors simply won’t choose to holiday using self-catering in Scotland, thereby damaging a key component part of our tourism industry.

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| **Table A: Fees Compared – Homesharing/letting vs Secondary Letting** | |
| **Homesharing/letting 3 year license** | **Secondary Letting 3 year license** |
| Fees range from £125 to £3600.  Median = £1737 Average across all occupancy numbers = £817 Average up to 4 occupants = £396.35 Average from 4-10 occupants = £1006 | Fees range from £250 - £5869.  Median = £2809 Average across all occupancy numbers = £880 Average up to 4 occupants = £421 Average 4 occupants or more = £1274 |

* The secondary letting figures for City of Edinburgh, Dundee City Council and Perth & Kinross Council are particularly stark when compared to other local authorities for equivalent sized properties.
* Edinburgh: 11-15 occupants is **£3,872** for a one-year license and for 16-20 occupants, it is **£5,264**;
* Dundee: **£3,100** for 12-20 occupants on a three-year license; and
* Perth and Kinross: **£1,600** for 11+ occupants.
* Table B below sets out the licensing fees that have been published so far.

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| **Table B: List of Local Authority Short-Term Let Licensing Fees** | |
| **Local Authority** | **Fees** |
| Aberdeen City | Secondary letting: up to 2 bedrooms £650; 3-4 £700; and 5+ £750.  Home letting: up to 2 £650; 3-4 £700; and 5+ £750  Homesharing: up to 2 £650; 3-4 £700; and 5+ £750  Home letting and sharing: up to 2 £650; 3-4 £700; and 5+ £750. |
| Aberdeenshire |  |
| Angus |  |
| Argyll & Bute |  |
| Clackmannanshire |  |
| Dumfries & Galloway | 1-3 Bedrooms:  Home letting / Home sharing £275.28  Secondary Letting £302.81  4-6 Bedrooms:  Home letting / Home sharing £306.05  Secondary Letting £336.75  7+ Bedrooms:  Home letting / Home sharing £350.84  Secondary Letting £385.85 |
| Dundee City |  |
| East Ayrshire |  |
| East Dunbartonshire | Secondary Letting:  £650 up to 2 bedrooms with £50 per additional bedroom  Home Letting:  £450 up to 2 bedrooms with £50 per additional bedroom  Home Sharing:  £250 per bedroom room  Home Letting and Home Sharing:  £450 up to 2 bedrooms with £50 per additional bedroom |
| East Lothian |  |
| East Renfrewshire |  |
| Edinburgh City |  |
| Eilean Siar |  |
| Falkirk |  |
| Fife |  |
| Glasgow City | Secondary Letting: £250 (maximum occupancy applied for - 4 and under); and £400 (maximum occupancy applied for 5 or more). Home letting / homesharing or both: £125 (maximum occupancy applied for - 4 and under); and £275 (maximum occupancy applied for 5 or more). |
| Highland |  |
| Inverclyde |  |
| Midlothian |  |
| Moray |  |
| North Ayrshire | Secondary Letting: £250 (max occupancy applied for, 4 and under); and £400 for +5.  Homesharing/homeletting: £125 for 4 and under; and £275 for +5. |
| North Lanarkshire | Secondary Letting: £300 (up to 4 guests)  , £450 (5+ guests)  Home Letting: £300 (up to 4 guests)  £450 (5+ guests)  Home Sharing: £300 (up to 4 guests)  £450 (5+ guests)  Home Letting and Home Sharing  £300 (up to 4 guests)  £450 (5+ guests) |
| Orkney | *Following the consultation exercise, the Council’s Licensing Committee agreed to:*     * *Reduce fees by 20 per cent across the board.* * *Apply a further 25 per cent reduction for the ferry linked isles.* * *Simplify the structure of the fees by size, by removing the highest fee and amalgamating the lowest two bands.*     *The fees in Orkney will therefore range from £310 to £510, and £232.50 to £382.50 for the ferry linked isles.* |
| Perth & Kinross | Homesharing and home letting: 1-2 guests, £175; 3-6, £265; 7-10, £450; and 11+, £800.  Secondary letting: 1-2, £350; 3-6, £530; 7-10, £900; and 11+ £1600. |
| Renfrewshire |  |
| Scottish Borders | Maximum occupancy of 5 people or more -  Secondary letting £400  Home letting / Home sharing or both £275  Maximum occupancy of 4 people or less -  Secondary letting £250  Home letting / Home sharing or both £200 |
| Shetland | New licence – secondary let max occupancy up to 4: £250; max occupancy 5+: £400; homesharing/homeletting max occ up to 4: £125; max occ 5+: £250  Renewal licence – secondary let max occ up to 4: £200; max occ 5+: £350; homesharing/homeletting max occ up to 4: £75; max occ 5+: £200. |
| South Ayrshire |  |
| South Lanarkshire |  |
| Stirling |  |
| West Dunbartonshire |  |
| West Lothian |  |