



Prioritising Scottish Tourism Debate

Regulatory Burden and the Need for Change

- Small tourism accommodation businesses are being hit by the impact of onerous and costly short-term let licensing and planning regulations at a time of pandemic recovery and a cost-of-living crisis – and that's before the possible introduction of a visitor levy and changes to NDR self-catering thresholds.
- The Scottish Government promised a New Deal with the business community. With this, the government need more than warm words. There should be genuine and meaningful engagement with tourism businesses in order to work collaboratively to act on stakeholder concerns.
- The latest ASSC survey finds that 39% of respondents said that they will be leaving the sector with a further 27% not sure yet. Moreover, the Moffat Centre for Travel and Tourism Business Development at Glasgow Caledonian University recently reported that over three-quarters (77.5%) of accommodation operators feel the licensing scheme is a significant or medium threat to their business.
- If immediate action is not taken, more self-catering operators will leave the sector, jeopardising not only the industry that provides £876m per annum to the Scottish economy, but it will have major ramifications for the Scottish tourism sector, including the position of the Edinburgh Festival Fringe.
- 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. Small businesses like self-catering, present in communities for decades, should not be used as a convenient scapegoat for wider failures in housing policy.

STL Licensing Solutions

The Scottish Government can have a regulatory framework which fulfils the original policy objectives of licensing but in a manner that doesn't harm Scotland's tourism economy. The [ASSC have put forward a number of proposals](#) to help. It could:

1. Implement the ASSC's proposal to pivot licensing to align with the Antisocial Behaviour etc (Scotland) Act 2004., which would satisfy the aims of the regulations, covering the safety of the activity; or
2. Consider the various amendments to the 1982 Act and re-draft the guidance associated with Licensing Order 2022, in collaboration with industry and local government stakeholders.

Planning Solutions

- The dual requirement of planning and licensing in various licensing authority policies, the ASSC argues, is oppressive and disproportionate. It is irrational to apply national policies regulating the same activity in inconsistent ways. Separately, it imposes unnecessary hardship to require operators to subject themselves to parallel processes for materially identical purposes and to pay repeat fees.
- Clarity must be provided going forward, rather than applying planning policy changes retrospectively to those businesses that have already made significant financial investment and operated for some considerable time, in some cases for decades, without issue.
- The [ASSC have put forward solutions in this area](#). They have recommended that existing operators with no history of complaints should be protected in planning terms to allow them to apply for a licence. This can be achieved by, as far as possible, providing 'grandfather rights' for existing operators operating prior to 1 October 2022 with no history of enforcement action or complaints, or where there has been no material change of use, including those operating in newly introduced Planning Control Areas, prior to designation.