

# Short-Term Let Accommodation Evaluation Review 2022/23

Prepared for: The Association of Scottish Self Caterers  
Email: [fiona@assc.co.uk](mailto:fiona@assc.co.uk)

Submitted by: Moffat Centre for Travel and Tourism Business  
Development  
Glasgow Caledonian University  
Cowcaddens Road  
Glasgow  
G4 0BA  
  
Email: [info@moffatcentre.com](mailto:info@moffatcentre.com)

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## Contents

1. Introduction.....	3
2. Secondary Research Analysis .....	5
Background .....	5
Statements and assessments .....	5
Case Study of Edinburgh – Airbnb.....	8
3. Primary Research Analysis.....	13
A. Quantitative Survey .....	13
Methodology and Sample .....	14
Dwellings in Scotland: Overview .....	14
Short-Term Let Licensing & Planning Control Area legislation.....	30
B. Supplement Surveys.....	30
Methodology and Sample.....	31
Survey I.....	32
Survey II.....	44
4. Case Studies: Interviews .....	51
Case Study I: Interviewee 5 .....	53
Case Study II: Interviewee 6 .....	56
Case Study II: Interviewee 9 .....	58
5. Conclusion and recommendations .....	63

## 1. Introduction

### **Aim and Objectives**

The purpose of this report was to undertake a review and baseline evaluation of the short-term let sector (including self-catering units, B&Bs, guest houses, glamping pods etc.). The objectives of the review were to:

- Explore the positive and negative impacts of the short-term let legislation on the sectors operators in Scotland.
- Assess how short-term let across different locations (urban and rural) have been affected by the STL licensing scheme legislation so far.
- Summarise assessments and, where applicable suggestions and alternatives to short-term let licensing based on the opinions and experience of the STL operators.

### **Methodology**



**Fig.1.1 Methodology Overview**

### **Structure**

The first chapter discusses the background of the study and the analysis of secondary data. Findings from the primary research (the main survey, follow-up surveys, and interviews) are presented in chapters 2 and 3, with the former focusing on a more detailed examination of the Short-Term Let (STL) operators and the impacts of the STL licensing; the latter presenting specific case studies. The interviews included discussions with supporters and non-supporters of the STL licensing scheme. Finally, the report is summarised in Chapter 4, where the findings with recommendations are derived directly from the STL operators.

### **Summary of the main findings**

- Following consultations with industry professionals, including STL booking platforms and other STL businesses, it was identified by them that implementing STL legislation was time-consuming and complicated by the majority.
- The majority of participants in this study representing STL businesses stated that they did not intend to apply for the licence until at least September 2023. As a result, it is anticipated that immediately before the October 2023 deadline, councils will receive the majority of applications.
- According to AirDNA data, there were 8113 active listings (Airbnb and VRBO) in Edinburgh in August 2022 and 6339 in November 2022, showing that the number of listings in Edinburgh has already decreased by over 20%.
- The survey conducted amongst the STL operators found that the STL legislation was a significant or a medium threat to 1222 of the 1576 participants, accounting for more than three-quarters of respondents (77.5%).
- The operators who supported the legislation stated that it provides many benefits, such as a higher level of professionalism for the industry, a much more robust and safer environment for guests, clear and efficient guidelines for agencies, less competition in the future, and as some suggested the possibility to charge higher rates due to decreased competition.
- The operators who opposed the legislation stated that it creates uncertainty for their future operations. The most frequently mentioned issues were the high cost of the application, a lack of necessary tradesmen to conduct surveys and safety and compliance checks in remote communities, the complexity of the application process, confusion about the necessity of all licensing requirements, and the lack of sufficient planning and structure in the proposed legislation.

## 2. Secondary Research Analysis

### **Background**

The Scottish Government announced its intent to licence short-term let in Scotland from 1 October 2022. Furthermore, those already operating short-term let before 1 October 2022 must apply for a licence by 1 October 2023 if they wish to continue doing so. By July 2024, operating a short-term let without a licence will be illegal. As part of this change, they are also enabling local authorities to designate Planning Control Areas. Currently, the self-catering sector in Scotland generates £867.1m per annum for the Scottish economy (Frontline 2021). However, the introduction of mandatory licensing may have a negative effect on the industry; hence a baseline examination of the industry's size and significance is necessary.

### **Statements and assessments**

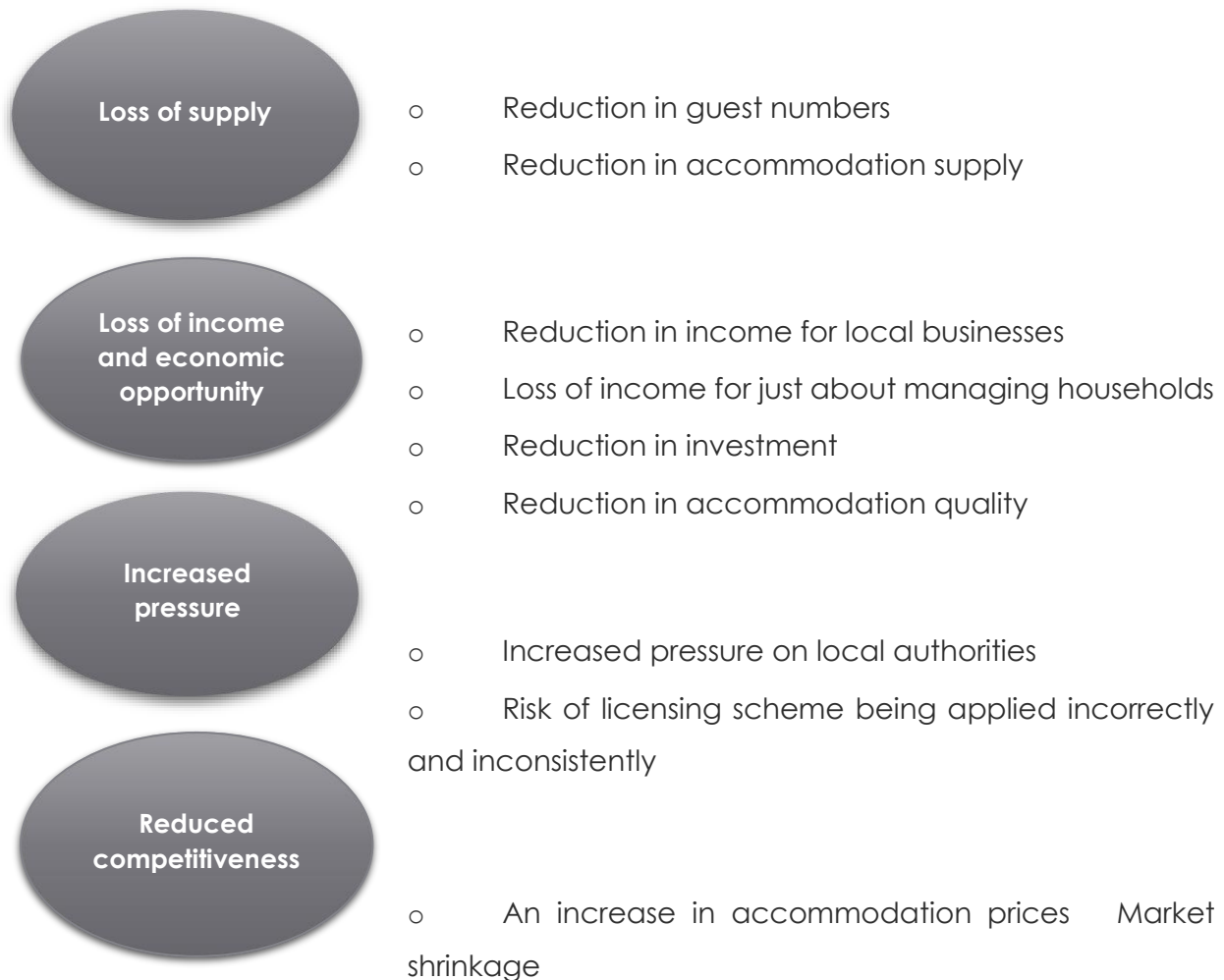
The perspectives of the STL licensing scheme were contextualised by examining data derived from a) published documents such as position papers, interviews, research published by intermediary agencies (Inside Airbnb and AirDNA), and publicly accessible statements regarding the licensing scheme's implementation, supported by b) academic reports and direct consultations with the key tourism operators.

As highlighted by the Scottish Government's research report into the impact of short-term let on communities across Scotland (2019), Airbnb comprises a substantial part of the STLs market. However, the secondary data of the cited report relates to Airbnb listings only, failing to include data from other online providers of STLs, or the traditional market. Furthermore, it is currently impossible to estimate what portion of Scotland's short-term rental market is accounted for by Airbnb. Although the Scottish Government acknowledged this issue in its report, it is critical to stress that future analysis of the STLs licensing's impact requires data from additional sources and platforms acting for short-term let. As highlighted by Frontline (2018), the most frequent collaborative economy platforms, used to market self-catering units were Airbnb (60%), Trip Advisor (55%), Holiday Lettings (41%), and Booking.com (41%). Moreover, hosts and STL operators may promote their listing(s) using multiple online platforms, which might lead to double-counting listings. However, it should be emphasised that for this report, accessing data from the STL platforms was challenging because the data was either unavailable or participants were reluctant to share. This is in line with

previous research, which confirmed corporate platforms' reluctance to release precise data on individual short-term rentals (Colomb & Moreira de Souza 2021) for commercial sensitivity reasons, making it difficult to enforce regulations across destinations. Other researchers highlighted that relationships between large STL platforms and local governments have oscillated between resistance and collaboration (Aguilera et al. 2019). A better understanding of the relationship between the Scottish Government and the platforms providing short-term accommodation and their approach to data sharing and its utility in sector analysis is needed. Finally, it must be highlighted that, at present, the lack of accurate data bedevils the complete assessment of the impact of this legislation.

The section below briefly summarises the positions taken on the STL market by some of the key providers representing the short-term let providers in Scotland (and where available on the short-term let licensing scheme).

- Booking.com advocates for a registration system on STL hosts as the simplest solution to regulate the sector. As explained by the Public Affairs Manager, UK & Ireland, Booking.com, Fiona MacConnacher, during the Lords Committee hearing short-term lettings (2022): *"Booking.com calls for more national regulation, possibly with an opt-in/opt-out for local authorities, so they can choose the relevant form of regulation they want to use to tackle the issues within their area, which will then make it easier for us to enforce"*.
- The Scottish B&B Association, the UK trade association for B&Bs, Guest Houses and small independent hotels with 450 members in Scotland, considers the licensing scheme legislation *"damaging and misconceived"* (SBBA, 2022). The B&B Association confirmed that some of their members have decided to close or sell up, and recently at least one of the reasons cited is the STL legislation.
- The UK Short-Term Accommodation Association (UKSTAA) believes that the licensing scheme will have far-reaching damaging consequences, endangering the survival of thousands of businesses and depriving the economy, local communities, and hosts of vital income (UKSTAA, 2022). Introducing the compulsory licence is seen as a regulation that will not constitute a necessary or proportionate policy response to the issues around short-term rentals in Scotland. The predicted effects of STL legislation on the sector are summarised below.



**Fig.2.1 Overview of the STL legislation's impact: based on the STAA's statement (2022).**

- Airbnb supports the provision of a short-term accommodation registration which could ensure an evidence base supporting sensible planning, housing and taxation decisions. For Airbnb, registration would be a way of proving the value their hosts bring to the country. However, the views on the Scottish Government's licensing are less optimistic. According to the Airbnb letter to the Scottish Government (2020), Scotland's short-term rental regulatory environment could become one of the most regressive in the world. As highlighted by Airbnb, introducing restrictive regulations will not incentivise individuals to put their homes on the long-term rental market. Moreover, as explained by Amanda Cupples, General Manager (Northern Europe) for Airbnb: *"the licensing is onerous, costly and complex. Our hosts in rural areas*

around the country tell us, again and again, that they can't afford to pay £300, so they are just not going to share their homes. (..) The benefit of a light-touch registration system is that people in England will be able to handle what is going to happen to those hosts in Scotland" (HS: Built Environment Committee, 2022).

### Case Study of Edinburgh – Airbnb

Access to affordable housing has become a significant issue in Scotland. It has been claimed that the exponential growth of short-term rental platforms has contributed to the increasingly tight housing market, particularly in the City of Edinburgh. In response to the described issue, Edinburgh has become Scotland's first designated Short-Term Let (STL) Control Area. The designation came into effect on 5th September 2022. Using an entire dwelling that is not a primary residence as a short-term let will be a material change of use requiring planning permission. However, the primary focus of this report is to review the impact of a separate piece of legislation that will mandate short-term let licences for all properties in Scotland, including those in Edinburgh, by July 2024. Although it is difficult to estimate the full impact of the new legislation in such early stages, it would be helpful to understand how the short-term rental market has been affected so far.

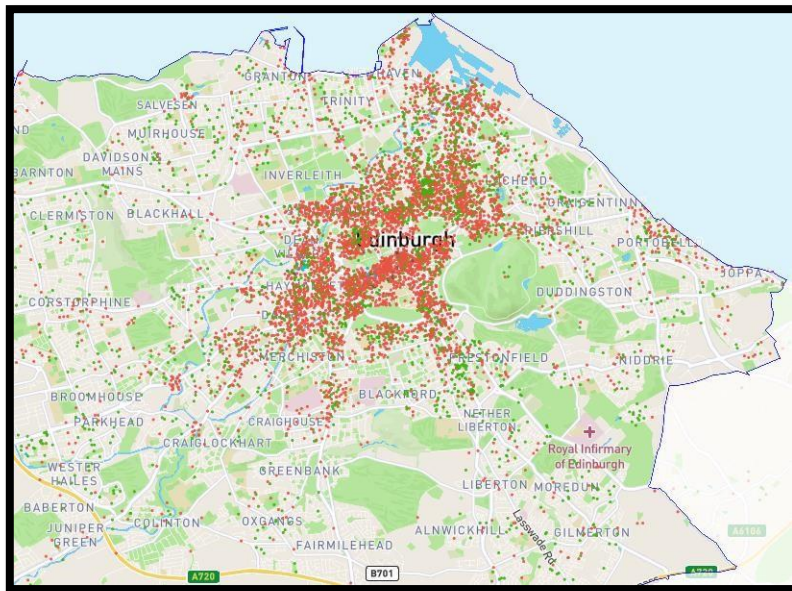


Fig.2.2. Airbnb's short-term let activity in Edinburgh (Inside Airbnb, 2022).



This section focuses on Edinburgh, compared to Scotland as a whole. Edinburgh is the most visited destination in Scotland for domestic and international visitors according to the Great Britain Tourism Survey and International Passenger Survey.

For monitoring and evaluation of the sector, based on the total number of Airbnb's short-term let located in Edinburgh, the following indices were used:

- **January 2020 (Pre-Covid)<sup>1</sup>**
- **April 2022<sup>2</sup>**
- **Most recent (November 2022)<sup>3</sup>**

The dates listed above are highlighted in the tables in the next section of this report.

#### ❖ **Decrease in Active Listings (Airbnb and VRBO)**

According to AirDNA (2022) data, active Airbnb listings decreased significantly (40%) between January 2020 and November 2022. This is because the COVID-19 pandemic has, predictably, reduced the number of short-term rentals in Edinburgh, as in other cities (more data can be found in Appendix 1). However, in November 2022, Edinburgh had 17% more active listings than in April 2022. Nevertheless, it should be noted that since August 2022, the number of all active listings in Edinburgh (entire properties and home sharing) has been gradually decreasing.

#### ✦ **“Entire Property”**

DATE	1 BED	2 BED	3 BED	4 BED	5 BED	TOTAL
<b>Jan 1, 2020<sup>1</sup></b>	3168	3022	1063	292	132	<b>7677</b>
<b>Apr 1, 2022<sup>2</sup></b>	1527	1586	626	164	97	<b>4000</b>
Aug 1, 2022	2192	2338	833	267	143	<b>5773</b>
Sep 1, 2022	2000	2118	790	219	118	5245
Oct 1, 2022	1847	1916	722	198	111	4794
<b>Nov 1, 2022<sup>3</sup></b>	1784	1851	699	175	106	<b>4615</b>

(AirDNA, 2022)

✦ **Home-sharing (private rooms only\*)**

DATE	1 BED	2 BED	3 BED	4 BED	5 BED	TOTAL
<b>Jan 1, 2020<sup>1</sup></b>	2980	104	19	3	3	<b>3109</b>
<b>Apr 1, 2022<sup>2</sup></b>	1265	38	6	0	0	<b>1309</b>
Aug 1, 2022	2154	65	7	2	0	<b>2228</b>
Sep 1, 2022	1905	59	9	1	0	1974
Oct 1, 2022	1695	47	6	0	0	1748
<b>Nov 1, 2022<sup>3</sup></b>	1593	48	4	0	0	<b>1645</b>

\* shared rooms were excluded

(AirDNA, 2022)

✦ **All listings: entire place and home-sharing (private and shared rooms)**

DATE	1 BED	2 BED	3 BED	4 BED	5 BED	TOTAL
<b>Jan 1, 2020<sup>1</sup></b>	6268	3154	1083	297	135	10937
<b>Apr 1, 2022<sup>2</sup></b>	2884	1634	633	164	978	5413
Aug 1, 2022	4456	2405	840	269	143	8113
Sep 1, 2022	4015	2179	799	220	119	7332
Oct 1, 2022	3616	1965	728	198	112	6619
<b>Nov 1, 2022<sup>3</sup></b>	3453	1901	703	175	107	<b>6339</b>



- 21.8%

(AirDNA, 2022)

Please note that "active listings" do not refer to booked listings; rather, they refer to existing listings with at least one reserved or one available day within the past month

(AirDNA, 2022).

❖ **Decrease in Booked Listings (Airbnb and VRBO)**

The tables below display the number of Edinburgh's listing nights booked and booked properties for entire properties, home-sharing (private rooms only), and the total for them combined. The number of booked properties has been decreasing since August 2022, but this could be due to a decrease in the number of active listings, as previously described in this report.

✦ “Entire Place”

Date	Listing nights booked	Booked properties
Jan 1, 2020 <sup>1</sup>	61567	5821
Apr 1, 2022 <sup>2</sup>	70874	3778
Aug 1, 2022	113098	5452
Sep 1, 2022	90985	4850
Oct 1, 2022	87619	4487
Nov 1, 2022 <sup>3</sup>	73528	4275

(AirDNA, 2022)

✦ Home-sharing (private rooms only\*)

Date	Listing nights booked	Booked properties
Jan 1, 2020 <sup>1</sup>	27102	2447
Apr 1, 2022 <sup>2</sup>	19267	1319
Aug 1, 2022	39352	2008
Sep 1, 2022	31848	1768
Oct 1, 2022	27755	1564
Nov 1, 2022 <sup>3</sup>	22276	1450

\* shared rooms were excluded

(AirDNA, 2022)

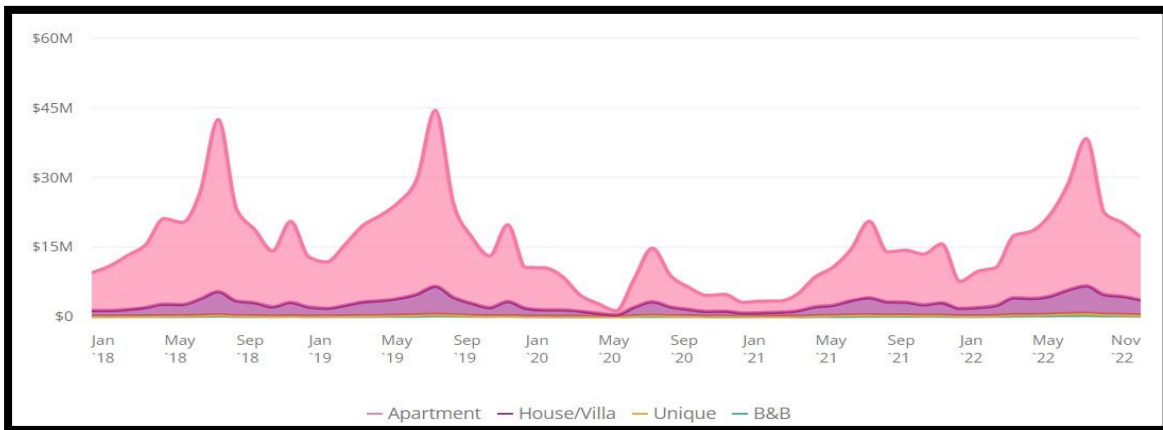
✦ All listings: entire place and home-sharing (private and shared rooms)

Date	Listing nights booked	Booked properties
Jan 1, 2020 <sup>1</sup>	89955	8413
Apr 1, 2022 <sup>2</sup>	91304	5017
Aug 1, 2022	154429	7566
Sep 1, 2022	124369	6719
Oct 1, 2022	116496	6127
Nov 1, 2022 <sup>3</sup>	96617	5803

(AirDNA, 2022)



**Fig.2.3. Edinburgh's booking demand for all listings between February 2018 and November 2022 (AirDNA, 2022)**



**Fig.2.4. Edinburgh's total market revenue between January 2018 and November 2022 (AirDNA, 2022).**

### 3. Primary Research Analysis

#### A. Quantitative Survey

The following chapter provides a comprehensive overview and baseline evaluation of the short-term let sector (including self-catering units, B&Bs, guest houses, glamping pods etc.) The aspects covered in this chapter include:

➤ **Location**

Total number of dwellings in the local authority area

Total number of STL premises in the local authority area

Total numbers of dwellings in local authority electoral wards

Total numbers of STL premises in local authority electoral wards (?)

➤ **Type of Premises**

Home Sharing

Home Letting

Bed and Breakfast/non-licenced Guest House

Secondary Letting (entire property) – occasional

Secondary Letting (entire property) – commercial business (70 nights+)

Premises on Non-Domestic Rates

Premises on Council Tax Glamping Pod / other Unconventional Accommodation

➤ **Nights Let**

All accommodation by number of nights offered to let

➤ **Tenure**

Secondary letting by resident owner (owner lives within same local authority area of premises)

Secondary letting by non-resident owner (owner lives out with local authority area of premises)

Home letting by main residence tenure (i.e. the owner or tenant)

Home sharing by main residence tenure (i.e. the owner or tenant)

Bed & Breakfast / non-licenced Guest House tenure (i.e. the owner or tenant)

**Methodology and Sample**

The survey was open in the week commencing the 6<sup>th</sup> of July 2022 and distributed to various short-term let providers. A total of 1576 surveys were received, completed over 50 days in July/August 2022. It is worth noting, however, that 67.0% of the 1576 respondents considered themselves to be professional operators, while 366 businesses, representing 23.2% of the respondents, did not, and the remaining 9.8% did not respond.

**Dwellings in Scotland: Overview**

Scotland had 2.67 million dwellings in 2021. 112,300 (4.2%) of them were unoccupied. These unoccupied dwellings consist of vacant properties (88,300, 3.3% of all dwellings) and second homes (24,000, 0.9% of all dwellings). Data shows that the remote rural areas had the highest percentage of vacant dwellings or second homes. Moreover, in 2021, the council areas with the highest proportion of second homes were Argyll and Bute, Na h-Eileanan Siar, Orkney Islands, and Highland. More than a third (37%) of Scotland's second homes were in Argyll, Bute, Fife, and Highland. According to the National Records of Scotland's Households and Dwellings 2021 Report, the number of vacant dwellings has increased. The leading cause of this trend is an increase in long-term empty properties. This tendency may be brought on by the Covid-19 lockdown, which prevented people from relocating.

*(NRS, 2022)*

**Total number of dwellings in the local authority area**

The total number of dwellings in Scotland in 2021, including those that are occupied, vacant, unoccupied, and exempt from paying council tax, is recorded in the table below. Glasgow City, City of Edinburgh, and Fife had the highest number of dwellings, and predictably: the Shetland Islands, Orkney Islands, and Na h-Eileanan Siar comprised the least number of dwellings.

Region	No. of Dwellings 2021
Aberdeen City	122,242
Aberdeenshire	120,682
Angus	57,711
Argyll & Bute	48,411
City of Edinburgh	257,658
Dumfries & Galloway	75,521
Dundee City	75,453
East Ayrshire	58,973
East Dunbartonshire	47,549
East Lothian	50,641
East Renfrewshire	39,909
Eilean Siar	14,856
Falkirk	75,942
Fife	180,234
Glasgow City	319,810
Highland	120,785
Inverclyde	39,446
Midlothian	42,492
Moray	46,166
North Ayrshire	69,175
North Lanarkshire	158,456
Orkney Islands	11,475
Perth & Kinross	74,589
Renfrewshire	89,571
Scottish Borders	59,126
Shetland Islands	11,462
South Ayrshire	56,016
South Lanarkshire	155,373
Stirling	42,140
West Dunbartonshire	45,607
West Lothian	82,591

Fig.3.1. 2021 Dwellings by Council Area in Scotland (statistics.gov. scot, 2021)

### Total number of STL premises by local authority area

Short-term let research conducted by the Scottish Government (2019) highlighted the significant growth of STLs, primarily in Edinburgh, Fort William and Skye. Based on the survey evidence, it is highly likely that those areas still have the highest concentration of STLs in Scotland, 34.3% of all respondents represented STLs located in Highland. It is worth noting that the STL premises located in Highland (34.3%), Argyll & Bute (9.2%), City of Edinburgh (6.6%), and Dumfries & Galloway (7.5%) represented over half of all the respondents (57.6%)

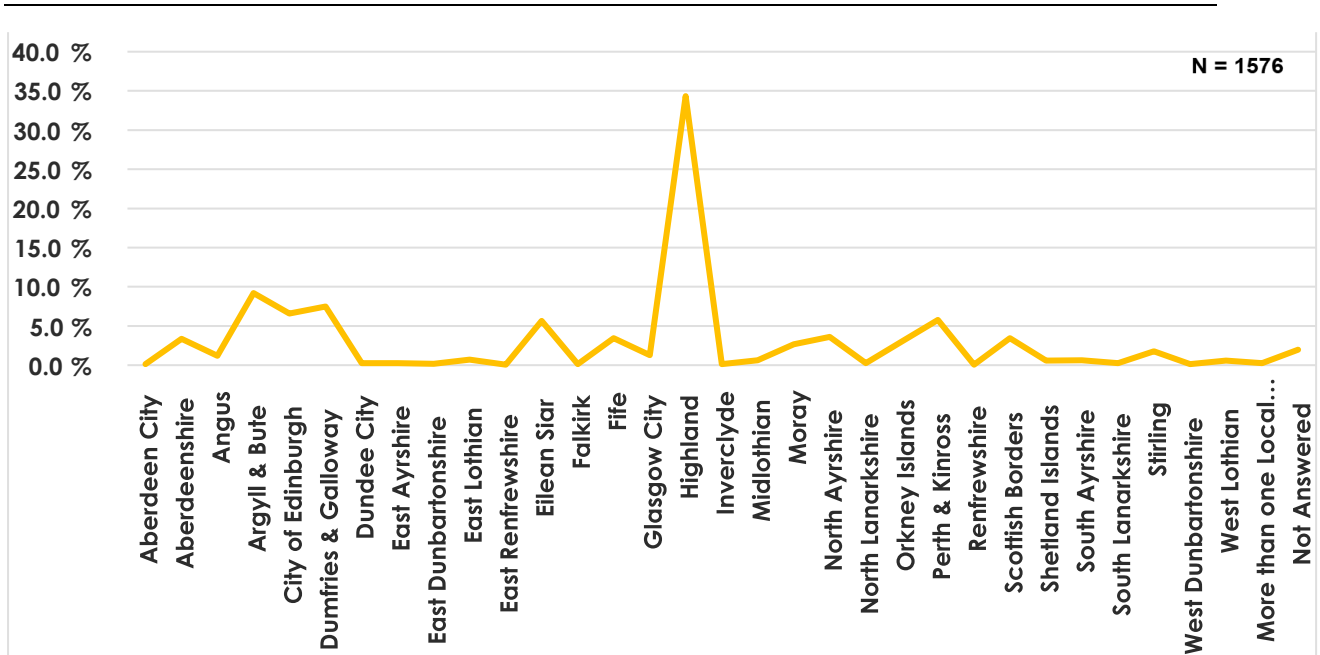


Fig.3.2. Local Authorities

**Total number of dwellings in local authority electoral wards**

The NRS (2022) stated that the number of dwellings in Scotland in 2021 was 2,684,226. There are 354 wards in Scotland. It was estimated that the following wards had the highest numbers of dwellings in 2021:

- Anderston/City/Yorkhill: 21,345 (Glasgow City Council)
- Leith Walk: 20,188 (City of Edinburgh)
- Partick East/Kelvindale: 18,243 (Glasgow City Council)

The following Scottish wards had the fewest dwellings, according to the NRS (2022) estimations:

- Shetland West: 617 (Shetland Islands)
- Barraigh agus Bhatarsaigh: 788 (Eilean Siar)
- Uibhist a Tuath: 1,001 (Eilean Siar)

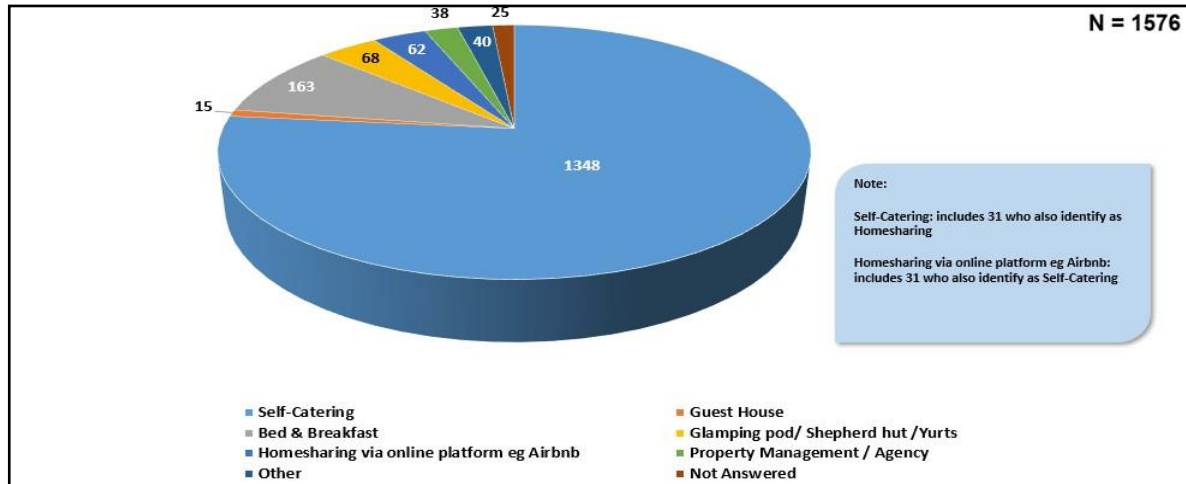
Interestingly, a quarter of Scotland's active Airbnb listings were located in the seven most popular wards, all in the City of Edinburgh or Highland, in May 2019.

*STLs: type of premises*

Of the 1576 respondents, 1348 (85.5%) identified as self-catering premises. B&Bs (163), along with *Glamping pods/ Shepherd huts/Yurts* (68) and *Homesharing via online*

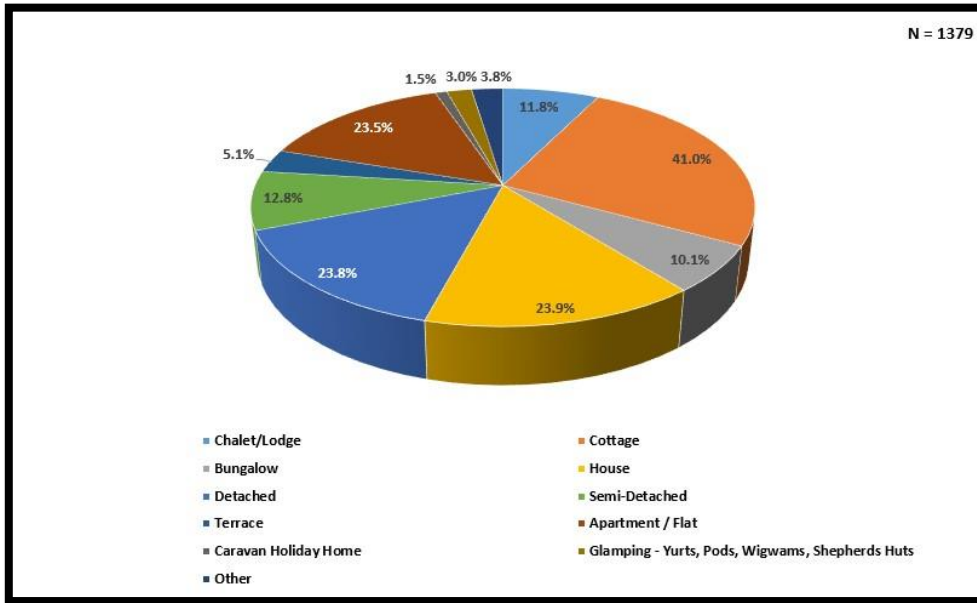


platforms such as Airbnb (62), accounted for 18.6% of the respondents. Thirty-one of the 62 survey participants who chose the home-sharing option also identified as self-catering properties.



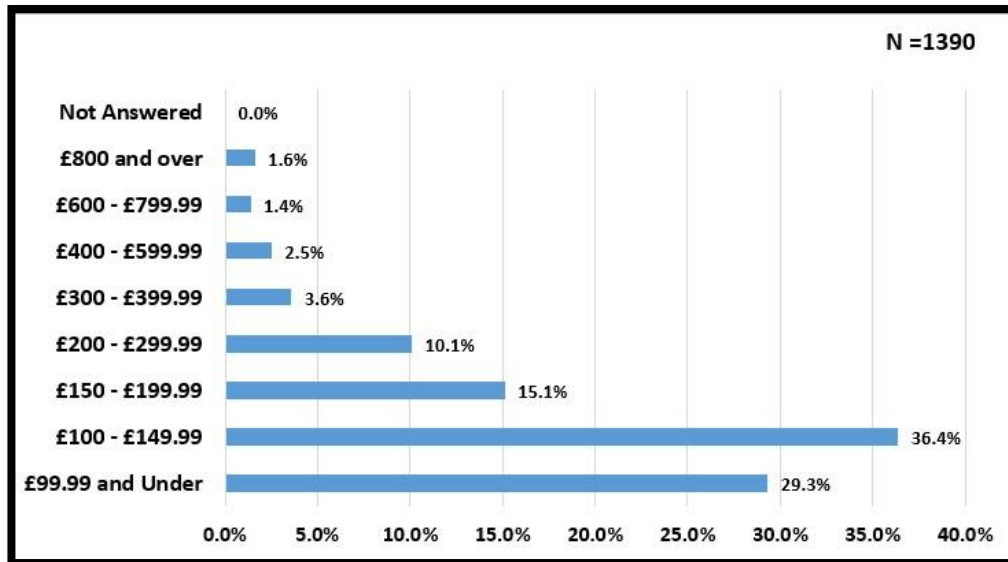
**Fig.3.3. STL Types**

The respondents were questioned regarding the self-catering/home-sharing establishments they represented. Just over 40% of the 1379 respondents fell into the *cottage* category, 29.5% selected *house*, whereas 23.5% of the sample belonged to the *Apartment & Flat* category. The categories with the lowest response rate, which made up just under 5% of the self-catering/home-sharing premises, were *caravan holiday homes* and *glamping*—*yurts, pods, wigwams, and shepherds huts*. It's worth highlighting that most self-catering and home-sharing premises (87.2%) provide between one and four units.



**Fig.3.4. Catering /Homesharing premises**

Moreover, the respondents who represented the Self-Catering / Homesharing premises were asked to choose their average tariff range per property per night. Over a third of the respondents charge between £100 and £149.99 per night, as seen in the graph below. In fact, 80.8% of the Self-Catering / Homesharing premises charge nightly rates of £199.00 or less.



**Fig.3.5. Self-Catering / Homesharing premises: the average Tariff Banding (per property per night)**

### Bed and Breakfast/non-licenced Guest House

163 B&Bs, accounting for 10.3% of the participants, responded to the survey. The respondents representing B&Bs were asked about the average cost per bed space (per person per night). 38% of the respondents charge between £50 and £74.99 per person per night, whereas almost a third of respondents set their tariffs at £49.99 per person per night and less. However, it can be expected that lodging rates across the industry, including B&Bs, will grow due to further rises in the cost of living, inflation, and rising fuel and energy expenditures. Furthermore, the businesses representing B&Bs were asked about the room breakdown on their premises.

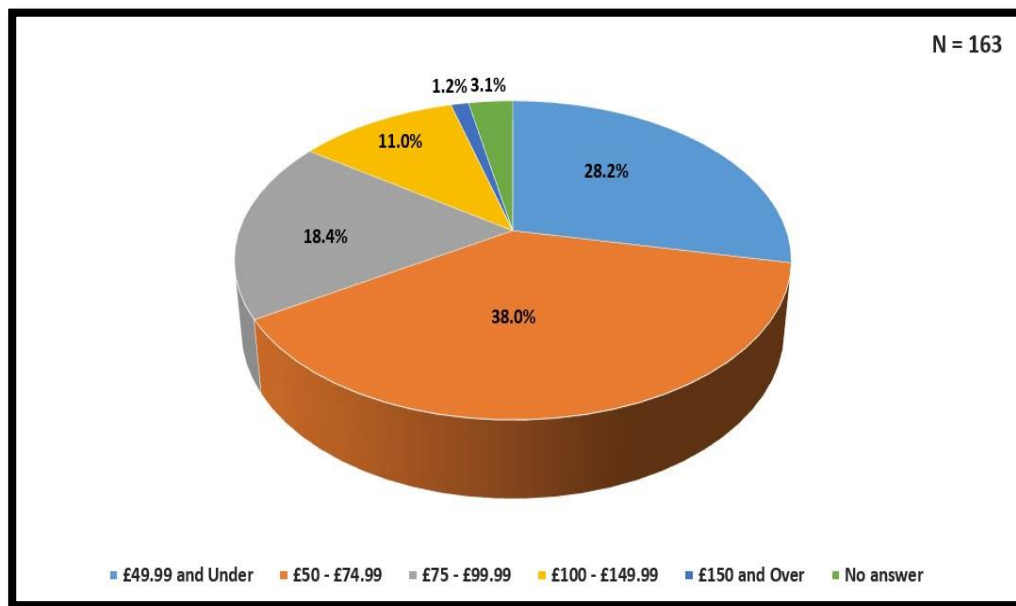


Fig.3.6. B&Bs: the average Tariff Banding (per property per night)

Room Type	Sample	Sample %
<b>Single</b>		
1	17	10.4%
2	6	3.7%
3	1	0.6%
5	1	0.6%
<b>Double</b>		
1	57	35.0%
2	54	33.1%
3	27	16.6%
4	5	3.1%
6	3	1.8%
8	1	0.6%
<b>Twin</b>		
1	66	40.5%
2	14	8.6%
3	2	1.2%
6	1	0.6%
<b>Family</b>		
1	25	15.3%
2	9	5.5%

Fig.3.7. B&Bs: Room breakdown, N=163.

**B&B – Licences**

Q. 4d. If operating as a B&B, do you have a licence to serve alcohol under the Licensing (Scotland) Act 2005 and have ticked your accommodation box in your operating plan?

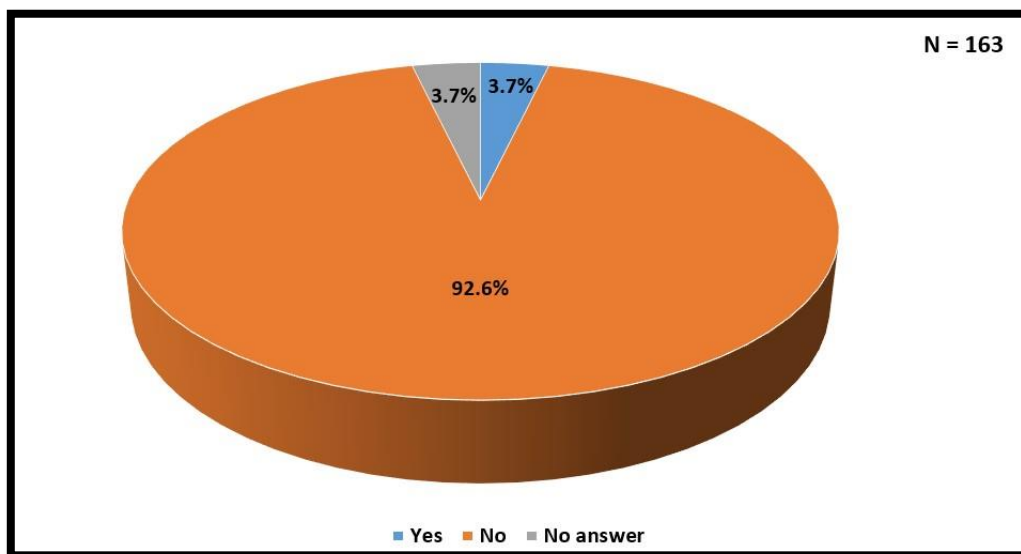
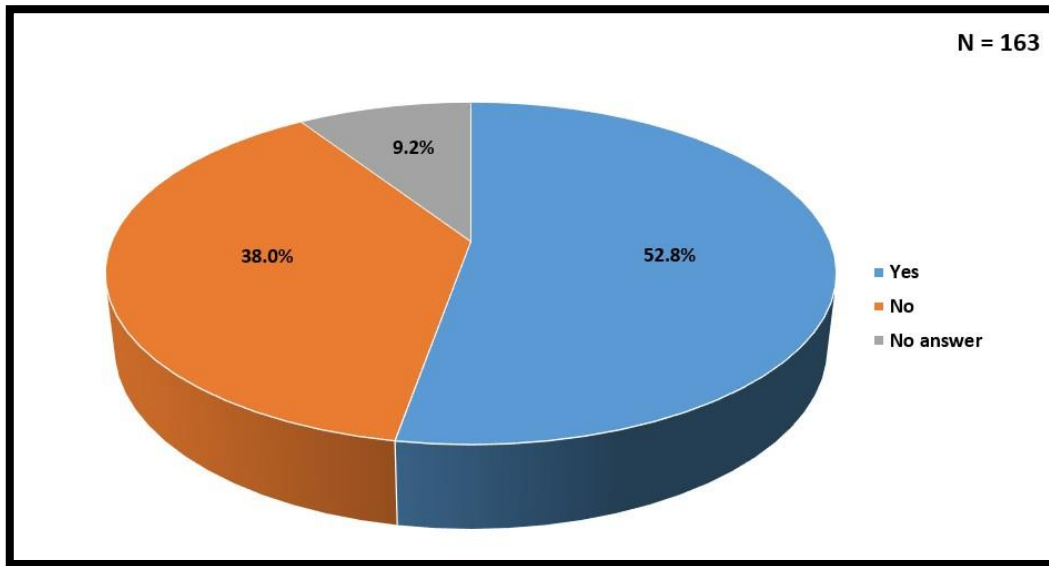


Fig.3.8. B&Bs: licence to serve alcohol under the Licensing (Scotland) Act 2005

**Q. 4e. If operating as a B&B, do you have a Food Hygiene licence?****Fig.3.9. B&Bs: Food Hygiene licence****Type of Tenure**

The respondents were asked to share the type of tenure that applies to their business. Just under half of the businesses (46.6%) selected the *secondary letting by resident owner* category, indicating that their owners live within the same local authority area of premises. On the other hand, just under one-third of the respondents (29%) chose the *secondary letting by non-resident owner* option (owner lives out with local authority areas of premises). *Home letting by main residence tenure* (i.e. the owner or tenant) applied to 80 respondents (5.1%), whereas *Home sharing by main residence tenure* (i.e. the owner or tenant) was selected by 93 businesses (5.9%).

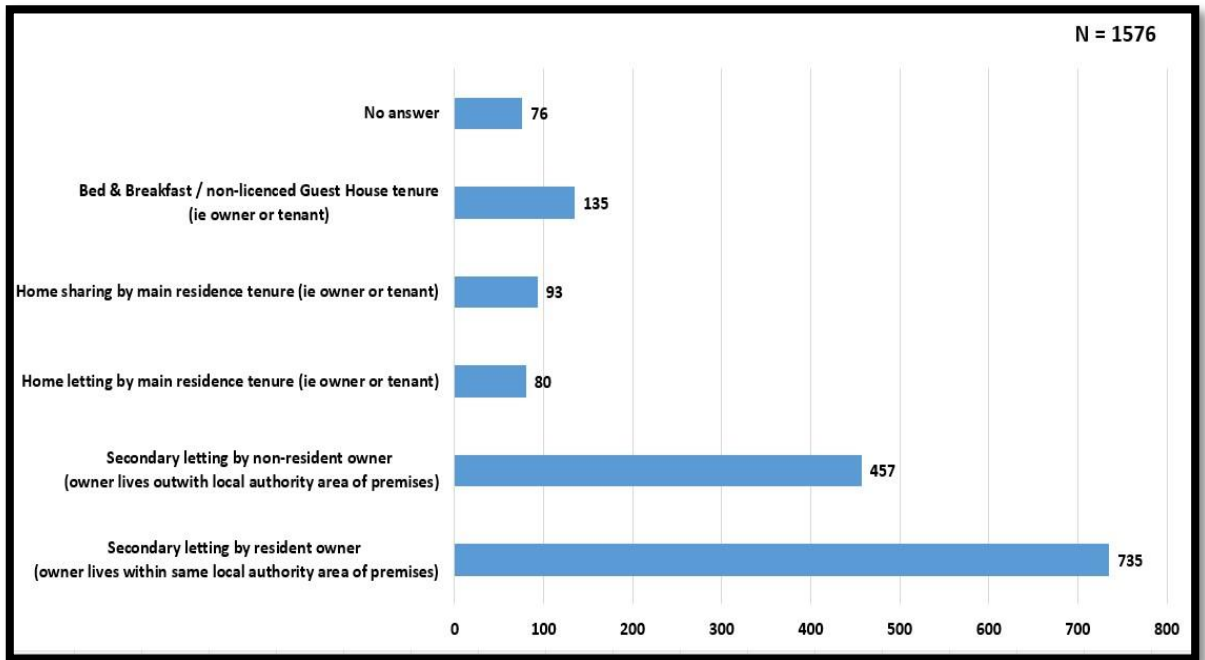


Fig.3.10. Q. 6. What type of Tenure is your business?

Q. 7. Does your business meet the definition of a self-catering property as defined in The Council Tax (Dwellings and Part Residential Subjects) (Scotland) Regulations 1992?

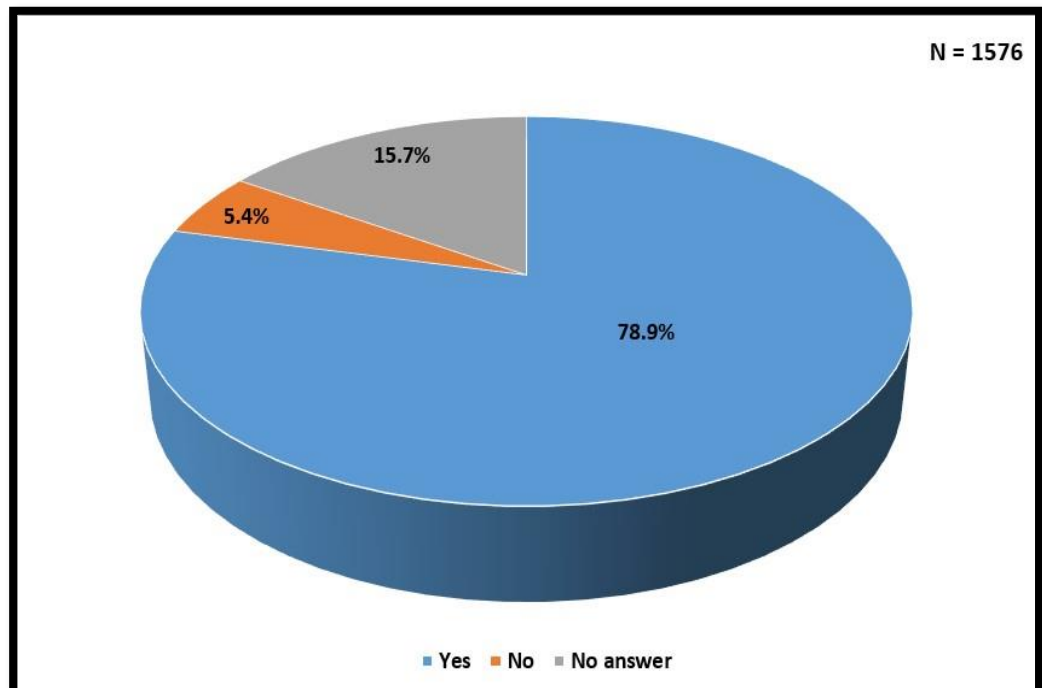
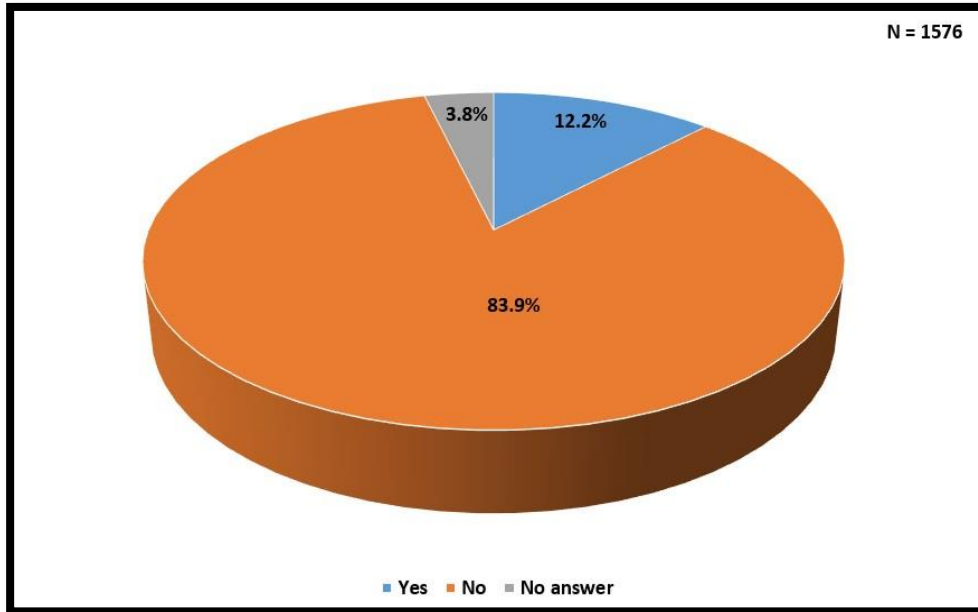


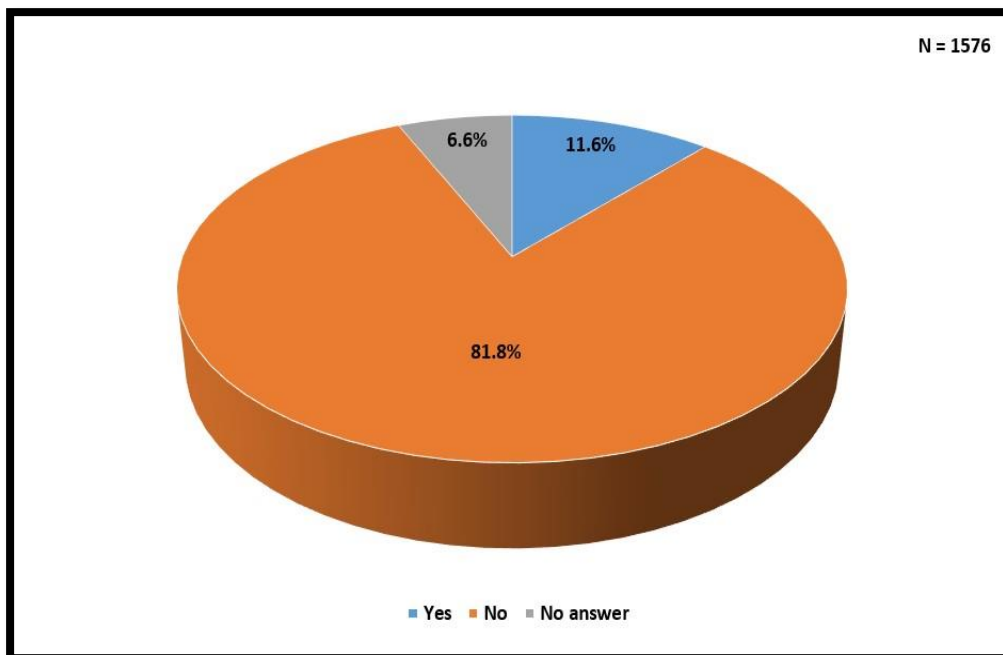
Fig.3.11. The Council Tax (Dwellings and Part Residential Subjects) (Scotland) Regulation

**Q. 8. Is your business a Home Share?**



**Fig.3.12. Home Sharing**

**Q.9. Is your business a Home Letting?**



**Fig.3.13. Home Letting**

Q. 10. Is your business a Secondary Letting (entire property) - occasional?

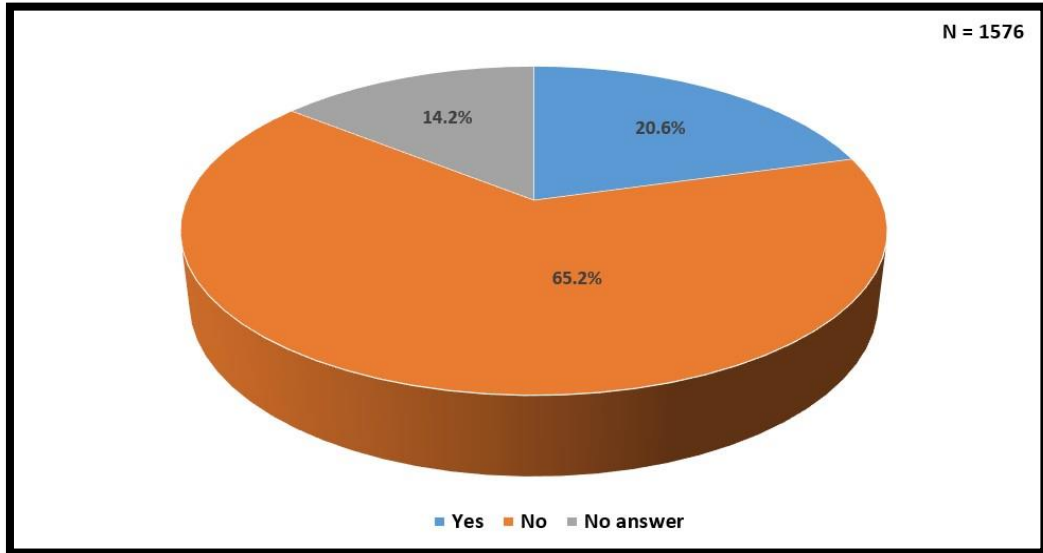


Fig.3.14. Secondary Letting (entire property) – occasional

Q. 11. Is your business a Secondary Letting (entire property) - commercial business (70 nights+)?

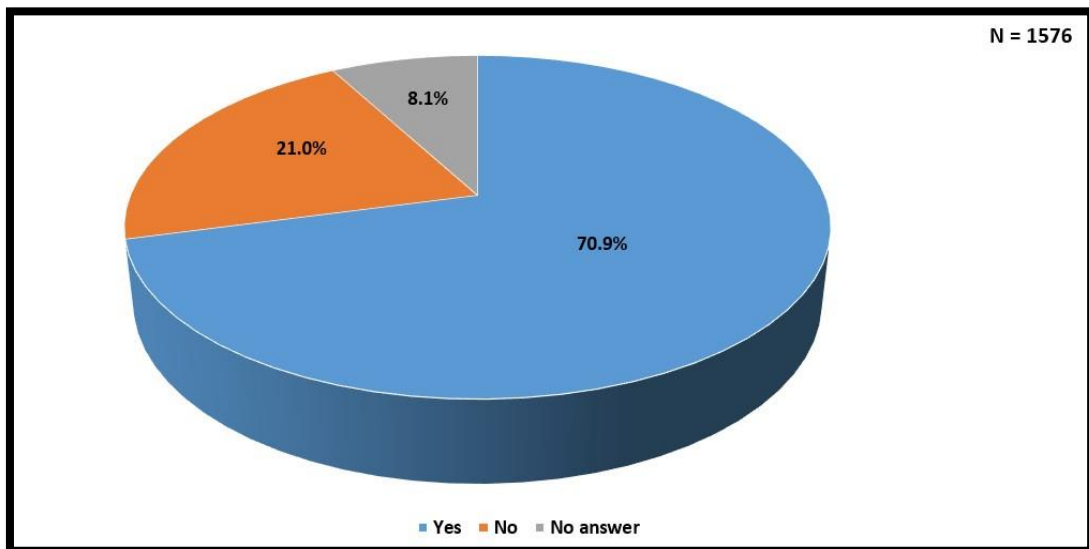
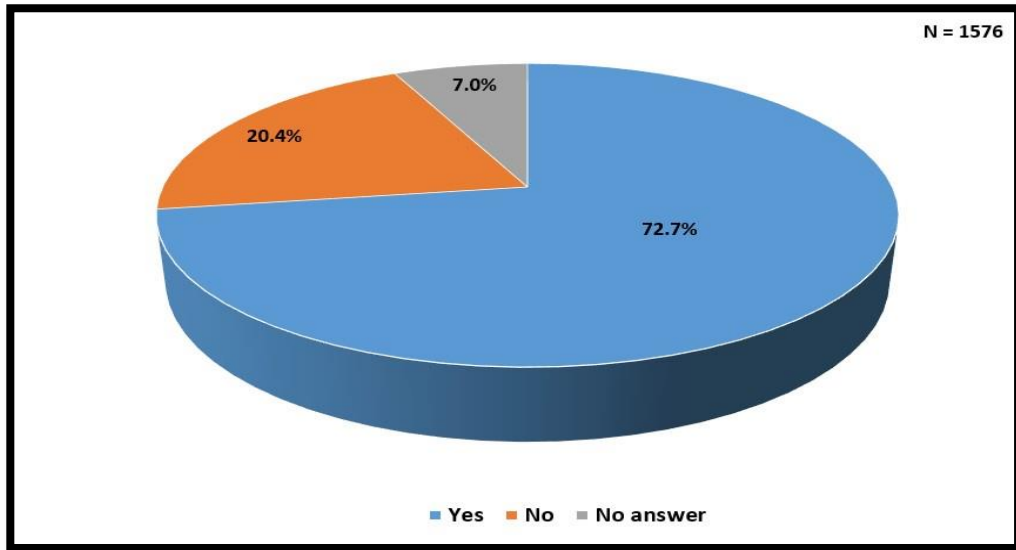


Fig.3.15. Secondary Letting (entire property) - commercial business (70 nights+)?

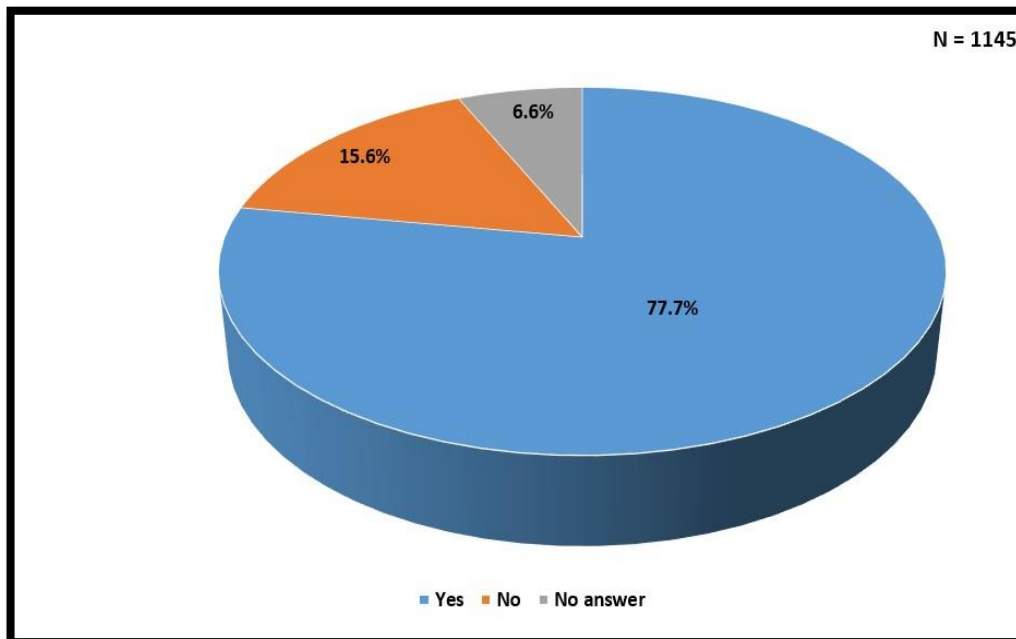


**Q.12. Is your business on Non-Domestic Rates?**

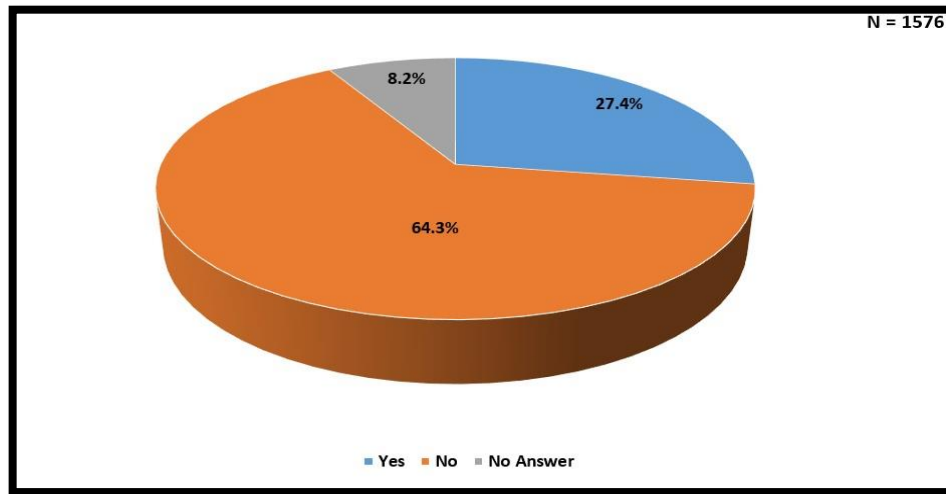


**Fig.3.16. Non-Domestic Rates**

**Q.13. Do you benefit from the Small Business Bonus Scheme?**



**Fig.3.17. Small Business Bonus Scheme**

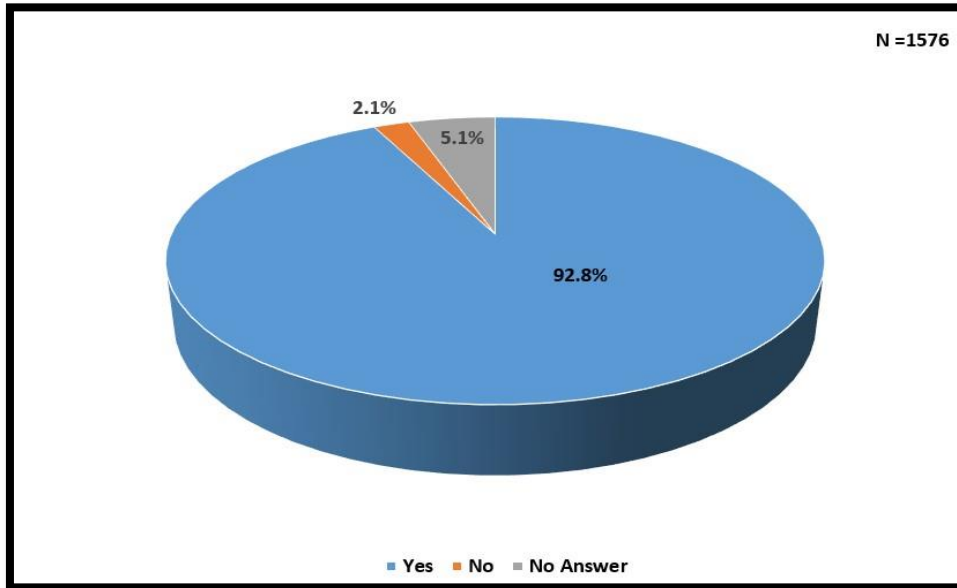
**Q. 14. Is your business on Council Tax?****Fig.3.18. Council Tax****Closures and Peak Seasons**

Respondents were asked to name the months of the year during which they were closed. According to the results of the survey, the months when the STLs are closed the most are January, February, and December. Furthermore, between April and September, very few businesses close down. When asked which months would have the highest demand for their accommodation, respondents chose June (1255), July (1466) and August (1467).

<b>N= 1576</b>	<b>Sample</b>	<b>Sample %</b>
<b>January</b>	331	<b>21.0%</b>
<b>February</b>	278	<b>17.6%</b>
<b>March</b>	145	<b>9.2%</b>
<b>April</b>	32	<b>2.0%</b>
<b>May</b>	13	<b>0.8%</b>
<b>June</b>	9	<b>0.6%</b>
<b>July</b>	9	<b>0.6%</b>
<b>August</b>	14	<b>0.9%</b>
<b>September</b>	15	<b>1.0%</b>
<b>October</b>	58	<b>3.7%</b>
<b>November</b>	223	<b>14.1%</b>
<b>December</b>	261	<b>16.6%</b>

**Fig.3.19. What months are you closed? (N=1576)**

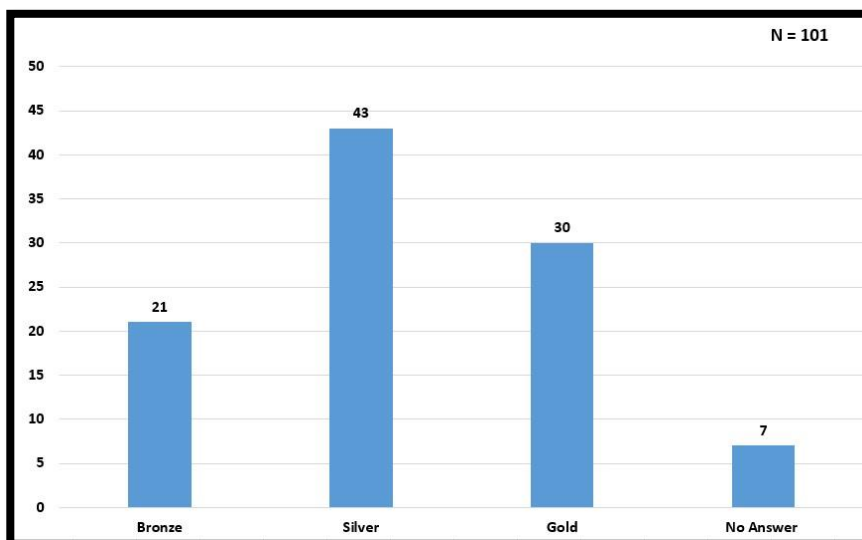
**Q. 17. Is your business covered by Public Liability Insurance?**



**Fig. 3.20. Public Liability Insurance**

**Green Tourism Award**

The respondents were asked if their organisation had received a green tourism award. Only 101 of the 1576 respondents did, 1328 businesses (84.3%) chose no as their answer, and the remaining 9.3% (147 businesses) did not respond. Additionally, the silver award was the most popular type of award given to most companies that received one.



**Fig.3.21. Green Tourism Award**

### VisitScotland's quality assurance scheme

The respondents were asked if their businesses were part of the VisitScotland quality assurance scheme. 344 of the 1576 participants were part of the scheme, 1079 businesses (68.5%) chose no as their answer, and the remaining 9.7% (153 businesses) did not respond. Additionally, four stars was a rating given to most businesses among those who did receive the accreditation. It is also important to note that self-catering properties accounted for 83.4% of the establishments that participated in VisitScotland's quality assurance programme.

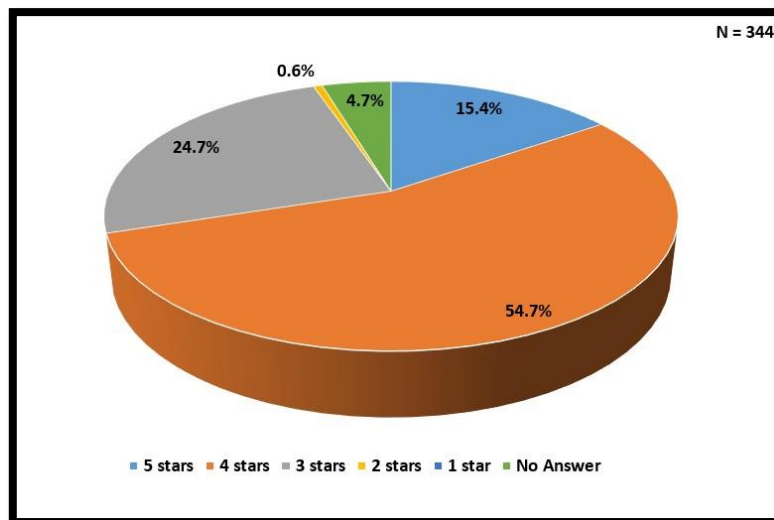


Fig. 3.22. VisitScotland quality assurance scheme

Q. 20. Is your business located within a National Park or UNESCO Biosphere?

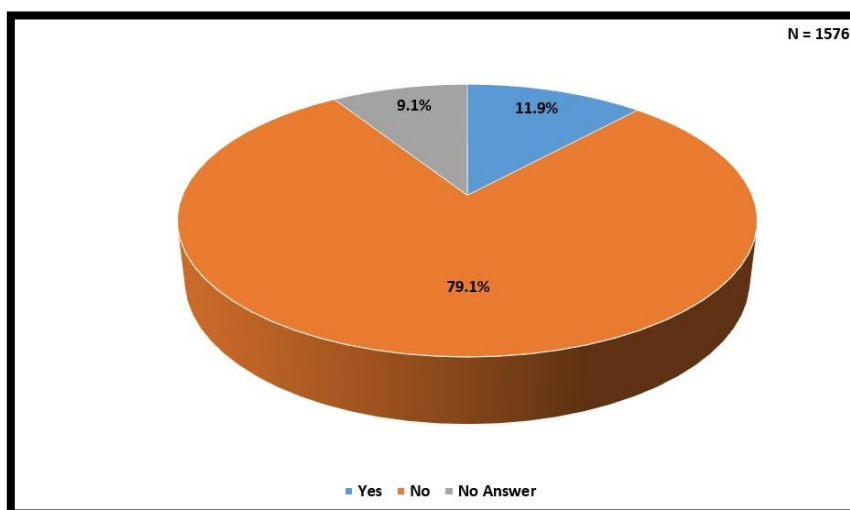
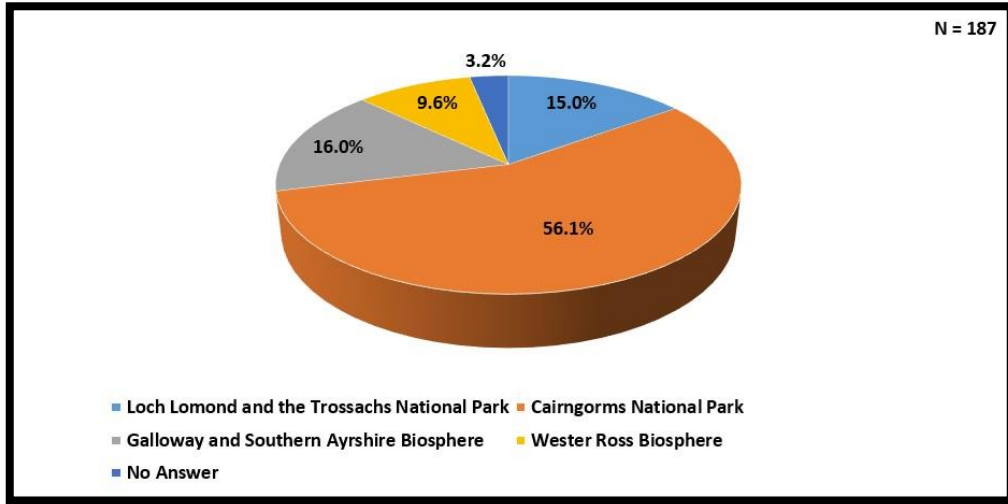


Fig.3.23. National Park or UNESCO Biosphere

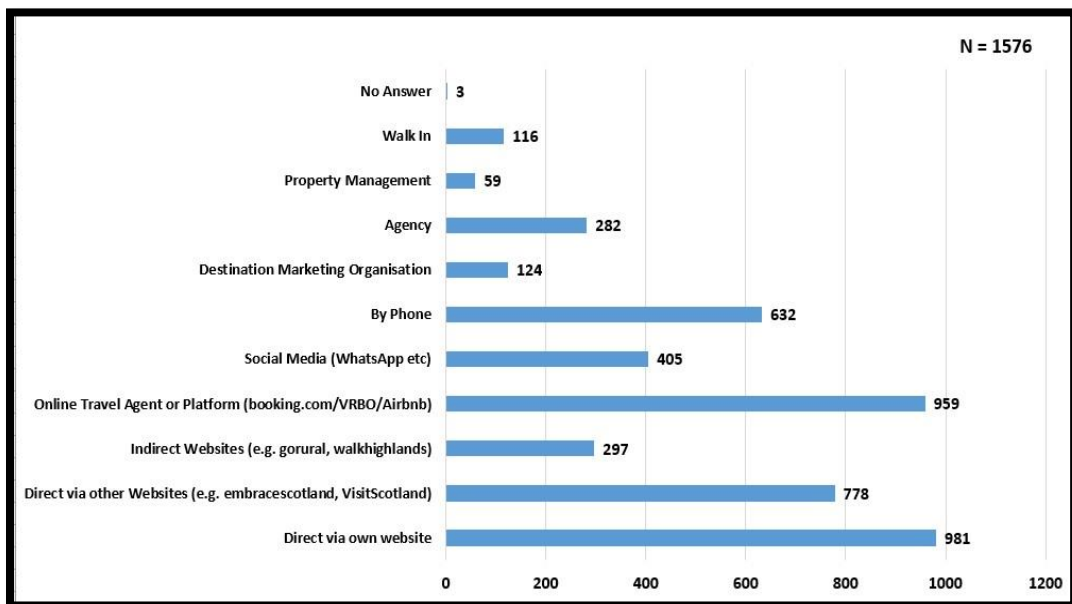
**Q. 20b. If yes, which National Park / UNESCO Biosphere are you located in?**



**Fig.3.24. National Park or UNESCO Biosphere: Location**

**Booking Methods**

The respondents were asked about the booking methods their businesses use. *Direct bookings via their website* and *OTAs such as Booking.com/VRBO/ Airbnb* were the most popular types of booking methods selected by the STLs. This finding is consistent with the previous report published by the Scottish Government (2019), which stated that Airbnb accounts for a significant portion of the short-term let stock currently available in Scotland.



**Fig.3.25. Booking Methods**

It is worth noting that 1106 of the 1576 respondents confirmed that their business is **bookable online**, 319 businesses (20.2% of the respondents) chose no as an answer, and the remaining 9.6% did not respond.

### Short-Term Let Licensing & Planning Control Area legislation

The respondents were asked if they were aware of the new Short-Term Let Licensing & Planning Control Area legislation. 1405 of the 1576 respondents (89.1%) confirmed that they were aware of the legislation, only 64 businesses (4.1% of the respondents) chose no as an answer, and the remaining 107 businesses did not respond (6.8%). Additionally, 73.4% of those unaware of the legislation expressed a desire to learn more about it.

Furthermore, respondents were asked if they considered the Scottish Government's Short-Term Let Legislation as a threat to their business. **The legislation was seen as a significant threat to 833 of the 1576 participants, accounting for more than half of the respondents (52.9%).**

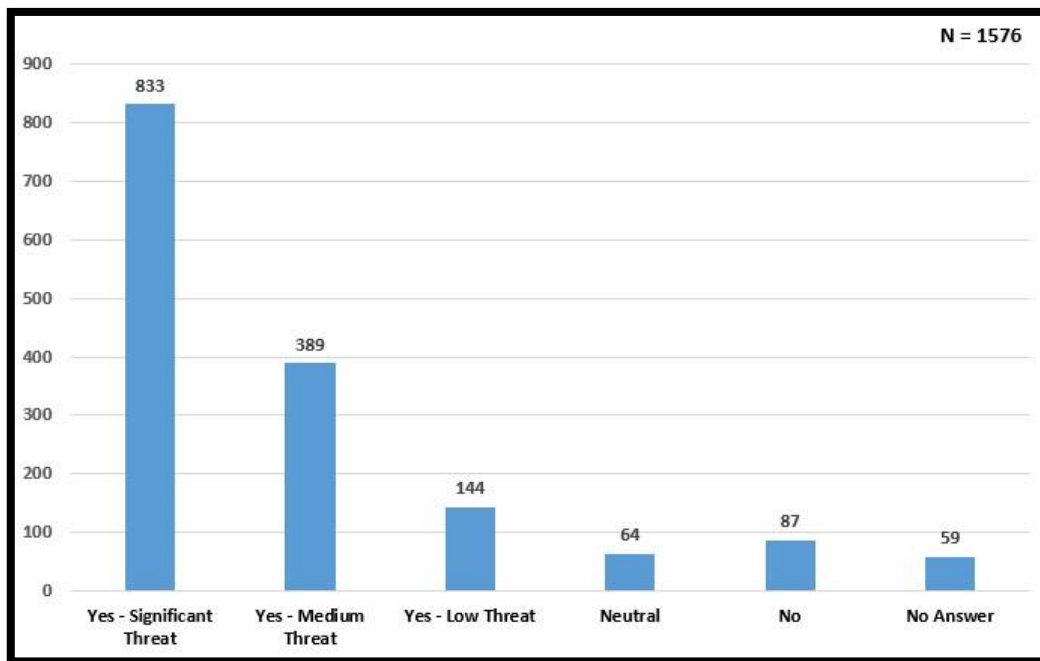


Fig.3.26. Scottish Government's Short-Term Let Legislation

## B. Supplement Surveys

The ASSC appointed the Moffat Centre to undertake further research on Scotland's short-term let. It was determined that to understand why the legislation has been viewed as a threat (as highlighted by the majority of STL operators in the primary survey), it was necessary to obtain more detailed views and opinions from the

respondents. The qualitative research gave further insights based on the experience and circumstances of the operators. The aims of the supplement surveys were to:

- Discover why some see the STL legislation as a threat while others do not, and if possible investigate the reasons behind both stands.
- Gain a further understanding of the positive and negative impacts of the STL legislation on STLs operators in Scotland.
- Discover how STLs across different locations in Scotland are affected by the STL licence scheme.

### **Methodology and Sample**

Two online follow-up surveys were conducted over the course of 7 days, ending on the 13<sup>th</sup> of December, 2022. The first survey was sent out to the short-term let providers who considered the legislation as a threat to their businesses, here referred also as “non-supporters” of the legislation. The second survey was sent to the “supporters”- operators who stated in the main survey that the licence was low or no threat to their businesses.

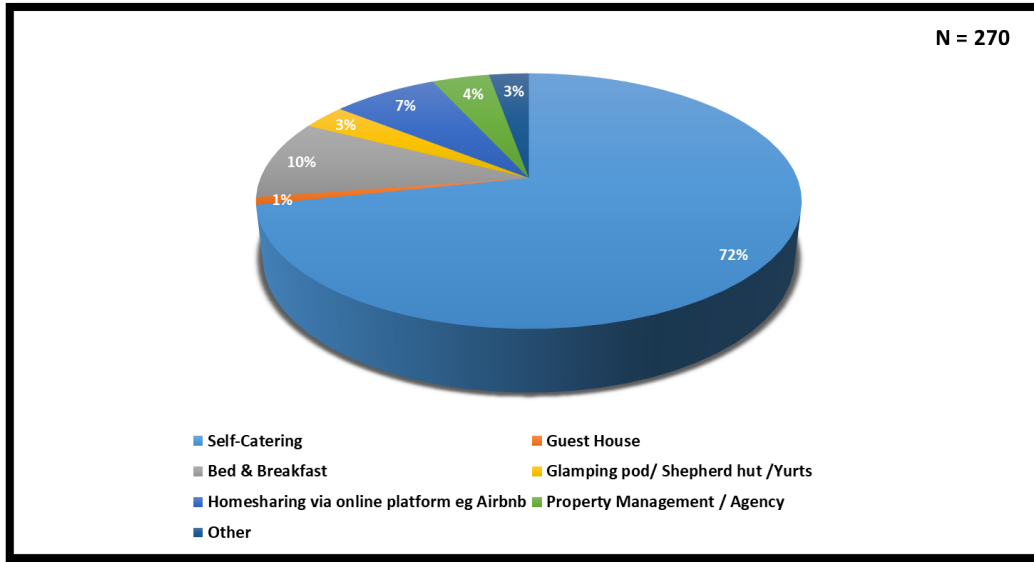
- **Survey I - Sample: 270 participants**
- **Survey II - Sample: 50 participants**

Furthermore, in the supplement surveys, the Moffat Centre asked each participant if they were willing to be contacted about their responses. Following a careful review of the responses, Moffat Centre contacted the respondents and conducted follow-up phone calls or video conference interviews, which provided us with data for the case studies described in the following chapter.

**Survey I.**

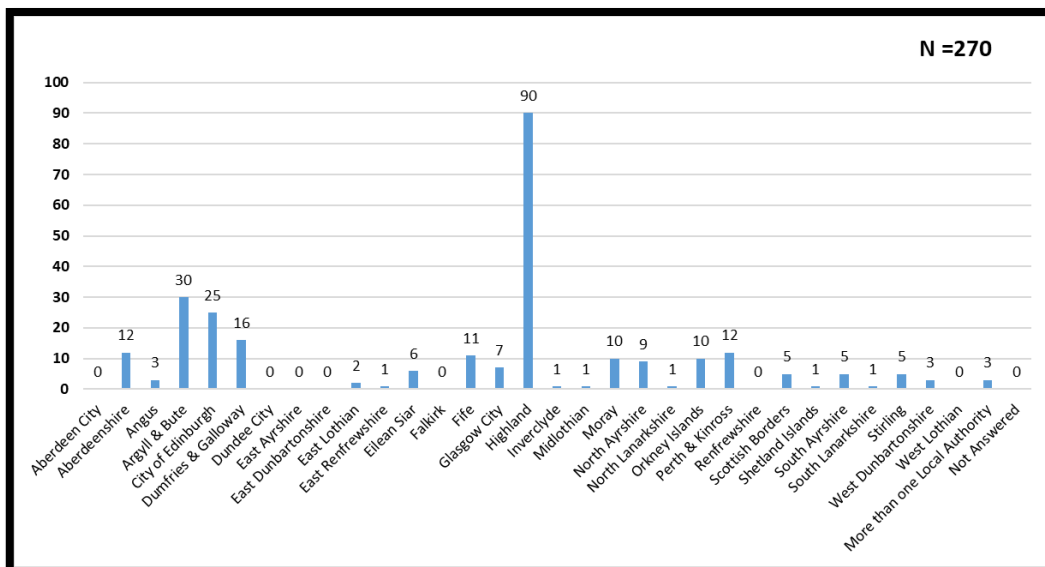
The findings of the first follow-up survey (sent to the STL operators who considered the short-term let legislation as a threat to their businesses).

**1. What type of Business do you operate?**



**Fig.3.27. STL types**

**1d. Please insert the Local Authority in which your Business is located.**



**Fig.3.28. Local Authorities**



2. In the Short-Term Let Survey, you indicated that you feel that the Scottish Government Short-Term Let Legislation poses a threat to your business. Do you still hold this position?

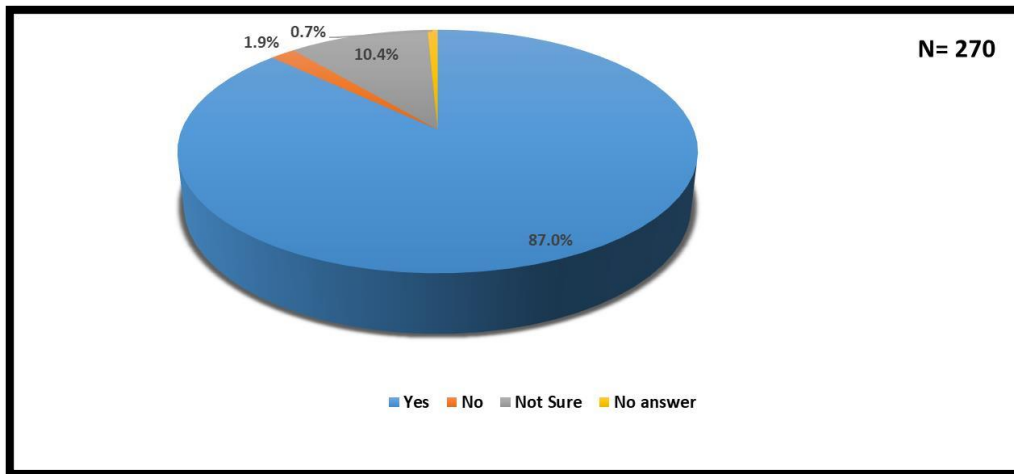


Fig.3.29. STL operators who still consider the legislation as a threat

It is important to note that only five people out of 270 respondents changed their minds and no longer considered the legislation as a threat. When asked why they changed their position, they provided the following answers:

- **Participant 1:** "North Ayrshire have shown a light touch to this licence. Everything they are asking for should be in place anyway. The fire risk assessment seemed daunting, but I found a template on visitbritain.org that is for small establishments. Thumb locks on fire exits may be problematic but are a good idea to have".
- **Participant 2:** "Found the process of applying much less onerous than first thought".
- **Participant 3:** "Despite a lot of anxiety I feel it is a better way forward and hope that it will be an assurance to future guests that they will be safe booking our property".
- **Participant 4:** "On reflection and although D&G council haven't granted our licence yet, we feel that it will be good that all competitors will now have to adhere to the safety and other standards that we have always had".
- **Participant 5:** "I've just accepted that it must be done if I'm to continue in business and I will wear the fee and hassle."

2a. If selected Yes as your answer, can you please briefly explain why you feel that the Scottish Government Short-Term Let Legislation is a threat to your business?

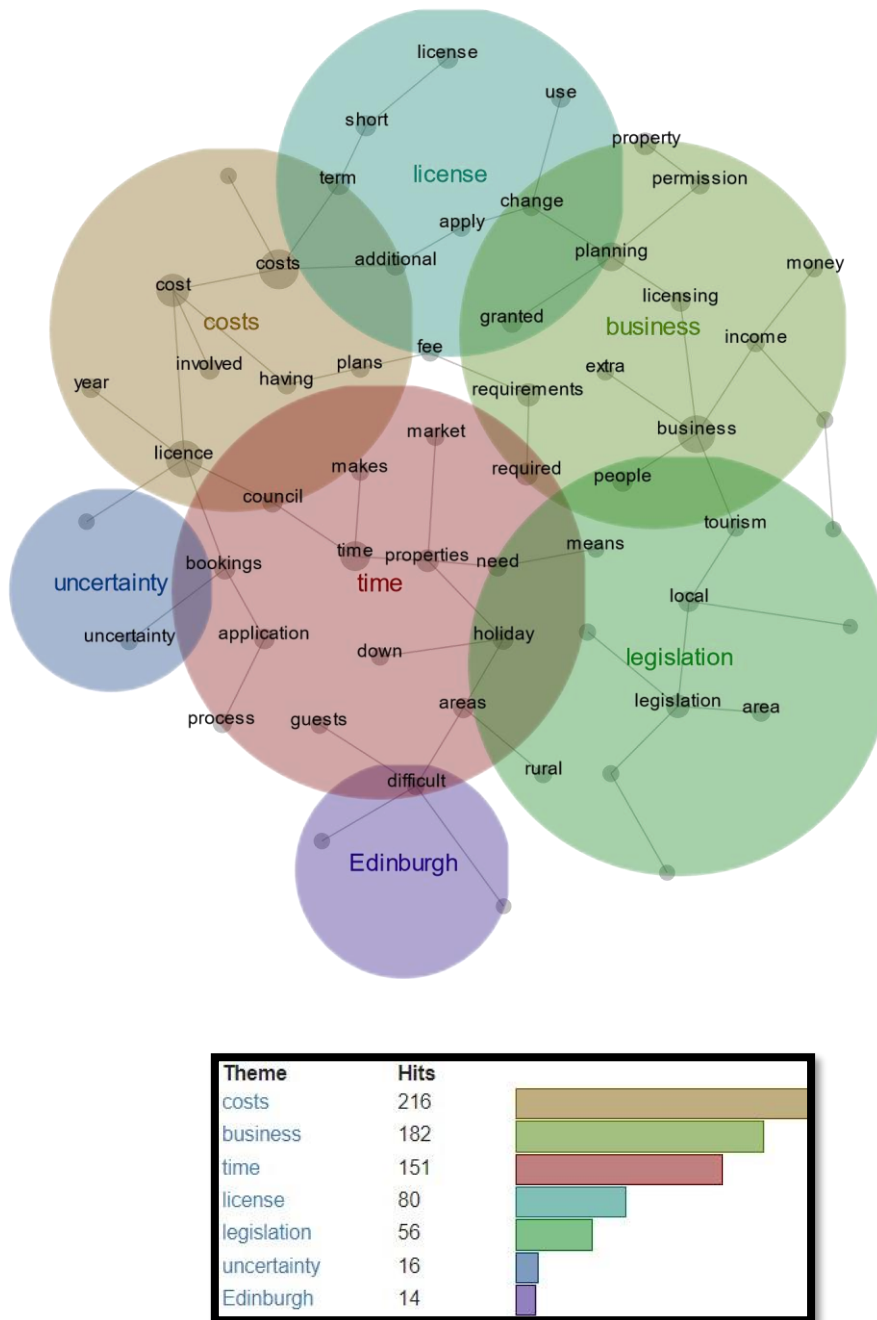


Fig.3.30. Reasons of why the Scottish Government Short-Term Let Legislation is seen as a threat

The participants highlighted that the legislation causes uncertainty for their future operation. The most frequently mentioned issue, however, was the cost of applying for the licence. The unavoidable costs of compliance will have a significant effect on many businesses. Many participants agreed that the application process is very time

consuming, and the complete impossibility of getting all the necessary tradesmen to carry out surveys and safety and compliance checks in remote communities. In one specific case, the participant from the Orkney Islands mentioned that there is a major critical shortage of tradesmen on the islands with an approximate 9-month waitlist for an electrician. The participants described the legislation as a burden in an already challenging market. The new legislation is seen as very confusing, and there is no indication of how long a licence will take and when it will get approved. Some participants highlighted that it is impossible to grow the business and move forward with such fuzzy guidelines. Furthermore, the inability to transfer the licence to new owners after the sale and having to re-apply every 3 years was also mentioned as key issues. According to the respondents, the requirements for the STL Licence seem totally disproportionate compared to standards for this sector in other countries. While some businesses have stated that they will be able to survive due to personal savings, many smaller low-cost accommodations have decided not to re-open for the coming season. Few participants mentioned putting their houses for sale. The following are some of the respondents' answers to the above question (2a):

- *"The rent for 2023 sales has already been set and does not consider all the licensing costs. I fear that my small business may no longer be viable".*
- *"The STL licence is a threat because the application is complex and costly for a small business. As we will have to pass the costs on it effectively makes us less competitive to other parts of the UK".*
- *"Cost for no value - hurts competitiveness with English competitors and indeed with other providers in Scotland because of variable cost by region rather than a flat rate national figure. Uncertainty - potential to lose licence based on unsubstantiated objections/complaints by neighbours".*
- *"Continuing uncertainty (which continues forever because licences are not guaranteed)".*
- *"We are already seeing a drop-in booking from Airbnb and can only assume that it is a result of visitors being nervous about booking a self-catering holiday when a licence may be refused".*
- *"Costs of licence and certificates. I only get very few bookings due to location but am being charged the same for a licence as those in a high tourist area such as St Andrews who can charge a higher rate".*

- *“Additional time demands required to organise and manage all the licensing checks and requirements”.*
- *“Expensive, over-onerous. not enough consideration taken to difference between urban and rural businesses and their contribution to the local economy”.*
- *“This is a Scottish Government attempt to address the lack of affordable housing in semi-rural/rural areas. The problem is many will not sell their properties and for those who do the properties will not be bought by local people”.*
- *“Everything is more expensive on an island - to get floor plans drawn £450+VAT, if I have to get someone from the mainland I was quoted £850! I've been doing this as my only income for over 20 years, why penalise us now for what happens in a city. Airbnb in Edinburgh area was where this all started, not a rural area”.*
- *“The additional costs associated with the over bureaucracy required, together with the worry that any licence might be rejected. We have operated this diversified business for 20 years ... I feel that each stakeholder in this licence process is making it their priority without looking at the big picture for the people who have to comply. The additional costs for this year to our business will be in excess of £10k”.*
- *“There is little reassurance that we will gain anything from this legislation - those who operate in the margins will continue to do .. councils will not have the time, labour and scope to address any issues across the islands”.*
- *“Visit Scotland inspected us three years ago and listed 4 stars. It's already expensive to get to Orkney. We have opted to just keep the Bothy for friends and family”.*
- *“For small businesses along with insurance costs and rising energy costs this legislation makes my business a struggle.”.*
- *“The stress, costs and uncertainty in dealing with this layer of bureaucracy makes closing it down seem very tempting”.*
- *“A number of properties that we manage are in buildings with shared entrances. We have been told that these properties will require planning permission that will not be granted and will not be eligible for a licence”.*

2d. In a short paragraph, please tell us how the introduction of the Scottish Government Short-Term Licence is going to affect you and your business.



Fig.3.31. The legislation's impact on the STL operators

2e. Do you believe that the Scottish Government Short-Term Let Legislation is essential for the industry going forward?

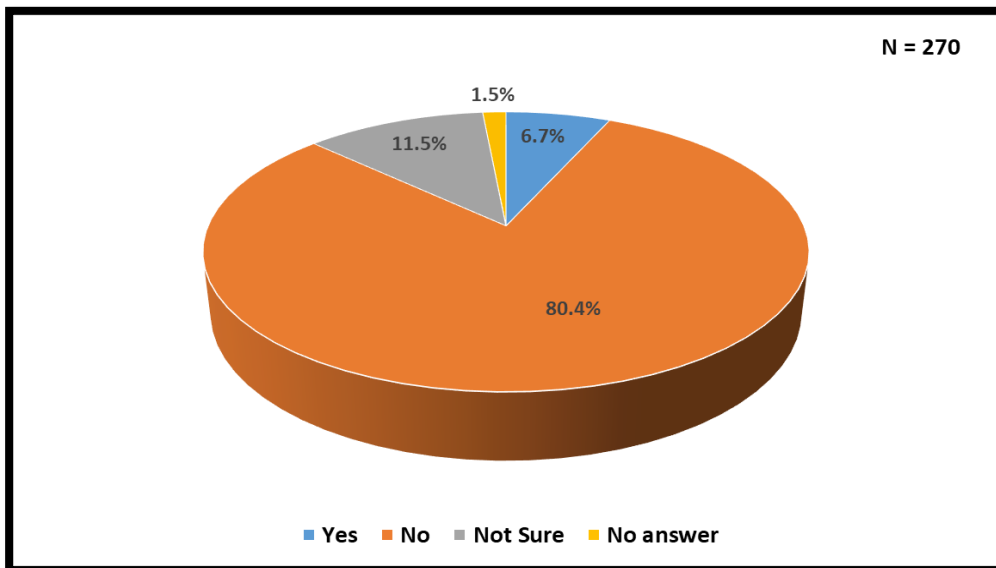


Fig.3.32. STL operators who trust that the STL legislation is essential

2f. If selected Yes as your answer, why do you feel that the Scottish Government Short-term Let Legislation is essential for the industry going forward?

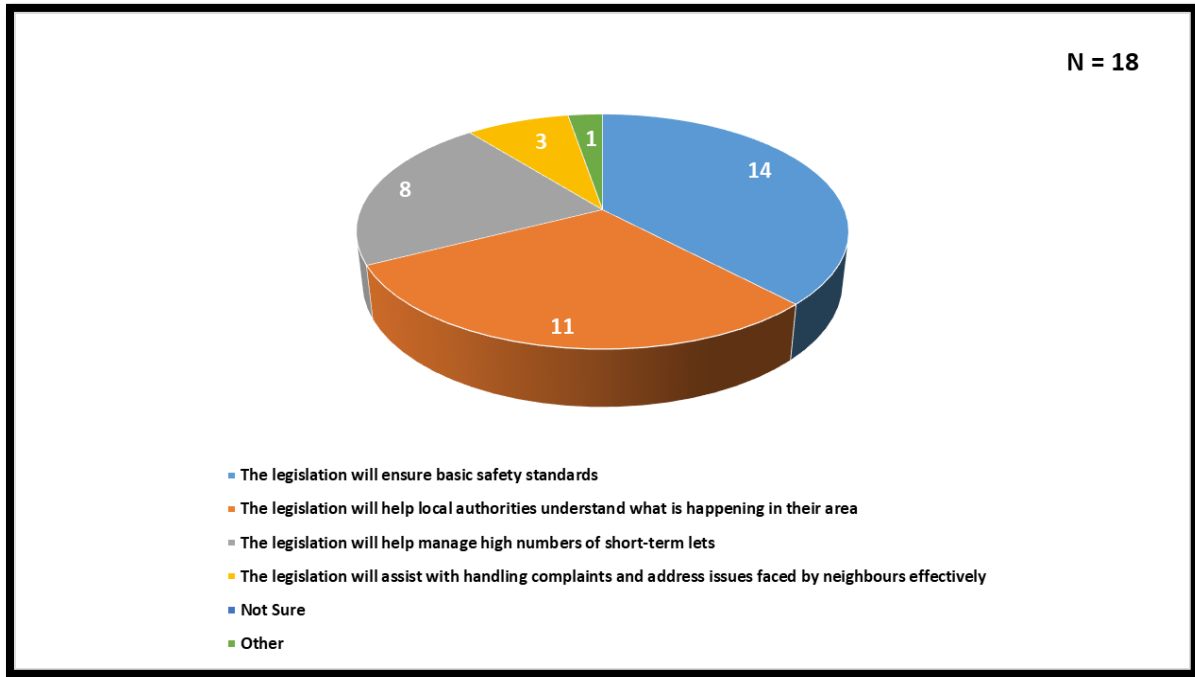


Fig.3.33. STL operators' reasons on why the legislation is seen essential for the sector

2g. If selected No as your answer, why do you feel that the Scottish Government Short Term Let Legislation is not essential for the industry going forward?

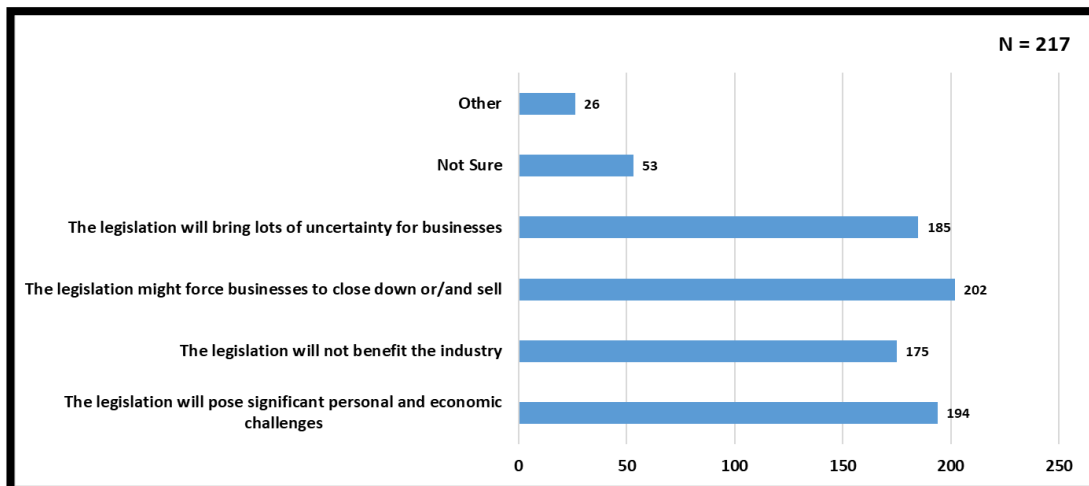


Fig.3.34. STL operators' reasons on why the legislation is not essential for the sector

**2h. What, if anything, do you think could be implemented instead of the Scottish Government Short-Term Let Legislation?**



**Fig.3.35. Alternatives to the Scottish Government Short-Term Let Legislation**

There were three main concepts contained within the responses to the above question: first related to registration as the alternative to the introduced licensing; second emphasised that STLs should be regulated in a similar way as long-term rentals; the last concept highlighted various areas that were mentioned in the answers. The participants call for a more locality-based approach that would distinguish the issues

and different needs across the councils. The following are some of the respondents' perspectives on alternatives to the STL legislation:

- *“A restriction in the number of STLs, this could be done by looking at the numbers on business rates. These operators are should then be required to adhere to safety standards as per long term let”.*
- *“The new system could have been simpler. It could have been implemented in consultation with owners and communities (e.g. there is nothing in the requirements about rubbish disposal which is an issue for many)”.*
- *“A locality-based approach would be more useful so that economic and tourism strategies could be matched with housing and planning strategies. Keeping the essence of the effort is fine, and if over-tourism is a thing, which it is and we accept the problems in Edinburgh and Skye for example, we start there and use them as pilots to manage our over-tourism and bring housing back into sustainable long-term use. Conversely, you may develop a different approach in say Bute or Kintyre where some incentives to provide more tourism to support the local economic efforts would be very appropriate and historically there is a declining population where new economic and tourism opportunities can be used to encourage people to stay permanently”.*
- *“A registration scheme or compulsory membership of a quality assurance scheme. More targeted approach by local councils dealing with specific rental issues in their immediate vicinity, rather than a one size fits all approach which is not relevant for the vast majority of businesses”.*
- *“I understand that minimum standards for the benefit of the paying customer and the local communities need to be addressed but this STL legislation is overkill and inappropriate. Accommodation being used within the tourism industry can easily be regulated by existing industry organisations such as VisitScotland. The system is already in place and so registering your business with them and meeting the criteria required to offer accommodation within the safe and acceptable boundaries of health and safety legislation should not be difficult”.*
- *“In areas where there is a significant problem with over provision of short term let accommodation impacting on availability of housing for long term residents, planning rules that require 'change of use' planning permission to be granted for new businesses to start operating from existing dwellings would be justifiable, but that should not impact on the continued operation of existing businesses”.*
- *“A registration scheme run by the ASSC would be more proportionate and cost effective”.*



- “Legislation is not really appropriate for many rural business & and as a result is a heavy-handed approach with unintended consequences. A far better understanding of what actually happens in practice as many responses to this legislation have indicated should be listened to and considered”.

**2i. Do you have concerns about short-term let licensing?**

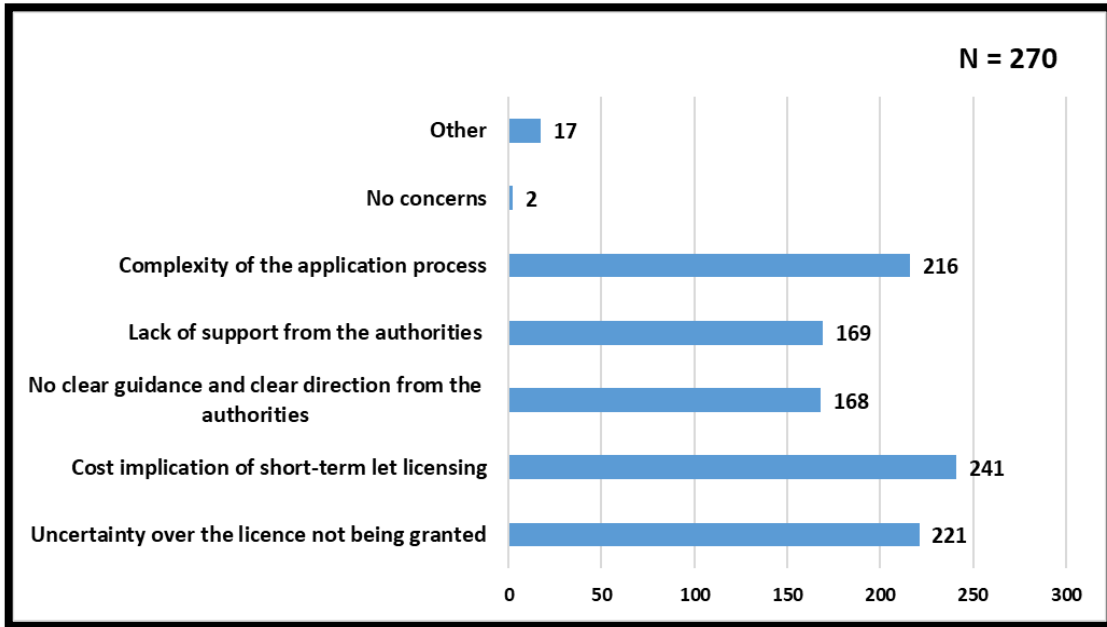


Fig.3.36. Concerns about the legislation

**2k. Are you planning to open your business in 2023?**

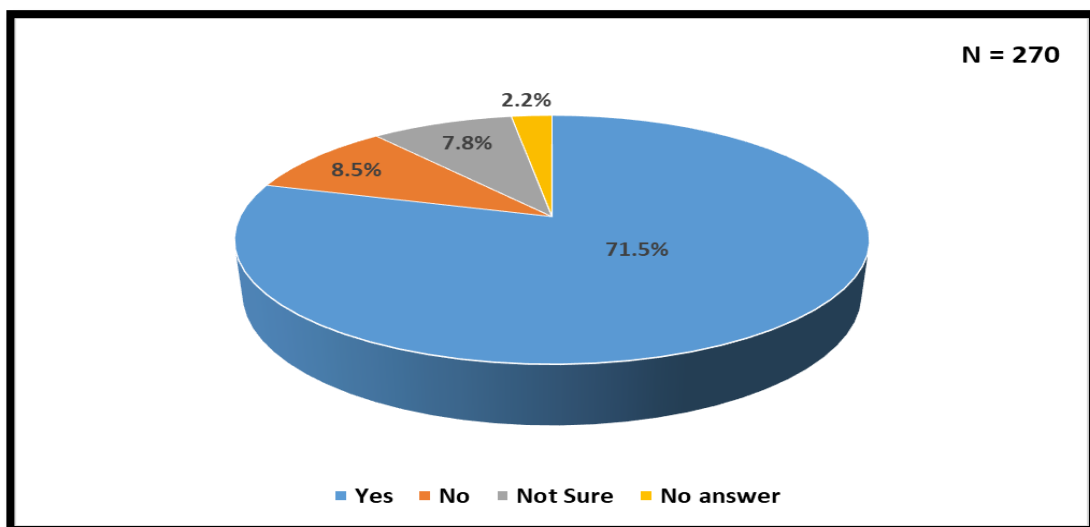


Fig. 3.37. STL operators' plans for opening in 2023

2l. If selected *No* or *Not Sure* as your answer, can you please explain the reason why you are not planning or are unsure about opening in 2023?

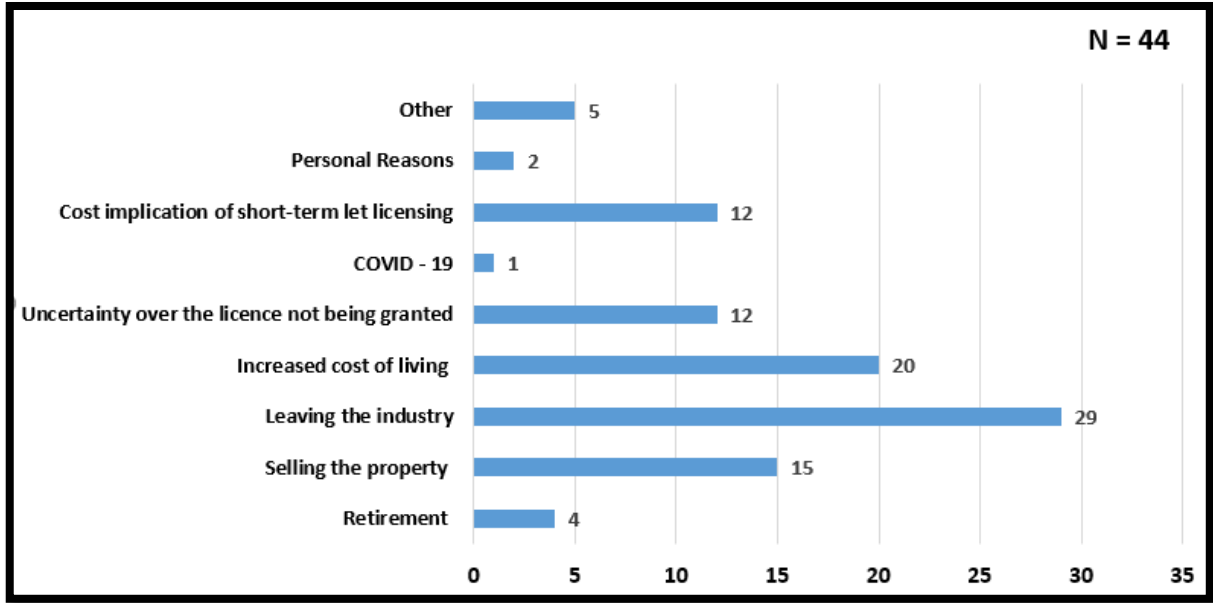


Fig.3.38. STL operators' reasons for not opening in 2023

The participants who selected "other" as their response, mentioned a reduction in bookings, and taking a reduced income by letting it out for a longer let as additional reasons for not continuing with their short-term let business operation.

2n. Are you in the process of applying for a Scottish Government Short-Term Licence or have you already done so?

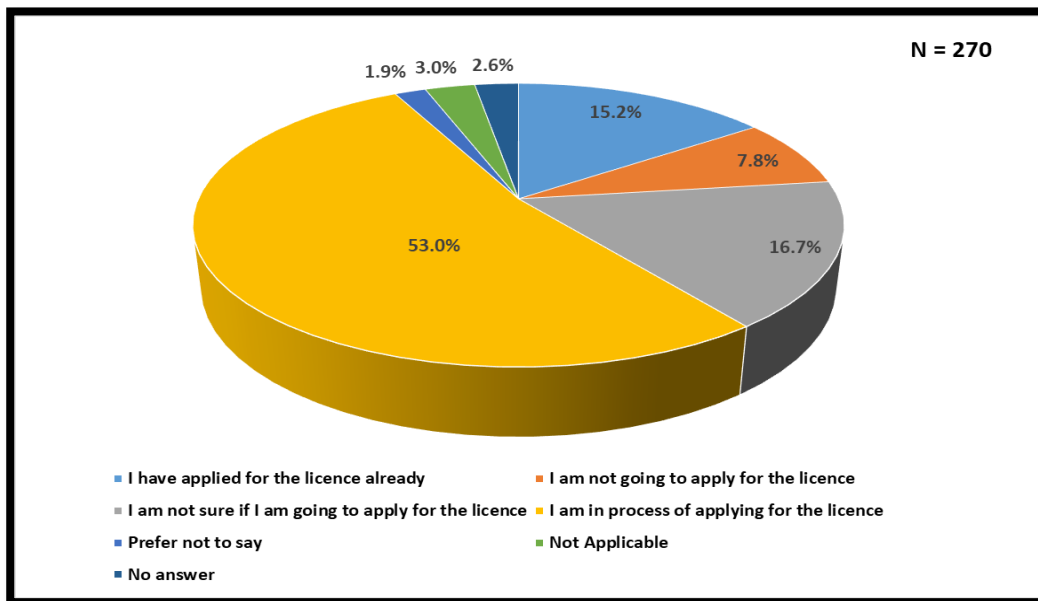


Fig.3.39. STL operators' applications for

2p. Do you believe that the Scottish Government Short-Term Let Legislation will increase properties available for people to rent long-term or to buy as their main home, addressing the lack of affordable housing?

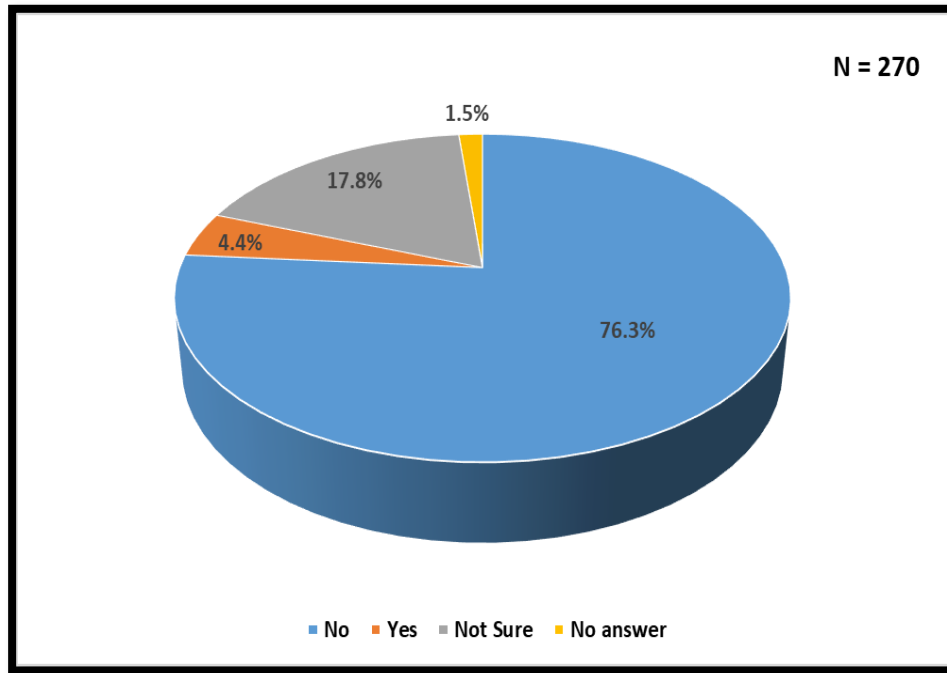
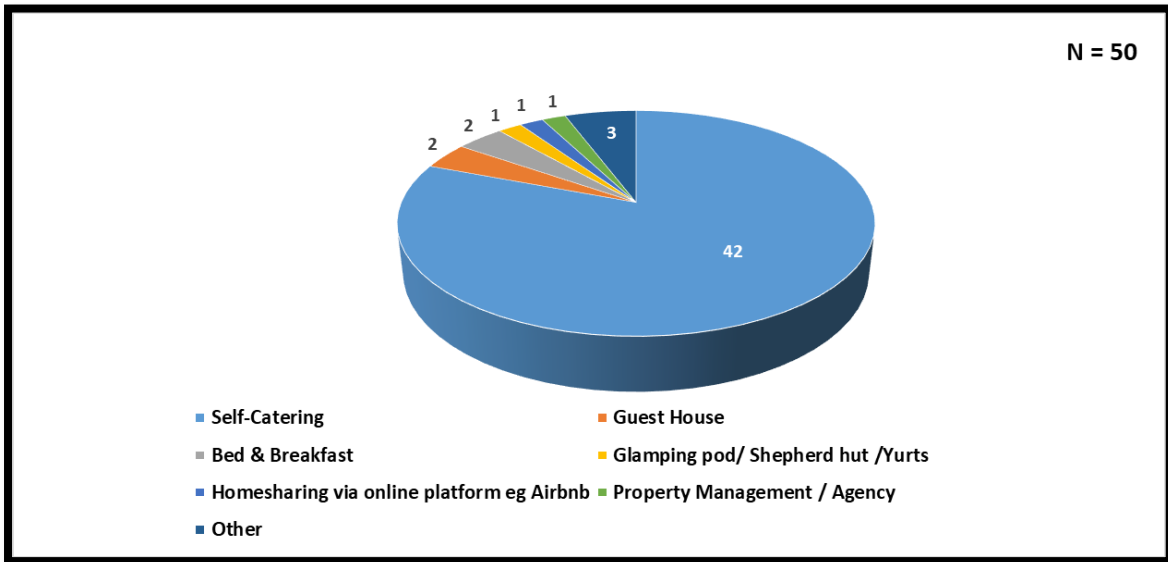


Fig.3.40. STL operators' opinion about the legislation's impact on affordable housing

**Survey II.**

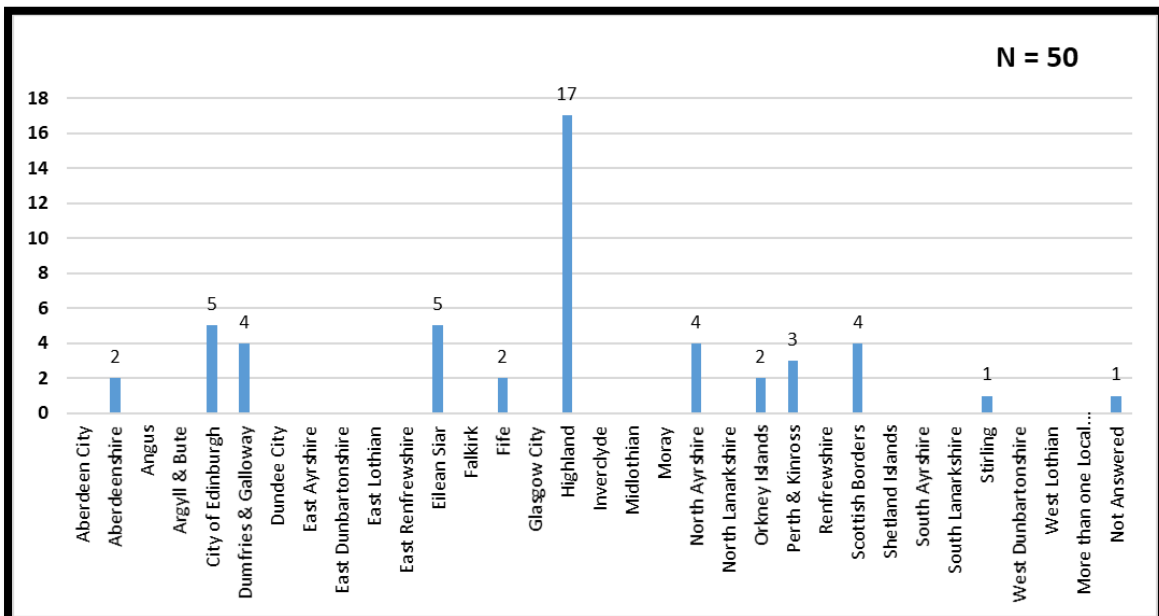
The findings of the second follow-up survey (sent to the STL operators who considered the short-term let legislation as a little or no threat to their businesses).

**1. What type of Business do you operate?**



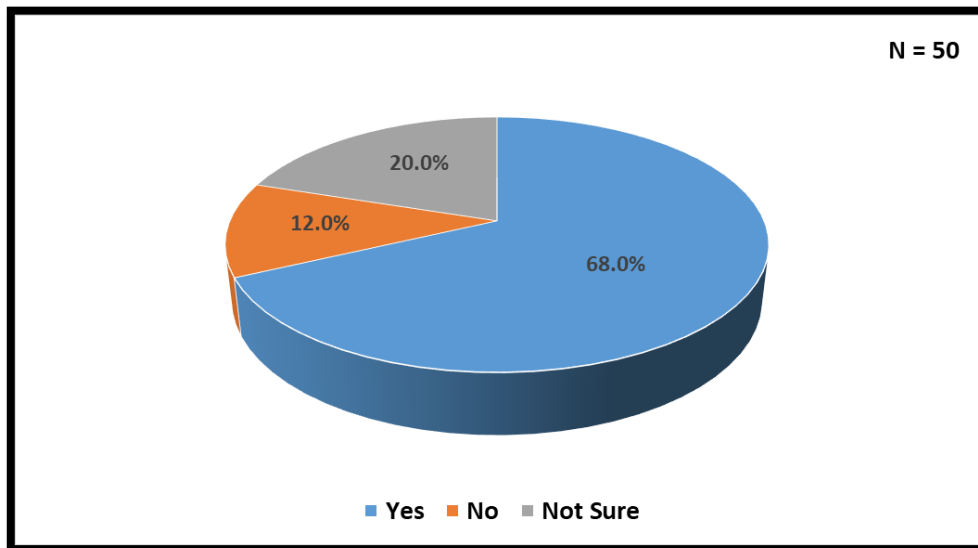
**Fig.3.41. STL Type**

**1d. Please insert the Local Authority in your Business is located.**



**Fig.3.42. Local Authorities**

2. In the Short-Term Let Survey, you indicated that you feel that the Scottish Government Short-Term Let Legislation poses a low or no threat to your business. Do you still hold this position?



**Fig.3.43. STL operators who do not consider the legislation as a threat**

It is important to note that 6 out of 50 respondents changed their minds and considered the legislation a threat. When asked why they changed their position, 5 out of 6 responded and provided the following answers:

- ❖ **Participant 1:** *“Planning being refused for shared stair flats. Attempt to block Certificate of Lawfulness applications (10+ years’ use as STL) which were closed due to COVID. Apparent double jeopardy of getting planning but having a licence refused on, essentially, planning grounds”.*
- ❖ **Participant 2:** *“The granting of the licence is not guaranteed.”*
- ❖ **Participant 3:** *“Legal advice suggests that I will not be able to argue my premises is my “home”. This would mean I’d have to apply for a secondary letting licence because it is in a shared stairwell”.*
- ❖ **Participant 4:** *“Onerous and costly to gather all necessary information for licence application. Planning application was costly and time-consuming.”*
- ❖ **Participant 5:** *“Started filling in the forms! They are incredibly onerous and full compliance is expensive”.*

**2a. If selected Yes as your answer, can you please briefly explain why you feel that the Scottish Government Short-Term Let Legislation poses little or no risk to your business?**

Where the legislation was not viewed as a major threat, providers usually stated that they already had a lot of the necessary paperwork in place in terms of EPCs, floorplans, and H&S requirements, so the legislation wasn't too burdensome. In addition, participants who did not oppose licensing stated that they were operating modern, fully compliant properties, implying that newer properties could have been in a better position than older properties:

*"Our properties are newly built dwellings and we already had most of the prerequisites for the STL Licence application in hand. We were also in the fortunate position to be able to provide the understanding and skill required to produce many of the prerequisites in-house i.e. plan drawings, risk assessments"*

*"Firstly, the legislation has only been live for a matter of weeks. There hasn't been enough time to see the effects of, if any... Secondly, my clients and I agree with the legislation as we believe it provides many benefits such as a higher level of professionalism for the industry, a much more robust and safer environment for guests and clear and efficient guidelines for agencies. Thirdly when guests book a property they want to see and be assured the property is of a high safety standard. The legislation brings with its confidence for guests. Lastly, my clients are happy and are financially secure enough to afford the fees".*

It is important to note that even providers who saw the STL legislation requirement solely as "a paper exercise and a minor inconvenience" with no impact on their businesses emphasised that in their opinion "*the Government is tarring all the industry with the same brush*", with no regard for individual circumstances.

2d. In a short paragraph, please tell us how the introduction of the Scottish Government Short-Term Licence is going to affect you and your business.



Fig.3.44. The legislation’s impact on the STL operators who saw little or no threat to their business

2e. Do you believe the Scottish Government Short-Term Let Legislation is essential for the industry going forward?

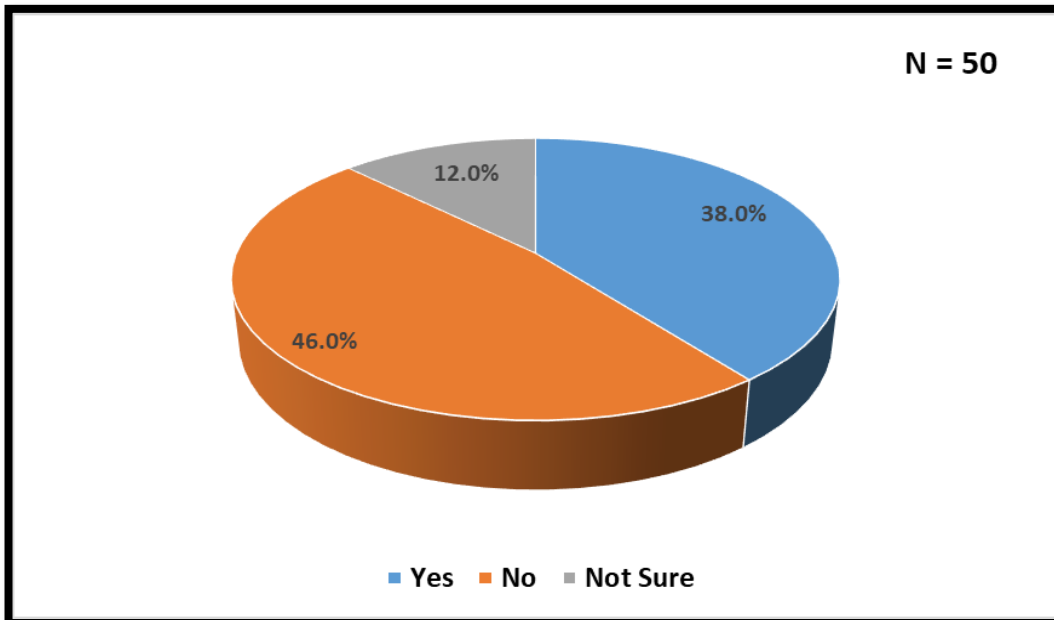


Fig.3.45. STL operators who saw little or no threat to their business, who see that the STL legislation is essential

**2f. If selected Yes as your answer, why do you feel that the Scottish Government Short-Term Let Legislation is essential for the industry going forward?**

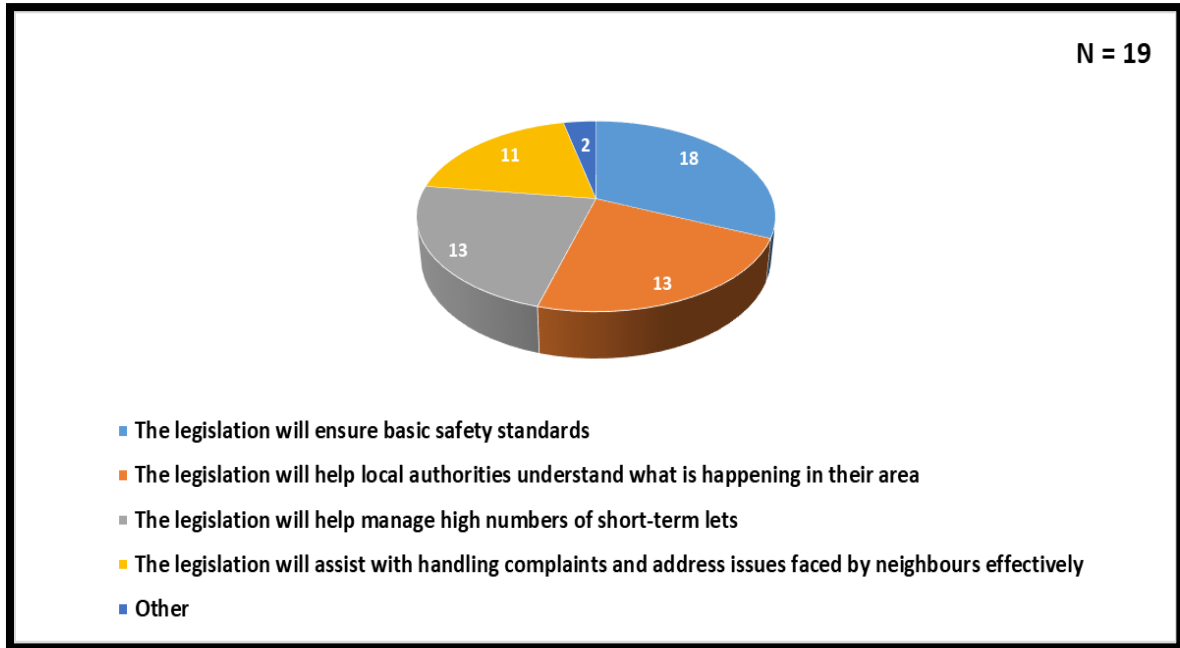
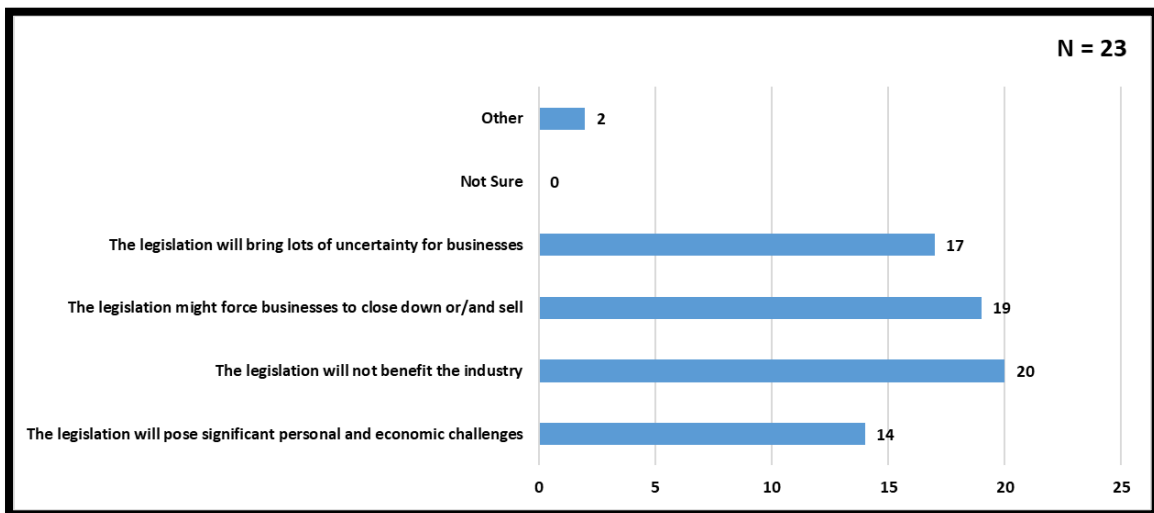


Fig.3.46. STL operators’ reasons on why the legislation is seen essential for the sector

**2g. If selected No as your answer, why do you feel that the Scottish Government Short-term Let Legislation is not essential for the industry going forward?**



Two participants who selected “other” as their answer provided the below explanation:

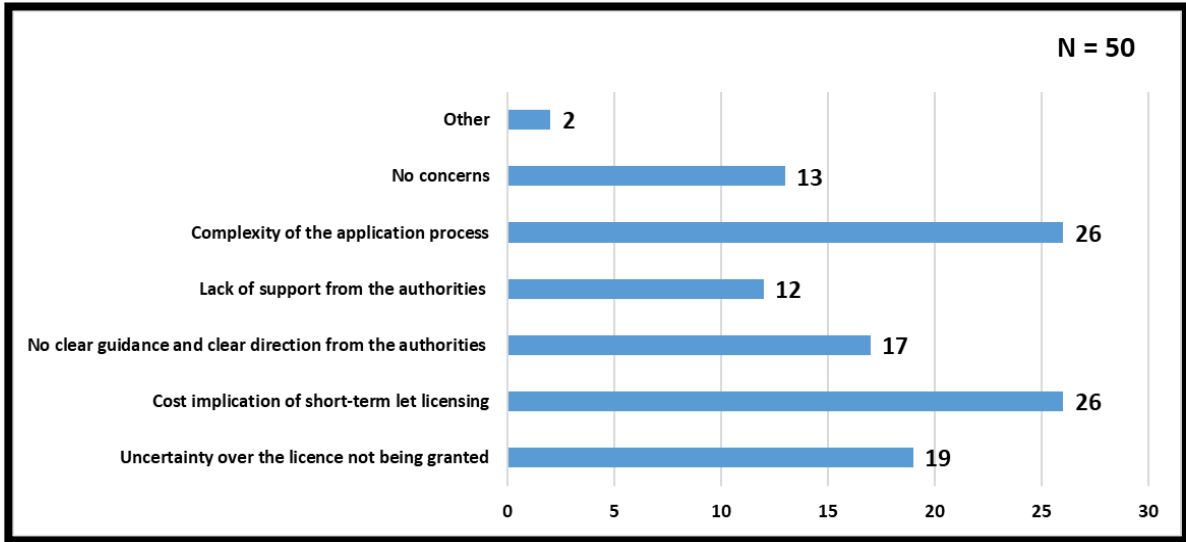
- “Accommodation businesses know of all the costs and stress associated with understanding the legislation and getting a licence but the wider community



(where other businesses will be affected if accommodation closes down) and holidaymakers will not be aware of this as it isn't headline news".

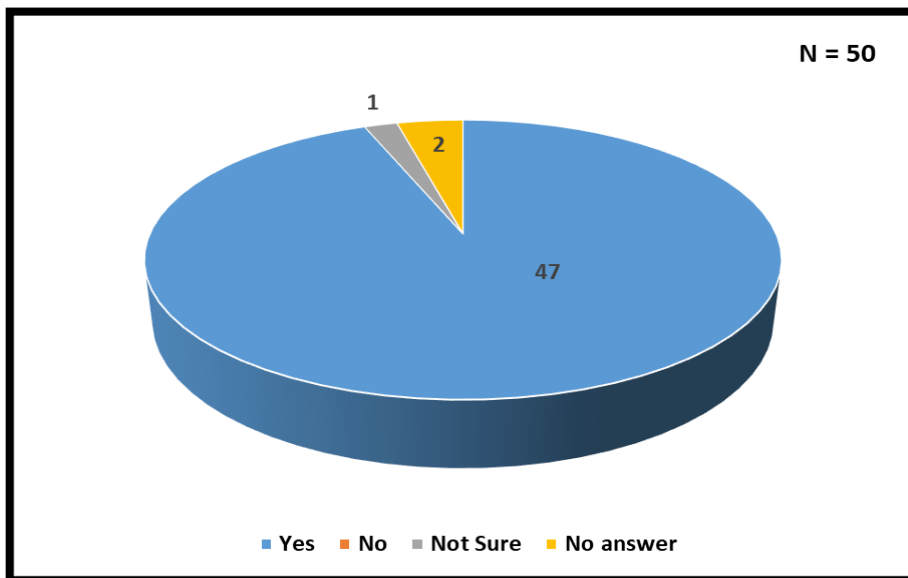
- "The ASSC proposed better alternatives to meet the government's goals without using a sledgehammer to crack a walnut.

**2i. Do you have concerns about short-term let licensing?**



**Fig.3.48. Concerns about the legislation**

**2k. Are you planning to open your business in 2023?**



**Fig.3.49. STL operators' plans for opening in**

2n. Are you in the process of applying for a Scottish Government Short-Term Licence or have you already done so?

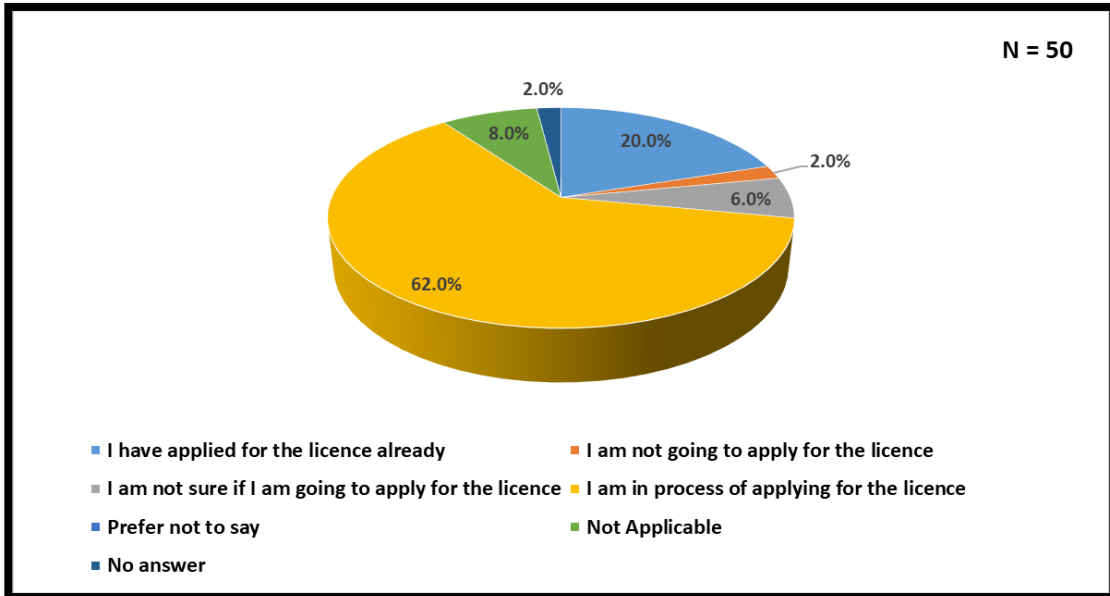


Fig.3.50. STL operators' applications for licence

2p. Do you believe the Scottish Government Short-Term Let Legislation will increase properties available for people to rent long-term or buy as their main home, addressing the lack of affordable housing?

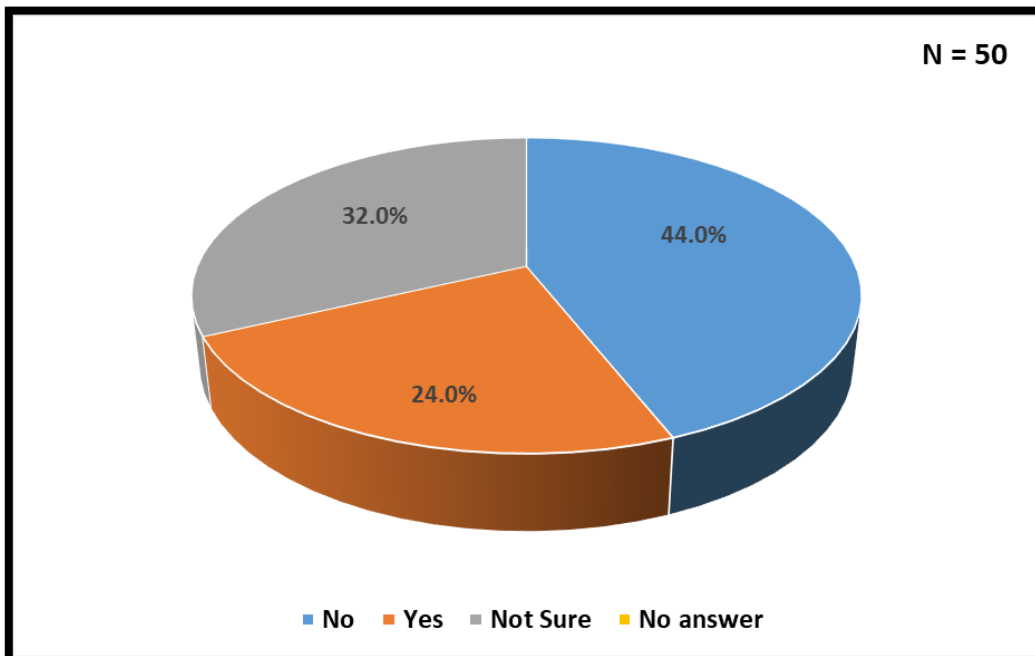


Fig.3.51. STL operators' opinion about the legislation's impact on affordable housing

#### 4. Case Studies: Interviews

The purpose of qualitative research was to gain a better understanding of the legislation's impact by exploring experiences, characteristics or actions. Following the completion and analysis of the surveys, the short-term let operators recruited through the surveys were contacted for anonymised semi-structured interviews. Although the majority of STLs in Scotland are entire properties, it was ensured that interviews were representative of various hosting circumstances across Scotland. The types of STL operators interviewed included Airbnb home-sharers, hosts who specialised in "theatre and festival let", B&B hosts, self-caterers, hosts who rent out their entire home, and specialist management company who manages STL let on behalf of individual clients. Previous research on the distribution of Airbnb listings in Scotland (2019) identified Edinburgh, Highland, and Fort William as having the highest number of short-term let. Therefore, including hosts from those communities in the discussions was important. A total of 12 interviews were conducted with operators located in both urban and rural areas across the country:

<b>Interviewee</b>	<b>Role</b>	<b>Location</b>	<b>Type of Business</b>	<b>STL Licence Application (as of 16/01/2022)</b>
1	Owner	Skye (Portree)	Self-catering and B&B	In process
2	Owner	Fort William	B&B	Not going to apply
3	Owner	Edinburgh and Skye (Carbost)	Self – catering	In process
4	Owner	Edinburgh & Scottish Borders (Kelso)	Self – catering	Unsure about applying
5	Director	Glasgow	Property Management	On hold
6	Owner	Callander	Self – catering	In process
7	Owner	Highland (Lochailort)	Self – catering	In process
8	Owner	Inverness	Self – catering	Applied
9	Owner	Edinburgh	Homesharing	In process
10	Owner	Dumfries & Galloway (Dunscore)	Homesharing	Not going to apply
11	Owner	Glasgow	Homesharing	Not going to apply
12	Director	Aberfeldy	Self – catering	Not going to apply

\* as of 16/01/2022

The interviews highlighted that some hosts saw short-term let as a way to supplement their income in general (for example, to fund their mortgage) or to generate revenue for a specific reason, such as paying for their children's education or a retirement supplement. However, STL was often the operator's primary or only income. In one particular case, the short-term let operator was a carer for her disabled daughter. Hosting Airbnb guests in Edinburgh allowed the host to make an income and care for her daughter while being at home. The interviewees use local agencies, their own websites, or/and various online platforms to take bookings, with Airbnb being the most popular.

Only two of the 12 people interviewed supported the introduction of licensing, with one leaning more towards compulsory registration than licensing. Even supporters of the licensing legislation admitted that the proposed legislation was excessive and that there is much room for improvement. Most interviewees admitted that they would welcome registration instead, as there is a clear need for short-term rental control across the country. It is also essential to highlight that there was an overall view amongst the participants that the Scottish Government used the "one-size-fits-all" approach, ignoring any individual circumstances and failing to differentiate between various types of short-term let and their different needs. Based on all the interviews and discussed circumstances, the author presents three individual case studies that, in their opinion, best describe the opinions and the enormous impact of the STL legislation on Scottish communities, individual hosts, and the sector in general.

**Case Study I: Interviewee 5**

David is the director of a property management company in Glasgow. His company manages approximately 140 properties in Glasgow and surrounding areas. The company hires a mix of 16 full- and part-time staff and processes over 1000 reservations annually. David's clients come from a diverse range of backgrounds and have a variety of reasons for doing short-term rentals. For example, some clients live abroad but return to Scotland regularly for work or to see family. Many of the properties the company manages are flats with shared entrances. In addition, they have communal access, communal bins, and so on, which is one of the major obstacles to obtaining a licence. Based on this rejection, David estimates a loss of approximately 85% of his clients.

David and his company initially favoured legislation because they believed the market should be regulated similarly to the long-term market. They agree that safety certificates are required, which they have always done as a matter of best practice. David emphasised that this is important to them so their guests can be assured that they stay in a safe and secure environment. However, they believe the introduced legislation needs to be revised, will not benefit the sector, and will not bring more properties back to the long-term market.

Even though the company had all of the necessary safety certificates, David was relieved to see the six-month extension for the licence application because the April deadline was logistically impossible. Even the October deadline, he believes, will cause problems for some people. It must be noted that the company is currently gathering all documents and will be submitting licence applications on behalf of some of its clients. Although most of the company's properties are in Glasgow, they also manage properties in East Renfrewshire, West Dunbartonshire and Argyllshire. This means that the required documents differ slightly in each area, making it time-consuming to prepare an application that meets the requirements of each council. David believes that in many cases, the councils have not provided clear guidance on what exactly is required, leaving more questions than answers, and speaking with someone in the council is never easy. As David's company manages so many properties, he is in an excellent position to provide some helpful insight into what is going on in the market and thus potentially shape what the policy could look like.

David contacted Glasgow City Council and local MSPs, but no one responded. David feels that Glasgow City Council seems to have taken a very “blanket approach” to this legislation, and they're not willing to listen on a case-by-case basis. At this time, David advises his clients to postpone their licence applications because they believe they need to be in a clearer position to apply. David thinks most of his clients will not be granted a licence, so they must decide what to do. As a result, David's customers are currently making those decisions. David highlighted that most of his clients are content for the time being, and if they decide to stay in the STL market, they will most likely make the application in September. As a result, David anticipates a flood of applications for the councils in late September.

David highlighted that the short-term let properties managed by his company bring in a significant amount of money and jobs to Glasgow. Aside from the 16 employees mentioned previously, David employs several subcontractors. The visitors spend millions of pounds on local restaurants and transportation when they arrive. Unfortunately, as explained by David, many short-term let businesses will be unable to operate as a result of this new legislation, causing massive disruption in people's lives:

*“My business partner and I built this business from nothing and we've given a lot of people good jobs and we pay above the living wage and we look after them. As much as I run a business to make sure it could sustain my life, I very much value my employees and I make sure that they are well looked after. Well, and one of the things that is taking its toll on me mentally is the thought of having to make some of them redundant and leave them in a situation where they're struggling (...).”*

David highlights that many of his clients have gone down the short-term letting route because they also use the property themselves, and that gives them flexibility. They will continue to want to use those properties: *“so where the government and council think that those properties are all of a sudden going to go into the long term letting, this will not be the case for many of my clients”*. It was also stated that many of David's clients are not interested in switching into the long-term market because the council has driven landlords away from long-term term let; the incentive of being a private landlord is no longer what it used to be; it comes with headaches. David believes his clients are prepared to accept the financial burden and keep their homes empty so that they or their families can continue using them. Although it is only anecdotal data, David believes that, based on his current discussions, approximately 40 to 50 of the

140 properties he manages would be kept as second homes. Their owners are not interested in switching to the long-term rental market. Perhaps where the Government and the council think they're solving the problem, they have created another.

David highlighted that his company uses various ways to tackle noise complaints and littering problems, both issues considered weaknesses of short-term let businesses. They provide a clear code of conduct for guests and make sure that neighbours have a contact number to use if they're bothered by noisy parties and to ensure rubbish gets dealt with properly. The company uses noise monitors such as NoiseAware in the properties considered high-risk properties (that, due to their location, attract guests who wish to party); as highlighted by David, those solutions reduced their noise complaints by about 75%. All visitors are vetted before arrival, and an age limit is set for all guests. Moreover, some of the properties were turned away from the short-term market because of the negative impacts they had on a building, and as emphasised by David, those properties should not be short-term let. However, the majority of the properties managed by the company have never had complaints about noise or littering.

Based on all mentioned factors, David is convinced that properties with a shared staircase are a reason for denying them a licence. When asked about the future of his company, David stated that he is doing everything possible to ensure its survival. He has been looking to get new properties located further away from Glasgow, and which are more likely to be granted a licence. Furthermore, David is just getting started with the letting agency, and he hopes to manage any long-term properties that have altered due to changes in the short-term market. If any of their clients want to move to long-term let, they can keep them as clients and transition to long-term letting. However, the downside is that they will no longer require as many cleaners and will still be forced to lay off some of their employees. Finally, David emphasised that he is hopeful that the councils will realise they made a mistake and will take a more equitable approach to this. Meanwhile, David and his team will continue to work behind the scenes, looking after their clients and doing everything possible to keep them on the market.

## Case Study II: Interviewee 6

Kirsty owns a two-bed self-catering house in a relatively remote village on the southern edge of the Highlands. She resides on-site and takes care of the property daily because it is located by her home. Kirsty manages and markets the property independently and only hires one person who helps with cleaning. The property was opened in the summer of 2019, but due to the COVID pandemic, 2022 was their first full calendar year of operation. The visitors that Kirsty gets come from all over the world, but since the pandemic, there have been more locals from the UK, such as Edinburgh and Glasgow. The property has its own website and listings on platforms such as Airbnb, Vrbo, and Booking.com. Kirsty supports the STL legislation, trusting its necessary for the industry going forward. However, she highlights that it might be due to her particular circumstances:

*"I do support the principle of having legislation, and I think it's probably because of the particular circumstances which we are in. My support obviously comes with the caveat of how well it's implemented on a practical level. I'm sure there will be points in the process where I will be revising my opinion; it's a bureaucratic process, and that's always a bit of a hassle. Nobody likes adding extra costs into their business, but I can see the benefit at the end of it".*

The village had a thriving population and a school when Kirsty and her family moved there over 20 years ago. The population has declined over the years that they have lived there. The community has been significantly hollowed out as a result of people who do not live there purchasing properties and operating them as second homes. Moreover, people who work in the area find it very difficult to find anywhere to live. Kirsty's self-catering business enabled her and her family to remain in the area, as she stated that if it hadn't been for the income generated from the short-term rental, she would not have been able to live there. However, there are many other self-catering properties whose owners do not live in the village and do not contribute to the local community. None of the income generated by those other businesses is returned to the local area, so it's not supporting the local economy:

*"There's quite a distinction between resident and non-resident operators. When we first came, there were perhaps two or three second-home holiday-type properties in the village, and that number has really mushroomed. We have got a tiny population, about 150 people in the immediate surrounding the village... and I would say probably somewhere between ¼, and a third of the properties that used to be residential, are now*



*the second homes or holiday let. That picture is replicated in many other rural villages and towns, particularly in the Highlands."*

Kirsty believes that a voluntary scheme would not have enough impact and that previously suggested registrations would not ensure that everywhere is operating on a level playing field. In addition, a voluntary scheme would not enforce safety standards, particularly for illegal operators. It was highlighted that statutory schemes like the STL legislation will help set a minimum standard and ensure businesses can compete fairly. However, Kirsty acknowledges that until the legislation's been in place for a while, it won't be possible to know whether it has the desired effect. Moreover, despite supporting the legislation, Kirsty criticises the one size fits all approach taken by the government. Kirsty empathises with other STL providers who occasionally rent out a bedroom in their home and understands that applying for a licence in their case may not be worthwhile. However, this raises the question of who should and should not apply, and as explained by Kirsty, this is a separate issue:

*"The application of the legislation is a separate question from the principle of the legislation".*

*"I'm very sympathetic to people who object to the scheme on the grounds of how much it might cost, and there should certainly be some distinction or perhaps an exemption for people offering a room in their own house occasionally".*

Kirsty believes that the legislation surrounding short-term rentals has the potential to encourage people to consider taking on longer-term tenants and making their properties available for long-term rent, which would be highly beneficial in her area. She mentioned that several people in her village had inherited properties that should be rented out to long-term tenants, which they need in this area or sold to people who intend to move there. Since Kirsty already has planning permission to operate her business as a holiday let, she emphasised that this could be why she is much more in favour of the overall idea behind this legislation. Kirsty operates in a very commercial and professional way, her business has already gone through accreditation (4 stars from VisitScotland), so she believes it is improbable that her licence will be rejected. However, she highlighted that if this were to happen, that would be a devastating verdict because she would lose her only source of income.

**Case Study II: Interviewee 9**

Mary has been running her Edinburgh home-sharing business for about 25 years. She has a self-catering apartment with two bedrooms on the ground floor and also rents out a bedroom in her house on the lower ground. When Mary first moved into her building, most businesses were offices; however, as time passed, most companies were sold, and empty spaces were converted into flats. As a result, some businesses remain, but most of the spaces in the building are now apartments. Mary promotes her business through her website and online platforms such as HomeAway and Airbnb. According to Mary, Airbnb accounts for roughly 70% of all bookings. Mary emphasised that her short-term rental business is her only source of income and that, due to her circumstances, she cannot take any other job. Therefore, the STL legislation will have a significant impact on Mary and her daughter's lives:

*"This is my livelihood...It's not like I have bought a flat more recently, and I'm using Airbnb to pay my mortgage; my mortgage is long over. This is how I earn my living. I'm a carer for my daughter, she lives at home. I'm a full-time carer I cannot go out to work. This is how I earn my living and also frankly provides an outlet because I meet people not by going out because I don't go out. ...people come to me, does that make sense?"*

*"There's no grey. This legislation is very black and white, and there's no grey".*

It should be noted that because Mary's property and the other flats in the building have communal areas, Mary's licence is more likely to be denied, putting her in danger of closing her business after 25 years despite never receiving a single complaint. Mary stated that most guests book 12 - 18 months in advance; however, due to the initial April deadline for the application, she initially closed all her availability until June, resulting in many bookings being lost. She reopened her availability after the 6-month extension was announced and is now blocking all bookings for 2024. She believes that the legislation has already harmed and cost her business a significant amount of money. Mary contacted the council and her local MPs, but neither could help her. She would like to explain her circumstances and give more details about the benefits her home-sharing has for the community and the industry in general, but she is unsure of whom to contact, and the licence application does not include any space for her to do so. The uncertainty Mary currently faces is the worst part; despite

the slim chance that her licence will be granted, she is still compiling the necessary paperwork and intends to apply for the licence:

*"I have no alternative. I'm 62, and I'm a full-time carer ... I have nothing else, and I have to apply, but I just don't know, having invested all of this money and I've got the electricians in next week, it costs me £850 to get my floor plans done you know, but it's just a whole bunch of money... So, I have no idea whether it will be any good..."*

Mary believes the alternative to this legislation should be mandatory registration, as she considers the licensing requirement excessive. She stated that when HMO legislation was introduced, for instance, the condition did not cover every rented flat at once; the process was done in stages. They began with the largest ones and checked them first, giving people time to assess the impact. The STL legislation seems hastily put together, and it fails to consider any individual circumstances:

*"There were many other ways they could have come to it to reduce the number of people doing self-catering without this enormous process. I have no objection to fire doors and smoke alarms; almost all of that I already have. It is just the level of uncertainty that they have put us in...It's just it's really, really difficult, and then there is just no one to ask".*

The following are a combination of additional remarks gathered from the interviews and the members of the Short-Term Accommodation Association (UKSTAA) who kindly agreed to share with the Moffat Centre how the STL legislation has affected them so far:

1. Do you feel the Scottish Government Short-Term Let Legislation is/is not a threat to your business?
  - **“The new STL legislation is a big threat to our business. Since the official Government announcement, we began losing clients as landlords looked at the procedure for application and guidelines and found the whole thing too onerous. Till date, we have already lost 20% of clientele since October 2021 who have either decided to put their properties on the market for long let or for sale. We are in talks with the rest of the clientele and they will decide what to do with their properties in the coming months. The delay the in deadline from April 2023 to October 2023 has helped us with a timeline for now”.**
  - **“Although legislation is making it more difficult, the real threat is coming from the Scottish Government giving local councils power to set their own policies. Local councils have used the legislation to regulate in their chosen way. Glasgow City Council, for example, decided to make planning permission a prerequisite to applying for a licence whilst making it clear that flats will not be granted permission, and therefore cannot apply. Flats account for 96% of our current business in Glasgow meaning our clients will not be able to apply or be granted a licence going forward. We also operate in the Renfrewshire council area where policy isn’t clear and we still do not know if we can apply or not even after a discussion with and a written response from the planning department”.**
2. How will the legislation affect your future operations, and do you anticipate any significant changes?
  - **“It looks increasingly likely that our short-term let business in Edinburgh (one flat) will be closed down and our cleaner/manager who works for several, different owners will be out of a job (she is an incredibly hard-working, single mum with four kids). It was a major part of our pension planning and we only opened it after receiving a verbal assurance from Edinburgh’s planning officials in 2016 that we did NOT need to apply for a change of use planning permission. None of us will receive a penny in compensation for the change in planning/enforcement policy”.**

- **“The new regulations prevent/slow growth within the property management sector as properties new to the STL market are unable to operate prior to a licence being granted, as these are predicted to take several months to process, the sector will stagnate”.**
  - **“We will have to downsize the business in order to survive if things continue as they are. If we begin to lose the majority of the clientele, we will be forced into closure. However, even if some clientele decided to apply for the licence and planning permission, it is not guaranteed to be granted so the likely scenario in the future would be closure”.**
  - **“When applications are refused under the strict regulations, owners will have no choice but to rent long term or sell their properties. Most have indicated they will do the latter which not only creates a shortage of accommodation options but a rise in vacant properties across the city”.**
  - **“Knowing that there is no possibility of a licence for most hosts, we can see that there is no future in short-term letting here and of course, there will be no investment now in this area/sector (Glasgow)”.**
3. In your opinion, how useful and necessary is the implementation of this legislation for the sector?
- **“It’s clear that the industry became saturated and there is a lot of room for rogue operators that certainly could have a detrimental impact on local communities. However, the proposed regulations are akin to cracking a nut with a hammer. It seems evident that there is an ulterior motive to shut down the industry rather than regulate it. We need something in place to ensure the safety of guests and a positive impact on local communities, something like a code of conduct or a verification scheme, but right now the future looks far too severe”.**
  - **“A simple national register would suffice if the goal is to ensure safety and compliance of the letting rules. This will kill the industry and more importantly create a massive hole in the accommodation numbers available which are needed in the busy summer periods, e.g. Fringe, Hogmanay and other times of the year. There are simply not enough hotel rooms/beds available to accommodate the numbers coming to Scotland every year. How will the Council cope? This is clearly rushed and not thought through”.**
  - **“We fully support regulating the industry and the health and safety improvements to ensure guests can enjoy well-maintained and safe properties to stay in. Having a licensing scheme that vets owners and management companies are also welcomed to eradicate poorly maintained properties and unscrupulous hosts from the industry and monitoring and vetting unruly guests from misusing properties and causing noise disturbances. However, the legislation goes too far and does not allow consensus hosts and operators the**

**ability to work with local councils to improve on an essential aspect of revenue for the city”.**

- **“Local councils were not and are not prepared for the legislation or their own policies. Their own staff don’t understand a lot of the queries about what is required and within local policies and between council areas, there are some differences in requirements making it confusing. The Government should have introduced it in stages (refer to other country models)”.**
  - **“It can be useful and necessary if people understand the motivation behind it and if indeed there is a bigger picture, but in this case, information is conflicting and not making sense to the operator leading to anger and resentment”.**
4. Can you think of any alternatives to the Short-Term Let Legislation or have you got any suggestions for the Scottish Government?
- **“This was a massive missed opportunity. Rather than looking at taxation of the short-term let, the decision was being made to effectively close them down. In some areas. Now, if you have let’s say 10,000 properties in Edinburgh and they’re all paying a tax of, let’s say, £2000 a year, that’s £20 million of additional income that you could have generated for accommodation & affordable housing, this was never even looked at....”.**
  - **“Allow licences to be issued to owners who want to adhere to H&S requirements and the licensing scheme similar to that of the already implemented HMO licensing scheme which does not require a change of use”.**
  - **“Implement policies in stages. We went from no legislation or policy to complex and confusing policies. The first stage would be focused on who is operating and have operators ‘register’. Next stage, in order to have a standard, this is what the requirement would be: certificates etc. (look at what is needed in other types of rentals). Ok, now you know what you have and they are all safe. Next, you want to reduce the number (city needs more social housing?), look at the areas which are most appropriate and introduce the next stage of policy. One stage and one year at a time, gather the data and be clear about the stages - investment will continue in the right areas and you will still see growth in the industry whilst protecting the accommodation needed for tourism and the local economy”.**
  - **“Look at models set up in other cities/countries. Legislation exists for example in Spain and Portugal. You still need to have all your certificates in place (standards) but there is a simple application online and the licence number is generated straight away. This gives the Government the information needed instantly. They know who is operating and it’s transparent, clear, easy and accessible”.**

## 5. Conclusion and recommendations

Taking all the primary and secondary data findings together, the evidence appears to suggest that there is more opposition than support for the current iteration of the Scottish Government's mandatory licensing scheme. It is important to note that the research investigated the licensing system and its impact with various industry experts, including self-catering booking platforms and other businesses representing self-catering operators and accommodation providers across Scotland. Their opinions were comparable; the STL legislation was deemed by the respondents to be "excessive", "time-consuming", and "complicated". However, to fully comprehend the implications of this legislation, consultation with the short-term let providers themselves was necessary. Based on their personal experiences, the research participants articulated that they felt the implementation of the licensing scheme has not been efficiently delivered to date. Three major issues have been identified in the survey responses and interviews. **Firstly**, the participants articulate that this legislation has "no clear purpose". There is confusion on whether the STL legislation aims to ensure health and safety standards or challenge the housing issues:

*"The short-term let regulations were as I understand it, all about making sure there was a level playing field from a safety perspective, that's certainly been the official line. What's been said unofficially is, that is about housing. They recognised a housing issue and so are going to use the short-term let to fix it, licensing in an opportunity to restore some of those properties to the market... I'm not convinced, I mean in our case, what will we do? We may well move back into our Edinburgh property and close the business down or we might keep our property empty".*

*(Interviewee 3)*

With this legislation, the participants question if the principles of maintaining health and safety standards, as well as the housing crisis, are being addressed. If both, should the solutions to those challenges and issues differ? **Secondly**, the proposed licensing requirement *doesn't recognise that these challenges manifest differently across urban and rural regions*; the short-term lettings will likely grow at different rates across different areas. As a result, stakeholders should invite greater insight and evidence into how the challenges present in different geographic regions of Scotland. The research participants call for a more targeted approach by local councils dealing with specific rental issues in their immediate vicinity rather than a one-size-fits-all approach that is

irrelevant for most businesses. The Scottish Government legislation covers the whole of Scotland, including island and rural communities and it is local authorities who implement legislation based on local needs and concerns.

The qualitative research supported the quantitative evidence that most STLs find the legislation “confusing”, “complex”, and “hastily implemented”. Research identified that some operators decided to close their businesses at the end of last year, only to hear the six-month extension, which would technically allow them to operate without the licence until at least until October 2023. The providers who applied for the licence before the extension was announced stated that if they had known about the extension, they would not have applied so quickly. Thus, the **third** issue identified by the participants was the lack of sufficient planning and structure in the proposed legislation. Participants confirmed that they are constantly checking to see the most recent licensing requirements and the additional costs of attempting to comply with them, all of which lead to greater uncertainty and may encourage owners to leave the market.

Discussion of the implications of this legislation with the operators who supported the licensing scheme claimed that there are problems with the proposed scheme, such as a lack of consistency across councils, enormous costs, and the complexity of the application. One of the supporters of the legislation suggested that the councils and the Government should collaborate a little more closely to prevent the development of perverse incentives and conflicts. For instance, one of the interviewees identified a potential conflict between fire safety and insurance requirements:

*“How can we make sure to meet the fire safety requirements while not invalidating our insurance? The requirements for both differ...” (Interviewee 6)*

Appendix 2 lists the councils and the number of applications received by them as of January 2023, although limited publication of data via the local authority websites limited the data availability at time of completing the report. The Scottish Government encourages short-term let operators to apply as soon as possible, most participants stated that they do not plan to apply until at least September 2023. Therefore, it is likely that councils will receive a significant number of applications just before the October deadline. It has been suggested by respondents interviewed that extending the deadline would help with the smooth processing of the application and review of the aforementioned issues with this legislation. Overall, some short-term rental providers



do not question the need for regulation but rather the conditions and requirements imposed by the proposed legislation. As suggested by one of the operators, “the application of the legislation is a separate question from the principle of the legislation”.

Finally, the participants supported the alternatives to the proposed legislation, including creating voluntary or compulsory registrations. It was suggested that at the same time as the registration process encourages and focuses owners on their compliance obligations, it would help if their obligations were all listed in one place, in an easy-to-understand manner, with forms being in a standard format with detailed practical form filling guidance. This would assist hosts and benefit local authorities, accreditation bodies, and others working with hosts when they holiday let and holidaymakers by ensuring greater accuracy, visibility and ease of checking for those who see these documents. Finally, it should be noted that the STL legislation may be a reason for delays to new entrants to the short-term rental market who already have their H&S and insurance documents in place. As per the scheme conditions, it could take 6-12 months to obtain a licence if a host hasn't let before 1 October 2022, despite a host being otherwise capable of letting safely and compliantly. Based on the evidence gathered from stakeholders and STL operators their review of the proposed licensing scheme resulted in the following questions:

- With this legislation, are the principles of maintaining health and safety standards, as well as the housing crisis, being addressed? If both, should the solutions to those challenges and issues differ?
- How can the legislation implement a locality-based approach?
- How can the Scottish Government and Local Authorities collaborate more effectively to avoid unintended duplication or overlap in legislation, such as the one between fire safety and insurance requirements?
- How can the application for licensing be simplified so that it can be used by communities with limited digital connectivity?
- Should there be a way to distinguish between licensing requirements for self-catering properties and home-sharing, for example? Is the one-size-fits-all approach appropriate?
- In the future, should licensing or planning significantly reduce the number of STLs, how do the respective legislative bodies, stakeholders and enterprises

ensure the quality of the Scottish experience for its visitors, as well as a sufficient number of diverse accommodation options across all geographies?

- How can accreditation or certification from certain approved bodies be used to demonstrate compliance with the mandatory and any additional licence conditions?
- It is widely accepted that short-term rentals add long-term value to local restaurants and shops while providing much-needed employment, particularly in rural areas and islands. Are strategies to be developed to take action to protect and prevent the closure of rural businesses?
- What resources and appropriate measures will be implemented to ensure all submitted applications are processed smoothly and on time?

**Appendix.1.**

Active Listings in Edinburgh between January 2020 – November 2022 (AirDNA, 2022)

- All properties: Entire Place and Home Sharing (private rooms only)

<b>DATE</b>	<b>1 BED</b>	<b>2 BED</b>	<b>3 BED</b>	<b>4 BED</b>	<b>5 BED</b>	<b>TOTAL</b>
<b>Jan 1, 2020</b>	6268	3154	1083	297	135	<b>10937</b>
<b>Feb 1, 2020</b>	5589	2831	945	263	124	<b>9752</b>
<b>Mar 1, 2020</b>	5577	2840	983	258	130	<b>9788</b>
<b>Apr 1, 2020</b>	4608	2559	894	243	117	<b>8421</b>
<b>May 1, 2020</b>	2255	1049	397	106	60	<b>3867</b>
<b>Jun 1, 2020</b>	3578	1827	675	200	104	<b>6384</b>
<b>Jul 1, 2020</b>	4516	2538	964	309	152	<b>8479</b>
<b>Aug 1, 2020</b>	4684	2574	1011	302	140	<b>8711</b>
<b>Sep 1, 2020</b>	4187	2243	845	236	118	<b>7629</b>
<b>Oct 1, 2020</b>	3979	2126	807	217	104	<b>7233</b>
<b>Nov 1, 2020</b>	3743	1926	721	188	94	<b>6672</b>
<b>Dec 1, 2020</b>	3812	1910	705	199	91	<b>6717</b>
<b>Jan 1, 2021</b>	3726	1823	684	185	86	<b>6504</b>
<b>Feb 1, 2021</b>	3365	1611	627	166	77	<b>5846</b>
<b>Mar 1, 2021</b>	3322	1626	629	156	85	<b>5818</b>
<b>Apr 1, 2021</b>	3435	1753	670	171	96	<b>6125</b>
<b>May 1, 2021</b>	3552	1858	704	172	105	<b>6391</b>
<b>Jun 1, 2021</b>	3459	1907	746	216	119	<b>6447</b>
<b>Jul 1, 2021</b>	3229	1870	752	216	135	<b>6202</b>
<b>Aug 1, 2021</b>	3293	1951	752	228	135	<b>6359</b>
<b>Sep 1, 2021</b>	2873	1703	652	172	112	<b>5512</b>
<b>Oct 1, 2021</b>	2571	1543	584	162	103	<b>4963</b>
<b>Nov 1, 2021</b>	2534	1531	575	154	100	<b>4894</b>
<b>Dec 1, 2021</b>	2650	1596	628	166	97	<b>5137</b>
<b>Jan 1, 2022</b>	2736	1606	639	157	95	<b>5233</b>
<b>Feb 1, 2022</b>	2573	1518	570	150	91	<b>4902</b>
<b>Mar 1, 2022</b>	2732	1537	592	154	104	<b>5119</b>
<b>Apr 1, 2022</b>	2884	1634	633	164	98	<b>5413</b>
<b>May 1, 2022</b>	3272	1810	676	172	108	<b>6038</b>
<b>Jun 1, 2022</b>	3438	1993	752	214	124	<b>6521</b>
<b>Jul 1, 2022</b>	4080	2299	854	272	145	<b>7650</b>
<b>Aug 1, 2022</b>	4456	2405	840	269	143	<b>8113</b>
<b>Sep 1, 2022</b>	4015	2179	799	220	119	<b>7332</b>
<b>Oct 1, 2022</b>	3616	1965	728	198	112	<b>6619</b>
<b>Nov 1, 2022</b>	3453	1901	703	175	107	<b>6339</b>

## ○ "Entire Property" only

<b>DATE</b>	<b>1 BED</b>	<b>2 BED</b>	<b>3 BED</b>	<b>4 BED</b>	<b>5 BED</b>	<b>TOTAL</b>
<b>Jan 1, 2020</b>	3168	3022	1063	292	132	<b>7677</b>
<b>Feb 1, 2020</b>	2859	2712	925	259	121	<b>6876</b>
<b>Mar 1, 2020</b>	2952	2732	968	254	126	<b>7032</b>
<b>Apr 1, 2020</b>	2621	2468	881	241	115	<b>6326</b>
<b>May 1, 2020</b>	1344	1012	392	104	60	<b>2912</b>
<b>Jun 1, 2020</b>	1962	1763	665	198	101	<b>4689</b>
<b>Jul 1, 2020</b>	2576	2456	949	304	149	<b>6434</b>
<b>Aug 1, 2020</b>	2621	2483	997	299	139	<b>6539</b>
<b>Sep 1, 2020</b>	2353	2170	831	234	116	<b>5704</b>
<b>Oct 1, 2020</b>	2201	2055	793	216	103	<b>5368</b>
<b>Nov 1, 2020</b>	2036	1864	707	187	93	<b>4887</b>
<b>Dec 1, 2020</b>	2076	1841	694	198	90	<b>4899</b>
<b>Jan 1, 2021</b>	1998	1761	672	184	85	<b>4700</b>
<b>Feb 1, 2021</b>	1758	1552	616	165	77	<b>4168</b>
<b>Mar 1, 2021</b>	1753	1569	618	155	83	<b>4178</b>
<b>Apr 1, 2021</b>	1878	1692	660	170	94	<b>4494</b>
<b>May 1, 2021</b>	1938	1796	694	171	103	<b>4702</b>
<b>Jun 1, 2021</b>	1889	1845	736	216	117	<b>4803</b>
<b>Jul 1, 2021</b>	1692	1805	742	216	132	<b>4587</b>
<b>Aug 1, 2021</b>	1705	1892	743	228	131	<b>4699</b>
<b>Sep 1, 2021</b>	1496	1648	642	172	109	<b>4067</b>
<b>Oct 1, 2021</b>	1391	1495	576	162	100	<b>3724</b>
<b>Nov 1, 2021</b>	1351	1491	565	154	98	<b>3659</b>
<b>Dec 1, 2021</b>	1430	1556	620	166	96	<b>3868</b>
<b>Jan 1, 2022</b>	1458	1559	630	157	94	<b>3898</b>
<b>Feb 1, 2022</b>	1358	1479	563	150	90	<b>3640</b>
<b>Mar 1, 2022</b>	1431	1498	586	154	102	<b>3771</b>
<b>Apr 1, 2022</b>	1527	1586	626	164	97	<b>4000</b>
<b>May 1, 2022</b>	1658	1751	665	172	107	<b>4353</b>
<b>Jun 1, 2022</b>	1770	1932	743	214	123	<b>4782</b>
<b>Jul 1, 2022</b>	2070	2239	842	270	143	<b>5564</b>
<b>Aug 1, 2022</b>	2192	2338	833	267	143	<b>5773</b>
<b>Sep 1, 2022</b>	2000	2118	790	219	118	<b>5245</b>
<b>Oct 1, 2022</b>	1847	1916	722	198	111	<b>4794</b>
<b>Nov 1, 2022</b>	1784	1851	699	175	106	<b>4615</b>

## ○ Home sharing (private rooms only)

<b>DATE</b>	<b>1 BED</b>	<b>2 BED</b>	<b>3 BED</b>	<b>4 BED</b>	<b>5 BED</b>	<b>TOTAL</b>
<b>Jan 1, 2020</b>	2980	104	19	3	3	<b>3109</b>
<b>Feb 1, 2020</b>	2609	96	19	3	3	<b>2730</b>
<b>Mar 1, 2020</b>	2503	92	14	3	4	<b>2616</b>
<b>Apr 1, 2020</b>	1930	80	12	1	2	<b>2025</b>
<b>May 1, 2020</b>	891	32	5	1	0	<b>929</b>
<b>Jun 1, 2020</b>	1588	59	10	2	3	<b>1662</b>
<b>Jul 1, 2020</b>	1883	74	15	4	3	<b>1979</b>
<b>Aug 1, 2020</b>	1992	78	13	2	1	<b>2086</b>
<b>Sep 1, 2020</b>	1753	66	13	1	2	<b>1835</b>
<b>Oct 1, 2020</b>	1709	65	13	1	1	<b>1789</b>
<b>Nov 1, 2020</b>	1656	57	14	1	1	<b>1729</b>
<b>Dec 1, 2020</b>	1690	63	10	1	1	<b>1765</b>
<b>Jan 1, 2021</b>	1690	56	12	1	1	<b>1760</b>
<b>Feb 1, 2021</b>	1580	53	11	1	0	<b>1645</b>
<b>Mar 1, 2021</b>	1545	51	11	1	2	<b>1610</b>
<b>Apr 1, 2021</b>	1521	54	10	1	2	<b>1588</b>
<b>May 1, 2021</b>	1567	58	10	1	2	<b>1638</b>
<b>Jun 1, 2021</b>	1507	57	10	0	2	<b>1576</b>
<b>Jul 1, 2021</b>	1477	60	10	0	2	<b>1549</b>
<b>Aug 1, 2021</b>	1525	54	9	0	3	<b>1591</b>
<b>Sep 1, 2021</b>	1317	44	9	0	2	<b>1372</b>
<b>Oct 1, 2021</b>	1112	36	7	0	2	<b>1157</b>
<b>Nov 1, 2021</b>	1115	30	9	0	1	<b>1155</b>
<b>Dec 1, 2021</b>	1143	31	7	0	1	<b>1182</b>
<b>Jan 1, 2022</b>	1200	37	8	0	1	<b>1246</b>
<b>Feb 1, 2022</b>	1137	29	6	0	1	<b>1173</b>
<b>Mar 1, 2022</b>	1214	29	5	0	1	<b>1249</b>
<b>Apr 1, 2022</b>	1265	38	6	0	0	<b>1309</b>
<b>May 1, 2022</b>	1509	42	10	0	0	<b>1561</b>
<b>Jun 1, 2022</b>	1565	44	8	0	0	<b>1617</b>
<b>Jul 1, 2022</b>	1911	58	12	2	1	<b>1984</b>
<b>Aug 1, 2022</b>	2154	65	7	2	0	<b>2228</b>
<b>Sep 1, 2022</b>	1905	59	9	1	0	<b>1974</b>
<b>Oct 1, 2022</b>	1695	47	6	0	0	<b>1748</b>
<b>Nov 1, 2022</b>	1593	48	4	0	0	<b>1645</b>

**Appendix.2.**

Published STL licensing applications (total number received per council as of January 2023) available to researchers via Local Authority websites.

	<b>Council</b>	<b>Application No. received</b>		<b>Council</b>	<b>Application No. received</b>
<b>1.</b>	Aberdeen City		<b>17.</b>	<b>Highland</b>	<b>706</b>
<b>2.</b>	Aberdeenshire		<b>18.</b>	Inverclyde	
<b>3.</b>	Angus		<b>19.</b>	Midlothian	
<b>4.</b>	Argyll and Bute		<b>20.</b>	Moray	
<b>5.</b>	City of Edinburgh		<b>21.</b>	North Ayrshire	
<b>6.</b>	Clackmannanshire		<b>22.</b>	North Lanarkshire	
<b>7.</b>	Comhairle nan Eilean Siar		<b>23.</b>	Orkney Islands	
<b>8.</b>	Dumfries and Galloway		<b>24.</b>	Perth and Kinross	
<b>9.</b>	Dundee City		<b>25.</b>	Renfrewshire	
<b>10.</b>	East Ayrshire		<b>26.</b>	Scottish Borders	
<b>11.</b>	East Dunbartonshire		<b>27.</b>	Shetland Islands	
<b>12.</b>	East Lothian		<b>28.</b>	<b>South Ayrshire</b>	<b>26</b>
<b>13.</b>	East Renfrewshire		<b>29.</b>	South Lanarkshire	
<b>14.</b>	Falkirk		<b>30.</b>	Stirling	
<b>15.</b>	Fife		<b>31.</b>	West Dunbartonshire	
<b>16.</b>	Glasgow City		<b>32.</b>	West Lothian	

**Appendix.3. Fees**

FEES 3 year licence	Home sharing		Secondary letting	
	Min 2 people	Max	Min	Min /Max
Aberdeen City	£650	£750	£650	£750
Aberdeenshire	£612	£1,298	£612	£1,298
Angus	£349	£588	£349	£588
Argyll	£226	£518	£316	£1,130
Dumfries & Galloway	£275	£350	£303	£386
Dundee	£310	£3,100	£310	£3,100
East Dunbartonshire	£450	£750	£650	£950
Edinburgh	£720	£2,160	£653	£5,869
Eilean Saar	£200	£300	£300	£400
Fife	£264	£518	£264	£518
Glasgow City	£125	£275	£250	£400
Highland	£320	£530	£400	£610
Midlothian	£210	£330	£465	£660
North Ayrshire	£125	£275	£250	£400
North Lanarkshire	£300	£450	£300	£450
Orkney	£240	£400	£310	£510
Perth & Kinross	£175	£800	£350	£1,600
Borders	£200	£275	£250	£400
Shetland	£125	£250	£250	£400
Stirling	£100	£250	£250	£400
West Dunbartonshire	£766	£766	£766	£766
West Lothian	£325	£865	£450	£1,000
South Ayrshire				
South Lanarkshire	£250	£625	£300	£750
Renfrewshire	£250	£350	£800	£1,100
Moray	£495	£495	£495	£495
Inverclyde				
Falkirk	£125	£250	£250	£400
East Lothian	£390	£390	£390	£390
East Renfrewshire				
East Ayrshire	£125	£250	£250	£400
Clackmannanshire				

NB Scottish Government indicative figures ranged from £218 - £436