



PASC UK and ASSC pushes back against abolition of FHL Allowances by Chancellor

1700hrs 15 March 2024

This week the Government voted through the Budget, which included the Abolition of FHL (Furnished Holiday Lettings) regime.

Over 11,000 businesses have written to their MPs this week to explain the scale of the impact on them. PASC UK (Professional Association of Self-Caterers UK), also sent a letter, signed by Members of the self-catering business sector, representing 112,000 small businesses, to the Chancellor requesting an urgent meeting to express very deeply held concerns about this further attack on the sector. The business owners and properties affected provide quality affordable holiday accommodation and form the basis of a year-round sustainable visitor economy.

Alistair Handyside MBE, Chair of PASC UK said:

“This measure threatens the very fabrics of rural and coastal communities, quality holiday letting business provide the bed stock that supports local jobs and trades whilst enabling visitors to spend in our local communities, meaning that pubs, restaurants and visitor attractions remain viable, and in turn create jobs and assets for local communities. This attack has hit the wrong target, the businesses affected must apply a high threshold to meet the FHL Criteria. The cost for these businesses having to transfer by law to another tax regime will be unsustainable for many”.

Fiona Campbell, CEO of the Association of Scotland’s Self-Caterers, said:

“The abolition of the Furnished Holiday Lettings (FHL) tax regime by the UK Government is the last thing the beleaguered and hard-pressed Scottish self-catering sector needs at the present time. In recent years, our sector has been hit by the Scottish Government’s onerous and burdensome short-term let licensing and planning regulations so the UK Chancellor’s Budget announcement on FHL spells yet more dispiriting news for a crucial component part of the Scottish tourism industry.

Self-catering businesses should not be seen merely as a quick revenue source by the UK Government, but instead as a vital, valued and integral part of our vibrant tourist market. The sector provides huge economic benefits for local economies and local communities and must be supported by government rather than being used as a convenient scapegoat for wider failures in housing policy.”

Ben Edgar-Spier, Head of Regulation and Policy Sykes, said:

“The Government should look at policy interventions to bring the 1.5m empty homes in the UK back into use, which, unlike FHL, contribute nothing to local economies. They could also raise revenue by taxing those that remain empty more heavily. There are nearly 12 times more empty homes than properties that fall within the FHL regime. Equally a £200 tax per empty home would be enough to match the Chancellor’s £300m estimate of the revenue raised by abolishing the FHL regime”

We are urgently pressing for a meeting the Chancellor and Officials to explain the real impact of this measure and to suggest ways to mitigate both the impact on business and the wider visitor economy.

Alistair Handyside MBE - Executive Chair

The Professional Association of Self-Caterers Ltd

www.pascuk.co.uk

chair@pascuk.co.uk

07771 678028



Fiona Campbell - Chief Executive

The Association of Scotland's Self-Caterers (ASSC)

www.assc.co.uk

fiona@assc.co.uk

079587 71106



Ben Edgar-Spier - Head of Regulation and Policy

Sykes Holiday Cottages

www.sykescottages.co.uk

Benjamin.edgar-spier@sykescottages.co.uk

07817 754963

