

Local Government, Housing and Planning Committee
Tuesday 19 November 2024
31st Meeting, 2024 (Session 6)

Short-Term Lets Implementation Update

1. The purpose of this paper is to provide information to help inform the Committee's evidence session with the Minister for Housing on the Scottish Government's [Short-Term Let Licensing Implementation Update Report 2024](#).
2. The Update Report was published on 30 August and the Committee invited stakeholders to comment on it in writing. [Nineteen submissions were received and are available online](#). Of these, ten were from councils and related representative bodies, four were from representatives of the industry and two were from Edinburgh Festival organisations, with PLACE Edinburgh, Living Rent and Visit Scotland also responding.¹
3. Further information can be found in the SPICe briefing which is attached as an annexe.

Responses from councils and related bodies

4. Responses from councils and related bodies generally agreed that it was too soon to comment on the impact of the licensing scheme due to a lack of robust data although some noted that applications had been lower than expected and referred to anecdotal evidence that some operators were leaving the industry due to increased costs and bureaucracy. They broadly welcomed the amendments that had been made to the scheme and called for local government to be represented on the expert group although some expressed concerns about the "hostility" they feared they might face from other participants. Councils also felt that there was evidence of health and safety in short-term lets having improved as a result of licensing requirements.
5. Councils and related bodies also raised the following specific points—
 - The time frame of nine months to determine a complex Short Term Let Licence was considered to be too short;

¹ Members should note that there was an error in the questions that were sent to stakeholders which referred to the implementation update as a "review." The Scottish Government previously committed to undertaking a review of the licensing regime but has been clear in its terminology not to refer to the update as a review as it believes it is premature to review the legislation when still in the transitional implementation phase and there is insufficient data available. The clerks emailed stakeholders before the deadline to clarify the wording and to apologise for any confusion this may have caused.

- The disparity between Planning and Licensing regimes “is causing real problems” as the determination of an STL licence does not allow the lack of planning permission to be taken into account and at the same time Planning Authorities are taking enforcement action on hosts who they consider require planning permission to operate a property as a short-term let. This has caused confusion for applicants and does not look good for the local authority;
- Licensing Authorities are not able to recover enforcement costs associated with unlicensed premises through STL fees. This impacts on resources to meaningfully enforce the regulations which could reduce benefits in terms of safety;
- Whether HomeSwaps require a licence and the discrepancy around ensuring guest health and safety, and improving private sector property condition associated with lesser licensing conditions for Temporary Exemptions / Licences;
- Clarity needed on who should apply for a transfer licence – currently the licence holder, however, to carry out fit and proper test personal information is required in relation to new licence holder;
- Further clarification required in guidance regarding home swap applications, in relation to that constitutes the “course of business”;
- Clarification needed on what mandatory conditions are required for temporary exemptions to be approved in order that all authorities are applying the same criteria.
- Concerns regarding the drafting of certain provisions within the 2024 Amendment Order, particularly those relating to the provisional licence application procedure and the procedure for transfer applications - these provisions could potentially be refined to allow them to work better within the structure of the Civic Government (Scotland) Act 1982 (“the 1982 Act”).
- The objections system could be challenging and difficult to understand;
- ALACHO suggested that the regulations did not go as far as they should in combatting serious and organised crime: “regulatory systems that are designed to keep the “good guys” happy simply create space and opportunity for bad actors.” In its view, there are identifiable risks of individual, economic and social harm from an unregulated and weakly managed private rented and short term let sectors.
- COSLA noted the challenges faced by some local authorities, which had inevitably received a greater number of applications than others, and which did not have adequate resource in place to process applications within statutory timescales;
- COSLA also suggested that where there is insufficient time to determine applications, the local authority will apply to the court for an extension under section 3 of the Civic Government (Scotland) Act 1982. It would be concerned about the additional resource pressure and financial burdens this could have.

Responses from representatives of accommodation providers

6. Responses were received from the Association of Scottish Self-Caterers (ASSC), the Scottish Bed and Breakfast Association (SBBA), the Short-Term Accommodation Association (STAA) and the Scottish Tourism Alliance (STA).
7. Stakeholders representing the industry continued to make clear their opposition to the licensing scheme in general and suggested that it had led to prohibitive costs and unnecessary bureaucracy which had in turn caused a shortage in accommodation as operators opted to leave the industry. They also spoke of increased costs which acted as a deterrent to operators (the SBBA stated that the average actual total cost of STL Licensing per B&B or guesthouse is £2,147, which equates to £498 per room) and had led to a reduction in visitor numbers. A number of specific comments and concerns have been summarised below—
 - The SBBA described the scheme as being “by far the worst example of policy implementation we have ever encountered” and stated that “the policy as implemented is “fragmented, inconsistent, arbitrary, often disproportionately onerous, unnecessarily costly, far too wasteful of the time of both microbusinesses and of local councils, has obstructed the normal market in the sale or transfer of businesses classified as STLs, and is badly targeted, impacting as it does businesses like traditional B&Bs and guesthouses which are already compliant with health and safety rules and already subject to inspection and enforcement (and whose operation is of no detriment to the supply of affordable housing).”
 - The SBBA called for the following changes—
 - Scrap the 32 local Licensing schemes altogether as soon as possible and adopt a low-cost country-wide, digital, registration scheme instead;
 - More directive guidance from SG to councils to make application requirements less onerous, clearer and more consistent;
 - Reduce STL Licensing fees in line with what SG said would be the case originally, and in line with the principle of “cost recovery only” (and no instances of multiple fees for what is in reality one business);
 - Exempting premises in Class 7 (hotels and guesthouses);
 - Enable the easy sale or transfer of STL businesses (we recognise that the amendments went some way towards achieving this, for which we are grateful – though the changes were late);
 - Stop requiring retrospective planning permission (or buildings warrants) when the law does not require it – as at least one Judicial Review has made clear;
 - Stop councils using STL Licensing as a blunt instrument to “manage down” tourism.
 - The ASSC stated that “the review has not adequately addressed key concerns. The ASSC criticises the government for downplaying the

issues faced by small business owners, especially the detrimental effects of complex licensing and planning requirements. The conflation of these two areas is a significant barrier, and legislative amendments are needed to clarify their separation.

- The ASSC was sceptical about the effectiveness of new expert groups formed to address STL regulations and stressed the need for these groups to deliver actionable outcomes rather than just engage in discussions.
- In the ASSC's view, professional operators were already regulated, but unlicensed rentals have proliferated, undermining regulatory efforts.
- The ASSC raised concerns about legal failures in STL regulations and highlighted the outcome of judicial reviews against Edinburgh and Highland Councils. It suggested that many operators face increasing financial and regulatory burdens, which threaten their businesses and mental well-being. In its view, the current regulations have not effectively addressed housing shortages or anti-social behaviour, leading to calls for substantial reforms to ensure regulations are fair, justifiable, and supportive of the tourism sector.
- The STA made the following points—
 - There continue to be significant issues around the linking up of planning and licensing concerning STLs including different planning requirements being put in place by individual local authorities.
 - Along with updating guidance to give greater clarity to licensing authorities to avoid different interpretation of the legislation, further legislative action is needed to separate the relationship between licensing and planning to ensure the successful delivery of a STLs licensing regime that is focused on delivering improved safety, quality, and standard of STL accommodation.
 - STA supports calls from ASSC to ensure that any future STLs review take into detailed consideration an evidence-based approach concerning the unintended consequences that have resulted from the legislation and whether it is meeting its original policy objectives.
 - This should be backed by data from across all Scottish local authority areas to demonstrate if the introduction of the STLs regime has resulted in any measurable difference to the availability of affordable housing, safety improvements for guests, and reduced antisocial behaviour.
 - At the same time, it should also capture self-catering, B&B and guest house closures and associated local visitor economic data, and tourism data to capture accommodation availability, range of options, pricing, and as a result any negative impact on local visitor numbers.
 - A future review must also capture if lack of accommodation options has had a direct impact on loss of business, including hosting of tour groups, conferences, events and festivals, along with local accommodation for film crews.
 - The STA urges the Scottish Government to accelerate a review of how the STLs regime has worked in practice to avoid

unintended consequences for the tourism and hospitality sector and ensure any necessary changes are introduced quickly.

Edinburgh Festivals

8. The Fringe Society suggested that the scheme had led to unintended consequences for artists and audiences and a reduction in visitors from other parts of the UK. A specialist booker which promotes affordable accommodation for artists and creatives in people's homes at a capped rate stated that “we have seen a dramatic fall in the number of Hosts on our platform in Scotland, mainly due to the increasing cost and bureaucracy surrounding the licence application process. Many Hosts report they no longer find it viable to rent to Theatre Professionals and stop hosting completely.”
9. The Fringe Society also stated that post-Covid, producers have “avoided bringing ambitious work with a cast of more than one person to Edinburgh, chiefly because of accommodation and relocation costs. In 2018 a visiting showcase had spent £60k to support the same number of shows that this year cost £175k, so they are now re-evaluating as to whether they can continue to showcase at the Fringe.” It cited research by Nestival which found that accommodation costs had increased significantly since 2018 as set out in the following table—

Accommodation	Av Price in 2018	Av Price in 2024	% increase (on mid # of range)
1-bed	£1,900	£5,850 -£9,000	291%
2-bed	£2,675-£3,000	£7,700-£9,900	210%
3-bed	£3,300-£3,800	£8,580-£12,000	190%
4-bed	£4,500-£5,100	£10,500-£17,000	186%
5-bed	£5,200-£5,700	£17k+	185%

10. The Society also highlighted anecdotal evidence that increased costs were deterring visitors to Edinburgh during August and suggested that the Committee should “look again at the measures initially proposed in June to ensure that the very short-term temporary situation of exemptions for letting out personal properties and people’s spare rooms for less than six weeks is as simple and streamlined as possible.”
11. Festivals Edinburgh made similar points and suggested that the update “has not addressed fundamental concerns that Festivals Edinburgh have about the design and operation of the short-term let licensing regime as it applies to primary letting – home sharing and home letting.” In its view, “in order to tackle what are overwhelmingly commercial secondary letting issues, it is not necessary to damage brief periods of personal primary letting in people’s own residences.” It also expressed concerns about unintended impacts on temporary home-sharing and home-letting in people’s primary residences and suggested that any

future review “should consider wider exclusions of home sharing – rather than temporary exemptions - to tackle the anomaly in the national framework that short-term stays for educational purposes, including for example homestays for young language learners, have been excluded.”

Other responses

12. PLACE Edinburgh suggested that a lack of resourcing had delayed planning applications, which in turn delayed licensing decisions and “allowed secondary STLs to operate for considerably longer than they should have, knowing that they had very little chance of obtaining planning permission. This repeats the tactics of secondary STL operators who took councils to the DPEA previously after being served enforcement, enabling them to operate unlawfully many months longer” which further affects residents experiencing negative impacts.
13. In PLACE Edinburgh’s view, “STL operators working outside their legal obligations have been rewarded for their unlawful behaviour as licensing does not consider amenity (which would normally be considered in planning) and residents have no way to stop the process.” It also expressed concerns that Police Scotland had apparently said that it “will not be responding to complaints about STLs operating anti-socially or illegally” and stated that a whole system approach with proactive checks and enforcement was required.
14. However, PLACE Edinburgh also suggested that “in Edinburgh, the STLs are reduced in numbers with many of the homes operating without planning permission as secondary lets have been returned to their zoned purpose of being homes again. This is important in a housing emergency.”
15. Living Rent noted concerns relating what it sees as the need for greater enforcement, both in terms of applying for licences and for planning permission. It suggested that the majority of lets advertised in Edinburgh for September on AirBnB did not display their license number as required by statute. In its view, it would take “minimal resources” for councils to check adverts against the licence register and ensure STL operators are operating legally.
16. Living Rent also raised concerns about exemptions, suggesting that Edinburgh Council’s policy of allowing temporary exemptions for whole properties is “far too permissive.” Living Rent also suggested that Edinburgh Council allows short term let landlords “to apply for exemptions for the majority of the year including: large concerts, the Six Nations, the various festivals, conventions, Christmas and Hogmanay.” In its view, this incentivises STL landlords to keep properties empty at other times as letting during peak periods is profitable in itself. In its view, “temporary exemptions should only be available for home letting and home sharing, not for secondary letting.”

17. Living Rent also called for short-term let licences for secondary lets to continue to be restricted to one year as it considered that “STL licence holders renewing their licence on an annual basis will prompt neighbours to identify issues with STLs in their immediate vicinity, which will help councils and the STL sector to address common problems with STLs.”
18. In response to a question about the impact of the licensing scheme, Living Rent stated that “In areas with a short-term let control area, there has been a positive impact on communities and tenants living near short-term lets. However, there are still too few areas that have become short-term let control areas meaning that a lot of the benefits to communities are yet to be delivered.”
19. VisitScotland stated that it has been encouraged by the Scottish Government’s ongoing engagement around the design and operation of the short-term licensing regime but noted that the update “identifies several ongoing concerns, and where they have not yet been resolved, we welcome efforts to continue to identify workable solutions.”

Conclusion

20. The Committee is invited to consider the information above in its evidence session with the Minister for Housing.

**Committee clerks,
November 2024**

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Licensing of Short-term Lets

Introduction

The paper provides background on the short-term let licensing system.

The Committee last heard from the Minister for Housing on the short-term let licensing regime at its [meeting of 25 June 2024](#), when [it considered](#) the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Amendment Order 2024. The Committee agreed the motion to approve this Order following a division.

The Scottish Government [published an update](#) on the implementation of the short-term let licensing regime on 30 August 2024. The Committee then wrote to stakeholders, including licensing authorities, accommodation providers, tourism industry bodies and resident groups, asking for their views on the update. 19 responses were received, which are [available on the Committee's webpage](#). Both the update and responses are also briefly explored in this paper.

Background

What is a short-term let? The Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2022 (“the Licensing Order”) defines a short-term let as “the use of residential accommodation provided by a host in the course of business to a guest”, subject to a number of criteria which are described below.

When does a host need a short-term let licence? A host providing a short-term let must obtain a licence, except when:

- The accommodation is the guest’s only or principal home.
- The accommodation is provided to the guest free of any charge or other obligation.
- The guest is an immediate family member of the host (including a foster child), a school pupil or student resident for educational purposes, or an owner or part-owner of the property.

- The accommodation is provided for the purposes of work or service provision, e.g., an on-site janitor's home or room for a live-in carer.
- The accommodation is provided under certain tenancy agreements.

The Licensing Order also exempts a number of specific property types from the licensing system, e.g., hotels, hostels, and hospitals.

As mentioned above, the requirement to obtain a short-term let licence only applies where accommodation is provided "in the course of business." The vast majority of short-term lets involve the guest(s) booking and paying the host for their stay via a third-party booking platform. The cost is usually based on the number of nights booked. However, the licensing regime does not just apply where money changes hands but to any accommodation provided for a "commercial consideration." This is defined in the Licensing Order as covering both money and "...a benefit in kind (such as the reciprocal use of accommodation)."

So, when deciding whether a licence is required, it is necessary to consider:

1. Is the property being provided "in the course of business"?
2. Is the property being provided for a "commercial consideration"?
3. Is the property type exempt?
4. Does the letting arrangement qualify for one of the exceptions listed above?

Are there different types of licence? Yes, in addition to full-time commercial lets, the licensing regime also applies to occasional lets of a host's only or principal home, and/or the letting of rooms within such a home while the host is resident. To reflect this, the licensing scheme differentiates between three types of short-term let arrangement:

- **Home sharing:** Guests stay in a part of a host's only or principal home, while the host is resident.
- **Home letting:** Guests stay in a host's only or principal home, while the host is absent.
- **Secondary letting:** Guests stay in accommodation that is not the host's only or principal home.

A licence will normally cover home sharing/letting OR secondary letting, but not all three. A new category of 'provisional short-term let licence' was introduced by the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Amendment Order 2024. Provisional licences are available to hosts with accommodation that is yet to be built or under construction. Once construction is complete, a host can apply to have the provisional licence 'confirmed,' providing that the accommodation complies with all the required conditions, effectively turning the provisional licence into a full licence. A host in possession of a provisional licence cannot accept bookings.

What about accommodation during one-off and major events? Major one-off events, such as international sporting championships, and annual cultural highlights, such as the Edinburgh festivals, require large spikes in visitor accommodation availability. A significant amount of this additional capacity is provided by residents offering their only or principal homes as short-term lets during such events. The Licensing Order provides two options for authorising the temporary use of such accommodation for limited periods of time. These are:

Temporary exemptions: A local authority can grant a temporary exemption from the requirement to hold a licence for short-term letting for up to three periods not exceeding six weeks in total within any 12-month period. Local authorities set out their approach to temporary exemptions, which can include never offering such exemptions, in a policy statement, e.g. [Glasgow City Council](#) states that:

“Given one of the reasons behind STL legislation being introduced is to ensure basic safety standards are in place across all STL and the applicant is a fit and proper person to hold the licence, the Committee agrees on this basis, that no temporary exemptions will be granted. This means that where a person is using their premises as a STL, at any time throughout the year, a STL licence would be required.”

Temporary exemptions are not granted automatically, a host needs to apply for an exemption. The local authority will charge a fee for processing an application for an exemption and can attach conditions to any award of an exemption.

Temporary licences: A local authority can choose to issue temporary short-term let licences, with a maximum duration of six weeks, or longer if an application for a full licence has also been submitted – in which case, the temporary licence can last until a decision is reached on the application for a full licence.

How much does a licence cost? The cost of a short-term let licence is set by individual local authorities, with the charge typically being based on the type of licence and the maximum occupancy of the accommodation being licensed. Licence fees must be set on a cost recovery basis, meaning they must only cover the costs incurred by authorities in running their licensing schemes.

Fees are typically in the region of £300 to £500, although they can be as low as £145 for a new home-sharing licence for up to four guests in the Glasgow City Council area, and up to £5,869 for a secondary let that can accommodate 21+ guests in the City of Edinburgh Council area.

What conditions are attached to a licence? The Licensing Order includes several conditions that apply to licenses issued by all Scottish local authorities, known as “mandatory conditions.” These include:

- ensuring a property meets the repairing standard.
- has an Energy Performance Certificate, where required.
- has adequate fire and carbon monoxide alarms.
- has an up-to-date gas safety certificate.
- has electrical installation condition and portable appliance testing reports.
- has appropriate buildings and public liability insurance.

The [repairing standard](#), a basic level of repair that applies to all privately rented accommodation in Scotland, also applies to licensed short-term let accommodation.

Local authorities can also impose additional conditions.

Short-Term Let Licensing: Implementation Update Report 2024

The Scottish Government published its [Short-Term Let Licensing: Implementation Update Report 2024](#) on 30 August 2024. The update focused on three key areas:

- short-term let licensing statistics to December 2023.
- current operational processes.
- potential operational improvements.

The update is clear that its authors did not consider changes to the core elements of the licensing system, meaning it does not propose changing the requirement for a host to obtain a licence for any type of home letting or sharing, or altering the role of local authorities as licensing authorities for their areas.

The update is informed by the work of the short-term let advisory group, ministerial and official engagement with stakeholders, correspondence, official statistics, and media monitoring. An overarching theme running through the report is that the licensing regime is still in its implementation stage, and it is too early to properly assess its impact. The key output from the update is the establishment of an Expert Group, led by VisitScotland, which will suggest changes to guidance and assess other issues of concern as directed by the Scottish Government.

Key points outlined in the update include:

Statistics: At the end of December 2023, there were 23,576 applications comprising:

- 14,539 validated applications across all 32 local authorities.
- at least an additional 9,000 unvalidated applications across the 23 authorities that supplied data.

Of these, 7,260 of the validated applications had been determined – 98% of which were granted a licence. Just two applications were refused and a further 146 were withdrawn by the applicants. The remainder were still to be determined. Unofficially, licensing authorities indicated that actual application number could be as high as 30,000 – with many applications being incomplete or lacking the supporting information required for processing.

Operational processes: This focused on the safety of accommodation, suitability of applicants and concerns raised by stakeholders. The Scottish Government, referencing the view of the Scottish Fire and Rescue Service, argues that the licensing regime has improved the safety of short-term lets. They also state that making Police Scotland a statutory consultee has allowed them to highlight potentially unsuitable applicants – with police objecting to 15 applications and highlighting four applicants with minor criminal convictions. It goes on to highlight concerns from stakeholders about a lack of enforcement action, the need for suitability checks for temporary licences, and data protection concerns about the inclusion of real names in publicly available local authority short-term let licence registers.

The Scottish Government commits to monitoring safety matters and reviewing its Data Protection Impact Assessment by Easter 2025 (20 April 2025).

Operational practices: The Scottish Government considers there to be good awareness of the licensing regime amongst stakeholders. It goes on to highlight to most licensing authorities have adopted a risk-based approach to licensing – only inspecting those properties where it is considered necessary. The update also states that two-thirds of licensing authorities have developed automated application systems and online application portals.

Stakeholder concerns in this area focus on the variability in approaches to licensing between authorities, a lack of standard forms and fees, insufficient processing times for licensing authorities, a lack of resources available to licensing authorities and partner agencies to undertake licensing work, the imposition of unreasonable local licence conditions, and the interplay between the town planning system licensing regime.

The Scottish Government's response to these concerns highlights changes already made to regulations and guidance, a commitment to further monitoring, working with stakeholders, or passing issues to an expert group for further consideration.

Business considerations: The Scottish Government considers transitional provisions to be working well and that licensing is likely to increase investor and lender confidence in the short-term let sector.

This section goes on to highlight stakeholder concerns about an inability to transfer licences, the need for assurance that new-build properties will meet the requirements for a short-term let licence, a need to loosen restrictions on temporary exemptions, a request that licensing authorities be able to disapply mandatory licence conditions from temporary licences, a question as to

whether a licence is needed for accommodation provided by a host that is moveable – such as a tent, and concerns that a lack of available tradespeople in some areas is hampering compliance with gas and electrical safety requirements.

In response to these concerns, the Scottish Government highlighted the introduction of provisions allowing for licence transfers but rejected calls for any exemption from mandatory conditions for temporary licences. It will ask the action group to look at the question of moveable accommodation. There was no direct answer to the issue of a lack of tradespeople affecting the ability to successfully apply for a licence.

Community considerations: The Scottish Government considers that the use of site notices, alerting neighbours to a short-term let licence application has proven effective. Community representatives have raised concerns that hosts are applying for the wrong type of licence and that it can be difficult to raise concerns about short-term lets with licensing authorities. The Scottish Government makes no substantive response to the concerns raised – stating that these are matters for licensing authorities.

Monitoring: The Scottish Government considers that it has responded effectively to concerns about monitoring – encouraging the sharing of information and best practice amongst licensing authorities. The Scottish Government also highlight that the new data streams from short-term let licensing allow for information driven decision making by local authorities. Concerns raised include licensing authorities claiming that data reporting requirements are more onerous than for other licensing regimes and stakeholder concerns that data provision and engagement do not result in any obvious action by authorities. The Scottish Government has committed to reviewing data provision requirements on licensing authorities and to continued engagement with stakeholders on short-term let licensing.

Feedback not within the scope of the update: The update highlights three significant areas of concern raised by stakeholders which it considers to be outside the scope of the update. These are:

- A request that the Regulation Improvement Advisory Group (RIAG) consider whether short-term let licensing regulations should be revoked.
- Calls for the replacement of short-term let licensing with a simpler registration scheme.
- Calls for 'overprovision powers' (effectively allowing licensing authorities to cap short-term let numbers in particular areas) to be added to the licensing system.

The Scottish Government stated that the RIAG could look at this in future, once the system has had time to bed in, but rejects calls for a registration scheme or the introduction of overprovision powers – arguing that the short-term let control area system provides local authorities with a means to achieve that end.

Views on the Update made in written submissions

Following publication of the update, the Committee wrote to stakeholders asking for their views on its contents and posing four specific questions.

These were:

1. Were they aware that the Scottish Government was gathering views on the operation of the short-term let licensing regime?
2. Did the update address their key concerns about the operation of the licensing regime?
3. What, if any, comments did they have about the proposals set out in the update?
4. What impact has the licensing regime had on visitor numbers, the number of short-term lets, the safety and quality of short-term lets and communities living in areas with higher concentrations of short-term lets?

19 responses were received by the Committee, which are [available online](#). Responses covered a wide range of issues related to short-term lets and the operation of the housing and planning systems. Analysis of these responses has identified several commonly recurring themes, which are very briefly outlined in the below. It is important to note that this is not a comprehensive list of all the points made by respondents, rather a summary of the key issues of interest or concern raised.

Licensing authorities

- There was general agreement that it is too early to identify the true impact of the licensing regime on housing availability, communities, tourism, the wider economy, and related issues.
- The nine-month time limit on license determination is too short for complex cases.
- The planning and licensing regimes are not aligned. They often operating independently of each other in ways that can disadvantage both the authority and accommodation providers.
- Licensing authorities cannot recover costs for undertaking enforcement action.
- Further clarity is required about the application of the licensing regime to home swaps – particularly what constitutes “in the course of business.”
- Concerns about the operation of procedures around provisional licences and licence transfers and how these will work in practice.

Accommodation providers

- The review has not addressed the concerns of accommodation providers. The Scottish Government has downplayed the impact of the

licensing regime on the sector. There is a need for a comprehensive review of its impact, and then the regime itself.

- Accommodation providers remain opposed to the licensing regime, arguing that pre-licensing predictions of providers leaving the market due to increased costs, bureaucracy, lack of flexibility, inconsistency, disproportionate licence conditions, and related matters are now happening.
- There is broad support for the replacement of the licensing regime with a low cost, low impact registration scheme.
- There is a need for regulations and guidance to be reviewed, to reduce costs, prevent inconsistent application of rules, streamline processes, and focus on delivering the regime's stated aims on guest safety and quality.
- Guest Houses and Bed and Breakfasts should be exempted from the licensing regime – as they already comply with safety requirements and do not impact on housing availability.
- There are concerns that unlicensed operators are proliferating, able to undercut law-abiding providers on cost – potentially providing sub-standard accommodation to visitors.
- The interplay between planning and licensing regimes is confusing for providers, often costly and does not appear to benefit communities or visitors.

Edinburgh Festivals

- The licensing regime has limited the availability of lower-cost accommodation options for performers and there is evidence that this is reducing the number of shows with larger casts from attending.
- There is anecdotal evidence that the licensing regime has reduced the number of visitors coming to Edinburgh during the festival period.
- Views that the inclusion of short periods of home sharing and home letting in the licensing regime are disproportionate to deal with issues caused by commercial secondary letting remain unchanged. This has a significant impact on large events such as the Edinburgh festivals and should be considered in any future review.

Communities

- There are concerns about the very limited amount of enforcement action being taken against unlicensed operators and that a pro-active enforcement stance is required from licensing authorities and Police Scotland.
- There is confusion, and clear inconsistency, in the co-ordination and application of planning and licensing functions by local authorities.
- There is some evidence in short-term let hotspots, such as central Edinburgh, that some properties are being returned to residential use.