

To: Regulatory Functions Board

On: 1st September 2022

**Report by:** Director of Finance and Resources

# Heading: Proposed Scheme for Licensing of Short-Term Lets

### 1. Summary

1.1 The purpose of this report is to advise the Board as to the responses received to the recent consultation on the licensing of short-term lets and to seek approval of policies and proposals for implementation of the mandatory short-term lets licensing scheme in Renfrewshire.

# 2. **Recommendations**

It is recommended that the Board:-

- 2.1 Agree the proposed policy for Renfrewshire in relation to the licensing of short-term lets set out at Appendix 8, including the statutory policy in relation to Temporary Exemptions;
- 2.2 Agree the proposed licence conditions for short-term lets set out at Appendix 9;
- 2.3 Agree the proposed fees structure for short-term lets set out at Appendix 10;

- 2.4 Agree that the duration of short-term let licences granted and renewed in Renfrewshire be for a period of three years;
- 2.5 Instruct officers to develop application forms and guidance notes for shortterm lets and to publish the above policy, conditions, fees, application forms and guidance notes on the Council's website and otherwise take such steps as may be required to introduce the short-term let licensing scheme prior to 1<sup>st</sup> October 2022;
- 2.6 Recommend to Council that additional delegations to officers be agreed as set out at section 7 of the report; and
- 2.7 Otherwise note the terms of the report.

# 3. Background

- 3.1 At a meeting on 8<sup>th</sup> June 2022, the Board considered a report detailing new legislation which will require the Council to introduce a scheme for the licensing of short-term lets, to be open to accept applications from 1<sup>st</sup> October 2022. The report set out the scope of the mandatory licensing scheme and sought authority to carry out a consultation exercise on the implementation of the licensing scheme in Renfrewshire.
- 3.2 The Board authorised officers to proceed with the recommended consultation and agreed that the consultation responses received be reported to a future meeting of the Board when details of the licensing scheme would require to be agreed.

# Responses to the Consultation

- 3.3 A consultation exercise was carried out between 22<sup>nd</sup> June and 22<sup>nd</sup> July, both 2022, seeking views from the parties noted below:
  - Police Scotland
  - Scottish Fire and Rescue
  - Chief Executive and all Renfrewshire Council Directors
  - Head of Communities and Public Protection
  - Andrew McKean, Tourism Officer, Chief Executive's Service
  - Visit Scotland

- Fiona Campbell, The Association of Scotland's Self Caterers (ASSC)
- Scottish Guest House and Bed and Breakfast Alliance
- Federation of Small Businesses
- Renfrewshire Chamber of Commerce
- AirBnB
- 3.4 In addition to the above parties being consulted, an online public consultation survey was published on the Council's website. Elected Members of the Council were made aware of the consultation.
- 3.5 In response to the consultation, four responses were received within the period of the consultation, with one further response received following the close of the above consultation period from Visit Scotland, who had indicated in advance that they would not be able to respond timeously. The other responses were received from (i) the Association of Scotland's Self Caterers; (ii) the Council's Communities and Housing Services; (iii) AirBnB; and (iv) David Love, Chief Planning Officer, on behalf of the Chief Executive's Service. The responses are attached as Appendices 1 to 4 respectively, with officers' comments. The response from Visit Scotland is attached at Appendix 5, with officers' comments. In response to the online survey, 33 responses were received. A summary report of the online survey is attached as Appendix 6, together with Officers' summary of, and comments in relation to, the individual survey responses at Appendix 7.
- 3.6 The Board now require to consider the responses to consultation and agree the details of a licensing scheme for short-term lets, as recommended in this report. Further information in this regard is provided at sections 4, 5, 6 and 7 of this report

# 4. Proposed Policy in relation to Licensing of Short-Term Lets

4.1 In view of the requirement for the Council to implement a licensing scheme open to accept applications for short-term lets licences from 1<sup>st</sup> October 2022, officers have considered the responses to the consultation and have developed a draft policy for the Board's consideration, including (i) when Temporary Exemptions may be granted, (ii) when the Board may grant applications for temporary licences, (iii) the duration of licences and (iv) when inspection of short-term let properties will be carried out as well as wider compliance and enforcement considerations. The draft policy which the Board are asked to approve is attached at Appendix 8 to this report.

- 4.2 In preparing the draft policy on these matters, officers have had regard to the terms of the relevant legislation, the Civic Government (Scotland) Act 1982 ("the 1982 Act"), as modified by the Civic Government (Scotland) Act 1982 (Licensing of Short-Term Lets) Order 2022 ("the Licensing Order"), and the non-statutory Guidance published by the Scottish Government. Further information on the matters referred to in the proposed policy is provided at Paragraph 4.3 below.
- 4.3 Policy Considerations

### Temporary Exemptions

- 4.3.1 The 1982 Act, as modified in relation to short-term lets, allows for a system of Temporary Exemptions, which may allow a host to let their accommodation for a period of up to 6 weeks within a 12 month period without having a short-term let licence, subject to any conditions agreed by the Board. The Council as licensing authority requires, following statutory consultation, to adopt and publish a policy on this matter. Accordingly, the Board now requires to consider whether to allow Temporary Exemptions and, if so, in what circumstances and upon what conditions. Officers have prepared a draft policy in this regard, set out within section 9 of the wider policy document attached at Appendix 8.
- 4.3.2 In preparing the draft policy in relation to Temporary Exemptions, officers have had regard to the consultation responses and note that a system of Temporary Exemptions could offer flexibility to ensure there is sufficient available accommodation at times when there is a likelihood of a large influx of tourism. Equally, the Board may wish to ensure that Temporary Exemptions are allowed in suitable circumstances, as their use will avoid the full processes associated with a licensing application, albeit a Temporary Exemption may be granted subject to the licence conditions applicable to short-term lets.
- 4.3.3 As set out in the Appendices to the report, a number of respondents to consultation were supportive of a system of Temporary Exemptions, although a number of respondents, particularly to the online survey including short-term let hosts, expressed the view that a system of Temporary Exemptions could undermine the safety objectives of the mandatory licensing regime.
- 4.3.4 Balancing the above considerations, the proposed policy on Temporary Exemptions seeks to allow a system of Temporary Exemptions but subject to certain safeguards, including restricting these to circumstances of significance which are likely to generate an unusually high level of tourism in Renfrewshire and allowing any Temporary Exemption subject to the same

conditions as will apply to licensed short-term lets. Further information about the procedure in relation to these requests is set out at section 7 of the report.

#### Temporary Licences

- 4.3.5 The Council has an existing discretion under the terms of the 1982 Act to grant Temporary Licences. These licences can be granted for a period of up to six weeks and will continue to have effect where an application for a full licence in similar terms is applied for within the currency of that licence, until the full licence application is determined. The Council, as licensing authority, currently allows use of these licences in relation to events where a licence is required urgently and in exceptional circumstances, such as where a licence holder has missed the opportunity to renew their licence and is unable to work.
- 4.3.6 The proposed policy relating to temporary licences set out in section 8 of the Policy document at Appendix 8 would similarly allow for reasonable use of Temporary Licences in relation to short-term lets. In preparing the proposed policy, officers have considered the terms of the various consultation responses and have had particular regard to the views of officers in Communities and Housing Services. It is considered appropriate to allow the use of Temporary Licences more readily in relation to home sharing and home letting arrangements, in the circumstances set out in the policy, while not permitting temporary licences for secondary letting arrangements where the host does not reside in the property and the risks are considered to be higher, except in circumstances where the host has been prejudiced as a result of missing the deadline for renewal of their licence.
- 4.3.7 It is the view of officers that the proposed policy approach would allow the benefits of the Temporary Licence system to short-term lets hosts in appropriate circumstances, in terms of flexibility and the scope to determine a licence application on a truncated timescale, while ensuring it also achieves a balance which is in the interests of other parties with an interest in short-term lets such as guests and neighbours.

#### Duration of Licences

4.3.8 The original provisions of the 1982 Act continue to allow licensing authorities to grant or renew licence applications considered by the Board for a period of three years, or such shorter period as they agree at the time of granting the licence. The Council's current policy for licence applications made under these provisions is that these be granted for a period of one year and renewed for periods of two years.

- 4.3.9 The modified provisions of the 1982 Act in relation to short-term lets similarly allow licensing authorities to grant licences for a period of up to three years, but allow renewals for a potentially longer period, for example according to levels of compliance shown by hosts. Officers have considered the modified terms of these provisions. While it is not recommended that licences, at the renewal stage, be granted for more than three years, officers are of the view that there are similarities between the prospective licensing of short-term lets and the existing licensing of Houses in Multiple Occupation (HMOs). In the case of the latter, the Council carries out inspections of properties. Both applications for HMO licences and for landlord registration, under their applicable legislation, require to be granted for periods of three years.
- 4.3.10 Officers note that some concerns have been raised during the consultation period that the administration of short-term lets licensing should not be unduly burdensome on hosts, including the regularity of renewing licences. In light of the above considerations, it is the recommendation of officers that short-term lets licences, at both the grant and renewal stage, should be for a duration of three years.

#### Inspection Regime

- 4.3.11 The non-statutory guidance published by the Scottish Government supports a risk-based approach to inspection of short-term lets. There is no requirement to inspect all properties.
- 4.3.12 The Board will appreciate that the licensing requirements in relation to shortterm lets cover a range of short-term lets from home sharing/ letting arrangements, where the host is living in the licensed property, to secondary letting arrangements where the host does not reside in the property. It is the view of officers, having regard to the guidance and taking into account the consultation responses, in particular the response from Communities and Housing Services who will be responsible for carrying out any inspections, that it is reasonable to take a differentiated approach to inspections relating to applications, according to the type of short-term let licence applied for and associated level of risk.
  - 4.3.13 Accordingly, the policy on inspections, recommended at Appendix 8 to this report, sets out that, in relation to applications, inspections only normally be carried out in respect of applications for secondary lettings. In respect of applications for other types of short-term lets, it is anticipated that officers will consider the information in relation to compliance provided on an application form and will consider whether any inspection or further checks should be carried out. However, it will remain open to officers to arrange an inspection of any short-term let during the currency of any licence thereafter issued.

# 5. Licence Conditions

- 5.1 The Licensing Order sets out a number of mandatory conditions which the Council requires to attach to all short-term let licences. The purpose of the mandatory licence conditions is to ensure the safety of properties licensed for use as short-term lets.
- 5.2 The Council as licensing authority has discretion to attach further, reasonable conditions to short-term let licences. During the consultation exercise, consultees were asked for their views on what additional conditions ought to be attached to short-term let licences. In response, a range of views were received.
- 5.3 The views of officers on the consultation responses are set out underneath each consultation response contained within the Appendices, with a detailed summary of individual responses and officers' comments. Proposed standard conditions of licence for short-term lets In Renfrewshire, including the mandatory ones which must be imposed, are set out at Appendix 9. In proposing these conditions, officers have considered the concerns raised by the respondents to consultation and the reasonableness of the additional conditions proposed. The Council as licensing authority requires to ensure that any conditions attached to licences are reasonable, enforceable and not unduly onerous.

# 6. Fees Structure for Short-Term Let Licensing

- 6.1 A fees structure requires at this time to be agreed for short-term let licensing applications. A proposed short-term let licensing fees structure for Renfrewshire is attached at Appendix 10.
- 6.2 The Scottish Government, in the non-statutory guidance, state that they do not expect licensing authorities to set a uniform flat fee for licensing applications, which could disproportionately benefit hosts and operators of larger premises and adversely affect home sharing and smaller self-catering operators. The guidance also recognises that, where the cost of a licence is prohibitively expensive for a home share host who relies on short-term let income to pay their mortgage, this could push them into poverty.
- 6.3 The Licensing Order and the guidance allow licensing authorities to consider a number of factors in determining fees for licensing applications, including the size of premises, the number of rooms, the number of guests

who can be accommodated there, the type of short-term let and the duration of the period for which the premises are made available for use. There is also scope for licensing authorities to consider levels of compliance in setting renewal fees.

- 6.4 It is also proposed, in the policy at Appendix 8 and the Fees Structure at Appendix 10, that, where an inspection is required following a complaint or a failure to comply with a licence condition, a fee will be charged to cover the cost of this. It is not proposed to follow the approach of annual or recurring fees.
- 6.5 The Board is asked to agree the fees structure set out at Appendix 10. In relation to applications, the proposed fee distinguishes between different type of short-term lets and also allows for some variation in the levels of fee, reflecting the terms of the legislation and the guidance. The proposed fee structure also seeks to keep fees for short-term let licensing as simple as possible and to allow fees to be readily calculated, as suggested in the Guidance. Regarding the differentiation based on short-term let type, the Board will appreciate that secondary lettings will typically yield greater income than home sharing or limited home letting arrangements.

#### 7. Additional Considerations

- 7.1 The provisions of the Licensing Order modify the 1982 Act and introduce new procedures in relation to short-term lets which the Council will now require to implement. As a result, while general delegated powers already exist to grant and renew licences under the 1982 Act, the modifications will require additional powers to be used.
- 7.2 These relate to: (i) granting an application for a Temporary Exemption, as referred to above; (ii) preliminary considerations in relation to a licence application related to planning matters, and (iii) the granting of an "equivalent licence" to a host, in the absence of an application, where requested within 12 months of surrender of a licence. The proposed delegated powers which it is suggested that the Board recommend to Council are set out below:-
- 7.2.1 To the Director of Finance and Resources, Head of Corporate Governance, Legal and Democratic Services Manager, Managing Solicitors, Assistant Managing Solicitor (Licensing) and Senior Solicitor (Litigation and Regulatory Services), and in consultation with the Convener of the Regulatory Functions Board, a power:

"To grant an exemption from the requirement to obtain a short-term let licence in relation to a specified property or properties and during a specified period (which must not exceed 6 weeks in any period of 12 months) in terms of Paragraph 1A of Schedule 1 to the Civic Government (Scotland) Act 1982, in exceptional circumstances where an influx of large numbers of visitors is likely to require increasing accommodation capacity within Renfrewshire due to sporting, cultural or other events or festivals of national or international significance, or due to an emergency situation of similar significance."

7.2.2 To the Director of Finance and Resources, Head of Corporate Governance, Legal and Democratic Services Manager, Managing Solicitors, Assistant Managing Solicitor (Licensing) and Senior Solicitor (Litigation and Regulatory Services), a power:

"To refuse to consider an application for a short-term let licence within 21 days of receipt, in terms of Paragraph 2A of Schedule 1 to the Civic Government (Scotland) Act 1982, where it is considered that use of the premises for a short-term let would constitute a breach of planning control for the purposes of the Town and Country Planning (Scotland) Act 1997; and, where applicable, to notify the applicant for the licence that the licensing authority will suspend consideration of the application for a period of 3 months in terms of Paragraph 7(4)(a) of the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2022."

7.2.3 To the Director of Finance and Resources, Head of Corporate Governance, Legal and Democratic Services Manager, Managing Solicitors, Assistant Managing Solicitor (Licensing) and Senior Solicitor (Litigation and Regulatory Services), and in consultation with the Convener of the Regulatory Functions Board, a power:

> "To grant an equivalent licence to a person who surrendered a short-term let licence, in terms of Paragraph 13(5) of Schedule 1 to the Civic Government (Scotland) Act 1982, where an application is received within 12 months of the date of the surrender in respect of the same premises."

# 8. Conclusion

- 8.1 The Board is now requested to approve the proposed policy, including the policy on Temporary Exemptions, and the other recommendations in the report. Following approval, officers will take steps to introduce the licensing scheme for short-term lets in view of the requirement to do so by 1<sup>st</sup> October 2022.
- 8.2 Members of the Board may wish to note that the published Guidance in relation to short-term lets can be accessed via the following links:
- 8.2.1 For hosts and operators (Part 1): <u>Short term lets licensing scheme part</u> <u>1: guidance for hosts and operators - gov.scot (www.gov.scot)</u>
- 8.2.2 For licensing authorities, letting agencies and platforms (Part 2): <u>https://www.gov.scot/publications/short-term-lets-scotland-licensing-scheme-part-2-supplementary-guidance-licensing-authorities-letting-agencies-platforms-2/</u>

# Implications of the Report

- 1. Financial The delivery of a short-term lets licensing regime could result in a significant increase in workload for Council services involved in administration and enforcement of the scheme, although the number of short-term lets which might fall within the scope of the new regime is yet to be determined. As with other licensing regimes, fees for licensing applications are set on a cost recovery basis. The impact on resourcing this additional regime may require further consideration following introduction of the licensing scheme.
- 2. HR & Organisational Development None, other than the potential resource implications at 1, above.

# 3. Community Planning –

- Our Renfrewshire is safe the improved regulation of short-term lets to ensure safer accommodation for visitors and facilitate more resilient communities.
- Legal The Licensing Order introduces a mandatory system of licensing for short-term lets which requires to be introduced by all licensing authorities in Scotland. Otherwise, as detailed in the report and Appendices.
- 5. **Property/Assets** None
- 6. Information Technology The Guidance referred to in the report encourages the adoption of digitised forms and processes which is under consideration by officers.

# 7. Equality & Human Rights -

The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report, as, although the introduction of a licensing scheme may potentially impact on the availability of accommodation, the regime is mandatory and must be introduced by the Council. The discretionary aspects of the scheme, including additional conditions, are likely to be beneficial to guests and neighbours of short-term lets and it is not clear that there will be any other adverse impacts. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

- 8. Health & Safety None
- 9. **Procurement** None
- 10. Risk None
- 11. **Privacy Impact** None
- 12. **Cosla Policy Position** None
- 13. **Climate Emergency** None.

List of Background Papers- None.

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#### ASSC Submission to Renfrewshire Council Deadline – 22nd July Licence Conditions

The short-term lets licensing system which the Council will introduce must contain mandatory conditions which, largely, relate to the safety of short-term let accommodation. These conditions will apply across Scotland. The Council has the power to agree additional licence conditions. Licence conditions set out a number of rules which the licence holder must comply with during the period for which the licence is in effect. For example, a condition might be used to set out the maximum occupancy of a property used as a short-term let.

Please note that the Council is not able under the new legislation to impose a condition which restricts the number of nights which a non-resident host can let out their property.

#### Do you think the Council should adopt additional conditions?\*

**Yes** No

#### If so, what issues should the additional conditions cover?\*

Overcrowding of the property Noise and nuisance Litter or other mess in communal areas Failure to maintain the property in a good state of repair Failure to maintain, or contribute to the cost of, communal area repairs and increased wear and tear Damage to property Unlawful activity

#### Please explain your reasons and what you think the conditions should achieve.

The ASSC believes that Renfrewshire Council should adopt additional conditions in relation to: (a) noise monitoring devices in tenement buildings to evidence noise issues; and (b) community accreditation and mediation. One example where such additional conditions have been shown to work is Barcelona, where this was introduced by local government, and further information is available in the ASSC's Forward Together paper.

ASSC, Forward Together: A Collaborative Approach to Short-Term Letting, Url:

https://www.assc.co.uk/policy/forward-together-a-collaborative-approach-to-short-term-letting/

Please note that the Council is not able under the new legislation to impose a condition which restricts the number of nights which a non-resident host can let out their property.

Should children under the age of 10 count towards the occupancy of a licensed short-term let?\* Yes

No

#### **Temporary licences**

5. The Council can issue temporary short-term let licences. A temporary licence may be granted for a continuous period of up to six weeks, or longer if a host or operator has also made an application for a full licence. Should temporary licences be allowed?\*

Yes

No

#### Please provide any further comments you wish to make.

Short-term lets operating under a temporary licence should be subject to the same mandatory and additional conditions as those with a permanent licence.

#### **Temporary Exemptions**

The Council can also issue temporary exemptions from the requirement to have a licence. The Council require to adopt a policy as to whether these will be allowed. A temporary exemption could be issued for a property for certain occasions where there is a large number of visitors to

Renfrewshire over a short period e.g., to support events or festivals. A Temporary Exemption would last for a single continuous period of up to six weeks in any period of 12 months.

#### Should Temporary Exemptions be introduced?\*

Yes

### No

### If so, in what circumstances do you think these should be allowed?\*

First and foremost, if introducing a temporary exemption, Renfrewshire Council will require a clear and unambiguous policy on the type and style of event that would be eligible. All those operating under a temporary exemption should expect to be subject to the same conditions as applying to short-term let licences.

If you answer no, you get the following question...

Should any premises, or types of premises, not be allowed to operate under a Temporary Exemption? (for information, short-term lets can involve properties shared by a person who lives

there, or let out by them, or a property in which the host does not live)\*

Yes No

# Should similar conditions be attached to Temporary Exemptions, if allowed, as apply to short-term let licences?\*

Yes

No

#### Please explain your response

This would ensure consistency and fairness in the system for legitimate businesses.

#### General

# Please add any further comments you would like to make regarding the licensing of short-term lets.

The Association of Scotland's Self-Caterers (ASSC) welcomes the opportunity to respond to Renfrewshire Council's consultation on short-term let licensing. Founded in 1978, the ASSC are the leading source of knowledge on short-term letting and holiday homes in Scotland and are the only trade body representing the interests of the traditional self-catering sector. We represent over 1400 members, operating tens of thousands of self-catering properties throughout Scotland, from city centre apartments to rural cottages, to lodges and chalets, to castles. The ASSC commits its members to maintaining the principles of "quality, integrity, cleanliness, comfort, courtesy and efficiency" and to offering visitors to Scotland consistently high standards within their self-catering properties.

The ASSC is not averse to regulation; but we do challenge policies that are pursued while lacking a firm evidence base which will damage the livelihoods of our members and Scotland's vital tourism industry. Overall, we want to ensure a balanced and proportionate approach for business, tourism and local communities and get a regulatory framework in place that works for all. We will work constructively with all stakeholders, including Renfrewshire Council, to achieve this crucial objective. Tourism is a mainstay of the Scottish economy; and self-catering is hugely important to Scottish tourism in terms of jobs, revenue, and world-class experiences offered to guests. To be such an essential part of Scotland's tourism mix is even more remarkable for our sector when most selfcaterers

operate small or micro businesses. Our professional self-caterers are diligent and considerate business owners who are too often unfairly maligned. They do not, for example, 'hollow out communities', as some have claimed, but rather are part of local communities across Scotland and have been for many, many years.

The 'negatives' concerning short-term letting are often based on hearsay. Sadly, in recent years, due to the rise of the collaborative economy and online accommodation platforms, negative attitudes have increased with a hostile media and political climate which has been detrimental to hardworking professional self-catering operators who have operated in Scotland for decades with

minimal complaints or issues. This climate has, in turn, impacted upon community cohesion and led to bad policy decisions where short-term lets are used as a convenient scapegoat for long-term failures to address housing challenges. We would respectfully encourage an evidence-based approach to short-term letting – as well as a holistic approach to tackling housing challenges – and not one that relies on perception or anecdote.

When introducing local licensing schemes, we must not lose sight of the considerable economic benefits from short-term letting. Self-catering provides a £867m per annum boost to the Scottish economy, benefiting local communities the length and breadth of Scotland, supporting 23,979 FTE jobs. Given the importance of this sector to the Scottish tourism industry, which has experienced such a challenging time due to the impact of Covid-19, an appropriate regulatory balance is a necessity, as is a supportive environment to help businesses recover and flourish. The recovery of Scottish tourism will benefit small businesses, while responsible and sustainable tourism can help communities to recover too.

Short-term letting also adds to the diverse range of accommodation available and responds to consumer trends towards more authentic local experiences. The fact that consumer trends are shifting towards short-term lets and self-catering is illustrated by the fact that hotel chains are moving into this market and why they list rooms on popular booking platforms like Airbnb and Booking.com.

Moreover, traditional short-term letting activity, such as self-catering, is a small business like any other, with dedicated full-time professionals striving to provide positive experiences for guests and visitors. Given the competition to maintain standards, holiday let owners often spend money more frequently on additional property maintenance than they would on their own property. Their guests spend money in local food shops, cafes, gift shops, galleries, restaurants, tourist attractions etc – many of which would simply be unviable without visitor spending. Therefore, the impact of licensing (in tandem with any control areas) with the aim of reducing the number of properties, will not be limited to self-catering and short-term letting overall as there will be a significant negative impact to businesses in the wider supply chain. This emphasises the value that short-term letting provides to the wider economy (especially within the context of Covid recovery) from the operators themselves, with negative knock-on effects on hospitality, local activity providers and local attractions. There will also be a negative impact on laundry providers and cleaning services and guests, not to mention property managers, and the onward tech supply chain.

Finally, for Scotland – and indeed Renfrewshire – to remain competitive as a tourism destination, it needs to be responsive and adaptive to consumer trends, both in respect of the range of accommodation available, as well as for more environmentally conscious options. Holidaying within Scotland, rather than jumping on a plane to a resort overseas, should not only be encouraged during a global pandemic – but as an environmental, social and economic positive going forward. Selfcatering

properties can, therefore, be viewed as a solution to sustainability, not the problem.

Indeed, as one ASSC member – Louise Dickins (owner of Dickins Edinburgh Ltd) – so ably put it: "Quite often in our rural locations [self-catering units) are the main choice of where to stay. And they're an opportunity to stay in the heart of nature. They're affordable to families too. Scotland is one of the most beautiful countries in the world and so we're so lucky across the UK to be able to holiday here and not damage the planet in the process."

We believe that traditional self-catering provides both economic and environmental benefits for communities in Renfrewshire and the country as a whole. However, in order to ensure benefits are realised, self-catering needs to be actively encouraged as a sustainable option for travellers and an enabling regulatory landscape, not a draconian one, is critical. Sources

Frontline Consultants, *Economic impact of Self-Catering Sector to the Scottish Economy, Url:* https://www.assc.co.uk/policy/economic-impact-study-self-catering-worth-867m-to-scottisheconomy/

Appendix 1(ii): Officers' Comments on Consultation Response from ASSC

Officers have considered the detailed response from ASSC and would comment on the following matters.

While the Association are supportive of additional conditions being introduced, officers are not persuaded that noise monitoring equipment should be installed as a matter of course and would not provide meaningful information on the impact noise may be having within neighbouring properties: where noise complaints arise from short term let properties, Council Officers will investigate these and determine whether levels of noise are intolerable to neighbours, with the expectation the operator will satisfactorily address the matter timeously.

Equally, while accreditation and, as appropriate, mediation, are to be encouraged, it is not clear that these need be requirements of a condition of licence. The Board will appreciate that the short-term lets licensing system covers a wide range of short-term lets, from home sharing to secondary lettings.

Officers agree that the basis of any temporary exemption policy requires to be clear. Accordingly, the recommendation in the report that the Council amend the Scheme of Delegated Functions, and the terms of the proposed Temporary Exemptions Policy, would allow for a judgment on this to be made by officers in consultation with the Convener of the Board where there is an event or incident of. Officers also share the view that any short-term let covered by a temporary exemption ought to be subject to similar conditions as a licensed one.

Officers have no further comments on the remaining parts Association's response, the terms of which are self-explanatory.

Appendix 2(i): Consultation Response from Communities and Housing Services

# **Consultation Questions**

We would like to hear your views on Short-Term Lets and their licensing.

The Scottish Government have introduced new legislation which will require all local authorities in Scotland to introduce a system of licensing for short-term lets by 1<sup>st</sup> October 2022, with all short-term let accommodation requiring to be licensed in 2024. The Council requires to consult in relation to whether temporary exemptions should be allowed from the need for a licence (for up to 6 weeks in any period of 12 months) and is also seeking views on other matters. Your views on the matters below would therefore be appreciated.

Introductory

- 1. Please describe why you are interested in short-term lets?- e.g., are you:
- a short-term let operator
- a short-term let customer
- a resident affected by short-term lets
- a trade group with an interest in short-term lets

Please provide any further information you consider relevant.

This response has been prepared from Communities and Housing Services as an interested party.

Officers from this Service will have direct involvement within the licensing scheme whereby they will require to comment upon licence applications as part of the overall process, including whether a particular property meets the required minimum standard; dealing with complaint investigations and bringing forward reports to the relevant Policy Board where recommendations may be made on the suitability of the premises to be licenced or where there has been a failure to comply with conditions within licensed premises. There is the potential for the final licensing scheme adopted by the Council to have significant resource implications for this Service, primarily being dependent upon which properties will require to be inspected prior to a licence application being determined and also from the requirement to investigate complaints relating to conditions within licensed properties, including additional inspections; liaison with property owners and possible enforcement action arising from the investigations.

In terms of the requirement for premises inspections, it is our recommendation that this should be undertaken on the basis of risk relating to the safety of guests. It is considered that home-sharing and home letting premises present a lesser risk than secondary let properties, the latter having the potential to present a significantly greater risk for guests staying in these. On this basis, it is proposed that only secondary let premises will be inspected routinely at the time of a new/renewal application however, inspections may be considered for the other forms of short-term lets on a case by case and intelligence-led basis. Where complaints are received about the conditions within any short-term let premises, Officers will, where considered necessary, undertake inspections of any class of premises during the complaint investigation process.

It is proposed that Environmental Health Officers and Regulatory Assistants will undertake inspections of premises and provide reports on conditions as appropriate to inform representations/objections to applications for both new and renewal licences. The inspection process will require Officers to assess premises against mandatory and any additional standard conditions within the Licensing scheme and also, where it applies assess premises in terms of the Repairing Standard, as defined within the within Chapter 4 of Part 1 of the Housing (Scotland) Act 2006. Where any defects are identified there may be a requirement for additional follow-up visits to be undertaken to confirm these have been satisfactorily attended to.

There is also a likelihood that unlicensed properties which come to the Council's attention will require a similar level of investigation; all of this impacting on available resources within this Service to address the additional workload.

**Licence Conditions** 

2. The short-term lets licensing system which the Council will introduce must contain mandatory conditions which, largely, relate to the safety of short-term let accommodation. These conditions will apply across Scotland.

The Council has the power to agree additional licence conditions. Licence conditions set out a number of rules which the licence holder must comply with during the period for which the licence is in effect. For example, a condition might be used to set out the maximum occupancy of a property used as a short term let.

Do you think the Council should adopt additional conditions?

Yes, it is the position of this Service that additional conditions are adopted, with further information on this at point 3 below.

- 3. If so, what issues should the additional conditions cover?
- **overcrowding of the property**; A condition for overcrowding could be worded in such a way which prohibits a property being overcrowded however, as there is a mandatory condition which sets the maximum

occupancy for a property, this should ensure that there are sufficient means of controlling the occupancy at any time during a letting period.

It is further recognised that there is potential for the wider use of a property with the person who made the booking inviting additional persons to stay eg bringing tents to gardens for parties could give rise to antisocial behaviour issues and it is recommended that a condition prohibiting such activities is also developed which will control such issues.

# Suggested Draft Condition:

The holder of the licence shall ensure that any wider use of the property including gardens is not permitted for hosting additional guests in tents, caravans or mobile homes.

noise and nuisance; A condition controlling noise and other forms of nuisance could be considered appropriate however, wording of such conditions may prove to be difficult, and the examples provided within the Scottish Government's Supplementary Guidance for Licensing Authorities, Letting Agencies and Platforms are considered to be of limited use in ensuring noise is appropriately controlled. As an example, setting noise limits (through a requirement for hosts to install noise monitoring equipment) may not be effective in ensuring there is no disturbance to neighbouring property as it will not be possible to determine how effective any party walls/floors will be at insulating against the transmission of noise from one property to another. Therefore, it is recommended that a condition for such equipment to be installed within short term lets is not attached to all licences, but does remain as an option, where it is considered necessary to address noise complaints and noise limits can thereafter be set with cooperation from the complainant. It is considered therefore that more practical based additional conditions as described within the Guidance such as prohibiting the use of hard flooring within upper tenement flats/installation and maintenance of selfclosing devices on doors (including tenement close doors where appropriate), where in the opinion of the Licensing Authority these measures are required, may be more effective in ensuring disturbance is kept to a minimum. The standard condition on an HMO licence currently states that "The licence holder shall use all available means to ensure that no disturbance or antisocial behaviour arises within or from the premises." The use of this, or similar, would assist in controlling noise/ASB/other nuisance issues rising within short term let properties.

# Suggested Draft Noise Conditions-

The licence holder shall use all available means to ensure that no noise, disturbance or anti-social behaviour arises within or from the premises.

Where it is considered necessary by the Licensing Authority to avoid undue disturbance to neighbouring properties, the holder of the licence shall: Ensure that bedrooms, living rooms and hallways are fitted with underlay and carpets.

Install and maintain noise monitoring equipment of a type to be agreed with the Licensing authority. The location and maximum permitted noise levels shall be agreed with the Licensing Authority prior to the short term let being used.

Take reasonable steps to ensure that guests do not first arrive or finally depart from the property between the hours of 11 pm to 7 am. The licence holder must advise guests of this as part of their booking terms and conditions.

- **litter or other mess in communal areas**; Issues with litter and accumulations of waste materials are an all too common complaint, particularly within tenement buildings and additional conditions to control these matters are recommended. Firstly, as these are commercial ventures, a condition requiring that a commercial waste contract is in place throughout any period when a property is being advertised/used as a short term let is recommended to ensure that adequate waste storage and uplift facilities are in place to reduce the potential for excess waste to accumulate at the property. A further condition may also be appropriate to the effect that at the end of each short term letting period, the owners are required to ensure any litter or waste (including bulk items) arising from the property are cleared and disposed of appropriately. This should be a simple condition to comply with as the hosts will be having property cleaned between each let and extends the cleaning requirement into common areas, gardens, driveways etc

# **Draft Litter/Waste Conditions-**

The licence holder must at all times have in place a commercial waste uplift contract with an appropriate service provider, including having suitable and sufficient numbers of waste receptacles.

The licence holder must:

- clearly label bins as belonging to the premises;
- ensure that guests manage their waste in compliance with (2),

including when they depart; and

• maintain the bin storage area and the exterior of the premises in a

clean and tidy condition.

The licence holder must at the end of each letting period ensure that all litter and waste arising from the premises is removed and disposed of appropriately. This includes any bulk items such as old sofas, mattresses etc

failure to maintain the property in a good state of repair; the mandatory conditions detailed within the Civic Government (Scotland) Act 1982 Licensing of Short Term lets Order 2022 sets out specific requirements which properties are required to meet in terms of the state of repair, which should in most cases ensure the condition of a property is safe and in a good state of repair. However, the requirement for a short term let property in terms of fire detection states that those properties which are not subject to the Repairing Standard, as defined within Chapter 4 of Part 1 of the Housing (Scotland) Act 2006 have to have 'satisfactory equipment installed for detecting, and for giving warning of (a)fire or suspected fire, and (b)the presence of carbon monoxide in a concentration that is hazardous to health. For the avoidance of any doubt, it is recommended that an additional condition is attached to licences which requires that requires fire and smoke detection systems comply with the Tolerable Standard Guidance: Satisfactory Fire Detection and Satisfactory Carbon Monoxide Detection which became a mandatory part of the Tolerable Standard definition for all domestic properties from 1 February 2022.

A general condition requiring the property to be maintained, which should include reference to communal areas, to keep it in a good state of repair, to the satisfaction of the local authority is also recommended.

One regular complaint to the Council relates to maintenance of outside spaces and a further general condition requiring the satisfactory upkeep of outdoor and garden spaces would also remove this as a potential route of complaint against the operator of a Short-Term Let property.

- failure to maintain, or contribute to the cost of, communal area repairs and increased wear and tear; this would be included, as suggested within the comments above, in the conditions relating to the general requirement to maintain property in a good state of repair. It is not considered helpful to include a condition regarding increased wear and tear as this would be almost impossible to attribute to use associated with the short term let property.
- **damage to property**; A condition relating to making good damage caused to property, particularly within communal areas is considered appropriate however, it may be difficult to establish the cause of any reported damage

unless there has been a form of pre-commencement surveys/inspection of such areas prior to the short-term let being occupied.

The template condition within the Scottish Government Guidance document regarding the fixing of key boxes within tenement buildings is considered appropriate for circumstances where this is considered relevant.

It is noted that there is a mandatory condition relating to the requirement for hosts to maintain adequate buildings insurance whilst the premises are operating as a short term let and it is strongly recommended that the licence holder include provision for adequate cover to address accidental damage by guests to items / areas of communal property.

- **unlawful activity**. Unlawful activity will generally be covered by other legislation and specific additional conditions for this would not be considered necessary. A condition requiring the operator of the Short-Term Let to ensure that the premises are not used for any unlawful activity would be beneficial insofar as where the operator failed to address such behaviour this would result in a breach of condition and can thereafter be addressed by the Council suspending/revoking a licence where relevant agencies come forward with this information.

Please explain your reasons and what you think the conditions should achieve

Please note that the Council is not able under the new legislation to impose a condition which restricts the number of nights which a nonresident host can let out their property

4. In relation to occupancy levels in short-term lets, it will be a condition that hosts/ operators of these premises do not exceed the maximum number of guests.

The Council may choose to specify on a licence that guests may bring children under a specified age limit, and that these children would not count towards the occupancy of the premises. Scottish Government guidance states that licensing authorities may wish to set the age limit as 'under 10 years', which is in line with the reference to children in the context of housing within the Housing Act (Scotland) 1987, which provides a legal definition of 'overcrowding'.

Should children under the age of 10 count towards the occupancy of a licensed short-term let?

The age limit within the overcrowding provisions of the Housing Act (Scotland) 1987 provides a statutory means on which to base the occupancy. This is considered reasonable for setting an age limit on whether children should/shouldn't be included toward the occupancy of a short-term let.

# **Temporary licences**

5. The Council can issue temporary short-term let licences. A temporary licence may be granted for a continuous period of up to six weeks, or longer if a host or operator has also made an application for a full licence.

Should temporary licences be allowed?

Yes. It is accepted that the Scottish Government guidance states that "Temporary licences can provide a way for licensing authorities to allow new hosts and operators to start taking guests whilst their licensing application is being considered". However, whilst this provides benefit to the operator of the short-term let, it does not necessarily do so for the Council and therefore it is not considered necessary to permit temporary applications for this purpose. Granting of a temporary licence may also have the potential to cause unnecessary issues for neighbouring properties before any due consideration of the appropriateness of the property to operate as such has been made.

It may however be reasonable under some specific circumstances to permit temporary licences to be issued for existing hosts where an application for renewal has not been made before a licence expiry date (or within the statutory period of grace allowed for late applications as set out in the 1982 Act).

Notwithstanding the above comments, this Service would not have an issue with Temporary Licences being considered for both home-share and home lets, however due to the risks associated with secondary let premises, it is not considered appropriate for such licences to be granted for this class of premises. Such premises will require to be inspected prior to the granting of a licence (even where this is the subject of a renewal application).

**Temporary Exemptions** 

6. The Council can also issue temporary exemptions from the requirement to have a licence. The Council require to adopt a policy as to whether these will be allowed.

A temporary exemption could be issued for a property for certain occasions where there is a large number of visitors to Renfrewshire over a short periode.g., to support events or festivals. A Temporary Exemption would last for a single continuous period of up to six weeks in any period of 12 months.

Should Temporary Exemptions be introduced?

YES.

If so, in what circumstances do you think these should be allowed?

There will be infrequent occasions where an influx of large numbers of visitors for events may arise and under such circumstances it is considered reasonable to permit temporary exemptions which will assist with increasing accommodation capacity within Renfrewshire at times when this may be required. There will remain a suitable element of control over such properties as the Council can attach conditions to any temporary exemption which is granted (or refuse the application if deemed appropriate to do so at the time).

7. Should any premises, or types of premises, not be allowed to operate under a Temporary Exemption? (for information, short-term lets can involve properties shared by a person who lives there, or let out by them, or a property in which the host does not live).

This Service is of the opinion that there are no specific classes of premises which should be excluded from temporary exemptions. Any application for a temporary exemption would be considered on its own merits.

8. Should similar conditions be attached to Temporary Exemptions, if allowed, as apply to short-term let licences? (Please explain your response).

YES, the use of premises as short term lets, without conditions will have the effect of these being unregulated in so far as usage, occupancy numbers, refuse accumulation and nuisance, albeit that this will be for a relatively short and temporary period. However, the disturbance and potential issues which could arise through such unregulated use of properties can have a significant detrimental impact on neighbours during the period the exemption will apply. With the application of those conditions which apply to short-term let licences, control over the use of property can be exerted with the sanctions under the Civic Government (Scotland) Act 1982 available to be utilised by the Council where there is a breach of licence condition and enforcement is considered proportionate to the circumstances.

General

9. Please add any further comments you would like to make regarding the licensing of short-term lets.

There is a need to have a clear route for members of the public to report unlicensed short-term let properties which will provide confidence in the system of regulation of these properties.

As advised at 1. above, there is the potential for the final licensing scheme adopted by the Council to have significant resource implications for this Service and there should therefore be agreement on how applications will be processed internally, including prioritisation of when properties will be inspected, turnaround times for responses which, given the potential need for visits/revisits/engagement and liaison with short-term let owners may be lengthy, will require to be reasonable and allow for this part of the process to complete.

It is recognised that secondary short-term let premises can be different in nature which may present very different issues from these and that a one size fits all approach is therefore not appropriate, e.g., a detached 4 bed house has little similarity with a flat in a tenement building in Paisley and each premises will require to be considered on its own merits with additional conditions being applied as appropriate to each. Therefore the proposed published additional conditions should be wide enough in scope to allow such flexibility and to ensure that they will be appropriate for all types of short-term let premises.

With regard to the fees for licensing, it is noted that there is mention of Council's charging for visits where there is non-compliance (or allegations of this) with licence conditions, with the aim of encouraging licence holders to remain complaint. Such an approach is supported by this Service and the fees should be set to allow full cost recovery for Officer time involved where there is a need to investigate such allegations. It is noted however that charging for vexatious complaints is not permitted however, it should be clear in most cases where this has been the case.

Appendix 2(ii): Officers' Comments on Response from Communities and Housing Services

The risk-based approach to inspections suggested by Communities and Housing Services is consistent with the published non-statutory guidance from the Scottish Government.

Regarding their proposals for conditions relating to noise, it is noted that Communities and Housing Services suggest additional conditions "where in the opinion of the licensing authority these measures are required". The Board may consider that not all flats in tenement buildings may involve the same type of short-term letting and that not all flats of a particular construction will necessarily result in nuisance towards, or complaints from, neighbouring properties.

As such, it is recommended that these conditions are not agreed as standard additional conditions applicable to all licences: it would be open, however, to Communities and Housing Services to request these conditions in response to an individual application for grant or renewal of a licence in an appropriate case, of for the Regulatory Functions Board to consider the possibility of variation of a licence where issues are perceived to have arisen.

It is noted that Communities and Housing Services make recommendations regarding buildings insurance, but do not state specifically this should be a further licence condition. The Board will note in this regard that buildings insurance is already regulated by the mandatory licence conditions.

Regarding unlawful activity, while a general condition in this regard could be agreed, the Board has powers under the 1982 Act to consider suspension or revocation of a licence also on the basis of the fit and proper person test. The Board, in any consideration of possible suspension or revocation, requires to consider the culpability of a licence holder.

A list of recommended standard conditions of licence is attached at Appendix 9. A number of the additional conditions proposed by Communities and Housing Services have been included, some with slight modification.

The Board will note that any conditions imposed should be reasonable conditions, should not be unduly onerous and should be relevant to the licensing regime. The Board may wish to note that the non-statutory guidance for licensing authorities and others, referred to in Communities and Housing Services' response, provides specific guidance in relation to licence conditions. A link to the guidance is provided in the report.

Officers have no further comments on the response from Communities and Housing Services.

# **APPENDIX 3**

#### Appendix 3(i): Consultation Response by AirBnB

#### Airbnb's response to Renfrewshire Council's Consultation on short-term lets

#### licensing.cs@renfrewshire.gov.uk

Name Billy Hill

Email <u>billy.hill@ext.airbnb.com</u>

#### Introductory

- 1. Please describe why you are interested in short-term lets?- e.g., are you:
- · a short-term let operator
- · a short-term let customer
- · a resident affected by short-term lets

a trade group with an interest in short-term lets

Please provide any further information you consider relevant.

Airbnb does not fit within any of the given categories but would more accurately be described as an online booking platform.

Airbnb has worked with governments around the world to implement fair and proportionate regulatory frameworks for short-term lets. We do not rely on a "one size fits all" model; we understand the needs and aspirations of each country or region in which we operate and work in partnership to develop systems that work and are sustainable. We have considerable experience in frameworks that are cost- and resource-effective for governments, and those which are not.

Since first engaging in these regulatory discussions in 2017, Airbnb has sought to work constructively with stakeholders to introduce sensible and proportionate regulation for the short-term letting sector. We want to protect the livelihoods of local hosts who most need the additional income that welcoming guests into their homes can offer, whilst balancing the needs of local communities that may want more control over this activity. As we emerge from the global pandemic, Airbnb also wants to see tourism play its critical role in supporting Scotland's economic and social recovery.

#### **Licence Conditions**

2. The short-term lets licensing system which the Council will introduce must contain mandatory conditions which, largely, relate to the safety of short-term let accommodation. These conditions will apply across Scotland.

The Council has the power to agree additional licence conditions. Licence conditions set out a number of rules which the licence holder must comply with during the period for which the licence is in effect. For example, a condition might be used to set out the maximum occupancy of a property used as a short term let.

Do you think the Council should adopt additional conditions? No

- 3. If so, what issues should the additional conditions cover?
  - overcrowding of the property;
  - · noise and nuisance;
  - · litter or other mess in communal areas;
  - failure to maintain the property in a good state of repair;
  - failure to maintain, or contribute to the cost of, communal area repairs and increased wear and tear;
  - · damage to property
  - unlawful activity

Please explain your reasons and what you think the conditions should achieve

# Please note that the Council is not able under the new legislation to impose a condition which restricts the number of nights which a non-resident host can let out their property

4. In relation to occupancy levels in short-term lets, it will be a condition that hosts/ operators of these premises do not exceed the maximum number of guests.

The Council may choose to specify on a licence that guests may bring children under a specified age limit, and that these children would not count towards the occupancy of the premises. Scottish Government guidance states that licensing authorities may wish to set the age limit as 'under 10 years', which is in line with the reference to children in the context of housing within the Housing Act (Scotland) 1987, which provides a legal definition of 'overcrowding'.

Should children under the age of 10 count towards the occupancy of a licensed short-term let? No

#### Temporary licences

5. The Council can issue temporary short-term let licences. A temporary licence may be granted for a continuous period of up to six weeks, or longer if a host or operator has also made an application for a full licence.

Should temporary licences be allowed? Yes

#### **Temporary Exemptions**

6. The Council can also issue temporary exemptions from the requirement to have a licence. The Council require to adopt a policy as to whether these will be allowed.

A temporary exemption could be issued for a property for certain occasions where there is a large number of visitors to Renfrewshire over a short period- e.g., to support events or festivals. A Temporary Exemption would last for a single continuous period of up to six weeks in any period of 12 months.

Should Temporary Exemptions be introduced? Yes

7. If so, in what circumstances do you think these should be allowed?

Airbnb considers that the Council should issue both (i) temporary short-term let licences as well as (ii) temporary exemptions from the requirement to have a licence.

We believe that the Council should enable temporary exemptions to cover major sporting events, major international events, festivals and first-time operators trying out short-term letting for the first time.

Short term lets provide additional accommodation during important times of the year, e.g. the summer festivals. Renfrewshire Council need only look to its neighbouring local authority in Glasgow to see how short-term lets allow a city to tackle capacity issues and host a major event. 30,000 delegates, officials, and observers were expected at COP26 in the city; yet Glasgow's hotel capacity is only 15,000. To ease the supply of accommodation, Airbnb offered first-time hosts a £100 bonus to welcome delegates.

If another major international event were to be held in Glasgow, would the city and its neighbouring local authorities have capacity if demand out-stripped supply without short-term lets?

For the reasons set out above, we consider that the Council should introduce a policy setting out the circumstances and events for which the Council would permit applications for temporary exemptions.

Airbnb understands why the Council describes temporary exemptions as being for "a single continuous period of up to six weeks in any period of 12 months", since that is the interpretation the Scottish Government has proposed in relation to temporary exemptions. However, that is not what the Licensing of Short Term Lets Order 2022 says. In relation to temporary exemptions, the 2022 Order provides for an exemption "*from the requirement to obtain a short-term let licence in relation to a specified property or properties and during a specified period (which must not exceed 6 weeks in any period of 12 months)*".

It seems to us that the correct reading of the Order would permit an applicant, for example, to first apply for a temporary exemption in relation to a specified property for a specified period (such as, 4 weeks) and thereafter make a second application for an exemption (within that period of 12 months, if so desired) provided the cumulative total of the specified periods covered by any exemption does not exceed 6 weeks.

We would encourage Renfrewshire Council to adopt a policy on temporary exemptions that permits applications to be lodged for specified periods not exceeding 6 weeks in a 12-month period (as opposed to a single, continuous period). Or, if the Council feels bound by the Scottish Government's stated position, to make representations to the Scottish Government for a more flexible interpretation, which is consistent with the wording of the Order and which will allow the Council to best adapt to those periods of most significant demand.

This would provide the Council with the flexibility for occasions (festivals, etc) when the temporary exemption would be particularly advantageous in meeting the increased demand for short-term tourist accommodation in the local authority area.

Related to the issue of temporary exemptions is the question of temporary licences, which can provide a way for licensing authorities to allow new hosts and operators to both trial the concept of short-term letting for up to six weeks as well as to start taking guests whilst their licensing application is being considered. There is no risk to the Council in proceeding in this manner for temporary licences given that hosts and operators must still comply with all of the mandatory conditions.

8. Should any premises, or types of premises, not be allowed to operate under a Temporary Exemption? (for information, short-term lets can involve properties shared by a person who lives there, or let out by them, or a property in which the host does not live)

No. We consider that all premises (and all types of premises – home letting, home sharing, and secondary letting) would be suitable as short term lets.

We do not consider there should be any distinction between those properties eligible to hold a short-term lets licence and those properties eligible for a temporary exemption.

The vast majority of hosts on Airbnb are normal people, sharing their primary home to supplement their income. Almost 40% of Airbnb hosts in Scotland say the income helps their monthly household costs. The Licensing of Short Term Lets Order 2022 has legislated for home sharing, home letting, and secondary letting. We do not consider that it is helpful to then attempt to sub-divide each of these three categories into smaller sub-sets based on the type of property.

9. Should similar conditions be attached to Temporary Exemptions, if allowed, as apply to short-term let licences? (Please explain your response).

We would suggest that any conditions attached to a Temporary Exemption should be no more restrictive than those conditions attached to a short-term lets licence.

#### General

10. Please add any further comments you would like to make regarding the licensing of short-term lets.

In terms of the positives of short term letting:-

- For many people in Scotland, Airbnb provides an economic lifeline; yet these are the people who will be hit hardest by this legislation.
- The vast majority of hosts on Airbnb are ordinary people and families, sharing their primary home to supplement their income. Almost 40% of Airbnb hosts in Scotland say the income helps them to cover their monthly household costs.
- Hosts are Scotland's teachers, nurses, musicians and artists. Home sharing gives these people a flexible source of income, which is reinvested into their communities and the wider national economy.
- Short-term lets provide clear benefits for vulnerable guests and hosts. The Fairer Duty Scotland summary impact assessment of this legislation found short-term lets can help those on lower incomes by providing cheaper alternative accommodation for guests and an income supplement for hosts.
- Hosts opening up their homes on an occasional basis play a key role in helping make not just one-off events possible, but also large scale annual events, such as the Edinburgh Fringe, the Open and the Highland Games. The need for flexible accommodation capacity is ongoing, across the country.
- According to independent research undertaken on behalf of Airbnb by BiGGAR Economics, any major reduction in the number of lettings on Airbnb alone would represent a major blow to Scotland's economy. BiGGAR Economics found that, prior to the pandemic:
  - o Airbnb contributed £676.9m in GVA per year to Scotland's economy, and, across Scotland, Airbnb supported 33,549 jobs.

Clarity needs to be provided for hosts around the inspection process and what hosts can expect as part of the licensing process. This should take into account the type of activity and be conscious of the fact that some hosts do so on a very occasional basis - often using part/all of their property for other purposes at different times of the year. For example, some hosts are letting out their child's bedroom only during term time whilst they are at university.

There is a lot of confusion around the introduction of the new rules and what is expected of hosts and when. There is currently very little easily accessible information that sets out the process to hosts. Given the complexity of the new system and the fact that there are a lot of questions to be answered (in part through this consultation) we would recommend introducing a simple website that sets out the current status of the rules and what the expectations are of hosts as soon as possible.

In relation to the potential cost of licensing fees for the short-term lets licensing scheme, it should be remembered that small, short term let businesses and normal people sharing their home do much for the local economy, and contribute towards a sustainable and resilient economy and a growing business base.

As the cost of living crisis bites, ordinary people are increasingly relying on Airbnb for the income they make from hosting. As of January 2022, 83% of Hosts in Scotland only had one entire home listing, and over a third of UK Hosts on Airbnb use the income from sharing their own homes to help with rising living costs, according to our data (Internal Airbnb data as of 1 January 2022 and sourced on 19th May 2022).

A suitable licence cost is one whereby the fees set are a level not greater than the amount necessary to recover establishment and running costs. The Scottish Government guidance is clear on this point. The Scottish Government guidance also provides examples as to the ways local authorities should be keeping costs down – economies of scale, integration with other licensing functions, and taking a proportionate, risk-based approach.

In due course, the Council should explain how it has arrived at its proposed costs.

Appendix 3(ii): Officers' Comments on Response from AirBnB

The response from AirBnB is largely self-explanatory, but officers comment as follows.

Officers prefer the interpretation of the Scottish Government regarding whether a temporary exemption may only apply to a single continuous period in any period of 12 months. The legislation refers to "during a specified period", rather than "periods".

AirBnB suggest both temporary licences and temporary exemptions as suitable for hosts trialling short-term letting. The Board will wish in this regard to consider the parameters within which temporary exemptions may be considered appropriate, as also whether temporary licences may be appropriate to grant prior to an inspection of a property's suitability being carried out.

# **APPENDIX 4**

Appendix 4(i): Consultation Response by Chief Executive Service, Renfrewshire Council

# **Consultation Questions**

We would like to hear your views on Short-Term Lets and their licensing.

The Scottish Government have introduced new legislation which will require all local authorities in Scotland to introduce a system of licensing for short-term lets by 1<sup>st</sup> October 2022, with all short-term let accommodation requiring to be licensed in 2024. The Council requires to consult in relation to whether temporary exemptions should be allowed from the need for a licence (for up to 6 weeks in any period of 12 months) and is also seeking views on other matters. Your views on the matters below would therefore be appreciated.

# Introductory

10. Please describe why you are interested in short-term lets?- e.g., are you:

- a short-term let operator
- a short-term let customer
- a resident affected by short-term lets
- a trade group with an interest in short-term lets

Please provide any further information you consider relevant.

#### Council service - Chief Executives Service

# **Licence Conditions**

11. The short-term lets licensing system which the Council will introduce must contain mandatory conditions which, largely, relate to the safety of short-term let accommodation. These conditions will apply across Scotland.

The Council has the power to agree additional licence conditions. Licence conditions set out a number of rules which the licence holder must comply with during the period for which the licence is in effect. For example, a condition might be used to set out the maximum occupancy of a property used as a short term let.

Do you think the Council should adopt additional conditions?

Additional conditions should be used in cases where they are required to ensure the property operates in a manner which does not impact upon wider public amenity etc. Notwithstanding the above, any conditions would require to be specific and enforceable and not include vague statements or requirements which are difficult to measure. In addition, consideration should be given who will enforce any conditions attached given the issues in question may involve a number of departments/services from across the Council.

12. If so, what issues should the additional conditions cover?

- overcrowding of the property;
- noise and nuisance;
- litter or other mess in communal areas;
- failure to maintain the property in a good state of repair;
- failure to maintain, or contribute to the cost of, communal area repairs and increased wear and tear;
- damage to property
  - unlawful activity

Please explain your reasons and what you think the conditions should achieve

# Please note that the Council is not able under the new legislation to impose a condition which restricts the number of nights which a nonresident host can let out their property

As noted above any additional conditions would require to be specific and enforceable.

Suggest that no condition should be attached restricting unlawful activity given such activity would be appropriately managed by others ie Police Scotland etc. This may confuse the enforcing authority.

13. In relation to occupancy levels in short-term lets, it will be a condition that hosts/ operators of these premises do not exceed the maximum number of guests.

The Council may choose to specify on a licence that guests may bring children under a specified age limit, and that these children would not count towards the occupancy of the premises. Scottish Government guidance states that licensing authorities may wish to set the age limit as 'under 10 years', which is in line with the reference to children in the context of housing within the Housing Act (Scotland) 1987, which provides a legal definition of 'overcrowding'. Should children under the age of 10 count towards the occupancy of a licensed short-term let?

Careful consideration would be required to ensure that no overcrowding of properties takes place. It would be consistent to apply the age limit as under ten given the context of the Housing Act. In some cases temporary overcrowding may be required to provide safe accommodation – such situations are likely to be limited but may include instances such as the Ukrainian Super Sponsor Scheme.

# **Temporary licences**

14. The Council can issue temporary short-term let licences. A temporary licence may be granted for a continuous period of up to six weeks, or longer if a host or operator has also made an application for a full licence.

Should temporary licences be allowed?

Temporary licences may allow an opportunity for properties to be reviewed prior to a longer period being applied. In addition, a temporary licence would also enable short term lets to support large one off events in the local area which may assist in helping to enhance visitor numbers, and spend within the local economy thus supporting businesses and service providers.

# **Temporary Exemptions**

15. The Council can also issue temporary exemptions from the requirement to have a licence. The Council require to adopt a policy as to whether these will be allowed.

A temporary exemption could be issued for a property for certain occasions where there is a large number of visitors to Renfrewshire over a short periode.g., to support events or festivals. A Temporary Exemption would last for a single continuous period of up to six weeks in any period of 12 months.

Should Temporary Exemptions be introduced?

Assuming a temporary exemption would require some kind of application process and criteria, such an issue may be best managed via the need to obtain a temporary licence allowing appropriate conditions to be attached to protect wider public amenity.

Notwithstanding the above, an exception scheme may be required to deal with specific issues such as the Ukrainian Super Sponsor Scheme. Such situations may require short term accommodation as an alternative to hotel accommodation.

16. If so, in what circumstances do you think these should be allowed?

As noted above, circumstances such as the Ukrainian Super Sponsor Scheme would benefit from an exemption given it is a fast moving situation and does not provide opportunities for temporary licences to be obtained.

17. Should any premises, or types of premises, not be allowed to operate under a Temporary Exemption? (for information, short-term lets can involve properties shared by a person who lives there, or let out by them, or a property in which the host does not live)

n/a

18. Should similar conditions be attached to Temporary Exemptions, if allowed, as apply to short-term let licences? (Please explain your response).

Should a temporary exemption be allowed, where appropriate, similar conditions as applied to a licence should be applied in order to ensure that the wider public amenity is protected and maintained.

#### General

19. Please add any further comments you would like to make regarding the licensing of short-term lets.

Appendix 4(ii): Officers' Comments on Response from Chief Executive Service

Regarding the response as it relates to overcrowding, it is anticipated that officers would attend to inspect properties and assess this in most cases against the overcrowding criteria provided within the Housing (Scotland) Act 1987.

In respect of the situation with Homes for Ukraine, a short-term let requiring to be licensed would involve the use of residential accommodation provided by a host in the course of a business, subject to the exceptions and exemptions in the Licensing Order. Accommodation provided under the Homes for Ukraine scheme will be refugees' only homes and there is no commercial consideration (rather, a set monthly 'thank you' payment applies). Therefore it is the view of officers that this will fall outwith the scope of the short-term lets licensing scheme.

This view is supported by Scottish Government guidance which confirms that the licensing scheme will not apply to refugees and which can be viewed at: <u>https://www.gov.scot/publications/super-sponsor-scheme-and-homes-for-ukraine-guidance-for-local-authorities/pages/housing/</u>

This guidance states: "... Accommodation used to host displaced persons would not be considered a short-term let, as the accommodation would be their only or principal home. Where existing short-term let accommodation is used to host displaced persons, and the host intends to revert to use as a short-term let at some point after 1 October 2022, they must submit an application for a short-term let licence. Local authorities may wish to consider encouraging those hosts to make an application for a short-term let licence prior to 1 April 2023, in order for them to continue operating whilst their application is determined."

Regarding the use of Temporary Licences/ Temporary Exemptions, it is open to the Council as licensing authority to attach conditions in either case. A Temporary Exemption request will be a simpler process.

The Board will wish to consider whether all property types should be considered suitable for a temporary licence application which is simplified in comparison to a full licence application: the Board may, on a risk-based approach, wish that certain properties are inspected prior to a licence being issued. The Board may similarly wish to consider this point in relation to whether temporary licences would be appropriate to provide accommodation for local events, as compared to events which may justify the granting of a temporary exemption.

#### **APPENDIX 5**

Appendix 5(i): Consultation Response by Visit Scotland

#### **Consultation Questions**

We would like to hear your views on Short-Term Lets and their licensing.

The Scottish Government have introduced new legislation which will require all local authorities in Scotland to introduce a system of licensing for shortterm lets by 1<sup>st</sup> October 2022, with all short-term let accommodation requiring to be licensed in 2024. The Council requires to consult in relation to whether temporary exemptions should be allowed from the need for a licence (for up to 6 weeks in any period of 12 months) and is also seeking views on other matters. Your views on the matters below would therefore be appreciated.

#### Introductory

- 1. Please describe why you are interested in short-term lets?- e.g., are you:
  - a short-term let operator
  - a short-term let customer
  - a resident affected by short-term lets
  - a trade group with an interest in short-term lets

#### Please provide any further information you consider relevant.

VisitScotland is Scotland's national tourism body. We have an interest in ensuring that the quality and quantity of Scotland's visitor accommodation is sustainable for both visitors and the communities they are based in.

Many of the answers to this consultation will depend very much on the specific circumstances within the local area, local authority resources and the health of the local visitor economy. Where we have answered questions, we have done so in the context of our understanding of the visitor economy.

Our <u>regional statistics for 2019</u> showed that attractions such as RSPB Lochwinnoch Nature Reserve saw more than 26,000 visitors, and that Renfrewshire had 443 sustainable tourism units, creating 5,800 jobs and generating £123.7m GVA. Tourism is clearly an important part of the Renfrewshire economy and implementation of the licensing scheme should be exercised in such a way that this continues to be the case.

#### **Licence Conditions**

2. The short-term lets licensing system which the Council will introduce must contain mandatory conditions which, largely, relate to the safety of short-term let accommodation. These conditions will apply across Scotland.

The Council has the power to agree additional licence conditions. Licence conditions set out a number of rules which the licence holder must comply with during the period for which the licence is in effect. For example, a condition might be used to set out the maximum occupancy of a property used as a short term let.

#### Do you think the Council should adopt additional conditions?

It is up to the licensing authority to decide whether or not adopting additional conditions would balance the needs and concerns of their communities with wider economic and tourism interests.

It is our general view that additional conditions would not be necessary in areas where there are not demonstrable and quantifiable adverse impacts caused by the provision of visitor accommodation in a particular area. This again must be considered in the context of the benefits that communities and economies can realise from the proliferation of tourism.

- 3. If so, what issues should the additional conditions cover?
  - overcrowding of the property;
  - noise and nuisance;
  - litter or other mess in communal areas;
  - failure to maintain the property in a good state of repair;
  - failure to maintain, or contribute to the cost of, communal area repairs and increased wear and tear;
  - damage to property
  - unlawful activity

Please explain your reasons and what you think the conditions should achieve

Please note that the Council is not able under the new legislation to impose a condition which restricts the number of nights which a nonresident host can let out their property

4. In relation to occupancy levels in short-term lets, it will be a condition that hosts/ operators of these premises do not exceed the maximum number of guests.

The Council may choose to specify on a licence that guests may bring children under a specified age limit, and that these children would not count towards the occupancy of the premises. Scottish Government guidance states that licensing authorities may wish to set the age limit as 'under 10 years', which is in line with the reference to children in the context of housing within the Housing Act (Scotland) 1987, which provides a legal definition of 'overcrowding'.

Should children under the age of 10 count towards the occupancy of a licensed short-term let?

We do not have a strong view on this, but consider that the local authority should be led by Scottish Government guidance as set out above.

#### Temporary licences

5. The Council can issue temporary short-term let licences. A temporary licence may be granted for a continuous period of up to six weeks, or longer if a host or operator has also made an application for a full licence.

#### Should temporary licences be allowed?

Yes, temporary licences should be granted. Temporary licences would allow businesses a period of transition while a full licence is acquired. This would minimise the potential for disruption to businesses while also allowing for the relevant protections provided by the mandatory conditions to also apply.

#### **Temporary Exemptions**

6. The Council can also issue temporary exemptions from the requirement to have a licence. The Council require to adopt a policy as to whether these will be allowed.

A temporary exemption could be issued for a property for certain occasions where there is a large number of visitors to Renfrewshire over a short period- e.g., to support events or festivals. A Temporary Exemption would last for a single continuous period of up to six weeks in any period of 12 months.

#### Should Temporary Exemptions be introduced?

In order to support the provision of events and or festivals, VisitScotland would welcome the inclusion of temporary exemptions where appropriate. Since 2003, VisitScotland department EventScotland has invested over £47 million and supported over 1000 events across the country. This has generated £1.3 billion of net economic impact and established Scotland as a <u>world leading events destination</u>. In addition, <u>research suggests</u> that there are benefits to community and individual wellbeing as a result of hosting events.

If we want this positive impact to continue, we must ensure that we have adequate provision of visitor accommodation to enable us to meet demand.

#### 7. If so, in what circumstances do you think these should be allowed?

Key national-level events such as the 2023 UCI Cycling World Championships would be an obvious example, where there will be a need to ensure we have enough available accommodation across the country to meet demand. Other examples could include events such as Scotland's recent hosting of COP26 etc.

8. Should any premises, or types of premises, not be allowed to operate under a Temporary Exemption? (for information, short-term lets can involve properties shared by a person who lives there, or let out by them, or a property in which the host does not live)

This will depend on the make-up of the accommodation provision that already exists within Renfrewshire.

9. Should similar conditions be attached to Temporary Exemptions, if allowed, as apply to short-term let licences? (Please explain your response).

It may be useful for consistency and maintaining high standards if temporary exemption conditions are similar to short-term let licences. However, depending on what the temporary exemption is provided for it may be prudent for some of the conditions to be different to help deliver the most appropriate accommodation for particular circumstances.

VisitScotland is of the view that temporary exemptions should be taken forward as outlined at 1.19 of the Scottish Government Guidance for Hosts and Operators, where it identifies the following possible options for the licencing authority:

- Ask for the application to be made on a different (shorter) form;
- Change a different (lower) fee;
- Ask for less information than on a licence application; and
- Not apply some of the mandatory conditions.

In applying each of these, the local authority should consider for what purpose it will apply a temporary exemption and what type of short-term let will be included in this scope.

#### General

# 10. Please add any further comments you would like to make regarding the licensing of short-term lets.

Our high-quality visitor accommodation is one of the things that makes Scotland such a special destination and the small accommodation sector is a key contributor to the Scottish economy.

The short-term lets licensing process should be as streamlined as possible. We want to ensure that visitor accommodation in Scotland is of the highest standard and regulation of the sector will help ensure that this is possible.

That regulation should be proportionate and not place undue burden on businesses which are already operating within health and safety and compliance standards. This includes ensuring that costs are reasonable and do not affect business viability in any way.

The local authority may find it appropriate to incorporate a digital based solution for the implementation of the short term lets licence. While this would require initial capital investment to establish such as system, doing so could significantly improve the efficiency of the process leading to efficiency savings for both hosts and operators as well as for the licensing authority. We understand that the Cabinet Secretary has committed to engaging with local authorities in the summer of 2023 around the implementation of the licensing regulations, we hope that Renfrewshire will engage fully with this process.

Appendix 5(ii): Officers' Comments on Response from Visit Scotland

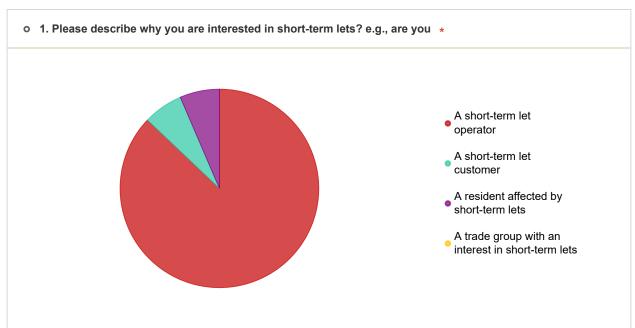
The response from Visit Scotland is self-explanatory and officers have no comments to make in respect of it.

## **APPENDIX 6**

Summary of Online Survey Responses

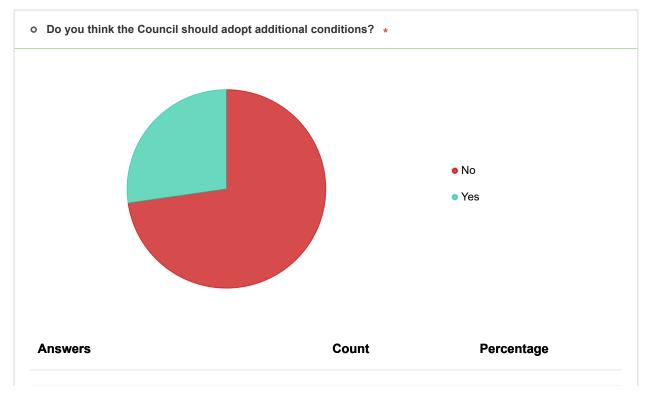
## Short-term Lets Consultation Questionnaire

#### Introductory

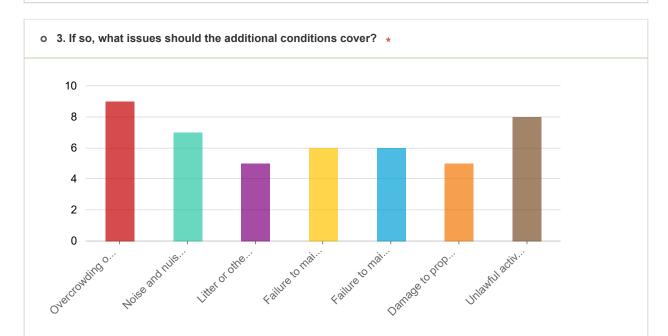


Answers	Count	Percentage
A short-term let operator	27	81.82%
A short-term let customer	2	6.06%
A resident affected by short-term lets	2	6.06%
A trade group with an interest in short-term lets	0	0%
		Answered: 33 Skipped: 0

#### **Licence Conditions**

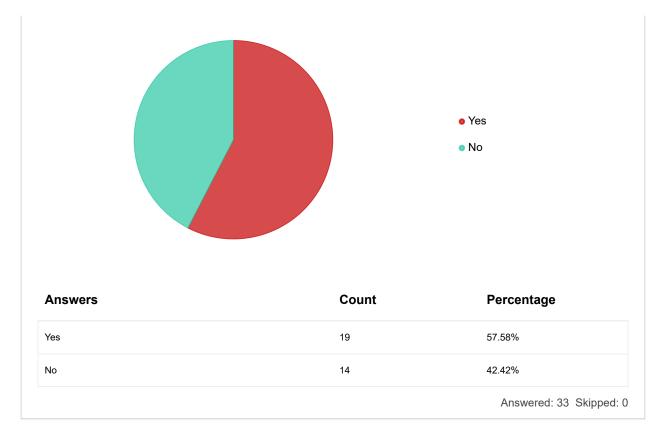


Νο	24	72.73%
Yes	9	27.27%
		Answered: 33 Skipped: 0

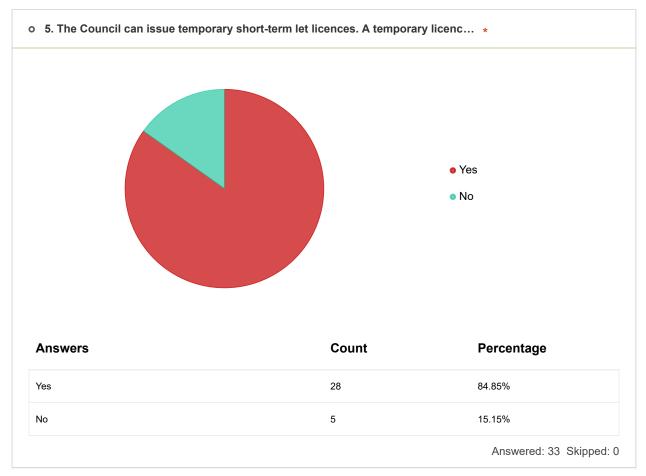


Answers	Count	Percentage
Overcrowding of the property	9	27.27%
Noise and nuisance	7	21.21%
Litter or other mess in communal areas	5	15.15%
Failure to maintain the property in a good state of repair	6	18.18%
Failure to maintain, or contribute to the cost of, communal area re pairs and increased wear and tear	6	18.18%
Damage to property	5	15.15%
Unlawful activity	8	24.24%
		Answered: 9 Skipped: 24

o Should children under the age of 10 count towards the occupancy of a license... \*

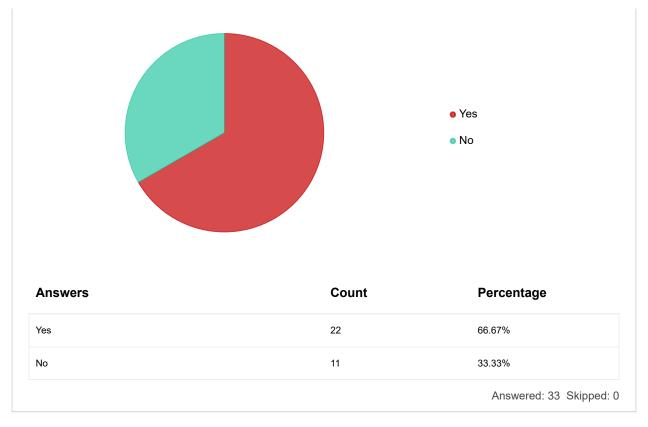


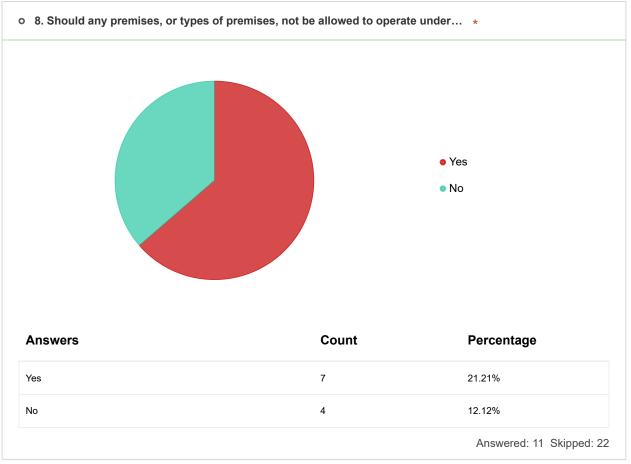
#### **Temporary licences**



#### **Temporary Exemptions**

• Should Temporary Exemptions be introduced?	*





o 9. Should similar conditions be attached to Temporary Exemptions, if allowed,... \*

		• Yes • No
Answers	Count	Percentage
<b>Answers</b> Yes	Count 25	Percentage 75.76%

#### **APPENDIX 7**

Officers' Summary of Individual Online Survey Responses and Comments

The summary at Appendix 6 provides details the types of people who responded to the online public survey. For completeness, officers have noted, on closer analysis of the individual responses, that one of the responses came from a travel company and another from a solicitor in private practice (rather than a trade organisation) and that one who responded as a "resident" states that they provide a short-term let on a home sharing basis.

The Board will note from the summary that most respondents to the online survey are short-term let operators. While a number of the individual responses analysed by officers state that no additional conditions should be imposed and that children under 10 should not be taken into account when assessing occupancy, there are also responses from operators supporting (i) additional conditions to ensure a high standard of short-term lets operating in their communities and (ii) the inclusion of children under 10 in assessing occupancy). While certain types of conditions find support from respondents to the survey generally (e.g., in relation to overcrowding, unlawful activity and noise), as set out in the summary, respondents have not further detailed the particular conditions they would wish the Council to adopt.

While many of the operator respondents support the use of temporary licences and temporary exemptions to allow flexibility (often on the basis of similar conditions to licensed short-term lets), the use of temporary exemptions in particular is not unanimously supported by them. Several operators are of the view that temporary exemptions should be avoided. Some make the point that the licensing of short-term lets is being introduced for safety reasons and that allowing temporary exemptions would undermine this, with guests potentially staying in unsafe accommodation. The Board may, however, wish to note that temporary exemptions can operate only for a limited time within a period of a year and may be granted subject to similar conditions as those which apply to licensed short-term lets.

The following further points of note from the individual responses are highlighted to the Board:

 Some respondents oppose the licensing regime in principle or suggest it should only apply to secondary letting arrangements. These are matters outwith the scope of the consultation, as the Council as licensing authority is required to license all types of short-term let covered by the new legislation. The Board may however decide to differentiate between the different types of short-term let licences in deciding upon inspection requirements and/or fees applicable to particular types of short-term let.

- While, as stated above, views on additional licence conditions are mixed, even among operators, a number have stated that additional licence conditions should be avoided, as making the requirements more onerous may impact on the availability of short-term lets, or particular types of short-term lets: for example, rooms let for the purpose of short-term studies. More generally, it is observed that there is a shortage of holiday rentals in Renfrewshire and that additional conditions will adversely impact on tourism as it will discourage people from entering the industry. Another respondent considers it sufficient that the mandatory safety conditions will apply and adds that the licensing system will also allow the number of short-term lets to be quantified. Conversely, however, there is also some support within the responses for heavy regulation of the short-term let industry.
- Some trade respondents state that hosts may already impose conditions on guests and that large platforms already do set rules for guests. Equally, one respondent states that conditions should not restrict occupancy on the basis that these are difficult to enforce and that this depends on the size and layout of a house and its location.
- Some respondents emphasise the benefits of short-term lets to tourism and state that guests may prefer them to other accommodation on the basis that they may be less impersonal than other available accommodation.
- One respondent highlights that many people let out a room(s) within their home to obtain necessary additional income and asks that the Board takes this into account in considering the applicable licence fee and licence period and that the administration of these licences is not cumbersome.
- One respondent suggests zoning of short-term lets may be helpful. The Board will note that the Licensing Order as introduced does not provide for a policy on overprovision, nor overprovision as a specific ground for refusal of a shortterm let licence, notwithstanding that this was the subject of earlier proposals. Another respondent suggests that flats with common closes should not be considered suitable for use as short-term lets, although does not provide detailed explanation in this regard.
- Among those who support a system of temporary exemptions, examples of circumstances suggested which might give rise to this include events such as cultural or sporting events, conferences and where accommodation may be required due to a major incident. There is some support within the responses for allowing these to operators in other circumstances (e.g., to allow hosts to operate seasonally), although the Board will be aware that temporary exemptions may only be granted for a period of six weeks within a 12 month period. One respondent does not support a system of temporary exemptions on the basis that they consider they cannot be policed properly.
- While a number of respondents consider similar conditions should apply to temporary exemptions, as to short-term let licences, there is some support for not attaching conditions to them: by way of example, the need for PAT testing in relation to a short-term let covered by a temporary exemption is questioned.

## **RENFREWSHIRE COUNCIL**

# POLICY STATEMENT IN RELATION TO LICENSING OF SHORT-TERM LETS IN RENFREWSHIRE- 2022

## including Policy in relation to Temporary Exemptions

Should you require this policy in an alternative format, then please contact us at <u>licensing.cs@renfrewshire.gov.uk</u> or on 0300 300 0300

- 1. Introduction
- 1.1 This Policy has been prepared in view of the Civic Government (Scotland) Act 1982 (Licensing of Short-Term Lets) Order 2022 ("the Licensing Order") having come into force, which requires a licensing regime to be set up by all Scottish local authorities to accept applications for short-term let licences from 1<sup>st</sup> October 2022. The Policy has been prepared following consultation with the following parties and in particular satisfies the statutory requirement to publish a policy regarding the use of Temporary Exemptions, as well as agreeing other matters of policy recommended in non-statutory guidance and providing other general information for the benefit of those with an interest in the licensing of short-term lets in Renfrewshire:
- Police Scotland
- Scottish Fire and Rescue
- Chief Executive and all Renfrewshire Council Directors
- Head of Communities and Public Protection
- Andrew McKean, Tourism Officer, Chief Executive's Service
- Visit Scotland
- Fiona Campbell, The Association of Scotland's Self Caterers (ASSC)
- Scottish Guest House and Bed and Breakfast Alliance
- Federation of Small Businesses
- Renfrewshire Chamber of Commerce

#### • AirBnB

In addition, a public online survey was made available during the period of the above consultation, which took place over a four week period in June and July 2022.

- 1.2 The Policy will be kept under review and revised, if appropriate, by Supplementary Policy Statements. The Policy will be applied unless or until so revised. It may also be subject to legislative change.
- 1.3 This Policy does not contain a definitive, nor complete, statement of the legal position regarding short-term lets but is designed to provide information regarding Renfrewshire Council's position as licensing authority in relation to the licensing regime. For further information, interested parties may wish to consult the terms of the Civic Government (Scotland) Act 1982, as modified by the Licensing Order in relation to short-term lets, and/or the available guidance published by Scottish Government. This is available at the following links:

For hosts and operators (Part 1): <u>Short term lets - licensing scheme part 1:</u> <u>guidance for hosts and operators - gov.scot (www.gov.scot)</u>

For licensing authorities, letting agencies and platforms (Part 2): <u>https://www.gov.scot/publications/short-term-lets-scotland-licensing-scheme-part-2-supplementary-guidance-licensing-authorities-letting-agencies-platforms-2/</u>

#### 2. Overview

- 2.1 The Licensing Order was passed by the Scottish Parliament on 19 January 2022 and came into force on 1 March 2022, designating short-term lets under section 44 of the Civic Government (Scotland) Act 1982 ("the 1982 Act") as an activity for which a licence shall be required. As a result, all Councils in Scotland will now require to license short-term lets: it is not open to Renfrewshire Council to decide not to license short-term lets, or not to license any of the types of short-term lets which need to be licensed in terms of the Licensing Order.
- 2.2 Short-term lets can offer people a flexible and cheaper travel option and have contributed positively to Scotland's tourism industry and local economies across the country. However, in some cases short-term lets can cause problems, for example for neighbours. The Licensing Order was introduced following a number of national consultations in which those

considerations, safety issues and, in some areas, shortages of homes were identified as concerns by respondents.

- 2.3 The aims of the licensing scheme are:
  - to ensure all short-term lets are safe;
  - to facilitate licensing authorities in knowing and understanding what is happening in their area; and
  - to assist with handling complaints and addressing issues faced by neighbours effectively.
- 2.4 The Council's Short-Term Lets Licensing Policy focuses on ensuring that an efficient, effective and proportionate licensing scheme is in place, which is customised to the needs and circumstances of the Council's local area and supports applicants who wish to obtain a short-term let licence. The policy outlines how the Council will administer applications, collect fees and monitor short term lets.
- 2.5 The Licensing Order can be obtained at the following link: <u>http://www.legislation.gov.uk/ukpga/1982/45/contents</u> In addition, detailed non-statutory guidance for both hosts and operators, and licensing authorities, letting agents and platforms is available, as stated above.
- 3. Key Requirements
- 3.1 Dates
- Potential applicants for a licence should consider the following information/ dates:
- Hosts operating a short-term let before 1<sup>st</sup> October 2022 may continue to do so meantime, but must apply to the Council for a licence for any property in Renfrewshire **before** 1<sup>st</sup> April 2023, to ensure that they will be able to continue to operate after that date while awaiting their application to be determined. If that application is ultimately refused, they will need to stop using their property as a short-term let within 28 days (the appeal period) of the decision. Hosts will require to confirm when applying that they were letting their property prior to 1<sup>st</sup> October 2022 and may also be required to provide evidence of this, such as payments for bookings prior to that date;
- New Hosts if not using their property to provide a short- term let before 1st October 2022, they can advertise the premises as a short-term let but cannot take bookings or have guests stay until they have been granted a short-term let licence by the Council. They will be able to apply to the Council for a licence from 1st October 2022. If refused, they will not be able to operate their premises as a short-term let, subject to any successful appeal to the sheriff;

• By 1<sup>st</sup> July 2024, all hosts must have a short-term let licence. It is a criminal offence to operate without a licence, where one is required.

#### What requires a short-term let licence

- 3.2 A "short-term let" means the use of residential accommodation provided by a host in the course of business to a guest where there is a charge made. There are four types of licences and a number of exceptions set out in the legislation from the need for a licence.
- 3.3 There are four types of short-term let licence. Licences are required for:
- Home Sharing- where the host lets, for example, a room in their home while they are living there;
- Home Letting- where the host lets all or part of their home while they are absent: e.g., while on holiday;
- Home Sharing and Home Letting- being a combination of the above; or
- Secondary Letting- where the property is let out by a host who does not live in it.

The licence application form will ask you what type of licence you are applying for: you will only become licensed for the type of short-term let you apply for.

- 3.4 As noted above, there are exceptions to the need for a licence set out in the Licensing Order. The following list is not definitive, but indicative. Those considering applying for a licence should consider the terms of the legislation referred to above and may also find the above Guidance of assistance. The Council's licensing team can be contacted at the following mailbox: <u>licensing.cs@renfrewshire.gov.uk</u>, although we can only provide information regarding the Council's view as the licensing authority and cannot provide you with legal advice. The exceptions include:
- if the guest (person occupying property for the purposes of a short-term let) uses the accommodation as their only or principal home;
- if the guest is an immediate family member of the host (a full, detailed definition of what relationships qualify for this exemption from licensing is included in the Licensing Order);
- if the guest is sharing the accommodation with the host for the principal purpose of advancing the guest's education as part of an arrangement made or approved by a school, college, or further or higher educational institution;
- o if the guest is an owner or part-owner of the accommodation;
- if the accommodation is provided for the principal purpose of facilitating the provision of work or services by the guest to the host or to another member of the host's household;
- if the accommodation is "excluded accommodation" (see section 3.8 below).

#### Planning Considerations

- 3.5 Under the provisions of the Civic Government (Scotland) Act 1982, modified in relation to the licensing of short-term lets, a preliminary ground allowing the Council to refuse to consider a short-term let licence is that the use of the premises for a short-term let would constitute a breach of planning control under the Town and Country Planning (Scotland) Act 1997, section 123 (1)(a) or (b).
- 3.6 If a host is unsure whether the use of their property as a short-term let may involve a material change of use and if planning permission is required, they may wish to contact <u>dc@renfrewshire.gov.uk</u>
- 3.7 The Council is also empowered to introduce short-term let control zones under the Town and Country Planning (Short-term Let Control Areas) (Scotland) Regulations 2021. Where these are introduced by a Council, this will have implications for the short-term let licensing process as planning permission could then be required before applying for a licence for secondary letting within a control zone, as also implications for existing licence holders. However, no short-term let control zones have been introduced in Renfrewshire to date.

#### Exclusions

- 3.8 As stated above, "excluded accommodation" will not require a short-term let licence. As such, the following are not short-term lets. As previously, this list is not definitive and hosts will wish to familiarise themselves with the terms of the legislation and associated guidance, should the exemptions appear relevant. Hosts may also wish to contact the Council's licensing officers at <u>licensing.cs@renfrewshire.gov.uk</u>, but are always recommended to obtain their own legal advice on whether the exemptions apply, as the Council is not permitted to provide legal advice on these matters:
- Licensed premises, under the Licensing (Scotland) Act 2005 (alcohol licensing);
- Licensed caravans;
- Accommodation provided by guests: for example, where they bring their own tent (as opposed to glamping, where the tent is normally provided by the host);
- Accommodation which is capable, without modification, of transporting guests to another location (for example, boats or motor homes which are mobile).
- Hotels, with planning consent to operate as a hotel (the majority of hotels are excluded anyway, through being licensed to provide accommodation under the Licensing (Scotland) Act 2005 (see above)).
- Aparthotels- accommodation comprising of five or more serviced apartments in a residential building where: - (a) the whole building is owned by the same person, (b) a minimum number of 5 serviced apartments are managed and operated as a single business, (c) the building has a shared entrance for the serviced apartments, and (d) the

serviced apartments do not share an entrance with any other flat or residential unit within the building.

- Health and care accommodation (e.g., residential care homes, hospitals and nursing homes)
- Educational accommodation and purpose-built student accommodation. Student halls of residence, for example, are excluded but houses and flats which are normally let to students but, perhaps during a summer period when student tenants have moved back home, are also used as shortterm lets are not excluded.
- Secure residential accommodation including prisons, young offenders institutions, detention centres, secure training centres, custody centres, short-term holding centres, secure hospitals, secure local authority accommodation or military barracks.
- Hostels and refuges
- Accommodation owned by an employer and provided to an employee in terms of a contract of employment or for the better performance of the employee's duties.
- Bothies- a building of no more than two storeys which does not have any form of mains electricity, piped fuel supply and piped mains water supply, is 100 metres or more from the nearest public road and is 100 metres or more from the nearest habitable building.
- It should be noted that various tenancy arrangements are also excluded

#### 4. Applications for Licences

- 4.1 All applications for grant (including a temporary licence) or renewal of a short-term let licence, irrespective of the type of short-term let, must complete the short-term let licence application provided by the Council and submit this with the applicable documentation and fee. The application forms will be accessible through the Council's website. Simpler forms will be made available for Temporary Exemptions and for variation of a licence (where a change to the terms of a licence is required).
- 4.2 An application for a short-term let licence under the legislation, while normally made by the owner of a property, can be made by a person other than the owner. Where this is the case, the applicant must ensure they provide the relevant consents from the owner(s). Part of the application form will require the applicant to provide a declaration to the Licensing Authority that they can comply with the mandatory conditions attached to a short-term let licence, including having all the documentation detailed within these conditions. The mandatory, and other, conditions can be found on the Council's licensing website. Applicants should be mindful that the Council, and Council Officers, can request any documentation referred to in the mandatory conditions at any time during the consideration of an application or the period of the licence, if granted. Applicants should note that a breach of a licence condition is a criminal offence under the 1982 Act.

- 4.3 Applications for the grant (including temporary) or renewal of short-term lets licences will be dealt with by Council officers unless objections or representations are received or the application does not accord with the Council's licensing policies. A unique, provisional licence number will be given to existing hosts and operators who apply for a licence before 1 April 2023. This will allow existing hosts to continue operating until their application has been determined. Anyone applying after 1 April 2023 cannot operate whilst their application is being determined.
- 4.4 Licence numbers will be issued in a consistent format nationally to assist letting agencies and platforms in being able to use the licence number provided by the host or operator in their listings. The format of the licence number, alongside information contained in the public register, will allow anybody to identify:
- the Council that issued the licence (and therefore the area to which the licence relates);
- the type of short-term let to which the licence relates; and
- the type of licence issued (the contents of the number indicates the type of any licence, or even provisional or exemption status).
- 4.5 If there are objections or representations received, the party making them and the applicant will be invited to attend the Council's Regulatory Functions Board ("the Board"). The Board will make a decision about whether to grant the application. It should be noted that if an application is refused, then the applicant cannot apply for a short-term let licence within one year of the date of refusal unless they can satisfy the Council that there has been a material change in circumstances. An applicant who has been refused should contact the Council's licensing officers by email to <u>licensing.cs@renfrewshire.gov.uk</u> if they wish to apply within one year of the date of an earlier refusal. The Council determines if the change is material, not the applicant.
- 4.6 In deciding whether or not to grant or renew a Licence, the Council will consider each application on its own merits, taking into account all matters relevant to the grounds for determination of the application as set out in the 1982 Act as modified by the Licensing Order, including, where relevant, the terms of this Policy.

#### Licence Duration

4.7 Where granted, licences, either new or for renewal, will be granted for a duration of three years. It is however open to the Council's Regulatory Functions Board, on an application referred to them, to consider granting or renewing a licence for a shorter period where they so decide when determining an application. While the Board are aware that the modified provisions of the 1982 Act applying to short-term lets allow at the stage of

renewal for a longer duration, the Council have agreed as a matter of policy, after having regard to the terms of the legislation and the associated guidance, not to allow renewals for a period exceeding three years in relation to short-term lets in Renfrewshire. In relation to other licences determined by the Council under Schedule 1 to the 1982 Act, the Council normally grants new licences for a period of 1 year, with renewals thereafter for periods of 2 years. However, the Council are aware that other regulatory regimes such as Houses in Multiple Occupation licensing and Landlord Registration allow for a duration of three years. Given this, and following the consultation exercise undertaken in relation to short-term lets licensing, during which comments were received regarding limiting the administrative processes for hosts, the Council has taken the view that licences be granted and renewed for periods of three years.

- 4.8 In determining an application for a short-term let licence, the Council will consider it against the grounds for refusal set out in the 1982 Act, paragraph 5(3) of Schedule 1, having regard to any representations or objections received. Relevant considerations include the suitability of the person applying and that of the other people named on the application form (whether they are "fit and proper"). Other factors include the suitability of the premises and the applicant's ability to comply with mandatory conditions (applicable to all short-term lets across Scotland); and other conditions that the Council might attach to the licence. The licence conditions applicable in Renfrewshire are published on the Council's licensing web pages.
- 4.9 Under the terms of the 1982 Act, if an application for a short-term let licence renewal has been made to the Council before the expiry date of the current licence, the licence will stay in effect until a final decision has been made on the renewal application. If a renewal application has been refused by the Board, the existing licence will remain in effect for a period of 28 days from the date of the decision, the appeal period to the sheriff, and where an appeal has been lodged, until such time as the appeal has been determined by the court. The process for applying for a renewal is the same as when applying for a new short-term let licence. Guidance for applicants is available on the Council's licensing webpages. The Council will similarly take into account any representations or objections from police or other parties, e.g., in relation to the operation of the short-term let during the period of the licence. It is the responsibility of the licence holder to ensure that their licence is renewed prior to its expiry date. If the expiry date passes and the licence holder then applies for a licence, then this will be treated as a new application (as opposed to an application for renewal), unless the application is made within the statutory grace period set out in Paragraph 8(5A) of Schedule 1 to the 1982 Act. It would be a criminal offence to continue to let the property without a licence being in place.

Documentation Required when submitting an Application

4.10 Applicants should be aware that an application for grant or renewal will not be accepted and processed without the following documentation (where applicable):

(a) Floor/Layout Plan- An application for a new licence must be accompanied with a legible Layout Plan, preferably to scale, showing:-

(i) the location and width of any escape routes from the premises;

(ii) the location of any equipment used for the detection or warning of fire or smoke or for fighting fires;

(iii) the location of the presence of equipment installed for detecting the presence of carbon monoxide;

(iv) the location of any steps, stairs, elevators or lifts on the premises;

(v) the position of any ramps, lifts or other facilities for the benefit of disabled people;

(vi) the layout of rooms;

- (vii) the occupancy for each bedroom;
- (viii) the number of beds in each room;
- (ix) room sizes;

(x) rooms available for guests.

(b) For renewal applications, where there has been no change to the layout of the premises a floor plan would not be required with the application.

(c) For variation applications, where the variation relates to a change to the layout of the premises, a floor plan would be required with the application.

(d) Evidence of Operation as a Short-term Let before 1 October 2022: Where an applicant has been operating a short-term let before 1 October 2022, the applicant will be required to certify and provide evidence of this when submitting a short-term let licence application in order to show that the applicant is legally entitled to let the property pending consideration of their application. Checks to establish this may be made by Council Officers.

(e) Consent from owner(s) (where the owner is not the applicant): In these circumstances, the applicant must provide consent from the owner, of if the title to the premises is held by more than one owner, all owners or a person authorised to act on behalf of the owner(s).

#### Notice of Application

4.11 The 1982 Act, as modified in relation to short-term lets, requires an applicant to display a notice at or near the premises to which the short-term let licence application relates, in a place where it can conveniently be read by the passing public for a period of 21 consecutive days from the date when the short-term let licence application was lodged with the Council. Council Officers may request that an applicant submits photographic evidence to ensure that the notice has been displayed correctly and may request that another notice is displayed for a further 21 days if not satisfied that the

procedure has been carried out correctly. The notice will include the following information, as required by the 1982 Act, as modified: -

- the type of licence applied for (Home Sharing, Home Letting, Home Letting and Home Sharing, Secondary Letting);
- the applicant's full name and address if an individual. If not an individual, then the full name of the organisation together with the registered or principal office address, names of directors or persons responsible for the management of the premises;
- the person responsible for the day to day activity (a mandatory condition is that this can only be the licence holder);
- the address of the premises relating to the short-term let licence application;
- the number of bedrooms in the premises;
- details of any other short-term let licence that has been granted to the applicant;
- the name and address of the owner(s) where the application is not the owner of the premises or the land on which the premises is located; and confirmation that the owners consent to the application (this would be included within the application form); and
- the 28 day timescale for submitting an objection or representation and the statutory requirements of an objection or representation.

A template notice will be made available on the licensing pages of the Council's webpage at <u>www.renfrewshire.gov.uk</u>

The Council will send a copy of all short-term let licence applications received to the following consultees:

- Police Scotland (statutory consultee); Scottish Fire and Rescue Service (statutory consultee);
- Renfrewshire Council Chief Executive's Service (Planning- all applications; Regeneration- town centre only);
- Renfrewshire Council Environment and Infrastructure Service
- Renfrewshire Council Communities, Housing and Planning Services (Environmental Health)
- Renfrewshire Council Children's Services
- Local Councillors- for Ward where the property is located

- Community Council- for the area where the property is located
- 4.12 The Civic Government (Scotland) Act 1982 permits any person to state an objection or representation to an application for grant or renewal of a licence within 28 days of the application (the Council <u>may</u> entertain a late objection where sufficient reason is provided). Under the provisions of the 1982 Act, the objection or representation must:
- o be in writing;
- specify the grounds of objection or, as the case may be, the nature of the representation;
- specify the name and address of the person making it;
- be signed by the objector, or on their behalf.
- 4.13 It is important that an objection or representation should be specific. It is not enough to say, "I object" or "I complain". A petition of signatures is unlikely to be accepted as a valid objection or representation. The Board has to determine the weight to be placed on individual representations or objections.
- 4.14 A licence applicant is entitled to fair notice of these submissions. Accordingly, parties making these should ensure that their concerns are adequately detailed, for example with dates, times and sufficient information to allow the Board to understand them and consider whether they support a ground for refusal provided for under the 1982 Act. In addition to the usual grounds for refusal under the 1982 Act, which include for example whether an applicant is a fit and proper person, the suitability of premises and "other good reason", the modified provisions also provide, as mentioned above, that inability to secure compliance with the mandatory and other licence conditions, as also where the consent of the owner is not provided with the application, as further grounds for refusal of an application.
- 4.15 Where an objection or representation is received, the party making it, and the applicant, will be invited to a meeting of the Regulatory Functions Board which decides the Application after giving parties an opportunity to attend on a period of notice of 14 days.
- 4.16 Applications where no objections or representations have been received from any of the consultees or members of the public will usually be granted under delegated powers by Council Officers. Where applications have been met with a valid objection from any of the consultees and/or public, these will be considered by the Board at a hearing to consider and determine the application. Applicants and objectors will be given an equal opportunity to be heard at the Board to determine the application. Late objectors will be invited

to attend a hearing to determine the application on the basis that their objection may be brought into proceedings if the Board is satisfied with the reasons for lateness. Where an application is granted, the applicant/licence holder will be provided with a unique short-term licence number. This number must be used in any listing or advert for the short-term let in accordance with Mandatory Condition 14 of the mandatory conditions of licence. Parties have have a right of appeal under the 1982 Act to the sheriff within 28 days from the date of the decision and an applicant or objector may to that end also request written reasons for the decision. The Council is unable to give any legal advice in relation to appealing a decision and it is recommended that independent leal advice is sought.

#### Variation

- 4.17 The Council may vary the terms of a licence and can do this at any time. This can be done following an application made to the Council by the licence holder or on the Council's own initiative. This could include adding further conditions to the licence. The Council will consult with the statutory consultees and any other parties it considers appropriate in this regard.
- 4.18 A fee will be charged to the applicant should they apply to vary their shortterm let licence, in accordance with the published fee in the Civic Application Fees on the Council's licensing web pages. The Council may require the applicant to display a notice regarding the application.
- 4.19 A variation application cannot be used to substitute a new holder of the licence for the existing one: i.e., effectively to transfer a licence. Equally, where the licence holder wishes to change the type of short-term let relating to their property, this means applying for a different type of licence and an application for a new licence should be made. Where this involves a change from home sharing or home letting, or a combination of these, to secondary letting, an inspection would be carried out in relation to that application.

#### Material Change in Circumstances

4.20 A licence holder must notify the Licensing Department in writing as soon as possible where there is a material change in circumstances affecting them, or their licensed activity.

#### Suspension or Revocation

4.21 The Council can suspend a licence immediately if it is of the opinion that the carrying on of the activity to which the licence relates is causing or is likely to cause a serious threat to public order or public safety. This action may be taken on a complaint received, or not. After an immediate suspension has taken place, the licence holder will normally be invited to attend a hearing before the Board in relation to the matter which prompted the immediate suspension, to consider whether to suspend or revoke the licence. This hearing is likely to take place within six weeks of the immediate suspension. The grounds for further suspending or revoking a short-term let licence are

detailed within Paragraph 11 of Schedule 1 to the 1982 Act (the immediate suspension provisions within Paragraph 11 of that Schedule).

#### Timescale for Determining Applications

- 4.22 Under the Civic Government (Scotland) Act 1982, the Council will normally have 9 months to determine a short-term let licence application from the date a valid application is received. However, during a transitional period, it should however be noted that for applications for grant of a licence received prior to April 2023, but only where the short-term let was in existence before 1 October 2022, the Council will have 12 months to determine the application.
- 5. Conditions attached to Short-term Let Licence
- 5.1 All short-term let licences will be subject to conditions. Under the Licensing Order, there are certain conditions which the Council must attach to a shortterm let licence. These are known as "mandatory conditions" and relate to the safety of the short-term let: the Council has no power to amend any of the mandatory conditions. The Council is also able to agree additional licence conditions. The Council has agreed such additional conditions for short-term lets. The standard conditions of short-term let licences applicable in Renfrewshire as agreed by the Regulatory Functions Board, comprising mandatory and additional conditions, are published on the licensing pages of the Council's website.
- 5.2 All applicants should ensure, prior to applying for a short-term let licence of any type, that they are able to comply with the conditions attached to a licence. Applicants should also note that in terms of listing their premises as a licensed short-term let, the listing must include, in terms of the mandatory conditions, the unique licence number provided by the Council and a valid Energy Performance Certificate rating, where required for the premises in accordance with the Energy Performance of Buildings (Scotland) Regulations 2008.
- 6. Public Register
- 6.1 It is a statutory requirement that the Council maintains a public register of all short-term let licences. The public register will be made available on the Council's webpage and quarterly returns will be provided to the Scottish Government.
- 7. Fees
- 7.1 The fee for a short-term let licence application in Renfrewshire is dependent on the circumstances of the application, including the type of short-term let licence being applied for. Applications must be accompanied by such fee as is approved by the Council from time to time as applicable to the circumstances of that application. The Licensing Order permits the Council to set reasonable fees. The total amount of fees receivable by the Council in

relation to short-term lets require to be sufficient to meet the expenses of the Council in exercising their functions under the Licensing Order.

- 7.2 The fees are likely to be reviewed periodically by the Council and are therefore subject to change. As such, the up-to-date fees agreed by Council and/or the Regulatory Functions Board will be published within the list of Civic Licensing Fees on the Council's licensing web pages and should be checked by applicants/ licence holders as appropriate.
- 7.3 It should be noted that while the Council does not seek to charge an annual or subscription fee in place of applications fees, an inspection fee will in certain circumstances be charged relative to complaints or failures to comply with licence conditions. This is detailed further at section 20 of this Policy.
- 7.4 Information on temporary licence fees and temporary exemption fees is set out at sections 8 and 9, below. Other miscellaneous fees are published within the Civic Licensing Fees.

#### 8. Temporary Licences

- 8.1 A temporary licence may be granted by the Council for a duration of up to six weeks (and will subsist for a period beyond, where an application for grant of a full licence is also made along with the temporary licence application or before it expires) under the terms of the 1982 Act. A temporary licence number will be provided to the licence holder and any conditions of licence will require to be met, as with other short-term let licences. The temporary licence provisions of the 1982 Act require consultation with Police Scotland and Scottish Fire and Rescue but do not require further consultation.
- 8.2 The guidance states that the Council should publish a policy regarding temporary licences for short-term lets, regarding when these will be allowed. It has been agreed that the Council will allow temporary licences for short-term lets in the following circumstances:
  - 8.2.1 Where the type of licence sought is for home sharing, home letting or a combination of home sharing or home letting and the applicant either: (i) requires a licence for letting the property more quickly than an application for a full licence would allow; or (ii) wishes to try out short-term letting for an initial period of up to six weeks prior to deciding whether to apply for a full licence. This is considered to allow flexibility for these licence types where the risks in doing so are considered to be relatively lower;
  - 8.2.2 Otherwise, the Council will allow a temporary licence for secondary letting, but only in circumstances where the applicant has previously held a short-term let licence for secondary letting and has missed the deadline for renewing that licence (including where they have missed the

additional discretionary period for late renewal permitted by Paragraph 8(5A) of Schedule 1 to the 1982 Act).

- 8.3 While only limited consultation is a statutory requirement in relation to temporary licences, the Council is mindful that the operation of short-term lets may result in concerns being raised by neighbouring residents. As such, the Council will notify those it usually consults, as set out above, of a temporary licence application received and may ask the applicant to display a site notice.
- 8.4 Where a temporary licence is granted, this will be subject to the same conditions of licence applicable to a full short-term let licence.
- 8.5 A similar fee will be charged for a temporary licence as applies to a full licence for the same type of short-term letting. Where followed by a full application, an additional fee will also be payable for that application.

#### 9. Temporary Exemptions

- 9.1 The Council requires under the modified provisions of the 1982 Act to publish, and keep under review, a policy statement in relation to its functions relating to Temporary Exemptions.
- 9.2 The Council, as licensing authority, may, but is not required to, grant a temporary exemption from the requirement to obtain a short-term let licence in relation to a specified property or properties and during a specified period (which must not exceed 6 weeks in any period of 12 months). In order to do so, the Council may consult the chief constable and the Scottish Fire and Rescue Service. The Council is also empowered, in granting any temporary exemption, to attach conditions to that exemption.
- 9.3 The Council requires to publish its first policy statement on temporary exemptions on or before 1<sup>st</sup> October 2022 and on or before the same date every three years thereafter. The policy statement must be made available on the Council's website. In preparing/ reviewing their policy statement, the Council must consult with such persons as they consider appropriate. In preparing this policy statement, the Board consulted the parties as already set out at Paragraph 1.1 above.
- 9.4 Following consultation, the Board has agreed that temporary exemptions will be able to be granted in Renfrewshire in certain circumstances. The Board has agreed that a temporary exemption may be suitable for granting in exceptional circumstances where an influx of large numbers of visitors is likely to require increasing accommodation capacity within Renfrewshire due to sporting, cultural or other events or festivals of national or international significance, or due to an emergency situation of similar significance.

- 9.5 The fee chargeable for a Temporary Exemption shall be £100 (this may change slightly during the period of this policy being in place where fees are reviewed generally by the Council, so those interested in seeking a Temporary Exemption should check the current fee within the Civic Licensing Fees section of the Council's licensing web pages). The Council will consult Police Scotland and Scottish Fire and Rescue Service in relation to these applications, but considers that, as this is a simpler process than an application for a licence, this lower fee should be charged in comparison to the licensing application fees for short-term lets.
- 9.6 Applications for temporary exemptions will be determined by Council officers in consultation with the Convener of the Regulatory Functions Board, taking into account whether the application meets the above requirements of this policy at Paragraph 9.4 and any representations received from Police Scotland and/ or Scottish Fire and Rescue Service.
- 9.7 The Council will seek to make a decision on a temporary exemption application within a period of two months but will seek to prioritise applications received at shorter notice due to unforeseen circumstances. Where the Council grants a Temporary Exemption, it will do so subject to the same conditions of licence applicable to licensed short-term lets, including both the mandatory and additional conditions published on the Council's licensing web pages. A unique temporary exemption number will also be provided to the applicant.
- 9.8 Where an application for a Temporary Exemption is refused, the applicant is entitled to seek written reasons and should seek their own independent legal advice if they are considering whether to appeal the decision to the sheriff.

#### **10.** *Compliance and Enforcement*

- 10.1 This Policy sets out the Council's approach to monitoring compliance and enforcement in relation to persons who are a Host/Operator of a short-term let. It makes clear the steps that the Council will take when determining an application for a short-term let licence and in monitoring compliance of those applying for a short-term lets licence. It also sets out action the Council may take if needed to enforce the licensing requirements.
- 10.2 Effective monitoring of compliance and enforcement is an important aspect of this policy and will help to achieve improved standards of practice and ensure that all hosts and operators comply with their responsibilities. This will enable hosts and operators to compete on a fair basis, improve standards within the industry and instil greater consumer confidence when using a short-term let.

- 10.3 In Renfrewshire, monitoring and enforcement of short-term lets will be carried out by authorised officers within Communities and Housing Services. Our approach to monitoring compliance and enforcement is founded upon the Scottish Government's five principles of Better Regulation. The principles state that any regulation should be transparent, accountable, proportionate, consistent and targeted. We will provide clear information to those undertaking short-term letting and about how we will assess their suitability to be licensed, monitor compliance and support the enforcement of regulation. We will encourage and support compliance among hosts and operators, reduce duplication and minimise unnecessary burden upon short-term let licence holders by targeting compliance activity on those assessed as being at greater risk of non-compliance.
- 10.4 In relation to applications for short-term let licences, Communities and Housing Services will adopt a risk-based approach to inspections of shortterm lets. In relation to secondary lettings, the Council considers that these pose higher risks to safety than properties where the host lives along with the guests. Accordingly, the Council will carry out inspections of secondary letting properties in all cases, but will not usually inspect properties sought to be licensed for home sharing, home letting or a combination of those activities. For those applications, officers will have regard to the declaration of compliance provided in an application and may require evidence from an applicant of documentation confirming that compliance can be achieved.
- 10.5 Notwithstanding that, officers in Communities and Housing Services may also carry out inspections of those properties where they consider this to be justified on a risk-assessed basis.
- 10.6 In order to monitor compliance, the above officers are empowered to undertake inspection of premises under the 1982 Act, including short-term lets. This gives the officers the ability to visit and inspect both the premises and any records associated with the conditions attached to the licence. In keeping with the principles of proper and targeted compliance, the Council may visit when considered necessary and will consider a range of factors as to when to carry out an inspection. This may include for example: as part of considering an application; part of a routine inspection; as a result of a complaint from a guest or neighbour; follow-up on a previous visit to confirm that an issue has been resolved; feedback from Police Scotland and the Scottish Fire and Rescue Service; peculiarities of the accommodation; patterns of complaints associated with the host, operator or premises; and reputational evidence.
- 10.7 Where an inspection of premises is required following either (i) a failure to comply with a licence condition, or (ii) a complaint relating to the premises (unless the complaint is frivolous or vexatious), Communities and Housing Services will charge a reasonable fee to cover the costs of that inspection and will produce a report of its finding to the licence holder within 28 days of the inspection. The level of fee will be determined according to the costs incurred based on the hourly rate of officers conducting the inspection.

Where Communities and Housing Services do not produce the report to the licence holder within 28 days of the inspection, they will arrange to refund the inspection fee charged.

- 10.8 Monitoring the compliance of hosts and operators cannot solely be the responsibility of any one person or the Council. To be effective it requires collaboration between service users, letting agencies and platforms, not only to monitor compliance but in addition to identify and eliminate unlicensed short-term lets.
- 10.9 While our primary aim is to ensure compliance through means of encouragement and support, there are several ways to address concerns under the legislation, including: seeking possible additional licence conditions at the application stage; serving an Enforcement Notice; requesting variation of a licence; asking the Board to consider suspension or revocation of a licence; or pursuance of a prosecution through the appropriate authorities in respect of offences under the 1982 Act.
- 10.10 All complaints and concerns received will be taken seriously as they provide an opportunity to maintain high standards in the short-term let industry by means of the licensing regime. The Council will ensure that all complaints are investigated fairly and in a timely way with those involved and seek to ensure, where possible, that complaints are resolved. Complainers will be kept up-to-date in relation to the progress made by Council Officers in relation to their complaint.
- 10.11 Complaints about hosts and operators can be received from various sources: for example, guests. In the first instance, guests should raise any concerns with their host or operator, letting agency or platform. If they remain dissatisfied or the issue is sufficiently grave, then a complaint should be made to the Council to investigate. Neighbours might complain about occupancy or noise, disturbance or instances of antisocial behaviour issues, as also around maintenance, guests congregating in common areas and accumulation of refuse (especially in flats or tenements), or suspected unlicensed short-term lets. Complaints about suspected unlicensed operators should be directed to Police Scotland.
- 10.12 For the avoidance of doubt, no fee will be charged by the Council to neighbours or other parties for raising a complaint in relation to a short-term let.
- 10.13 Some complaints will require enforcement action by the Council and some complaints will not: for example, where the Council determines that the complaint is frivolous or vexatious; where action has already been taken or is in progress; or where the complaint relates to a matter which is outside the scope of the licensing scheme. The Council will aim to resolve most complaints by means of engagement and discussion with the host/operator, prior to considering other forms of action described above.

#### **APPENDIX 9**

Proposed Licence Conditions in relation to Short-Term Lets in Renfrewshire

#### Mandatory Conditions of Licence set out in the Licensing Order

#### Agents

1. Only those named as a holder of the licence can carry out the day to day management of the short-term let of the premises.

#### Type of licence

2. The holder of the licence may only offer the type of short-term let for which the licence has been granted.

#### Fire safety

3. The holder of the licence must ensure the premises has satisfactory equipment installed for detecting, and for giving warning of—

(a) fire or suspected fire, and

(b) the presence of carbon monoxide in a concentration that is hazardous to health.

4. The holder of the licence must keep records showing that all upholstered furnishings and mattresses within the parts of the premises which are for guest use, or to which the guests are otherwise permitted to have access, comply with the Furniture and Furnishings (Fire Safety) Regulations 1988

#### Gas safety

5. Where the premises has a gas supply—

(a)the holder of the licence must arrange for an annual gas safety inspection of all gas pipes, flues and appliances in the premises,

(b)if, after an annual inspection, any appliance does not meet the required safety standard, the holder of the licence must not allow a short-term let of the premises until the works necessary to bring the appliance to the required safety standard have been carried out.

### **Electrical safety**

6. Where there are electrical fittings or items within the parts of the premises which are for guest use, or to which the guests are permitted to have access, the holder of the licence must—

(a) ensure that any electrical fittings and items are in-

(i) a reasonable state of repair, and

(ii) proper and safe working order,

(b) arrange for an electrical safety inspection to be carried out by a competent person at least every five years or more frequently if directed by the competent person,

(c) ensure that, following an electrical safety inspection, the competent person produces an Electrical Installation Condition Report on any fixed installations,

(d) arrange for a competent person to-

(i) produce a Portable Appliance Testing Report on moveable appliances to which a guest has access, and

(ii) date label and sign all moveable appliances which have been inspected.

7. In determining who is competent, the holder of the licence must have regard to guidance issued by the Scottish Ministers under section 19B(4) of the Housing (Scotland) Act 2006.

#### Water safety: private water supplies

8. Where the premises are served by a private water supply, the licence holder must comply with the requirements on the owners of private dwellings set out in the Water Intended for Human Consumption (Private Supplies) (Scotland) Regulations 2017.

#### Water safety: legionella

9. The holder of the licence must assess the risk from exposure to legionella within the premises, whether or not the premises are served by a private water supply.

#### Safety & repair standards

10.

(1) The holder of the licence must take all reasonable steps to ensure the premises are safe for residential use.

(2) Where the premises are subject to the requirements of Chapter 4 of Part 1 of the Housing (Scotland) Act 2006, the holder of the licence must ensure that the premises meet the repairing standard.

#### **Maximum Occupancy**

11. The licence holder must ensure that the number of guests residing on the premises does not exceed the number specified in the licence.

#### Information to be displayed

12. The holder of the licence must make the following information available within the premises in a place where it is accessible to all guests—

- (a) a certified copy of the licence and the licence conditions,
- (b) fire, gas and electrical safety information,
- (c) details of how to summon the assistance of emergency services,
- (d) a copy of the gas safety report,
- (e) a copy of the Electrical Installation Condition Report, and
- (f) a copy of the Portable Appliance Testing Report.

#### **Planning Permission**

13. Where the premises is in a short-term let control area for the purposes of section 26B of the Town and Country Planning (Scotland) Act 1997 ("the 1997 Act"), the holder of the licence must, where the use of the premises for a short-term let requires planning permission under the 1997 Act, ensure that either—

(a) an application has been made for planning permission under the 1997 Act and has not yet been determined, or

(b) planning permission under the 1997 Act is in force.

### Listings

14.—(1) The holder of the licence must ensure that any listing or advert (whether electronic or otherwise) for the short-term let of the premises includes—

(a)the licence number, and

(b)a valid Energy Performance Certificate rating if an Energy Performance Certificate is required for the premises, in accordance with the Energy Performance of Buildings (Scotland) Regulations 2008.

(2) The holder of the licence must ensure that any listing or advert (whether electronic or otherwise) for the short-term let of the premises is consistent with the terms of the short-term let licence.

#### Insurance

15. The holder of the licence must ensure that there is in place for the premises-

- (a) valid buildings insurance for the duration of the licence, and
- (b) valid public liability insurance for the duration of each short-term let agreement.

## Payment of fees

16. The holder of the licence must pay any fees due to the licensing authority in respect of the licence on demand.

#### False or misleading information

17. The holder of the licence must not provide any false or misleading information to the licensing authority.

#### Interpretation

18. In this schedule-

"Electrical Installation Condition Report" means a report containing the following information—

(a) the date on which the inspection was carried out,

(b) the address of the premises inspected,

(c) the name, address and relevant qualifications of the person who carried out the inspection,

(d) a description, and the location, of each installation, fixture, fitting and appliance inspected,

(e) any defect identified,

(f) any action taken to remedy a defect,

"Energy Performance Certificate" means a certificate which complies with regulation 6 of the Energy Performance of Buildings (Scotland) Regulations 2008,

"gas safety report" means a report containing the following information-

(a) the date on which the appliance or flue was checked,

(b) the address of the premises at which the appliance or flue is installed,

(c) a description of and the location of each appliance or flue checked,

(d) any safety defect identified,

(e) any remedial action taken,

(f) confirmation that the check undertaken complies with the requirements of an examination of—

(i) the effectiveness of any flue,

(ii) the supply of combustion air,

(iii) subject to head (iv), its operating pressure or heat input or, where necessary, both,

(iv) if it is not reasonably practicable to examine its operating pressure or heat input (or, where necessary, both), its combustion performance,

(v) its operation so as to ensure its safe functioning,

(g) the name and signature of the individual carrying out the check, and

(h) the registration number with which that individual, or that individual's employer, is registered with a body approved by the Health and Safety Executive for the purposes of regulation 3(3) of the Gas Safety (Installation and Use) Regulations 1998,

"holder of the licence" means any person to whom a short-term let licence has been granted or jointly granted,

"home letting" means a short-term let consisting of the entering into of an agreement for the use, while the host is absent, of accommodation which is, or is part of, the host's only or principal home,

"home sharing" means a short-term let consisting of the entering into of an agreement for the use, while the host is present, of accommodation which is, or is part of, the host's only or principal home,

"premises" means the accommodation which is the subject of an application for a shortterm licence or the subject of a short-term licence,

"repairing standard" means the steps which the holder of the licence is required to take to comply with the obligations placed on the holder by Chapter 4 of Part 1 of the Housing (Scotland) Act 2006,

"secondary letting" means a short-term let consisting of the entering into of an agreement for the use of accommodation which is not, or is not part of, the licence holder's only or principal home, "short-term let" has the same meaning as in article 3 of the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2022,

"short-term let licence" means a licence for a short-term let, and

"type of short-term let" means one of the following purposes-

- (a) secondary letting,
- (b) home letting,
- (c) home sharing, or
- (d) home letting and home sharing.

## Additional Conditions for Short-Term Lets in Renfrewshire

#### Type of Short-Term Let

 The type of short-term let for which the licence has been granted is (delete as inapplicable): Home Sharing/ Home Letting/ Home Sharing and Home Letting/ Secondary Letting

#### **Numbers of Guests**

- 20. The maximum number of guests which is permitted by this licence, as referred to at Condition 11, is **[specify]**. In determining the number of guests at any time occupying a short-term let, no regard will be given to children under the age of 10 years.
- 21. The holder of the licence shall ensure that the premises, including gardens, are not used for hosting additional guests in tents, caravans or mobile homes.

#### Noise and Antisocial Behaviour

22. The licence holder shall take reasonable steps to manage the premises in such a way as to seek to prevent and deal effectively with any antisocial behaviour by guests to anyone else in the short-term let and in the locality of the short-term let. Without prejudice to the generality of the foregoing, the licence holder must: take reasonable steps to ensure that no disturbance or nuisance arises within or from the premises, for example by explaining the house rules to the guests; and deal

effectively with any disturbance or nuisance arising within or from the premises, as soon as reasonably practicable after the licence holder is made aware of it.

23. The licence holder shall also take reasonable steps to ensure that guests do not first arrive or finally depart from the premises between the hours of 11 pm to 7 am. The licence holder must advise guests of this as part of their booking terms and conditions.

#### **Tidiness of Communal Areas**

- 24. Where premises are licensed for secondary lettings, the licence holder must at all times have in place a commercial waste uplift contract with an appropriate service provider, including having suitable and sufficient numbers of waste receptacles and uplifts to service these receptacles.
- 25. For all short-term let licences, the licence holder must: (i) clearly label bins as belonging to the premises; (ii) ensure so far as reasonably practicable that guests manage their waste in compliance with Condition 26 below, including when they depart; and (iii) maintain the bin storage area and the exterior of the premises in a clean and tidy condition.
- 26. At the end of each letting period, all litter and waste (including, without prejudice to the generality of the foregoing, any bulk items such as old sofas and mattresses) arising from the premises must be removed and disposed of appropriately.

#### Maintenance

27. The licence holder shall ensure, so far as reasonably practicable, that the premises, including any communal and external areas, are maintained in a reasonable state of repair and upkeep.

#### Fixings

28. The licence holder must not affix a key box, or other device to facilitate guest entry to the property, to any public or jointly owned private infrastructure without prior written permission of the relevant authority or owner(s). The licence holder must be able to produce the permission to the licensing authority on request.

#### Fees Structure for Short-Term Lets Licensing in Renfrewshire

# (A) Applications for Grant or Renewal (3 year licence) or Temporary Licence (where available):

No. of bedrooms to be let	Home Sharing	Home Letting	Home sharing and letting	Secondary letting
1	£250	£250	£250	£800
2	£350	£350	£350	£900
3	£350	£350	£350	£1,000
4 or more	£350	£350	£350	£1,100

- (B) Temporary Exemption Application- £100
- (C) Variation- £100

<u>Note</u>: where a host seeks to change the type of short-term let licence altogether (for example from home sharing to secondary letting or vice versa, this fee does not apply and a new licence should be applied for at the applicable fee

- (D) Certified Duplicate Licence £40
- (E) Material Change of Circumstances £100 Note: this fee, similar to variation, does not apply to changing the type of short-term let licence
- (F) issue of Certified True Copies £40

# Inspection Fees (where applicable: complaints and non-compliance with conditions):

These will be determined according to the following rates:

- Site inspection and assessment by two Officers (for corroboration), including travel costs initial fee (for first hour or part thereof) £149.40
- Additional hourly rate (or part thereof) £149:40