

Legislation Update...

On Wednesday, the Local Government and Communities Committee voted to approve the proposed rules on short term letting, and to recommend these to Parliament (albeit raising some concerns).

Despite campaigning on this issue for almost two years, we have very mixed feelings about this, due to changes that have recently been made to the proposed legislation.

If the regulations are approved as they are, by Parliament, we will finally have a scheme which could curb much of the unlawful activity that has been happening in Edinburgh and will bring in short-term lets control zones. This will be a huge win for communities.

However, that license will not mandate planning permission checks that protect the safety and quality of life for neighbours (outside of control areas). And local authorities such as Edinburgh who have been campaigning for a licensing scheme since at least 2017, will be actually be stopped from using these much needed regulations until 2023. Other proposals relating to the transparency and enforceability of the rules have also not been adopted.

The B&B community have raised a huge number of complaints following what appears to be a last minute inclusion of their businesses in this legislation. They point out that the license fee which is estimated to be £377 for three years, is not capped at that price, and they fear that an increased fee would threaten the going concern of their businesses. We understand and sympathise with these concerns.

However, despite our shared concerns, we would have faced serious problems if this legislation had been rejected completely. This would have been a huge win for Airbnb and other commercial organisations who have been lobbying aggressively to delay and water-down all regulation, regardless of the detriment they cause, to protect their profits.

We have a particular fear that Airbnb is using the legitimacy and reputation of the B&B industry to shield their other, less than legitimate operations, from regulation. This cannot happen.

So what can be done?

Based on our current understanding of matters, we hope that the legislation *is* approved by the Scottish Parliament, but only subject to these further vital amendments:

1. B&Bs are excluded from the legislation OR included but a cap is placed on the cost of their license (our preference is probably for the latter to create a level playing field across the whole sector, and prevent the creation of a loophole which enables “ghost hotels”).
2. A clear definition of home-sharing is created which defines the line between home-sharing and a B&B commercial business.
3. Local authorities need to be able to bring in the licensing legislation earlier than 2023.
4. A mandatory check on planning permission, as minimum, for flatted/shared properties.
5. The definition of short-term letting activity is updated to include *advertising* a short-term let and the license number is required to be shown on every advert.
6. Remove the ‘10 year rule’ which circumvents planning permission for some short-term lets.
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Multinational companies such as Airbnb, are removed from the Scottish Government working group issuing guidance on the implementation of this legislation.

A spokesperson for PLACE Edinburgh said 'We welcome the recognition that unlawful short term



lets need to be managed through licensing, to protect communities and visitors. We do have concerns about the legislation that need to be addressed before it comes into law. We also request that multinational companies, including Airbnb, Booking.com and Expedia, are removed from the new Scottish Government Working Group that will issue guidance on the implementation of these new rules. They have no place in influencing guidance on the interpretation of law. On the other hand, residents should have a stronger voice in this group.

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