

Short Term Lets in Scotland

Briefing note produced by PLACE and Community Land Scotland





 **PLACE**
Protecting Liveable, Affordable Communities in Edinburgh

COMMUNITY*
LAND SCOTLAND

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Introduction

This Briefing note has been prepared by PLACE and Community Land Scotland. Its aim is to provide community context to the discussion around the short term lets licensing legislation. To date, the debate has been dominated by industry voices who have the corporate and financial fire power to make their voices heard through a range of media. Many of these voices are global corporations who have resisted similar calls for controls across the world.

The voices of those directly affected by short term lets – the remaining long-term resident in an Edinburgh tenement block beset by safety and security issues; the village family blighted by living next door to a party house and the rural community where almost 50% of homes are no longer in full time residential use and the school has closed – are often silent in this debate. Whilst we all value a vibrant and sustainable tourism economy in Scotland, the 'cost' of the exponential growth in the short term let market has serious consequences for community infrastructure, resilience and sustainability.

Rural residents representative: Ailsa Raeburn – Chair, Community Land Scotland

Urban residents representative: Kirsty Henderson – Volunteer, PLACE



As an islander from Skye, the past few years I have become more worried for my peers and family my age at the thought of not being able to purchase a home. My family are from Skye and I hope to stay where I call home, many people I know will never see the day of purchasing their own home or even returning back to Skye because even if buying a home isn't in their interest, renting is nowhere near possible. Critical action is needed before we lose the culture and the people who live and breathe the place, they call home. Discussing housing issues for a good few years now, a quote from Somhairle MacLean always comes into fruition "We have, I think a deep sense of generation and community but this has in so many ways been broken. We have a history of resistance, but now mainly in the songs we sing. Our children are bred for emigration"

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Short-term lettings breached five covenants: use as a private residence; sub-letting; nuisance and annoyance; depreciation of the character and reputation of the property; voiding communal insurances. "the presence of nearby hotels and hostels is a different matter to "constantly" having different unknown people coming in and out of the communal areas of a private residential building."

Decision of the First-Tier Tribunal Property Chamber

Introduction by Leilani Farha

Global Director of Make The Shift and Former UN Special Rapporteur for Adequate Housing (2014-2020)



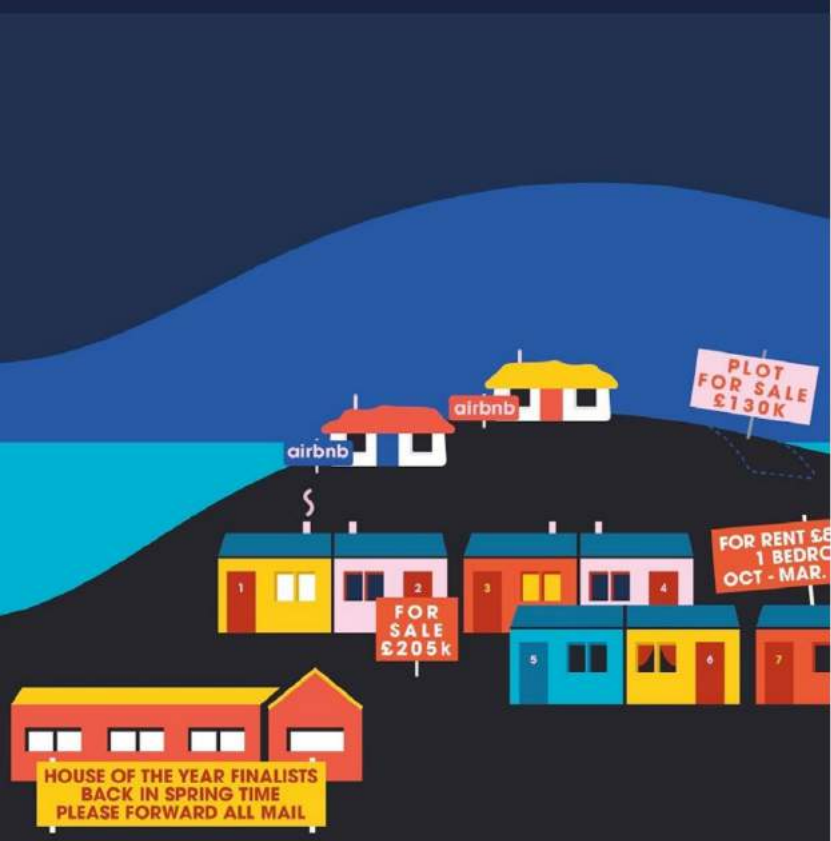
Leilani Farha

“Governments have an obligation to understand the implications of short term rental platforms on the right to housing. There is growing evidence that if left unregulated, these platforms seriously erode long-term housing options for local residents.

The Scottish Government’s licensing legislation is an important aspect in reigning in short-term rentals.

Studies show, however, that licensing alone is insufficient, and that legislation that holds short term rental platforms accountable is required, alongside measures to protect existing and new long-term units from being converted into holiday rentals.”

[#right2housing](#)
[#maketheshift](#)



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Summary of issues:

- Everyone has a right to peaceful, safe, secure, affordable and adequate housing.
- Short-term letting can be a highly profitable activity. Profits from short-term letting vastly exceed that of long-term letting and as a result, a large number of homes have been moved from long to short-term rental, and purchased en masse for this purpose.
- The majority of communities support home sharing, and a proportionate number of appropriately-sited and safe-operating commercial short-term lets.
- However, many communities are increasingly feeling that the costs of increasing numbers of short-term lets are significantly outweighing any benefits.
- Between 2011 and 2018 there has been zero growth in the Scottish Tourism Economy, despite exponential growth in short-term lets.
- At the same time we have seen decreased housing affordability and accessibility, increased unlawful use of property, serious hollowing of many of our communities, the inability for key workers to find affordable housing, and significant detriment to the living conditions and safety of many residents in neighbouring homes.



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- Cities and countries across the world are taking action and forming alliances to limit short-term letting and protect the right to affordable, peaceful and safe housing. We hope Scotland will join them.
- Licensing costs are a cost of business that almost all other customer facing businesses have to bear. These range from hotels, pubs, taxis and Homes in Multiple Ownership. The detailed costing in the BRIA project an average two-bedroom short-term letting commercial license short-term let would cost a maximum of £377 for three years. Even at the highest range of forecasts advertised by parts of the industry at £1750 for 3 years, this only represents a cost to operators of £11 per week. Given that many properties let for in excess of £1000 per week in the high season, this is a very reasonable cost for ensuring the safety and security of visitors and residents.
- The mandatory license conditions are common sense. Responsible businesses are likely to be compliant with these already. These conditions will protect legitimate businesses, visitors, neighbours, communities - and weed out bad actors.
- Many local authorities have used planning regulations to enforce against unlawful short-term lets, however this process is very time consuming and very expensive to the local authority and taxpayer. Whilst the proposals for the Short Term Let Control areas are welcome in locales of especially high provision, this is not a solution that is appropriate in every community.
- We strongly support a robust licensing scheme which can be used alongside short-term let control areas to control the overprovision of short-term lets to protect the right to housing.

How do short-term lets affect the housing stock?

// Without licensing, it is impossible to know how many homes are being used for this purpose."

How many short-term lets are there?

Based on independent research commissioned by the Scottish Government, as of May 2019, across Scotland as a whole, there were 31,884 active Airbnb listings¹ this figure is in complete agreement with the data provided by Airbnb themselves in their 2018 Insights Report². In addition to this figure, there are many many other operators active in the market including Booking.com, Expedia and Scottish Country Cottages. Without licensing, it is impossible to know how many homes are being used for this purpose.

How has this changed over time?

Scottish Government research found that that STLs have continued to increase in number, with a three-fold growth in Scotland between April 2016, when there were just under 10,500 Airbnb listings in Scotland, and approximately 32,000 as at May 2019³. Again, other operators have seen a similar rise.

Where are they?

In Scotland overall Airbnb listings were found to account for 1.2% of dwellings, but in Skye this rose to 18.6% (the highest penetration rate by ward in Scotland), Edinburgh's City Centre ward 16.7%, Fort William 9.7%, the East Neuk of Fife 5.6%⁴.

1. <https://www.gov.scot/publications/research-impact-short-term-lets-communities-scotland/pages/2/>
2. https://www.airbnbcitizen.com/wp-content/uploads/2018/10/AirbnbUKInsightsReport_2018.pdf
3. <https://www.gov.scot/publications/research-impact-short-term-lets-communities-scotland/pages/2/>
4. <https://www.gov.scot/publications/research-impact-short-term-lets-communities-scotland/pages/2/>



A related negative impact in rural areas of the Highlands and Islands is the impact on the availability of labour supply and economic development due to housing shortages."

How do increasing numbers of short-term lets affect the housing stock in Scotland ?

There were indications from the survey and recurring themes from the qualitative research, from all types of participants except for some hosts, that properties were changing from long-term private lets and owner-occupation into STLs. This was voiced as a major area of concern in Edinburgh, Fort William and Skye due to the impact this was considered to be having on shortage of housing supply and affordability. In Edinburgh and the East Neuk of Fife the rise in STLs was associated with the fall in resident population and school rolls, with fears about the long term sustainability of the community. A related negative impact in rural areas of the Highlands and Islands is the impact on the availability of labour supply and economic development due to housing shortages⁵.

How did the pandemic reveal the impact of short-term letting on the long-term rental market?

As the pandemic closed down short-term lets, many of these properties were moved to the long-term market. In Edinburgh, the end of 2020 showed a -4.1% fall in average advertised rents in the Capital as the city was flooded with previously short-term rentals. This was the first fall in annual average rents since 2009⁶.

Concerns were raised by tenants about the poor standards of some of these properties. Some of these properties were advertised with enormous rent increases after the first year which would encourage tenants to leave, allowing owners to return to more profitable short-term letting. Some of the properties were advertised as legally questionable "medium-term lets" so that residents did not have the benefit of the Private Rented Tenancy legislation and owners could return to short-term letting at their convenience.

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5. <https://www.gov.scot/publications/research-impact-short-term-lets-communities-scotland/pages/2/>
 6. <https://www.rettie.co.uk/articles/edinburghs-rental-market-response-to-covid-lettings-market-briefing-feb-2021>

What are the issues for local communities?

The following case studies are examples of how unlawful, poorly managed or too many short-term lets in an area are affecting the lives of residents. Some of these may read as exceptional but that is not the experience of our networks.

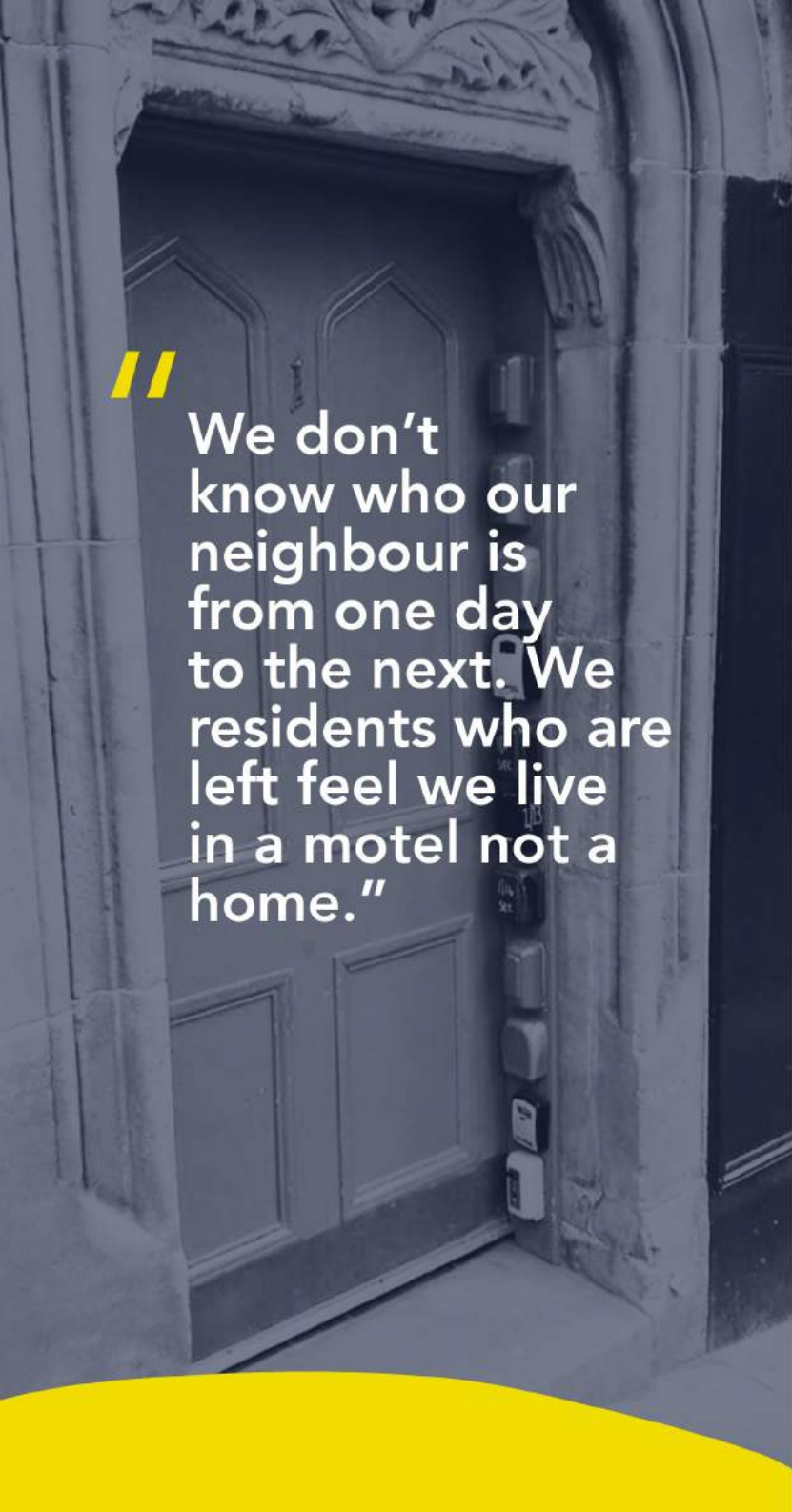
Common to most urban case studies is the serious impact on the neighbours' mental and physical wellbeing, conflicting information from the business owners being given to authorities regarding the intensity of short-term letting activity, the painfully slow investigation time, and the lack of any consequences or sanctions.

Common to all rural case studies and comments are the issues around availability of affordable housing especially to rent, the loss of services as permanent resident numbers fall below a level to sustain local services and the impact on house rents and capital values pushing them well beyond the reach of local incomes.

Common to both is the hollowing out of communities – dark streets or stairs in the winter; a loss of community spirit and cohesion which in some areas leads to rises in crime; inability to sustain important local services and an incessant rise in prices and rents driven by the investment potential of housing.

Many urban residents have suffered significantly from anti-social behaviour with intimidation not uncommon. For this reason, some of our case studies have asked to remain anonymous for understandable reasons.

// Throughout this time, we have suffered ongoing disruption, antisocial behaviour including parties and criminal activity. This activity continued throughout the pandemic, and in at least one case after the enforcement compliance deadline."



// We don't know who our neighbour is from one day to the next. We residents who are left feel we live in a motel not a home."

An Edinburgh City Centre Tenement

We have been reporting several short-term lets in our tenement since 2017. Enforcement action against the properties has taken multiple investigations over many years and one case is still ongoing. Throughout this time, we have suffered ongoing disruption, antisocial behaviour including parties and criminal activity. This activity continued throughout the pandemic, and in at least one case after the enforcement compliance deadline. We have suffered significant detriment to our mental and physical health. As the short-term lets are slowly enforced against, we are slowly rebuilding our tenement community but we have lost too many good neighbours who have reluctantly moved on due to the ongoing disruption of the short-term lets.

A Borders Party House Nightmare

Neighbours have been reporting issues with a party house in West Linton for a number of years. Neighbours suffer regular serious noise and disruption. Despite the local authority issuing an enforcement notice, an appeal by the owner being unsuccessful, and a second appeal by the owner to the Court of Session also being unsuccessful, the owner has persisted to use the property for short-term letting as he claims he is using it as a domestic dwelling with only incidental short-term letting use. This use includes a stag party during the pandemic.

An Ayrshire Seaside Home

Short-term lets have been growing in our block of flats for several years. Our building has only one common outside entrance. In addition to a general compromising of security and safety, a greatly increased additional footfall in common areas and anti-social behaviour, noise and disturbance, there have been a number of specific incidents reported to the police. Included in the complaints are allegations of drugs use and a flat being used for the purposes of prostitution, The situation has deteriorated to such an extent that some owners have sold up and left. Despite two years of complaints South Ayrshire Council refuse to implement the 'change of use' planning legislation already available to them. Many permanent residents fear that the council will do the absolute minimum possible when implementing the new Scottish Government short-term let legislation given the wide amount of discretion available to them under that legislation.



Tenement buildings are simply the wrong place for short-term lets. It doesn't matter how civilised your guest is - the commercialisation and intrusion starts on the pavement in front of the building and runs through every part of it."

I was so happy to buy my first home but then shocked by the noise coming from the upstairs neighbour. I soon realised that the property was being used as a short-term let. Every weekend the noise was unbearable. I ended up borrowing £3000 to install a suspended ceiling to dampen the noise, despite the floors in the new development having all recently passed sound tests. This helped a bit but there was still huge disruption. We had lots of issues with rubbish being left outside the locked bin sheds because the cleaners didn't have access. The flat has communal buildings insurance which is invalidated if 11% or more of the properties are used for short-term lets. I feared we were very close to that number if we had not already breached it. We reported all of the flats but were told by the council that it was not possible for them to investigate them all because there were so many and they would only investigate the ones on our stair. One eventually received an enforcement notice. It is still operating on Airbnb today, indifferent to the decision. The stress was so bad we have moved.

Nethybridge Resident

We have been frequently disturbed by noisy guests at the Airbnb lodge more than half a mile away. The main problem is guests, worse the wear for alcohol, using the hot tub after 10pm and well into the early morning hours. The shouting and screeching makes it impossible to sleep with our windows open, as the sound carries and it feels like people are in the field or garden here. My son, who lives next door, was disturbed the other night and woken at 1.30am. Not what you need when your working day involves rising at 5.30am.

Grantown on Spey Resident

I have a party house over a fence from me and they have a hot tub on the property. A lot of the time the noise, bad language and drinking can go on until after 11pm and when I'm at my window I see and hear this and it is the last thing I need. I have to close the windows for noise. It was a private house until about 3 or 4 years ago then they started letting the house for parties without planning permission. They applied for planning about a year or so later which I objected to as well as our neighbour but they got retrospective planning. It does nothing for the value of our house.



// It is still operating on Airbnb today, indifferent to the decision. The stress was so bad we have moved."

Erosion of our community

The subtle erosion of community by short-term lets has such a negative impact but is not so often talked about. We have a good community in our stair with a total of 10 kids under 10 years old. Our back green is shared only with each other. It is small and private. So, when our 5-year-old came up saying "strangers are smoking in the back green" that feels like quite an intrusion. Shortly after that I had to clear five half-drunk cans of Stella which had been left in the close by a group getting in a taxi at 9am while I was taking my 4 year old to nursery. Later we were blocked entry into our close by a couple who were trying to get the perfect selfie of them in the front door. We had the weekly shop and a 4 year old bursting on a pee but they let us wait five minutes or so while they took and retook their photos. Tenement buildings are simply the wrong place for short-term lets. It doesn't matter how civilised your guest is - the commercialisation and intrusion starts on the pavement in front of the building and runs through every part of it.

Boat of Garten Resident

You can usually foretell problem visitors as they unpack the trays of beer from the cars on arrival and, of course, once a few drinks have been consumed whilst in the hot tub, they soon forget normal social behaviours, particularly in respect of noise. We have even been able to 'enjoy' naked dancing along the street.

Young people on Skye - a statement from Iomairt an Eilean

Skye is in danger. Rising house prices and a lack of sustainable work make it almost impossible for young people to stay in the communities they call home.

Whether our families have lived here for generations or we have been lucky enough to have become new Sgitheanachs, most of us are priced out of the villages we grew up in.

Previously affordable properties are now sold at thousands of pounds above their asking price, too often to buyers who have no intention of living on or at times even visiting Skye. Profiteering investors are ransacking our island. Owners of multiple holiday lets - ripped from the available housing stock - are putting their personal wealth over our fragile island communities and culture.



Even those with high paying jobs in the new work-from-home culture can't afford to buy or rent, as short term 'Airbnb' style lets now dominate the accommodation market."

10 percent of island homes are now second homes, compared to only 1 percent across Scotland. The average house price on Skye has been forced up to £291k. This pricing level is not sustainable if we are serious about maintaining and protecting the Island's local and young population.

The effect of the current housing market trend is devastating. When looking out over the villages of Staffin or Waternish, half of the lights are out. Former family homes lie dormant for half the year in anticipation of high paying travellers looking to experience Skye in 3 days or less.

Our once vibrant, vigorous villages are now emptying.

Even those with high paying jobs in the new work-from-home culture can't afford to buy or rent, as short term 'Airbnb' style lets now dominate the accommodation market.

Magnus Davidson – who lives on the NC 500 route

There are increasing numbers of homes being put over to holiday lets, particularly short term. Some of this is associated with existing local people converting houses no longer required as homes, due for example to moving in with partners or moving away for work, into short term lets rather than selling on to new owners requiring homes. There is also evidence that people from outwith, and with no existing connection to the area, are buying property for short term holiday lets, attracted by the comparable cheap housing and increasing popularity of the North Coast 500 tourism route. People coming into the area can afford to pay well over the asking price as they have higher levels of capital at their disposal.

What is the Economic Cost of short-term letting?

So much is spoken about the economic benefit of short term lets to local communities. However, there are no substantive figures or evidence to support this opinion. Often it is substitutional or replacing other forms of tourist accommodation - the type that employs people on good local wages.

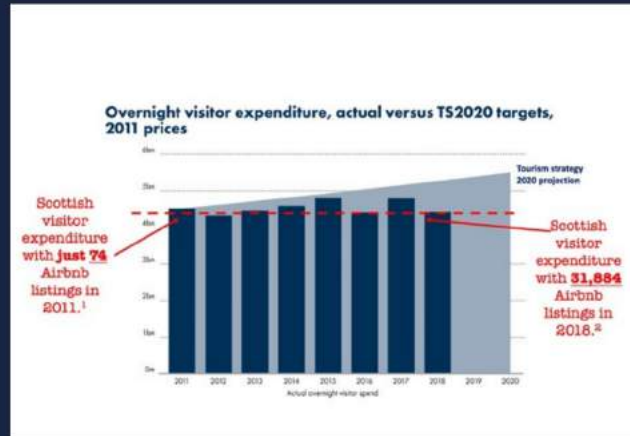
A business model which replaces homes with short-term lets.

The original sharing economy is now only a very small part of the business model. Press releases reporting the supposed “economic benefits” of short-term letting omit the fact that the majority of their income comes from commercial listings. Independent research finds “Our research did not find evidence of a sharing economy. Rather it found a process of buy-to-let investment in which different players make profits from rents and displace residents with tourists.”¹

There has been zero growth in the Scottish Tourist Economy since 2011 despite exponential growth in Airbnb listings.

The number of Airbnb properties have risen from 74² in 2011 to 31,884 in 2018³. Over the same time, according to Scottish Government’s figures, there has been zero growth in the Scottish Tourism Economy⁴.

1. <https://twitter.com/rightohousing/status/1164186976490336257>
2. <https://twitter.com/danc00ks0n/status/1215377203489378317/photo/1>
3. [Scottish Government, Research into the impact of short-term lets on communities across Scotland, 2019](#)
4. <https://spice-spotlight.scot/2019/07/30/a-tourism-target-too-far/>



“ Our research did not find evidence of a sharing economy. Rather it found a process of buy-to-let investment in which different players make profits from rents and displace residents with tourists.”



We are pleased to see the Scottish Government look to bring in long-overdue registration and powers to control the massive and uncompetitive growth in largely unregulated short-term letting. The recent boom in short-term lets has brought with it increased choice for customers, but also a plethora of problems for residents and a raft of debatable business practices.

Too many businesses have had an unfair advantage compared to hotels and other accommodation businesses, escaping business taxes and operating, sometimes, without important safeguards in place. This undermines hospitality businesses who have already been hammered by rising costs in recent years and potentially puts customers at risk."

UK Hospitality Executive Director for Scotland Willie Macleod

Airbnb activity is substitutional not incremental

The Economic Policy Institute⁵ finds that claimed increases in economic activity by short-term letting platforms are often vastly overstated because the spending would have occurred anyway by travellers staying in other accommodations. They find that there is little evidence that cities with an increasing supply of short-term Airbnb rental accommodations are seeing a large increase in travellers. Two surveys indicate that only 2 to 4 percent of those using Airbnb say that they would not have taken the trip were Airbnb rentals unavailable. Instead, accommodations supplied via Airbnb seem to be a nearly pure substitution for other forms of accommodation, which are already regulated for collecting taxes, disposing of commercial waste, and for health and safety regulations. This includes small family run B&Bs/hotels that have suffered during Covid and need a level playing field with unregulated Airbnbs as part of the recovery from the pandemic.

Beneficiaries of short-term letting are disproportionately high-wealth individuals

The Economic Policy Institute finds that the economic costs imposed by short-term letting likely outweigh the benefits. Property owners may benefit but the beneficiaries are disproportionately high-wealth individuals who can own more than one property. Home sharing is unavailable to those who rent, or who do not have a "spare" bedroom.

The shift from traditional hotels to Airbnb lodging leads to less-reliable tax payments to cities⁶

Many owners have chosen to reclassify their properties as businesses, then taking advantage of the Small Business Bonus Relief scheme. This effectively means that they do not pay either Council Tax or business rates for their properties, even though their 'visitors' are using most local services such as waste disposal etc. They are also not making the same sort of contribution to local authorities and communities that other similar businesses such as hotels or pubs and restaurants make. This needs to change.

5. <https://www.epi.org/publication/the-economic-costs-and-benefits-of-airbnb-no-reason-for-local-policy-makers-to-let-airbnb-bypass-tax-or-regulatory-obligations/>
6. <https://www.epi.org/publication/the-economic-costs-and-benefits-of-airbnb-no-reason-for-local-policy-makers-to-let-airbnb-bypass-tax-or-regulatory-obligations/>

// **What's behind the increase in violence is not the presence of tourists or visitors, it's the absence of long term residents who are integrated in the community."**

Impact on rents and housing prices

Dwindling numbers of properties decrease housing availability and affordability. Shelter states this forces people into accommodation that they cannot afford, leading to homelessness and people living in unsuitable housing⁷.

Neighbourhood safety

Recently, two studies⁸ have linked violent crime in neighbourhoods where more homes were converted to short-term rentals - "What's behind the increase in violence is not the presence of tourists or visitors, it's the absence of long term residents who are integrated in the community." Planning cases also refer to the loss of safety to neighbours - "Allowing frequently changing guests unfettered access to otherwise secure communal facilities decreases the security for permanent residents".

Impact on workforce

Shelter states that in some communities there is well-documented evidence that housing shortages make it hard for businesses, including those in the hospitality industry, to recruit workers⁹.

Impact on traditional guest houses, bed and breakfasts and other lawful accommodation providers

There is evidence that traditional accommodation providers are being significantly disadvantaged by the proliferation of unlawful short-term letting businesses. Lawful accommodation providers struggle to compete with unlawful lets who can often offer lower prices by avoiding the costs of compliance¹⁰.

7. <https://blog.scotland.shelter.org.uk/short-term-lets-impact-scotlands-housing-system/>

8. <https://twitter.com/tomb8man/status/1415842883677032450?s=20>

9. <https://www.scottishhousingnews.com/article/trade-body-s-claims-of-no-link-between-short-term-lets-and-housing-crisis-refuted>

10. <https://twitter.com/BandBassoc/status/1337118166883987456?s=20>

// **We do not believe that tourism should be limited to high-wealth individuals, however, where residential accommodation is being repurposed for holiday lets under the auspices of economic benefits, a clear knowledge of the true benefits and costs is essential.**

Reduced spending by tourists

Research commonly finds that visitors staying in properties with self-catering facilities spend less¹¹ than those in hotel-type accommodation, often buying supermarket meals rather than using local cafes and restaurants. We do not believe that tourism should be limited to high-wealth individuals, however, where residential accommodation is being repurposed for holiday lets under the auspices of economic benefits, a clear knowledge of the true benefits and costs is essential.

11. <https://www.barclayscorporate.com/content/dam/barclayscorporate-com/documents/insights/industry-expertise/destination-uk.pdf>

What does the law say about the impact of unlawful short-term lets on neighbouring residents?

Planning enforcement has been very useful in parts of Scotland but is unable to cope with the overwhelming scale of unlawful short-term letting in some parts of the country.

Civil cases have been successful in England but have yet to be tested, in full, in Scotland. A summary of key case decisions and the points of law can be read at this [link >](#)

A small selection of quotations from cases across Scotland are provided below:

Individual Houses

✓ 2020 - 7 Lochmill Holdings, Antermony Road, Milton Of Campsie, G66 8AE

"I agree that people often behave differently in holiday homes than they would at home. Holiday homes can also often be used for parties or social events when more noise could be expected. Frequent changeovers of guests would also mean more coming and going than would be normal in mainstream houses. Consequently, I agree with the council that the proximity of the holiday homes to number 7 could well lead to a reduction in residential amenity for residents in the latter house."

✓ 2019 - Greenloaning, The Loan, West Linton, EH46 7HE

"...The house is accessed from an unsurfaced road in the north-east part of West Linton and is in an area characterised by large, in the main, detached houses set in substantial garden grounds in a semi-rural part of the village... the unauthorised use of 'Greenloaning' has an unacceptable impact on the character of the established amenity in this generally quiet part of West Linton."



Holiday homes can also often be used for parties or social events when more noise could be expected. Frequent changeovers of guests would also mean more coming and going than would be normal in mainstream houses."



'Greenloaning' has an unacceptable impact on the character of the established amenity in this generally quiet part of West Linton."

✓ **2021 - An Teagh Gael, The Lane, Dullatur, G68 0AU**

Such gatherings or celebrations, whether described as a party or not, are likely to lead to additional activity, noise or disturbance at the property particularly at the weekends and in the evenings... These conclusions regarding the scale, character and regularity of the letting activity lead me to conclude that the short term letting is an ongoing commercial activity integrated with the appellants' occupancy of the property but carried out in a way that is not ancillary to the lawful dwellinghouse use.

Flatted Properties

✓ **2021 - 1F2, ✓ 2F1, ✓ 2F2 and ✓ 3F1, 68B Grassmarket, Edinburgh.**

"The evidence shows that guests check themselves in using a lockbox on the building exterior to obtain the keys to the security door, communal space and appeal flat. The appellant does not contest this. The submitted photographs confirm the presence of lockboxes and I saw these on my site inspection. This represents a reduction in physical security at the property. The potential frequency of changing guests introduces various new, non-permanent residents into the secure communal areas of the property. This would change the level of actual and perceived security for permanent residents in a manner that would not otherwise be the case under typical residential circumstances. Whilst permanent residents may receive guests they would remain in control of physical security."

✓ **2020 - Flat 1/1, 25 Westminster Terrace, Glasgow, G3 7RU**

There is no doubt in my mind that short term commercial residential letting inherently involves a greater level of noise generation and the potential for increased disturbance to surrounding residents than long term letting or other forms of residential tenure. The shared entrance and the situation of the apartment means that there is the potential for such a level of disturbance with noise of arrivals and departures, the repeated presence of strangers in the communal entrance and the need for frequent cleaning and servicing of the apartment on each change of tenant. I consider that such a pattern of short term letting in this instance constitutes a material change of use for which planning permission is required.

// Such occurrences are likely to be more disturbing than encountering the comings and goings of normal residents."

✓ **2019 - Flat 1/1, 1 Crichton Place, Glasgow, G21 1AY**

"Access to the common stair is by means of a door that is kept locked. The common stair is thus private space and will give some added sense of security to residents... The present use of the appeal flat for short-term lets is likely to result in normal residents regularly encountering strangers, often with luggage, on the common stair. Such occurrences are likely to be more disturbing than encountering the comings and goings of normal residents. Any spirit of community and security would be reduced."

✓ **2018 - Flat 15, 71 Ratcliffe Terrace, Edinburgh, EH9 1SU**

"In 2018, therefore, the 14 periods of short-stay commercial visitor use took place over period of some 22 weekends... I consider this pattern of use to be significant as weekends are the time when residents of 71 Ratcliffe Terrace will be most likely to spend time at home with a reasonable expectation that they will be able to enjoy the amenity of their flats with a minimum of disturbance..." - (44 days in 2017, 30 days in 2018)."

✓ **2013 - Flat 1/3, 332 Gallowgate, Glasgow G4 0TX**

"short term lets are more likely to attract people who have no responsibility for the property other than paying the going rate, which is at odds with the quieter lifestyle of the more permanent tenants or owners nearby."

✓ **2016 - Flat A, 20 Nottingham Place, Westminster [2016] EWLVT LON_LV_ FFT_00BK_0020**

Short-term lettings breached five covenants: use as a private residence; sub-letting; nuisance and annoyance; depreciation of the character and reputation of the property; voiding communal insurances. "the presence of nearby hotels and hostels is a different matter to "constantly" having different unknown people coming in and out of the communal areas of a private residential building."

How will this legislation ensure we build back better after Covid?

Covid has given many residents respite from the negative impacts of unlawful short term lets while these businesses were closed. It also showed the real loss of community when residents needed social connections and support.

The Scottish Government's research *Scotland's Wellbeing: The Impact of COVID-19*¹² shows that Covid has impacted on social connections in neighbourhoods and communities with an increase in isolation and loneliness seen. For people who have had to live next next door to multiple short term lets, the impact of not having neighbours to turn to for support during Covid has been particularly impactful on their feelings of isolation. Mental health has also been negatively impacted, by anxiety about the pandemic and potential risk to individuals, as well as from the social restrictions.

The licensing of short term lets will benefit communities in the recovery from Covid by reassuring people impacted by the negative aspects of short term lets that they can take back control of their living space and rebuild social connections, while reducing social isolation and loneliness. Supporting the licensing of short term lets can play a key role in building resilience in cohesive communities for the future.

Unless effective licensing is brought in as a matter of urgency, business will continue to be lost by responsible accommodation providers to unlawful short-term lets, harming their recovery after Covid. Visitors will lose confidence in the Scottish tourism industry as they experience unsafe, unprofessional and unlawful businesses. These businesses often operate in unsuitable properties bringing them into conflict with neighbouring families and communities, further damaging the tourism industry.

12. <https://nationalperformance.gov.scot/scotlands-wellbeing-impact-covid-19>

// Any spirit of community and security would be reduced."

What are the experiences of regulation worldwide and what does this mean for Scotland?

// Paris has recently fined Airbnb 8 million Euros for maintaining adverts for short-term lets without a registration number."

1. New York - In NYC, most whole-property short-term rentals in flats are illegal, and yet they earned over two thirds of all Airbnb revenue last year¹³. NYC have established an emergency 311 hotline to clampdown on illegal businesses¹⁴.

2. Paris - "Contrary to its commitments, the company refuses to remove illegal ads when they are reported to it¹⁵." "Airbnb continues to not respect the law"¹⁶ - deputy Mayor of Paris. Paris has recently fined Airbnb 8 million Euros for maintaining adverts for short-term lets without a registration number.

3. Amsterdam - In 2019, Airbnb was suspended from the Amsterdam Economic Board Network Council. According to the website, the Amsterdam Economic Board is accusing the site of refusing to comply with its demands to reduce the number of days that homes can be rented from 60 days to 30 days a year, which is the current vacation rental limit in Amsterdam¹⁷.

The short-term letting platform business model depends on deliberate and aggressive non-compliance with regulations which are there to protect affordable housing and peaceful communities.

13. <https://twitter.com/dwachsmuth/status/1087782445531963393>

14. <https://www1.nyc.gov/site/specialenforcement/about/about.page>

15. <https://twitter.com/lanBrossat/status/1154650938336063489>

16. <https://twitter.com/lobs/status/1153895485415088128>

17. <https://nltimes.nl/2019/07/31/airbnb-suspended-amsterdams-economic-board>

// An alliance of 22 European Cities has been formed to develop better EU-legislation of platforms offering Short-Term Holiday Rentals to protect the liveability and affordability of our places"

Scottish communities need strong enforcement with heavy sanctions to motivate compliance. It needs to learn from the experiences of cities like New York, Paris, Barcelona and Amsterdam and design legislation which can demand compliance, and protect the right to housing, without cooperation.

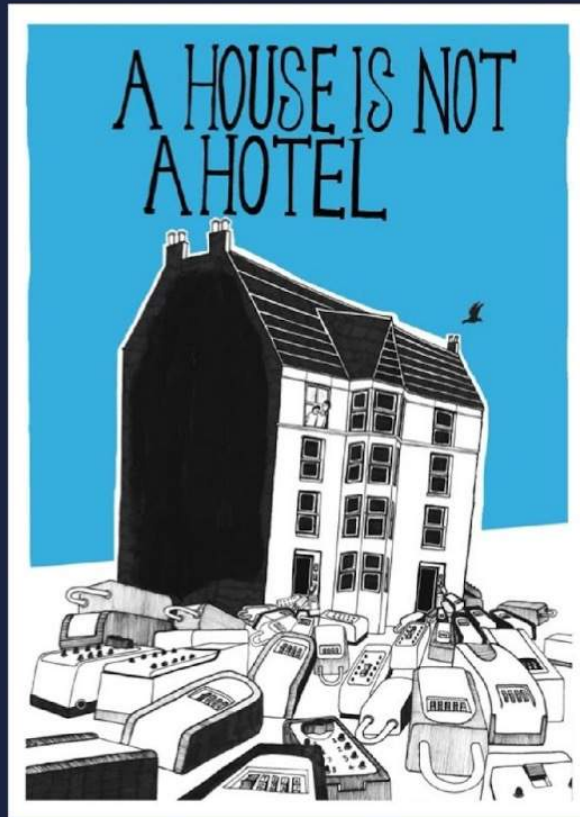
An alliance of 22 European Cities has been formed to develop better EU-legislation of platforms offering Short-Term Holiday Rentals to protect the liveability and affordability of our places.¹⁸

Tourist hot spots may impose restrictions on short-term rentals if they suffer from a shortage of affordable housing, according to a ruling by the Court of Justice of the European Union¹⁹.

18. https://eurocities.eu/wp-content/uploads/2020/08/EUROPEAN_CITIES_ALLIANCE_ON_SHORT_TERM_RENTALS_final.pdf

19. <https://www.politico.eu/article/eu-court-rules-cities-can-restrict-short-term-rentals-in-blow-to-airbnb/> 24

Conclusion



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- We strongly support a robust licensing scheme which can be used alongside short-term let control areas to control the overprovision of short-term lets to protect the right to housing.
- We strongly reject the proposed changes announced by the Cabinet Secretary on 8th October.
- We propose 10 amendments to ensure accountability, transparency and enforceability of the legislation and shared these with the Cabinet Secretary on 19th October.
- We strongly reject any further delays to this legislation. We remind the Scottish Government that this legislation was first requested by the City of Edinburgh Council in 2017.

How can we learn more?

We strongly recommend the following resources:

- **Locked out by Maria Stocian - Well researched comic book presenting the key issues affecting Scotland and the research worldwide.**
- **Scottish Government, Research into the impact of short-term lets on communities across Scotland - Independent research by the Indigo Group.**
- **Shelter, Short-term lets in Scotland - Topic briefing.**
- **Economic Policy Institute, The economic costs and benefits of Airbnb.**
- **PLACE, A legal summary. Useful summary of DPEA planning appeal decisions and civil legal cases.**



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