

Evidence submitted by CIH Scotland 09 October 2020

About CIH

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple - to provide housing professionals with the advice, support and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world including over 2,000 in Scotland.

Further information is available at: www.cih.org

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General Comments

CIH Scotland has supported the call for better regulation of short term lets and we welcome the Scottish Government's commitment to introducing flexible powers for local authorities to deal with particular issues in their area.

In previous responses, we have raised concerns with the negative impacts that short term lets can have in some areas, particularly where there are high concentrations. The issues include:

- Conversion of residential property into short term accommodation, reducing choice for local residents and pushing up prices;
- Nuisance for neighbours and local communities caused by noise, damage or litter in communal spaces and lack of security in buildings with shared entrances;
- Lack of regulation leading to potential safety issues for guests and neighbours. Lack of regulation can also create an incentive for private landlords to convert residential accommodation into short term lets if doing so would be easier or more profitable.

The proposal to extend the Repairing Standard to short term lets is particularly welcome and will help to ensure that residents are safe, no matter what type of let they are staying in. It will also go some way to level the playing field between private landlords and short term let 'hosts'. We understand that the Scottish Government has committed to consulting separately on the issue of taxation to ensure that short term lets contribute to local communities. It is essential that discrepancies in taxation are addressed to ensure that those who run short term lets do not continue to benefit from an unfair advantage over private residential landlords.

While the measures set out in this consultation are broadly welcome, we have concerns about how these will be communicated to short term let hosts and guests, and the role of short term let platforms in supporting new regulations.

The Scottish Government has asked for specific feedback on the proposed definition, control area regulations and licensing and our comments below have been submitted.

Chapter 4 - Definition

We do not have any comments on the proposed definition.

Chapter 5 - Control area regulations

We agree with the proposal that homes used for secondary lettings can revert back to residential use without the need for planning permission. Given that decisions on new applications for planning permission may be based to some extent on the concentration of short term lets in an area, it would be useful if owners could advise the local authority of intentions to revert back to residential use.

We agree with the proposed approach to encouraging compliance and allowing a grace period for planning applications within an area that has been designated as a control area. However, there is no mention of how a new designation will be communicated to hosts. Proactive communication from the local authority will be essential in identifying short term lets and achieving compliance.

Chapter 6 – Licensing order

We agree with the establishment of a national licensing system covering all short term lets. This will help to avoid any doubt for hosts about the need to apply for a licence to continue operating.

However, we have some concerns about the level of resources that will be required to establish and maintain an effective licensing system, especially in areas that have high concentrations of short term lets. There may be additional difficulties in identifying properties that are being used as short term lets.

There are around 32,000 short term lets across Scotland advertised through AirBnb alone (<https://bit.ly/3d7G35s>). More will be let through other platforms or let directly by hosts. The nature of the sector also means that homes can be used for short term lets sporadically or infrequently. A high profile communications campaign will be required to ensure that hosts are aware of the new regulations and encouraged to comply. Many may not view letting out a home or part of a home for short periods as a formal business and therefore may not think that new rules apply to them.

We welcome the proposal to extend the Repairing Standard to short term lets. There is no justification for short term lets not having to meet the same conditions and safety standards as homes being let in the private rented sector. Again, compliance will very much rely on hosts being aware of their obligations. Guests may play a significant role in reporting breaches of condition and safety standards and platforms such as AirBnb should encourage feedback and play a role in reporting possible breaches.

The consultation lists a number of different legislative requirements and publications that hosts must have regard to. Easy to follow guidance for short term let hosts would be useful in bringing together all of the requirements in one place.