

**PERTH AND KINROSS COUNCIL**

**Licensing Committee**

**22 September 2022**

**LICENSING OF SHORT TERM LETS**

**Report by Head of Legal and Governance Services**

(Report No 22/233)

**1. PURPOSE**

- 1.1 To provide the Licensing Committee with the results of the public consultation, and to make proposals for further action.

2.	RECOMMENDATIONS
2.1	<p>It is recommended that the Committee:</p> <ul style="list-style-type: none"><li>• Note and consider the views expressed in response to the public consultation exercise which was carried out between 5 August 2022 and 25 August 2022;</li><li>• Approve the final draft policy (Appendix 2) for publication including the table of fees and additional conditions subject to any amendments the Licensing Committee wish to make after consideration of the consultation responses; and</li><li>• Instructs the Head of Legal and Governance Services to publish the final Policy online, subject to any amendments, no later than 1 October 2022.</li></ul>

**3. STRUCTURE OF REPORT**

- 3.1 This report is structured over the following sections:

- Section 4: Background
- Section 5: Proposals
- Section 6: Conclusion

**4. BACKGROUND / MAIN ISSUES**

- 4.1 On 19 January 2022, The Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2022 ("the Order") was approved by the Scottish Parliament. The Order came into force on 1 March 2022 and inserts new

legislative provisions into the Civic Government (Scotland) Act 1982 (“the Act”).

- 4.2 The Order introduces a new mandatory licensing system for short term lets which local authorities are required to establish by 1 October 2022.
- 4.3 Prior to the introduction of the legislation, there was no requirement to licence short term lets and, therefore, local authorities did not have the ability to regulate these types of premises.
- 4.4 The licensing scheme was brought in by the Scottish Government to ensure short term lets are safe; to address issues faced by neighbours; to facilitate local authorities in knowing and understanding what is happening in their area and to allow for the handling of complaints effectively. It also enables local authorities to ensure the people providing short term lets are suitable. The legislation aims to make sure that the economic and tourism benefits from short term lets are balanced with the needs and concerns of local communities.
- 4.5 The short term let licensing scheme will cover a wide range of residential accommodation including, but not exclusively, self-catered properties, B&B's, guest houses, glamping pods and yurts.

#### **Draft Policy Consultation**

- 4.6 On 3 August 2022 (report no 22/173) the Licensing Committee agreed a draft licensing policy for short term lets and requested that the Head of Legal and Governance Services make that available for public consultation. In accordance with the Committee's decision on 3 August 2022, a public consultation seeking views on the draft Policy Statement was undertaken. The consultation was open from 5 August 2022 to 25 August 2022. The consultation was available on the Council's Consultation Hub and the Council's civic licensing webpage. It was also publicised through the Council's social media channels.
- 4.7 A total of 90 responses were received. A summary of responses is set out in Appendix 1.
- 4.8 The analysis of those responses is set out in Appendix 1.
- 4.9 Proposed changes to the draft Policy Statement are shown with red tracked changes within the document at Appendix 2. These include changes made in response to comments received during the consultation but also some changes identified by officers to provide more clarity about certain aspects of the licensing scheme.

#### **Fee Structure**

- 4.10 The Council is also required to set fees for licence applications. Under the 1982 Act the Council must ensure that the costs of operating the licensing

scheme are covered by fees charged to applicants, so that the Council is not subsidising the licensing system. Statutory guidance also states that the fee structure should differentiate between the types of short term let licence and should be graded to reflect the different size of properties. The draft fees have been developed to comply with those requirements.

### **Next steps**

- 4.11 The Council is in the process of recruiting staff to administer this new licensing scheme.
- 4.12 The online application process has been created and is currently going through its final round of testing. The online application form will open on the 1 October 2022.
- 4.13 A specific short term let licensing webpage has been created on the Council's website. It will provide all the information that applicants will require to submit their application. This will be available prior to 1 October 2022.

## **5. PROPOSALS**

- 5.1 In response to the public consultation, a number of comments were received. These have been grouped together in Appendix 1 to the report. Officers have considered these responses and, where appropriate, amendments have been suggested to the draft policy statement. The policy statement provides a framework for the operation of the short term let licensing scheme within Perth and Kinross.
- 5.2 It is proposed that the Committee should now approve the draft policy statement subject to any further amendments which Committee wishes to make.
- 5.3 Officers will keep the policy statement under review during the initial phase of the licensing scheme. Committee will be asked to consider any proposed changes to the policy statement as the scheme develops.

## **6.0 CONCLUSION**

- 6.1 As the new short term lets licensing scheme comes into force on 1 October 2022, the Council must have a policy statement which contains key information about the licensing process. Consultation has taken place on the draft policy and a final version now needs to be approved.

**Author**

<b>Name</b>	<b>Designation</b>	<b>Contact Details</b>
Debra Gilkison	Licensing Manager	(01738) 475000 <a href="mailto:civiclicensing@pkc.gov.uk">civiclicensing@pkc.gov.uk</a>

**Approved**

<b>Name</b>	<b>Designation</b>	<b>Date</b>
Sarah Rodger	Legal Manager	13/09/2022

**APPENDICES**

- Appendix 1 – Consultation responses and officer comments
- Appendix 2 – Draft Policy Statement for Short Term Lets

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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan	<b>N</b>
Corporate Plan	<b>Y</b>
<b>Resource Implications</b>	
Financial	<b>Y</b>
Workforce	<b>Y</b>
Asset Management (land, property, IST)	<b>N</b>
<b>Assessments</b>	
Equality Impact Assessment	<b>Y</b>
Strategic Environmental Assessment	<b>N</b>
Sustainability (community, economic, environmental)	<b>Y</b>
Legal and Governance	<b>Y</b>
Risk	<b>N</b>
<b>Consultation</b>	
Internal	<b>Y</b>
External	<b>Y</b>
<b>Communication</b>	
Communications Plan	<b>N</b>

### 1. Strategic Implications

#### Community Plan

#### Corporate Plan

- 1.2 The Council's Corporate Plan 2018 – 2022 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. The licensing of short term lets is relevant to the following objectives:-

- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (v) Creating a safe and sustainable place for future generations.

### 2. Resource Implications

#### Financial

- 2.1 The fees proposed within the draft Policy have been considered taking into account the Scottish Government's guidance. These will ensure that the costs of running the licensing scheme are met from fees and not subsidised by the Council.

### Workforce

- 2.2 Additional staff will be required to deal with short term let licensing but the cost of this is met from fee income.

## **3. Assessments**

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 A full equality impact assessment has been completed and it was found that there is no significant impact in relation to the short term lets policy statement. This is a mandatory licensing scheme being introduced by the Scottish Government. Local Authorities are required to implement this scheme on their behalf. The Scottish Government EQIA demonstrates that there are no potentially negative impacts to equality groups as a result of the introduction of a short term let licensing scheme.

### Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.4 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.
- 3.5 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

## **4. Consultation**

### Internal

- 4.1 The Head of Planning and Development, Housing Department, Environment Services and Safer Communities have been consulted in the preparation of this report.

### External

- 4.2 A consultation took place between 5 August and 25 August 2022.

## **5. BACKGROUND PAPERS**

- 5.1 The Civic Government (Scotland) Act 1982 (Licensing of Short Term Lets)  
Order 2022 Civic Government (Scotland) Act 1982.