

## **COSLA Response to the Local Government, Housing and Planning Committee on the Proposed Delay for Existing Short Term Let Hosts to have a License**

COSLA welcomes the opportunity to provide views to the Scottish Parliament's Local Government, Housing and Planning Committee on the Scottish Govt's proposed delay for existing Short Term Let Hosts to have a license.

COSLA has received feedback from a number of local authorities to inform our response to the information sought by the Committee.

Overall, our understanding is that the proposed delay will give more time to applicants to prepare their applications. It should provide more time for local authorities to have fully resourced and trained licensing teams in place to process licence applications. However, some concerns have been raised around the risk that the extension may lead to a flood of last-minute applications nearer the September 2023 deadline, which will put more pressure on local licensing teams.

- **The fees that have been set by Local Authorities**

In line with Scottish Government guidance, licensing authorities must determine their own fees and fee structures to recover establishment and running costs specific to their area, including taking account of guest capacity. We understand that most local authorities have set licence fees that are broadly in line with the Scottish Government's Business Regulatory Impact Assessment estimate of £214 - £436 for a 3-year licence.

- **Impact of the proposed delay**

Overall, based on the sample of local authorities we received feedback from, we understand that the proposed delay will give more time to applicants to submit their applications and may be helpful to local authorities to deal with anticipated remaining applications. However, there are some key concerns and downsides that have been flagged as a result of the extension. These are:

- The risk that many applicants may decide to wait until nearer the September 2023 deadline to apply, which will put more pressure on licensing teams to process applications by the final date by which everyone must be licensed (1 July 2024);
- Issues with capacity locally, especially where staff were recruited on fixed-term contracts based on the original timescales. There may be challenges with extending these contracts in some instances, especially due to the delay in local authorities receiving the income they expected from application fees from existing hosts.
- It will take a bit longer to quantify the number of STLs and the spatial distribution of them in a Local Authority Area to consider Control Zones/Areas.

- **How the process is working to date**

Overall, the process appears to be working fairly well with no major issues flagged in the feedback we have received. However, it is too early to provide a definitive answer as the picture will become clearer once more applications are received and processed by local authorities.

- **Whether this delay will allow the necessary time to process applications for existing hosts**

Local authorities are already putting the staff and processes in place to deal with applications and deadlines. There is a risk that applicants may wait until very close to the September deadline, which will put more pressure on councils to process the applications in a shorter

window of time compared to what was originally set out. This could lead to some hosts not having a valid application made before the deadline.

- **Whether applications are being prioritised in any way and if so, how;**

We understand that new applications and temporary applications are being prioritised by some local authorities, while others are choosing to deal with applications as they come in. Local authorities are very much 'getting on' with the task, albeit the bulk of applications may be closer to September 2023, if some hosts are late submitting them.

- **The administrative requirements being placed on hosts and potential hosts.**

The conditions that local authorities ask applicants to meet are clearly published on their websites, as well as supporting information that may be helpful to existing and new hosts.

As with other licensing applications, administrative requirements apply. As this is a new scheme, in an area that was previously unregulated, it may take more time for some hosts/operators to navigate the process of applying and paying for a license. Nonetheless, some of the evidence required to show compliance with the mandatory conditions should be readily available to the hosts/operators, given that it relates to the safety of the property (i.e. gas safety inspections/PAT inspections)

We understand that LAs have generally made the application process as straightforward and light-touch as possible to minimise the impact on hosts and potential hosts in terms of time, complexity and cost, while making sure that they comply with the terms of the STL legislation.

We trust our brief response will be useful to the committee's considerations on the proposed delay by the Scottish Govt on Short Term Let Hosts to have a license.

**January 2023**