Short Term Lets – Proposed Amendments to the Planning (Scotland) Bill
Briefing Paper No. 4

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Introduction

Across Scotland, the rapid expansion of short-term lets and the long-standing issue of holiday homes is having a serious impact on local housing markets. Through the Homes First campaign, we have found that short-term lets are depriving the City of Edinburgh of £10.6 million in taxes each year, while in parts of rural Scotland up to half of all residential properties in some towns are being used as holiday homes.

We have long advocated that local authorities should have the power to control short-term lets based on local policies. These proposed amendments to the Planning (Scotland) Bill at Stage 2 amend The Town and Country Planning (Scotland) Act 1997 to the effect that the use of residential property for use as holiday homes (amendment 44) or for short-term letting (amendment 45) will require full planning consent.

If passed, this means that owners would have to apply for full planning consent if they wished to change a property from a sole or main residence to either a short-term let or a holiday home. For the avoidance of doubt, the proposed amendments do not affect owners who rent out a spare room as part of the home-sharing economy so long as the property remains their sole or main residence.

There has been very little recognition from the Scottish Government of the impact that short-term lets and holiday homes have on the housing market. These proposed amendments will tackle the issue by giving councils the necessary powers to protect the availability of residential accommodation for local people.

We welcome your views on these proposed amendments. Should you wish to contribute to this debate then please contact my office (details below).

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44 Before section 12, insert—

<Meaning of “development”

Meaning of “development”: change of use of dwellinghouse

(1) The Town and Country Planning (Scotland) Act 1997 is amended as follows.

(2) In section 26 (meaning of “development”)—

(a) after paragraph (a) of subsection (3) insert—

“(aa) the change of use of a dwellinghouse from being the sole or main residence of any person to being used for any other purpose (including, in particular, to being used as a holiday or second home) involves a material change in the use of the building,”,

(b) after subsection (7), insert—

“(8) The Scottish Ministers may issue guidance on the interpretation of subsection (3)(aa).”>

45 Before section 12, insert—

<Meaning of “development”

Meaning of “development”: use of dwellinghouse for short-term holiday lets

(1) The Town and Country Planning (Scotland) Act 1997 is amended as follows.

(2) In section 26 (meaning of “development”)—

(a) after paragraph (a) of subsection (3) insert—

“(aa) the use of a dwellinghouse for the purpose of providing short-term holiday lets involves a material change in the use of the building,

(ab) for the purposes of subsection (3)(aa), “providing short term holiday lets” does not include—

(i) the letting of residential property under a residential lease,

(ii) the letting of part or whole of residential property where the property is the sole or main residence of the landlord or occupier”,

(b) after subsection (7) insert—

“(8) The Scottish Ministers may issue guidance on the interpretation of “providing short-term holiday lets” for the purposes of subsection (3)(aa).”>