

Information and Guidance

The Scottish Government approved the short term lets legislation on Wednesday 19 January 2022. The Council have a duty to establish a short term let licensing scheme by 1 October 2022.

Timescales for applying for a short-term let licence

- From 1 October 2022: All **NEW** short-term let properties require a licence to operate
- As of 1 January 2025: All **EXISTING** hosts must have been granted a short-term let licence in order to operate

When will the Short-term Let scheme be introduced in Perth and Kinross?

From 1 October 2022 as per legislation.

What is a short-term let?

If you are providing anyone with residential accommodation anywhere in Scotland, then you might be providing short-term lets. It may be rooms in your home, a whole house or something more unusual like a yurt or a treehouse. You need a licence for each premises in which you let out accommodation. Example:

- two neighbouring cottages are likely to be separate premises (each will require a licence)
- 15 Yurts in one field are likely to be counted as one premises (requiring one licence)
- for a self-catering cottage, the accommodation and premises are one and the same. If you are letting out two rooms in your own home, both are classed as accommodation (assuming they can be let out separately) and the whole home is the premises

The distinction is important as some licence conditions will apply to the premises and other just to the accommodation.

Examples of premises that may be considered as a short-term let:

- Bed and Breakfast/Guest House
- Boat (if static and not used for transportation)
- Boathouse or Lighthouse
- Sharing your home for a short period
- Letting out a second home for a short period
- Cabins/Lodges/Chalets/Cottages/Farmhouse
- Castle
- Holiday Caravan or Glamping Pod (if on an unlicensed site)
- Self-catering unit/Holiday let
- Serviced Apartment on its own or up to four in a building
- Tent/Tipi/Wigwam/Treehouse/Yurt/Shepherd Hut

A short-term let is defined in the legislation as the use of residential accommodation provided by a host during business to a guest, where all the following criteria are met:

- The guest does not use the accommodation as their only or principal home;
- The short-term let is entered into for commercial consideration;
- The guest is not
 - o an immediate family member of the host;
 - sharing the accommodation with the host for the principal purpose of advancing the guests education as part of an arrangement made or approved by a school, college or further higher education institution;
 - o an owner or part owner of the accommodation.
- The accommodation is not provided for the principal purpose of facilitating the provision of work or services by the guest to the host or to another member of the hosts household.
- The accommodation is not excluded accommodation.
- The short-term let does not constitute an excluded tenancy.

What types of properties are exempt from licensing?

- a) Licensed accommodation: licenced hotels and caravans;
- b) Accommodation provided by guests for example guest/s provide own tent;
- c) Mobile accommodation capable of transporting guests at the time of their stay;
- d) Hotels with planning consent to operate as a hotel;

- e) Aparthotels comprising five or more serviced apartments in a residential building;
- f) Health and Care accommodation for example residential care homes, hospitals, nursing homes;
- g) Educational accommodation for example residential schools, colleges, training centres and purpose-built student accommodation.

What are the types of short-term let licence you can apply for?

Secondary Letting	The letting of property where you do not normally live, for example a second home let to guests
Home letting	Using all or part of your own home for short-term lets whilst you are absent, for example whilst you are on holiday
Home sharing	Using all or part of your own home for short-term lets whilst you are there
Home letting and home sharing	Operating short-term lets from your own home while you are living there and for periods when you are absent.

What are the timescales for short-term let licence applications?

Existing Hosts Must have applied before 1 October 2023	The council have 12 months to determine these applications, beginning with the date on which the application was made.
	Existing hosts who make an application before 1 October 2023, can continue to operate whilst their licence application is being determined.
	This extension to the time limit for determining an initial application, is designed to manage the volume of applications received.
New Hosts	The council have 9 months from the date on which the application was made to consider and determine each application.

Please note: Provisional licence numbers will not be issued to new hosts from 1 October 2022 or anyone applying after 1 October 2023 as they cannot operate whilst their application is being determined.

Can someone else make an application on my behalf for a shortterm let licence?

Yes. You, as the host or operator, can apply for a licence to use your (or someone else's) premises to provide short-term lets. You can also ask another person to make the application on your behalf. For example, you might ask:

- your solicitor; or
- your letting agency or property management company.

If you do not own the premises, then you must have written permission of the owner(s) to make an application for a licence. For example, you may be a tenant and want to use your property for home sharing or home letting. You should first make sure that your tenancy agreement would allow you to do this in general terms and then seek the specific permission of your landlord.

You will be required to upload written evidence from the owner/s of the shortterm let premise/s that they agree that their premise/s can be used for the purpose of a short-term let. A form can be found on our short-term let website that you can complete and upload with your application form.

I own several holiday lets. Will one licence cover them all?

You need a licence for each premises in which you let out accommodation. Example:

- Two neighbouring cottages are likely to be separate premises (each will require a licence)
- 15 yurts in one field are likely to be counted as one premises (requiring one licence)
- for a self-catering cottage, the accommodation and premises are one and the same. If you are letting out two rooms in your own home, both are classed as accommodation (assuming they can be let out separately) and the whole home is the premises.

How long will a licence last?

Licenses will generally be granted for a period of 3 years then the host will have to renew their licence prior to the expiry date on their current licence. The council has the authority to grant a licence for a shorter period if deemed necessary.

How do I apply?

Applications and payment will require to be submitted online through the Councils website at https://www.pkc.gov.uk/article/22511/Short-term-lets-licensing-scheme

An application will be deemed to be fully submitted when all the required evidential documentation is provided along with a fully completed application form. The Council cannot consider an application without all the necessary supporting documentation.

How much will a licence cost?

A table of fees can be found on our short-term let website. Fees are non-refundable.

What documentation do I have to provide with my application for a short-term let licence?

A pre-application checklist can be found on our short-term let website.

Public Notice of Information

You must notify your neighbours about your application for a new licence, and again when you apply to renew a licence. In order to comply with this requirement, you will need to display a site notice at or near your premises, so it can be conveniently read by the public. You will be provided with this when you submit your application. Downloads can also be found on our short-term lets website. Failure to display correctly, may result in you being asked to display the notice again for a further 21 day period. The notice should be displayed for 21 days from the date your licence application was submitted to the Council.

I have displayed my Public Notice of Information for 21 days what happens now?

Once your site notice has been displayed for 21 days you will be required to send a Compliance Certificate to your licensing authority confirming you have complied. You may wish to consider submitting evidence to demonstrate compliance, such as a time stamped photograph of the site notice in-situ with the completed Compliance Certificate (a copy of the Compliance Certificate will be provided to you at the time of your application together with the Public Notice of Information). You can also obtain a copy on our downloads section of the short-term lets web page.

What are the Mandatory Conditions attached to all short-term let licences?

All applicants prior to applying for a short-term let licence must ensure that they can comply with all mandatory conditions which are attached to all licence types prior to making an application for a licence. The licensing scheme requires all short-term lets to comply with mandatory conditions which apply in Scotland. You therefore need to check you comply before making your application and, if relevant, undertake work to ensure you meet the conditions. The following are the mandatory conditions:

1) Agents

Only those named on the licence may carry out the day-to-day management of the short-term let premises.

2) Type of licence

The holder of the licence will only offer the type of short-term let for which the licence has been granted.

3) Fire safety

The holder of the licence must ensure the premises has satisfactory equipment installed for detecting, and for giving warning of:

- a) fire or suspected fire, and
- b) the presence of carbon monoxide in a concentration that is hazardous to health.

You will be asked a series of fire safety related questions within the application form.

- 4) The holder of the licence must keep records showing that all upholstered furnishings and mattresses within the parts of the premises which are for guest use, or to which the guests are otherwise permitted to have access, comply with the Furniture and Furnishings (Fire Safety) Regulations 1988. <u>The Furniture and Furnishings (Fire) (Safety) Regulations 1988 legislation.gov.uk)</u>
- 5) **Gas safety -** Where the premises has a gas supply
 - (a) the holder of the licence must arrange for an annual gas safety inspection of all gas pipes, flues and appliances in the premises,
 - (b) if, after an annual inspection, any appliance does not meet the required safety standard, the holder of the licence must not allow a short-term let of the premises until the works necessary to bring the appliance to the required safety standard have been carried out.

Electrical safety

- 6. Where there are electrical fittings or items within the parts of the premises which are for guest use, or to which the guests are permitted to have access, the holder of the licence must -
 - (a) ensure that any electrical fittings and items are in -
 - (i) a reasonable state of repair, and
 - (ii) proper and safe working order,
 - (b) arrange for an electrical safety inspection to be carried out by a competent person at least every five years or more frequently if directed by the competent person,
 - (c) ensure that, following an electrical safety inspection, the competent person produces an Electrical Installation Condition Report on any fixed installations,
 - (d) arrange for a competent person to-
 - (i) produce a Portable Appliance Testing Report on moveable appliances to which a guest has access, and
 - (ii) date label and sign all moveable appliances which have been inspected.
- In determining who is competent, the holder of the licence must have regard to guidance issued by the Scottish Ministers under section 19B(4) of the Housing (Scotland) Act 2006.

statutory guidance on electrical installations and appliances in private rented property.

Electrical Safety First have also produced a <u>landlords' guide to electrical safety</u>. You will find these helpful as the standards that apply to private residential tenancies also apply to short-term lets.

Water safety: private water supplies

 Where the premises are served by a private water supply, the licence holder must comply with the requirements on the owners of private dwellings set out in the Water Intended for Human Consumption (Private Supplies) (Scotland) Regulations 2017.

Guidance on the Water Intended for Human Consumption (Private Supplies)

Water safety: legionella

9. The holder of the licence must assess the risk from exposure to legionella within the premises, whether or not the premises are served by a private water supply.

(The Legionella risk assessment does not need to be carried out by a professional; you can do it yourself. The risks from hot and cold water systems in most residential settings are generally considered to be low because water is used regularly and does not stagnate).

A Legionella template risk assessment can be found on our short-term lets website.

You can find out more on the <u>Health and Safety Executive webpage on legionella</u> and landlords' responsibilities

Safety & repair standards

- 10. (1) The holder of the licence must take all reasonable steps to ensure the premises are safe for residential use.
 - (2) Where the premises are subject to the requirements of Chapter 4 of Part 1 of the Housing (Scotland) Act 2006, the holder of the licence must ensure that the premises meet the repairing standard.

(see section 2.40 at link below 'Repairing Standard').

<u>Short term lets - licensing scheme part 1: guidance for hosts and operators - gov.scot (www.gov.scot)</u>

Maximum Occupancy

11. The licence holder must ensure that the number of guests residing on the premises does not exceed the number specified in the licence.

Information to be displayed

- 12. The holder of the licence must make the following information available within the premises in a place where it is accessible to all guests -
 - (a) a certified copy of the licence and the licence conditions,
 - (b) fire, gas and electrical safety information,
 - (c) details of how to summon the assistance of emergency services,
 - (d) a copy of the gas safety report,
 - (e) a copy of the Electrical Installation Condition Report, and
 - (f) a copy of the Portable Appliance Testing Report.

Planning Permission

- 13. Where the premises is in a short-term let control area for the purposes of section 26B of the Town and Country Planning (Scotland) Act 1997 ("the 1997 Act"), the holder of the licence must, where the use of the premises for a short-term let requires planning permission under the 1997 Act, ensure that either—
 - (a) an application has been made for planning permission under the 1997 Act and has not yet been determined, or
 - (b) planning permission under the 1997 Act is in force.

Listings

- 14. (1) The holder of the licence must ensure that any listing or advert (whether electronic or otherwise) for the short-term let of the premises includes -
 - (a) the licence number, and
 - (b) a valid Energy Performance Certificate rating if an Energy Performance Certificate is required for the premises, in accordance with the Energy Performance of Buildings (Scotland) Regulations 2008.
 - (2) The holder of the licence must ensure that any listing or advert (whether electronic or otherwise) for the short-term let of the premises is consistent with the terms of the short-term let licence.

<u>Energy Performance Certificates for Holiday Lets: guidance - gov.scot</u> (www.gov.scot) If you have bought your property recently, you may wish to refer to the Home Report for the property. Energy Performance Certificates are typically included within Home Reports.

Insurance

- 15. The holder of the licence must ensure that there is in place for the premises -
 - (a) valid buildings insurance for the duration of the licence, and
 - (b) valid public liability insurance for the duration of each short-term let agreement.

You will be required to insert the name of your provider together with the expiry date of your public liability insurance (must be at least £5 million) and buildings insurance within the application form.

Payment of fees

16. The holder of the licence must pay any fees due to the licensing authority in respect of the licence on demand.

False or misleading information

17. The holder of the licence must not provide any false or misleading information to the licensing authority.

Interpretation

18. In this schedule -

"Electrical Installation Condition Report" means a report containing the following information –

- (a) the date on which the inspection was carried out,
- (b) the address of the premises inspected,
- (c) the name, address and relevant qualifications of the person who carried out the inspection,
- (d) a description, and the location, of each installation, fixture, fitting and appliance inspected,
- (e) any defect identified,
- (f) any action taken to remedy a defect,

"Energy Performance Certificate" means a certificate which complies with regulation 6 of the Energy Performance of Buildings (Scotland) Regulations 2008),

"gas safety report" means a report containing the following information -

- (a) the date on which the appliance or flue was checked,
- (b) the address of the premises at which the appliance or flue is installed,
- (c) a description of and the location of each appliance or flue checked,

I have a Guest House and have been granted planning permission use class 7 do I require a short-term let licence?

Yes. Schedule 1 does exempt hotels with planning permission granted for use as a Hotel but it does not list guest house with planning permission for use as a guest house.

Have you engaged with your neighbours?

You will have to display a Notice of Public Application for a period of 21 days once your application has been submitted which provides details of how a member of the public can make a representation/objection to your application. Having a conversation now with your neighbours prior to making an application may resolve any issues they may have.

Do you have a Code of Conduct/House Rules in place for your guests? If you do not you may wish to incorporate things like: -

- check in check out times;
- noise mitigation for example music, congregating in an outdoor space late at night with loud conversations, arrivals and departures at unreasonable hours, external equipment noise, loud drunken behaviour, disposal of glass at unreasonable hours;
- waste disposal to avoid accumulation of waste, (inappropriate storage, attracting pests);
- car parking at the property (ensure guests know which car parking spaces they can use and **not to use** other residents parking spaces)
- contact details of responsible person for premises;
- instructions for appliances.

Can I transfer my licence to the new owner if I sell my short-term let premise/s?

No. Your licence is specific to you (whether as a person or a company) and your accommodation. This means you cannot simply hand your licence over to someone else, even if that person has purchased the accommodation from you and would like to carry on providing short-term lets. When you are selling your premise and have no requirement for your licence, you should notify the licensing department at <u>stl@pkc.gov.uk</u> informing us that you wish to surrender your licence.

I want to rent my house for major events, such as a major golfing tournament. Do I need a licence?

Yes. The legislation allows the council with the power to exempt hosts from the requirement to have a short-term let licence. This can be for a specified single continuous period not exceeding 6 weeks in any period of 12 months. This can be used to accommodate a large influx of visitors over a short period of time for events such as large scale sporting events or music festivals. Host must apply to the council for a temporary exemption before letting a property.

Can I apply for a Temporary Licence for a trial period?

A temporary licence may be granted for a duration of up to six weeks in exceptional circumstances. A temporary licence number will be given, and conditions attached to the licence must be complied with. The Council must consult the Chief Constable and Scottish Fire and Rescue in respect of an application for a temporary licence. The Council considers that a temporary licence might be applied for in the following circumstances: -

• by someone who wishes to try short-term letting for a short period before deciding whether or not they wish to do this permanently, requiring a full licence application.

A temporary licence can last for up to six weeks or longer if hosts have made an application for a licence. The temporary licence will last until the licence application is finally determined.

Does an HMO property require a licence?

If a property has an HMO licence, a short-term lets licence is required if it is also to be used for short-term lets. This is the case whether residence at the premises is covered by the HMO licence. Student accommodation is excluded but private houses and flats that are let to students during term time and as short-term lets out with term time are not excluded.

Do house swaps require a licence?

Home exchanges, 'reciprocal and non-reciprocal' would be considered home letting and would require a licence if it is in the course of business. No licence is required where home-swapping is not in the course of business. Whether an individual's use of their property is in the course of business, and therefore requires a licence, will depend on the circumstances of the case. Applicants are asked to seek their own legal advice if they are unsure whether they require a licence, or not.

Will my premises be inspected?

The council will take a risk-based approach to ensuring compliance, this includes allowing self-certification where appropriate and only using inspections where there are grounds to do so. Some factors when deciding whether to carry out an inspection might be:

- feedback from Police Scotland and the Scottish Fire and Rescue Service
- peculiarities of the operation (e.g., unconventional accommodation)
- pattern of complaints associated with the host, operator, or premises intelligence from other inspections (which may indicate a higher incidence of issue or non-compliance with hosts or operators or premises of that type or in that area)
- reputational evidence (where available) guest reviews and internet profile

How will the council ensure all tourism accommodation businesses are licensed?

The council are responsible for the Short-Term Let Licensing Scheme and have a duty to ensure compliance with the legislation. The council will use available resources to determine Short-term Let premises and encourage Hosts and Operators to make an application for a licence.

How will anti-social behaviour be dealt with under the new licensing legislation?

Whilst there are already a range of powers available to licensing authorities to deal with antisocial behaviour through provisions in the Antisocial Behaviour etc. (Scotland) Act 2004 the council may include 'additional conditions' requiring the licence holder to manage their premises in a way to prevent anti-social behaviour as far as reasonably practicable, and to effectively deal with any instances of anti-social behaviour. For example:

Example: Additional Conditions to Licence:

- 1. The licence holder must take reasonable steps to manage the premises in such a way as to seek and prevent and deal effectively with any anti-social behaviour by guests to anyone else in the short-term let and in the locality of the short-term let.
- 2. The licence holder must take reasonable steps to:
 - ensure that no disturbance or nuisance arises within or from the premises, for example by explaining the house rules to the guests;

- deal effectively with any disturbance or nuisance arising within or from the premises, as soon as practicable after the licence holder is made aware of *it*; and
- ensure any vehicles belonging to guests are parked lawfully, for example explaining where any designated parking spaces are to be found and highlighting any local rules.

Under what circumstances would I not be granted a licence?

The council will grant your application unless there are grounds to refuse it. Possible grounds for refusing an application may include:

- any person named on the application is disqualified from having a licence
- any person named on the application is not a fit and proper person
- some other person is benefiting from the activity who would be refused a licence if they made the application themselves
- the premises are not suitable or convenient having regard to
 - a) the location, character or condition of the premises
 - b) the nature and extent of the proposed activity
 - c) the kind of persons likely to be in the premises
 - d) the possibility of undue public nuisance; or
 - e) public order or public safety; or
- there is other good reason for refusing the application (this cannot be applied in a blanket fashion without considering the merits of a particular application)
- you cannot demonstrate, or secure, compliance of the mandatory conditions
- you cannot demonstrate, or secure, compliance of any additional conditions

If I do not get a licence, can I appeal the decision?

Yes. Applicants should note that were their short-term let licence application be refused by the Licensing Committee, they do have the right of appeal under the Civic Government (Scotland) Act 1982. An appeal should be made to the Sheriff Court within 28 days from the date of the refusal. Where an appeal has been lodged, the short-term licence will continue to have effect until such time as the appeal has been determined. Applicants have the right to request a Statement of Reasons from the Council if their application is refused.

Applicants should note the Council is unable to give any legal advice in relation to appealing a decision and as such it is recommended that independent leal advice is sought.

What will happen if I am not granted a licence, or do not comply with licence conditions?

Section 7 of the 1982 Act sets out four offences, as set out below: -

- 1. It is an offence, without reasonable excuse, to carry on an activity for which a licence is required without having such a licence Depending on the activity, different punishments apply. The default is a fine not exceeding level 4 on the standard scale.
- 2. It is an offence to fail to comply with a licence condition, though it is a defence to have used all due diligence to prevent the offence The default is a fine not exceeding level 3 on the standard scale.
- 3. It is an offence for a licence holder, without reasonable excuse, to:
 - a) fail to notify the licensing authority of a material change of circumstances (level 3 on the standard scale)
 - b) Make or cause or permit to be made any material change in the premises) level 3 on the standard scale)
 - c) fail to deliver the licence to the licensing authority (level 1 on the standard scale)
- 4. It is an offence to make a false statement in an application (level 4 on the standard scale).

These currently attract fines on the standard scale:

1 -	£200.00	
2 -	£500.00	
3 - £	1000.00	
4 - £	5000.00	

How will the public be made aware of short-term lets?

Applicant hosts and operators are required to display a site notice at or near the premises so that it can be conveniently read by the public for a period of 21 days beginning with the date on which the application was submitted to the licensing authority. This will allow public to make a representation regarding the licence.

I need to display a Notice for 21 days but it says that the objection period is 28 days – is this correct?

Yes, there is a discrepancy within the Civic Government (Scotland) Act 1982 which means that the Notice only needs to be displayed for 21 days, but the legislative period for objections / representations to the application is 28 days.

Can I object to a Short-term Let Licence?

Objections may be made by neighbours or any other person who wants to raise an objection on the Short-term Let application. Competent grounds for objection may include:

- concerns that the application is inaccurate or misleading
- concerns about the safety of guests, neighbours or others
- concerns about noise or nuisance; and
- concerns the application runs contrary to other legal or contractual requirements

Objections should be made within 28 days of the public site notice of the application being given. The council will send the host or operator copy of any relevant objections. The host/operator will have the chance to respond to any objections, either in writing or in person.

What will I do if my licence is defaced or lost?

Should the licence be lost or become defaced or illegible the licence holder shall obtain a replacement from the Council on payment of the appropriate fee. The licence holder shall produce his/her licence within 5 days of being requested to do so by an officer of Police Scotland, the Scottish Fire and Rescue.

Notification of Convictions or Material Change of Circumstances

The licence holder shall notify the Council of any conviction or material change within 14 days of the event. "Material change" means any change of circumstances affecting the licence holder (for example, change of his/her name or address) or the activity to which the licence relates, including any particulars referred to in the application for grant or latest application for renewal of the licence. If in doubt, notify the Council of any changes.

Material Change in Premises

No material change can be made in premises without prior consent from the Council in relation to the short-term let licence. An application for material change should be made in similar terms to an application for a licence.

What is a control area?

A control area is a statutory designation. Use of a dwellinghouse for the purposes of providing short-term lets is deemed to be a material change of use in a control area. Planning permission is therefore required for short-term letting of any house or flat within a control area.

The purpose of control areas is to help manage high concentrations of secondary letting where it affects the availability of residential housing or the character of a neighbourhood; to restrict or prevent STLs in places or types of building where it is not appropriate; and to help local authorities ensure that homes are used to best effect in their areas. Ultimately, it is for local authorities to determine whether a control area is required, taking all relevant local circumstances into account.

Should in the future, Perth and Kinross Council introduce a Short-Term Let Control Area, then the use of a residential property for short-term letting within the designated Control Area would be deemed a material change of use and would require planning permission. Guidance for hosts and operators can be found here: -2. Guidance for Hosts and Operators - Short term lets: planning guidance for hosts and operators - gov.scot (www.gov.scot)

What planning permission do I need for a short-term let?

A dedicated web page has also been created to assist in determining if planning permission is required:

https://www.pkc.gov.uk/shorttermletsandplanning

Further information:

Scottish Government Guidance:

Short term lets - licensing scheme part 1: guidance for hosts and operators (www.gov.scot)

http://www.gov.scot/ISBN/9781836017370

Short term lets - licensing scheme part 2: supplementary guidance (www.gov.scot)

http://www.gov.scot/ISBN/9781836017394