

Ariane Burgess:

Thanks Camina. Great, thanks very much. Well that brings us to the end of our questions. I could just say briefly, is there anything else that you want to add that we haven't covered? We got our questions. Got it all. Great. Thank you very much. So thanks so much for joining us today. It was really very helpful to get more insight into some of the more nuances of the issues that we need to be looking at and being aware of there. I'm now going to briefly suspend the meeting to allow for a change over witnesses. Yep. We now turn to agenda item four, which is to take evidence on the civic government Scotland Act 1982 licencing of short-term. Lets amendment order 2024 from Paul Housing Minister with the Scottish government. And as you will note, Mr McClellan is giving evidence to us remotely and he's joined online for this item by Scottish government officials, Craig McGuffey who's a lawyer, Jessica Nivan who's the unit head at more homes division and Andy Kenard who is the heading of Transforming Planning and I welcome the minister and his officials to the meeting and invite him to make a brief opening statement.

Paul McLennan:

Thank you convener. And first of all apologies for not being in the room today after coughing and spluttering through some statements last week. I tested positive for Covid on Thursday and still can recovering. So thank you for being so accommodating to me this morning. It's much appreciated. Just obviously an opening statement convener if that's okay. Grateful obviously for the opportunity to speak to the draught civic government Scotland D 1982 licensing of short-term. Lets order 2024 legislation to establish a licensing scheme for short-term Lets was approved by this parliament in January, 2022 and schemes opened in October, 2022. The scheme delivers a set of basic safety standards to protect guests, hosts and communities and guarantee high quality accommodation across Scotland. These core principles have underpinned our approach throughout and we have consulted extensively and worked with a range of stakeholders when the schemes early implementation when the then cabinet secretary appeared at this committee in February, 2023, the committee was clear that the government should use available time to respond to concerns being expressed about operation of the licencing scheme.

I'm therefore pleased to date have the opportunity to speak to the draught order today which reflects operational adjustments to the scheme which have made as a direct result of feedback from a range of stakeholders. The proposed statutory amendment is by no means the only action we've been taken to continue to refine and improve the licencing scheme and know that some groups in the sector have shared evidence with you to reflect the perspectives for the scheme that encourage us to go further. We will continue to work with and listen to stakeholders and I'm pleased to inform committee that as well as a regular engagement we have. We are also formalising an expert group to further refine guidance. Taking into account feedback since the scheme has launched the provisions in this amendment offer technical clarifications and operational improvements for businesses. We are conscious in bringing these forward.

That implementation is still within the transitional period when thousands of operators were already recently taken action to comply with legislation and authorities are still processing applications for existing hosts. Any action must be taken forward in a measured way. This approach has been endorsed publicly by many in the sector. Turning to the order itself, we are making it more straightforward for short-term operators to transfer their businesses to a new operator. This aligns with our commitment and the new deal for business. We are also ensuring that new short-term enterprises can apply for professional licences. As we listened and acted on feedback that securing lending industries such as agrit was challenging, we've reflected feedback about operation of exemptions to short-term met licences by clarifying the periods that this provision may apply. This ensures that local authorities can apply flexibilities for key sporting and seasonal events that can heighten demand for accommodation while staffing having regard for health and safety. We're also taking opportunity to make some minor changes

to provisions relating to guest rooms and certain types of residential accommodation and provisions requiring safety information to be provided to guests. The latter changes in our response to a fatal accident inquiry involving short-term accommodation, the approach has been taken aligns with both our commitment to supporting businesses and with the verity house agreement ensures that high quality accommodation that visitors expect in Scotland is maintained and prioritises importance of doing business. Therefore I ask committee to support the draught order today. Thanks convener.

Ariane Burgess:

Okay, thanks very much for that Paul. I think you kind of touched on it a bit in your opening statement but I'd be interested to understand a little bit more there. Maybe without getting too much detail. We do have a number of questions from members, but I want to understand what the problem is that this order is trying to fix in terms of the provisional licence, what was the problem that you identified that meant that you needed to have this order for that piece?

Paul McLennan:

I think in terms of provisional licence convening, I remember my time in the committee when I was actually there as well was obviously around about the financing aspect of it and what that required, particularly speaking to applicants who had had issues around about I suppose to their lenders at that particular time I think we took evidence and C committed in also spoken to other stakeholders including S-T-A-E-S-S-C around about that particular point. So obviously that was an element around about trying to finance particularly new people coming into the business around about getting that finance to go over that particular point of view. So it was accumulation of evidence I think over that period of time just to try and make that easier for them to go ahead. So that was the main thing that we're trying to do that today and again that would be something we will keep an eye. Again, work with stakeholders in that regard, but that was the main issue I think that's been raised over a period of time. Okay, thanks again, trying to get people into sectors, I think that's really important as well.

Ariane Burgess:

Alright, thanks very much for that. And in terms of again, what was the problem that you're trying to fix with the order in terms of the transfer of licences, what came up that you felt you needed to respond

Paul McLennan:

To? Again, I think that came back in terms of what was being looked at and considered of people who again wanted to, there's always be that interchangeability, people coming into sector, people moving out the sector if it's established. Again, trying to make that process as easy as possible and again, I think that's coming through from stakeholders about that particular point and debate making that easier to do. And again, that was probably coming from evidence we've had previously when I was a committee member but also out with that and again raised by stakeholders such as STA and A SSC in terms of that particular point. So again, that was the main point that was raised again just through engagement with stakeholders. Okay,

Ariane Burgess:

Thanks very much for that. And a process question or a couple of process questions. I'd be interested to hear who you consulted with and how as you developed the changes for this order and how did the results of that consultation shape the final content?

Paul McLennan:

I think there's been a number, again coming back to the time I was on the committee, remembering what was said that particular time I've probably met the SSC on, I would think approaching coming about a dozen occasions. Again speaking to the short term providers I suppose are trade groups themselves such as STA, Airbnb and organisations such as that. We've spoken to them in terms of that also spoken to the industry advice group who I've met on a number of occasions as well, which includes Visit Scotland and other stakeholders. We've also spoken, I've also spoken as have officials in terms of, and I maybe bring them in in terms of their broader consultation as well. But in terms of, again speaking to solar who represent the local authorities, so I've met with solar as well, so it's right across a whole group of stakeholders. We've had feedback on that particular point and again and again that's individual authorities within solar because again, part of the scheme is their individual interpretation and how you see that.

So again, different local authorities will have different, I suppose different aspects and different issues that they like us to deal with. So meeting with solar was really important for me as well to try and listen to people who are actually on the ground and the impact coming. So that's from stakeholders to individual sector such as A SSE to the broader sector such as Visit Scotland and industry advice group to local authorities themselves. So it's tried to be as broad a range as possible, so that's my involvement but I'm never bringing officials if that's okay or just to tell in terms of their broader engagement almost on a weekly and daily basis. In terms of that, and I remember bringing Jess at this stage, Jess Nevin if that's okay, just to give that broader work that's been going on and if that's okay.

Ariane Burgess:

That's very welcome Jessica.

Jess Niven:

Hi Camina, thanks for the opportunity to give evidence. Yes, so as an official team we've engaged widely and actually obviously there's been three public consultations but also in the most recent period since October last year when the deadline for existing hosts to apply, we again refreshed a new random engagement and that involved small group sessions with local authorities as licensing authorities themselves and implementing a questionnaire feedback session with them. And we've also engaged with, so some of the issues that industry were reporting to us in those previous consultations were then reflected and put into a kind of draught format which was shared with an industry advisory group at official level. We then took that away and reflected on feedback. The minister then further chaired another industry advisory group in April and we've taken further action to refine what's in the order itself. Also wider action to establish the expert group that the minister's mentioned because a lot of the evidence that's been provided to committee as you might notice relates to the guidance itself. I think groups are broadly supportive of the provisions themselves, although they wish that it would go further. We were conscious that guidance is another area of focus that although we've worked with industry and local authorities on it before, wanted to formalise that into the groups that we've mentioned.

Ariane Burgess:

Okay, thanks very much for that detail there. I'm going to come back to, I've got another question, maybe I'll start with Paul and see who you might need to bring in on that. I'd be interested to understand why you decided on the relatively limited scope of the amendment order, particularly given ongoing concerns as I think you and Jessica have mentioned being expressed about the impact of the licencing regime by the industry.

Paul McLennan:

I think there's a number of things and one that comes back and I suppose there's two other groups Kenny spoke to as well. Just coming back to your other question, one was obviously meeting Edinburgh festival in Fringe and we had a joint meeting with Edinburgh Festival in Fringe to talk about that. And again that was with the council I suppose to clarify their understanding. So we worked closely with them in that regard because Gro is a major city. We have the festival literally weeks away just now. We have a meeting coming up with them after that to analyse what that looks like in terms of that. So I think that's a really important one as well. And I suppose the broader thing just now, it isn't an process, I think it is still in a transitional period just now. I think the key things that we had coming through that we've acted upon were the key measures that kind of got picked up upon and I think that's why we've tried to reflect that in the order it's come forward today.

I suppose the other key thing as well is obviously being recognisance of the impact in terms of broader tourism. So again, we've spoken to visit at Scotland dollar meetings we've had regarding this, we've had tourism officials as well to get that other perspective. It's not just in terms of the safety aspect, obviously which company comes back to the main point of the order, but it's also based on to make sure there was not a detrimental impact on the tourism figures that are coming through. And I think what we've seen so far in that regard has been reasonably encouraging in terms of the figures that are coming through and I think that's one of the key things for me is trying to strike that balance and the interpretation of where we need to go with this. And it is very much an iterative process and I think I showed that an engagement with the sector we've met up with at least the SSEI would say approaching a dozen times we've met with other stakeholders so are for example on others on a number of occasions as well and we'll continue to do so.

And I think I've mentioned before, happy to come back to committee at any stage and I think I've mentioned that previously to discuss this and the issues, the impact it's coming through. So I think we've struck the right balance in terms of that, but it's very much and this process and it comes back to the point of made and about Edinburgh for example. We've got another meeting planned with Festival in Fringe Edinburgh council after this to interpret to almost analyse what does the impact have on the Edinburgh festival, which obviously is one of our biggest tourism festivals. Now when it comes to Edinburgh's, that broader question around about how, what's the kind of scale that the festival and fringe should be at itself, what's the capacity the city can actually take as well as that. But in terms of the legislation, we have already agreed to meet the fringe festival and the council again after the threat of the events this August and interpret that and if we need to make changes then we will make changes accordingly.

Ariane Burgess:

Alright, thank you very much for that. I'm going to bring in Willie Coffey who's got a number of questions.

Willie Coffey:

Thanks very much convener. Good morning to Paul. Just three quick questions from me. One is we were hearing from local councils and some accommodation providers to get greater clarity on applications for single licence sites that have multiple accommodation units in there. Are you providing intended to provide some further clarity on this as we move forward?

Paul McLennan:

Yeah, I think that's one of the key things and it kind of comes back there a coffee to the point I learned about meeting solar and I think that's an important thing. I can get anecdotal feedback for example in terms of what local authorities are saying, but I should to hear it from themselves I think is really important and I'll continue to meet solar as officials. We will do. And that particular point, I think you're right because there's issues for example, and I've heard Yurts being used as an example, if there are two different sites you could have for example a project and maybe there's 30, 40 yards, maybe it be a group of 20 and a group of 20, but they're in different parts so there's a slightly different interpretation in terms of that. So we're working with the individual local authorities to try and give them that guidance as well.

And I'll maybe bring Jess in a second just again to go into the detail of the individual discussions officials have been having with local authorities, but you're right, because it impacts on the paperwork element of it. If there's one application that can take in the yards for example or there's also the cost element as of that and it's got to be proportionate in terms of that as well. But I maybe bring Jess in just to touch on more around about the actual specific discussions with specific local authorities that have raised this as well that have been picked up on this. But I'll maybe bring Jess in just to say a little bit more around about individual discussions we're having with

Jess Niven:

Thanks Minister So we do believe that it's for local authorities. There's licencing authorities themselves to consider and decide the circumstances of most applications to the scheme. It may be that multiple short term lets within a single premises may be covered by a single licence. That really depends on the scenario of the premises itself. There's quite a few examples that are detailed within guidance itself and there's also flexibility for local authorities to consider a single application and vary their fee structure according to how many actual individual pods or whatever it is that are within one site. So it is one of the issues that we're monitoring and we may well gather further feedback from local authorities based on its operation. Just again remembering that we're in a transitional phase so local authorities are already processing those applications at this time.

Willie Coffey:

Thanks for that Jess. I wonder if we could ask a couple of questions directly on transfers, Paul, that you were speaking about in your opening remarks. If a licence is going to a new host, do the conditions that apply to that licence or remain in force during the transfer and pass on to the new host or can the local authority amend the conditions before the transfer takes place?

Paul McLennan:

Yeah, again, uping ingesting that particular point. I think Mr. Coff probably in terms of the conditions that are there, my understanding is they should stay the same in terms of the transfer process unless there's any specific issue that's raised at that particular point because there's, we know taking it back to the process of where we are just now, I think there's that element of making sure that the application when it's first dealt with it reflects everything that's in part of the application and that capabil reflects as part of that. I think it's part of the transfer process going through the conditions should still remain the same unless any specific new information that comes to source in terms of that there's been specific changes. But again Kofi, I'll bring in Jess in terms of that it would very much depend on the individual circumstance I think is an important part in terms of that. But again, these are things that would have not been, excuse me, that I've been made aware of but in any correspondence in any discussions I've had, but again, I'm maybe asked Jess to come in on that part.

Jess Niven:

So just to confirm, so the balance letter run for the original licence will remain the same at the transfer, so that means the new licence holder will be required to submit a renewal application in due course once that licence expires and that's subject to the usual scrutiny. Local authorities also have the ability at that point, the point of transfer to check whether there's any change in licence holder as result if the change of licence holder has resulted in changes to the accommodation. For example, if they've added any extra furniture or electrical equipment, they might just request some further information about compliance at that point.

Willie Coffey:

Okay, thanks for that Jess. And just finally from me and transfers again, suppose the opposite side of the coin, Paul, the amendment order doesn't include provisions to transfer a licence if the current licence holder passes away for example, or becomes bankrupt or falls into administration liquidation. Is that something that you are aware of and might reflect on?

Paul McLennan:

Yeah, I mean it comes back as opposed to the point I think that the law society mentioned that we have been engaged in the law society over a long period of time in terms of this order. They did come back and raise that particular point and yeah, that's something obviously we're still in discussions with the law society about, so yeah, that's something we would certainly be looking to engage with 'em on that particular point but we got their feedback at a relatively late stage as part of this process, but it's something we continue to engage with all society, Mr. Coffee, so that's something that we'll continue to do on that particular point and if we need to come back and amend the guidelines or whatever, we will make sure that we do that but we're still in discussions with the law society and some of the points that we raised.

Willie Coffey:

Okay, thanks for that Paul. Thank you. Okay,

Ariane Burgess:

Thanks Willie. We're just going to go online with Emma Roddick, has some questions around the transfers as well.

Emma Roddick:

Thank you convener and good morning minister. I've just got a couple of questions around the transfers. Firstly, I'm wondering what the justification was for not including transfers within the original order.

Paul McLennan:

I suppose going back to that particular point, there was a number of issues right at the back and I suppose it takes me back to the point when I was on the committee when we discussed this at that particular point and it was trying to bed in what was already in place at that particular point. I think the key thing I, for me during this process and speaking to the SSE and speaking to short-term STA and others was that particular point. So obviously the first point we can do that and again, I remember bringing in Jess, we probably been involved in this process which just goes right the way back to originally 2019, but it was almost picking back up that particular point and I suppose 2019 with Covid it

obviously made an impact in terms of where we are and in terms of where we even going to 21, 22, 23 and stuff, there's been a, but I suppose bit flexibility within the sector in terms of people coming in and coming out the sector. I suppose at that particular time it was highlighted as an issue to be getting picked up then. But I'll bring in Jess at that particular point but it's really just through interactions with stakeholders, that was an issue that I thought we needed to act on relatively quickly, hence who with opportunity. But I'll probably take it back to Jess who's been involved in this process for a lot longer than me in terms of that and part of the original discussions again,

Jess Niven:

Thanks Miss. Again, just to confirm, so depending on the local authority administering the scheme, there were local arrangements for what might happen to a licence if there was a transfer request, some local authorities were operating a letter of comfort, but we recognised that we could use the opportunity of the draught order today to improve that provision and make sure that it was as smooth as process for business. One of the pieces of feedback in particular was that the more complicated the process, the more unlikely it is to that a new host and a new operator would be attracted to that commercial entity. So we wanted to make sure that that was as smooth as possible, although there was provision for it before.

Ariane Burgess:

Okay Emma, are you complete with your questions?

Emma Roddick:

No, sorry, convener continue to go on. So just picking up on that around local authorities and the process councils have raised concerns about the complexity of the different kinds of licence as well as inconsistency in comparison to other licencing schemes. Other licences can't be transferred from person to person in this way that are administered by local authorities. So what is it that short-term let businesses different?

Paul McLennan:

I think there's a number of things. I think one is taking it back to I suppose the general principle one is in terms of was this going to be a national scheme in republic or a local scheme? I think it was established at that time. It would be best to be in a local scheme for a number of reasons. If we're talking about Edinburgh as against Thailand as against East London for example, they're all different areas. I think that there's that level of interpretation within local authorities, which is really important. I think there's also the wide range in number of possible short-term net units that are there as well. So again, it's not a one coming from a local government background as well. You've got various licences schemes, whether it be in about taxi, whether it be in about alcohol and so on. I think this was to try and recognise the variances that could exist within the short-term, let sector itself and that local interpretation.

So there's always going to be I suppose the variances that apply within what local authorities think, but also in terms of what's the local authorities outlook in terms of a certain type of accommodation within the short term lets, so it's trying to be as flexible as possible within that I think is the key thing. In terms of that, again speaking to solar, this is obviously something we spoke to them on a regular basis, so these are actually speaking to people who are actually engaging in licencing. People themselves we're also engaged not just in the short-term lens licencing but obviously broader licencing as well. So we've tried to listen to them in terms of what their approach is and we'll continue to listen to them and going through, I know there's some different interpretations in terms of where people see some of the

guidelines and policies and so on, but I think these can come down to individual local authorities and you will see that within planning you will see that broader planning, you'll see that in alcohol licencing you'll see that.

So it's trying to recognise individual local authorities will have their own input and their own outlook in that, which I think is really important. But also trying to understand the variety of the different types of accommodation that's within that as well. So I think it's to try and be as flexible as possible, but we're trying and have the overarching safety aspect why this was brought in and to make sure that that's delivered without again having that detrimental effect to tourism so people can come to Scotland and have that faith that the accommodation are staying is safe and suitable for themselves. But again Jess, I don't know if Jess wants to add anything to that, but the whole overriding principles about that is try and encourage that flexibility

Emma Roddick:

But local authorities couldn't choose not to implement a transfer scheme. That's something that they're going to have to provide.

Paul McLennan:

Yes, yes. And again, none of Jess I want to come back in it, but the transfer scheme because come back to that. This was one of the key things that we had from the sector pretty early on was a transfer scheme in terms of what that looks like and I think it would be a relatively straightforward process, but the feedback we got was to make it simpler and to make sure that that was, and again given the flexibility if they wanted to transfer either to a family member or anybody else that Sarah, the point was made I think by Jess as well as if a scheme has been transferred and there was little or no change, that should be put straightforward. Obviously if there's material change as there is in planning for example, then that would need an updated, I suppose, description of what's been there to make sure that there's no material change and there's no material change, for example, to the safety aspect of the premises. But I don't know if Jess wants to add anything into that particular point.

Jess Niven:

I just emphasised that there's still a fit and proper person test for the person that would be taking over that licence. So the provision in this order represents a balance between the health and safety aspect and making sure that, like I said, the process itself was smooth in terms of local authority implementation. We would hope that because local authorities don't have to create a bespoke process of issuing a lot of comfort to posts that might be purchasing a short term that as a commercial entity that over time will be a more straightforward process for them as well. But we'll continue to work with them and monitor implementation as it goes forward.

Ariane Burgess:

Thanks for that. I see that Craig, you've indicated you wanted to come in as well.

Craig McGuffie:

Yeah, just to clarify that our order could only tackle provisions for short term licences. Obviously if there are calls for transfer provisions to be added to other forms of licence under the 9 82 app, that would require prime legislation. So that's part of the reason why our hands are tied here.

Ariane Burgess:



Okay, thanks very much for that clarification Emma.

Emma Roddick:

Thank you convener. Just finally minister, obviously the transfer process now doesn't provide the opportunity for public comment in the same way that a new licence would. So could that addition create a loophole where operators who've not been able to successfully obtain their own licence could more easily access one through the transfer option and does that then benefit large multiple short-term operators over the smaller scale ones that we see given that gives them the opportunity to maybe buy out the smaller operators around Scotland?

Paul McLennan:

I think, excuse me, I think there's that and I think it comes back to the point I was it Jess made there is that broader overview when an application comes through there is still for example, that fit in a person. I think that's one element of it. I think the second thing is it looks at in terms of, and I suppose it's much broader if you're talking about a larger organisation taking over maybe single individuals, individuals think the issue is much bigger than that. I think in terms of the opportunity to try and feed back in that there is still that broader application process it still goes through. So local authorities will still be assessing an application on that particular point. I don't think that would be a particular issue. I think local authorities would still be aware if there was a particular issue around about an applicant who was dealing with that. I know that Craig wants to come in on that one I think, but I still think there's enough within the current guidelines that would allow local authority to pick up that point and deal with any issues that were picked up. I don't think it would come out of the blue if you know what I mean, but I dunno if gave through convene on Craig said he wants to come in that particular I think

Ariane Burgess:

Yes, Craig, come on in.

Craig McGuffie:

Certainly the transfer version allows for an expedited process for the licence to be allocated to somebody else. So there isn't the same public consultation but the licence is notified to the chief constable who then can object and the fit part person test comes in that way. If there's no objections then licence transfer is granted. So it's an expedited process, but once the licence is granted, any individual can still make a complaint to local authority. So if anyone has concerns about this business or this individual short term licence holder, they can make a complaint to the licence authority as paragraph 11 or schedule one of the 1982 act and local authority could then take steps to suspend or revoke a licence in response to the concerns raised by the individual.

Ariane Burgess:

Okay, thanks very much for that. I'm going to move on and bring in Gordon McDonald.

Gordon McDonald:

Thanks very much. Convening. Good morning minister. A couple areas I want to ask about, first ones about temporary exemptions. You quite rightly talked about the pressures in Edinburgh about accommodation during festival and New Year's, et cetera. Temporary exemptions already have a limit on two six weeks per year. Why was it felt necessary to put a further limit or three times per year for a total of six weeks?

Paul McLennan:

Again, I think there's a number of things to look at and I'll come back to the Edinburgh one first of all and I think there's the broader discussion, excuse me around a Edinburgh but maybe not for this committee. It's about what's the size of Edinburgh in terms of how much accommodation can it take more broadly and I suppose that's a question for the city council to pick up. I suppose the other key thing is in terms of, and it's not just Edinburgh Festival comes to point, there are other obviously local authorities that have events in terms of when we looked at the period of time and tried to get the balance after speaking to festival infringe, after speaking to local groups as well. The six weeks was felt to be I suppose in some ways and flexible in too restrictive. So in terms of that, so again it was to try and be as flexibility with a number of events.

The festival itself goes on for four weeks ish. There are obviously other events could be held through Edinburgh, Homan and Forever, but again, but in other parts of the country, again it would depend on that. So it was listening to feedback in terms of that to maybe pick up some events that they were aware of and some that were maybe not aware of. And again that's up to each local authority to do that. So we listen very carefully to the festival, the fringe to the council itself, to other stakeholders in terms of what that can look like. So it was trying to strike the balance to make sure that we can accommodate the people that need to come in if possible, but it's making sure that we strike the balance. So I think the key thing, I think there again is giving that flexibility in terms to local authorities and I suppose, but it ensures that activity can take place throughout the year that we don't have to come back every year and have to deal with this.

Coming back to the issue in Edinburgh, one of the key things we'll be picking up the Edinburgh is after the festival and Fringe, which are referred to before as well, is picking up the festival Fringe, the local authority and other stakeholders to say where did they find that? But that has to take context for me within Edinburgh, within how big should the festival in Fringe be in terms of to accommodate what it needs to do? I know the festival in Fringe for example, we're looking at about trying to spread the accommodation and not just in Edinburgh but in other parts of the logons as well. But again, this was very much listening to stakeholders in terms of what they were saying, but again, it's an ongoing process so we'll be looking for feedback not just from Edinburgh but other stakeholders in terms of this, but this was listening to what stakeholders themselves were telling us, but it's trying to strike that balance.

Gordon McDonald:

Okay. My understanding is that Glasgow's already indicated that they won't be issuing any temporary exemptions and the reason for that is basic safety standards and also checking whether the applicant is a fit and proper person we'll will those checks not take place where a total temporary exemption takes place

Paul McLennan:

Should obviously take place as part of that. Again, we're talking about where the numbers are in terms of that and again it comes back when I had a discussion with Edinburgh was talking around about, I suppose one was in terms of what's the period of time that we're talking about, what was Edinburgh's own interpretation of the scheme and how that kind of worked Glasgow and this is where it comes back to the local against the national Glasgow obviously obviously feels in that position to do that. I'm happy to have a discussion with Glasgow to discuss that with them. That individual that's not been raised by myself, Ms. McDonald in terms of that was Glasgow's position, but happy to pick that up and I might bring Jess in to see if she's aware of that point, but it's not a point that's been raised with myself in

terms of that. But again this is Glasgow's interpretation but Jess, I dunno if you have anything else to add on that or aware of that particular point.

Jess Niven:

I think it would be fair to reflect the wide range of views from local authorities on the use of temporary exemptions. Local authorities do have different views about their use. I would emphasise that local authorities do have the flexibility to attach conditions even to exemptions, to temporary exemptions to licences. So it is not local authorities still have flexibility over how and when they use those space.

Gordon McDonald:

So my next question is relating to provisional licences and I'm just trying to understand what's the purpose of a provisional licence given that a holder of such a licence cannot accept bookings?

Paul McLennan:

Again, Mr McDonald, this came back to, and I suppose in terms of the financing of some of the schemes, and I suppose this comes back, my background was 20 years from the Bank of Scotland. When you come back to try to finance a project, I think if you have a bank looking at a risk for example around about planning or around about licencing, the more certainty they get around about that is really important in terms one in terms to get the financing. Two in terms of how is that financing priced for example, the ability to have a professional licence in there I think gives more security to an applicant but also to the bank itself that that person is going to get that provisional at that stage it is going to get a provisional licence. I think that's really important because if a bank then knows provisionally that the applicant's got a licence, it's going to make it more likely first of all that they'll get the funding, but two, it'll probably be priced at a less risky point so it's probably going to be a cheaper, instead of being 6% of our base, it might be 4% of our base for example.

So it gives that, and again this was feedback we got from applicants who want to come into the sector, are they doing everything right at that particular stage? Obviously it then gets to the situation that there would be the full licence that would come through, but that certainly came through very much in terms of if we want to develop it, how can we make sure we're going to get that application, that process going through and we'll get the licence. Professional licence just gives the process going through so it's making it cheaper and it's making it easier for people actually to get in to short-term licence. In terms of that, again very much through the feedback but having that banking background as well, I totally understand where applicants would come from because of that particular point.

Gordon McDonald:

And just for a point of clarification, when whatever is being built or constructed is complete and people want to apply for a full licence already holding a provisional licence, will they able to take bookings when they submit the full application or is only when a full application is granted?

Paul McLennan:

I'll bring in Craig in that particular point. My understanding is when it's granted, but I might be, I'll bring in Craig or on that particular point, but Craig do you want to come in on that particular point?

Craig McGuffie:

Yeah, sure. It's only the licence is granted, licence doesn't really affect until it's confirmed, it must be confirmed within the three year period it's granted four. So if it's not confirmed within that three year period it is revoked, it cannot be renewed. So once the licence is confirmed, it has full effect and will successfully remain of that three year period as a full licence.

Miles Briggs:

Okay,

Paul McLennan:

Thanks very much.

Ariane Burgess:

Thanks very much. I'm going to bring in Miles Briggs

Miles Briggs:

Thank you convener. Good morning minister. Good morning. To your officials as well. Maybe start by just saying I think a lot of us are disappointed that we've got to this stage and these tweaks, the committee's looking at today aren't hard enough. I think it is worth reflecting. Stakeholders have told the committee, this is by far the worst example of policy implementation we have ever encountered, but I have a couple of specific questions I wanted to ask. Firstly, in relation to the provision, the provisional licence available for new build properties but not buildings undergoing conversion, how is this actually compatible with Scottish government climate change ambitions to encourage the reuse and renewal of existing buildings?

Paul McLennan:

I'm not sure I quite understand that Mr. Briggs. I would obviously probably dispute the point you made and about the actual provision in terms of interpretation and so on. I've gone out my way as have officials to speak to individual groups, say they've met the SSC coming up a dozen occasions, might not have agreed and everything. It also met with the STA on a number of occasions, local authorities and so on and listened in terms of that, I'm trying to, maybe I'm being silly here, I'm trying to understand about the climate change aspect as in terms of what we're looking at. Can you just maybe clarify that the

Miles Briggs:

Provisional licences available will be for new build properties but not buildings undergoing conversion and so wondered why that had been taken forward Not looking at all buildings

Paul McLennan:

Again, that would be something that'll take away and maybe pick up that individual point with yourself in terms of that and that's been fed back and again I'm going to bring Jess in on that particular point, but I think that's something that it can be more difficult I think in terms of just I suppose in terms of buildings that are going under conversions to a certain position that has against a new build which could have various, I suppose easier to monitor. But Jess, I dunno if you wanted to pick on that particular point or anything about the conversion as against new builds.

Jess Niven:

I think the provision has drafted response to specific feedback about what would be most helpful. However, there's a possibility that we could extend to conversions and short term lets in the future, but we'll monitor the use of that particular part of the draught order.

Paul McLennan:

Mr. Briggs, it's not an issue that's been, certainly new builds has been something that's been picked up particularly, but happy to pick up that particular point and we will continue to monitor the ongoing feedback from that. Again, it's not something we've had feedback from local authorities in a large number of occasions either it is 10 to be the new builds as well, so happy to pick up that particular point.

Miles Briggs:

Thank you. The committee's also heard concerns with regards to the amendment order. We'll now see two different short-term licence schemes running simultaneously around this. So just wondered what assurances you can give committee around the amendment. Order will not create this situation. This isn't first time we've looked at this when I've been on the committee throughout this passage of the legislation, this partial review if we can call it that, and the ministers outlined that. We're also now going to have an expert group potentially established. So I take it these issues and we know within Edinburgh city council there's specific legal issues they've had around this that this doesn't then create more complex situations than we've already seen.

Paul McLennan:

I don't think it will. I think one of the key things that I talked about with expert group was that ongoing dialogue. We speak to solar and it comes back to a point I speak to solar on a regular basis as do officials almost on a weekly basis. I'll continue to meet like say A-S-S-C-I mentioned about reviewing the situation in Edinburgh when once the festival's over because that's going to be, I suppose one of the, and I know you and I have discussed this in other forums in terms of what that kind of looks like and happy to I think at that time over to involve you in discussions at that particular stage. I think the other obviously is meeting the providers, so that's the Airbnb and other groups as well to talk about that. So there's that ongoing dialogue. I think it comes back, and again I suppose it comes back to the original decision to whether it was a national scheme or a local scheme and I think it was decided at best it would be a local scheme because for a number of reasons.

One it takes in local circumstances and there's always going to be variances within that and there is variances within planning, short term lengths. There's always going to be variances in terms of planning, in terms of other licencing schemes. So there's always going to be that element. The whole purpose today was to try and simplify some of the points that were raised to feedback and obviously we're still in transitional stage has been mentioned. So we'll continue to monitor that. The expert group has been brought together to look at that. I speak in this advice group as well, which includes Visit Scotland and our stakeholders. So there's been a wide range of discussions that have gone on in the past, a wide range of discussions that will continue to go on in terms of this as well. So I'm pretty confident within the variances you'll see within local authorities, which again is similar for any other licencing schemes or planning schemes is that there will be that clarity that's given but of course we'll continue to monitor that.

Miles Briggs:

Thank you. I'm not sure in terms of transitional phase four weeks before the festival starts and then looking at it afterwards and the potential damage which have been caused. And we know from many

people, Jason and Manford being one of them has suggested this had just seen price is rocket and so people on a budget wanting to come to show off showcase their talents just can't in this festival. I think statistically we will need to see, but the damage will be done minister, and I've made these arguments to you

Paul McLennan:

Already. I think just in that point, Mr. Briggs, I mean there was discussions been ongoing this for a number of months. It was something that I pulled together in terms of feedback we're getting. So the meeting we had with the festival in fringe and local authority and ourselves, everybody was quite happy with what the outcome it was at that particular meeting. And Edinburgh council required some clarity. We gave them that clarity in terms of this. It does come back and we all know that every year we see prices rocket in Edinburgh because of the festival. And I think there is that discussion and again, you and I had this discussion in terms of there's been that ongoing dialogue, that ongoing debate in Edinburgh, is the festival too big for Edinburgh? What the scale should the festival be? Should there be more work done in trying to work with other local authorities to try and take some of that demand that's there?

So I think there's a much broader piece of work that Edinburgh needs to do with the festival and the fringe and Scottish government to look around about how big should the festival be, how far can we spread it and what impact does that have. So I can understand the point that you're trying to make, but I think it needs a much broader analysis of what's here. Festival prices go up every year, there are shortages every year in terms of this, but it needs a much broader work, which again I'm happy to speak to other colleagues in government and local authority and yourself about it needs that much broader analysis. I think to give us a much broader perspective, I think in terms of what we need to do because it's been an ongoing dialogue, an ongoing debate in Edinburgh and I suppose in other parts of Scotland for a long period of time.

Miles Briggs:

Indeed, I agree with that. And I think these regulations though are for health and safety, they weren't for planning and licencing and so a decision to now start to say this is about trying to reduce the size of the festivals or look at it, that's not where these originally came from. No,

Paul McLennan:

Just from that point. Mr. Briggs, again, I'm not saying it is about health and safety, whether people interpret it and how it's then assessed as part of that broader debate is something I think that's separate. And the health and safety of course is incredibly important for the thousands of people that come 10, that broader, broader discussion that's needed around about the number of provision that's there is a broader discussion I think and it should be separated in terms of that, but there needs to be a broader piece of work on that. There's no doubt. There's no doubt.

Miles Briggs:

Just finally, councils have told the committee that this will not allow sufficient time to update policies, administrative or IT systems and that will quite rightly now potentially lead to possible misinterpretation the problems we've seen across councils, especially here in Edinburgh. So just wondered what assurances you can give or offer to councils that actually there will now be sufficient time to update these systems given that this order will come into force on the day it's made.

Paul McLennan:

Yeah, I think there's a number of things, again, it comes back to the discussions we've had with solar, which I think is really important. So obviously there was lots of discussions with solar prior to this. There's lots of discussions with solar ongoing and there'll be lots of discussions with solar beyond this as well. We speak to solar officials, speak to solar, maybe bring Jess in a little second in terms of the operational discussions that can go on, but I've certainly had meetings with solar in terms of this as well, if there's clarity required, if there's issues in terms of outstanding applications. We'll obviously work with existing the local authorities themselves, but it's something that's discussed and continued on an ongoing basis. But Jess, I dunno if you want to add anything just in terms of operational discussions that go on almost day to day with local authorities

Jess Niven:

Of course. And I just put to make two points on the last question regarding Edinburgh just on the record, because Edinburgh is a short term that control area. So the circumstances are quite different to the rest of Scotland and also Edinburgh are operating the ability to apply for temporary exemptions and they're attaching conditions to those as well. So just to make sure that the committee were aware of that. On the other point, on giving councils time to implement, so working with councils and talking to them on a daily basis pretty much since throughout the scheme but in a more stepped up way since October last year, councils were consulted on what's in here. So many of them will started to make preparations for implementing these already. We also expect quite a low take up initially of the provisions in the order and we'll work with the councils to make sure that they're able to handle those and advise anyone who does wish to take advantage of the provisions in the order to initially contact their local authority about the best way to achieve that.

Miles Briggs:

Okay, thank you Convenor.

Ariane Burgess:

Thanks very much. I just wanted to come back to Emma Roddick to see if she has any other final questions on this, specifically on the order.

Emma Roddick:

Thank you convener. Just one question for the minister. One issue that I'd had raised locally with me, which I have corresponded with the minister on is the loophole around premises licenced for alcohol, not requiring a short-term licence and I highlighted that there's a number of premises in my region now licenced for alcohol with no intention of serving it to around the order. I appreciate you seeking a balance here between the needs of business and the needs of communities. So can I ask why this order addressing industry asks has come in before the tightening of clear issues raised by communities not able to comment on these practises,

Paul McLennan:

Not on a particular point of alcohol licences. Maybe Craig and Craig just to comment on that specific point. It is something that we've been made aware of but Craig do you want to come in and comment on that particular point and what we're doing and end about that?

Craig McGuffie:

Yeah, I suppose for something that's got alcohol licence then that you have to a layout plan and there are other conditions that you comply with which should give some protection to the individuals looking to stay there. There's some regulations of the state of the building and the layout of the building of the premises and that alcohol licence that there maybe isn't in the short term of that licence. So I suppose any degree of overlap that exemption was created.

Emma Roddick:

So you are looking at whether there's further action needed around the alcohol licencing as a loophole for accessing a short-term light licence.

Paul McLennan:

Craig, do you want to come in and I'll come back in that particular point

Craig McGuffie:

I think it's something we can certainly look at to see if there are circumstances where an of an alcohol licence may have, may be in such a condition as to be a danger or a nuisance to somebody who may stay there and whether the provision is in the alcohol licence are enough to put a safeguard there and if not we could consider whether the scheme could be extended but at a present scheme is not extended premises that already have an alcohol licence on the basis that there is an operating plan, a layup plan already provided for that premises which council are aware of

Paul McLennan:

It is some number we're in discussion with solar about. So again it's feeding back to them in terms of what's coming through. And again, I think you're right, it's been raised I think by your own local authority in terms of, but it's someone in discussions with solar around about what way we could address that.

Emma Roddick:

Okay, thanks minister.

Ariane Burgess:

Okay, thanks very much for that and that's an important point you picked up there. I'm going to move to questions from, so we're moving into wider issues raised in our written submissions minister and I'm going to bring in Mark Gryphon with questions.

Mark Griffin:

Thanks Convenor. Good morning minister. I hope you're feeling better. I know you're pain after more recent brush with Covid but I just wonder how you would respond to concerns expressed by short-term let operators that the changes proposed in amendment order aren't sufficient deal with the challenges they're seeing in the sector as a result of the licencing scheme.

Paul McLennan:

I don't know if you can be more specific. I know having met with the SSC and others in terms of there are other things that they want us to almost include at this stage but numbers in specifically that you'd want to refer to.



Mark Griffin:

I'm specifically referring you've referred to the industry advisory group which you meet with regularly. They've made a number of recommendations that aren't included within this order. So I suppose the government's thinking on why they've chosen not to include those recommendations within the order.

Paul McLennan:

I think at this stage there's a number of things. One is about trying to strike the balance and the things that we talked about for example and about the transfer, the exemptions, another things with issues that were raised as being the most pertinent. So I think that was looking at in terms of bringing things forward in that there was obviously discussions around about how far do we go at this stage. It's very much still in the transitional stage and I think that's important at the expert group. I think we agreed that we would discuss with them at that particular point. I think that when we talked about the exemptions and the professional licensees were the things that were raised as probably priority, not just like the SSC but other groups in terms of that as well in terms of the feedback. So it was seen as at the moment the most important things and things we needed to pick up on in terms of then going forward expert group that I talked about going forward and ongoing engagement with the stakeholders, we will continue to look at that.

If there's something we need to look at and bring back, we'll certainly do that and obviously be recognisance of what the committee is saying as well. But it was just felt that these were the most important points that we needed to be raised and again, it's broader discussion. It's not just with the stakeholders, it's with the likes of solar and so on as well. So there was always that balance act to think these are the key things that we need to take forward but we'll continue to discuss it. There's been an ongoing dialogue all the way through this. We'll be continuing being an ongoing dialogue as referenced in the expert group and we'll continue to go after this once it is fully, the scheme is fully operationally in place sort of thing. So it's almost here are the most important things we need to look at just now. It's not knocking back what's already been raised by other stakeholders at this particular point. We'll continue to discuss this with them and solar and others as we go forward.

Mark Griffin:

Okay.

Ariane Burgess:

You go in on that, I just want to bring in Pam on a supplementary

Pam Gosal:

Thank you. Convene. Good morning minister and good morning officials. Minister, you've mentioned through the conversation today that you've been working and listening to stakeholders and you say you've consulted with A SSC, however, Fiona Campbell from the Association of Scotland self caterers has said the amendment has not been informed by stakeholder opinion and that it falls far short of what is necessary to ameliorate the scheme which is materially damaging to small accommodation and wider tourism sector in Scotland. Do you agree with that assessment?

Paul McLennan:

I think there are a number of stakeholders and I think that would balance that the STA for example came out and welcomed the provisions we've had there and said it was striking the right balance. So I think

that there's got to be a balance of opinions. A SSC are obviously represent, I understand around about five 10% of the sector and I've probably met with Fiona Campbell more than I've met with anybody else over the last year or so. And so I have listened. We don't always agree and I think Fiona and I will both agree on that particular point, but there is a balance, as I said, the STA who represent a number of the short term lets association. It also said that we struck the right balance and they look forward to continuing engagement and that's always going to be the case, whether that's A SSC or the STA and I think the key thing then is, is the evidence that will come through in terms of the impact that's having on the tourism sector.

I think we've seen increase in short-term accommodation, we've seen increases in visitor numbers for Scotland, which again is very encouraging in terms of that. So I think of course always listen to the SSC but also listen to the STA and other stakeholders that are there as well. So there are different suppose opinions on this and that's why for me it's really important that we have that ongoing dialogue in terms of that. So it said STA welcomed it thought it was the right balance for the number of organisations that they represent as well. So I think on balance we've stuck the right number of provisions that are brought forward at this time, but I think it's important that we continue listening to the sector. I've done that all the way through. I will continue to do that as we move ahead. It's the way I operate in terms of whether it be the cladding bill or the housing bill, I'll be as collaborative as I possibly can and listen to as many people as possibly can.

But there are different opinions within the sector. Doesn't mean that any one opinion's more important than the other. They're all important and that's why I'll continue to engage with the committee to engage with stakeholders as we move this going ahead and making sure that it's not impacting on tourism figures that are coming through. And I think what we've seen so far in Scotland in the last number of quarters is encouraging to see the number of visitors returning after what was a difficult time for covid and still what is a difficult time for tourism because of the ongoing cost of living crisis for example. But the tourism figures coming through are encouraging. I'll continue to engage with Fiona. She knows that I'll continue to engage with SSE but as well as the SDA and other stakeholders such as solar, the industry advice group and the expert group that's being built together.

Pam Gosal:

Thank you minister. But like I said, we mustn't probably lose sight of the fact of Fiona talking about materially damaging the sector. I think there's something there to definitely listen to, but I'm glad to hear that you are in conversation with her and you will continue that. Thank you.

Paul McLennan:

Of course, of course.

Ariane Burgess:

Okay, thanks Mark.

Mark Griffin:

Thanks Fiona. Mr. We talked about or responded in previous exchanges about the government taking forward these changes as it was felt these were the most urgent changes that need to be made. Now clearly you've referenced that there is a difference of opinion in the sector as to what is the most urgent and pressing issues. I wonder if you've got a timescale then for when the government plan to address the other issues that are being raised that you perhaps don't see as being as urgent.

Paul McLennan:

I think there are a number of things, Mr. Gryphon in terms of that. One, do we decide to go down the legislative route for the other issues that have been raised and then there might be something that's required through triple, it might be something through guidelines. That's something that we'll continue to discuss. I think at the moment we've brought forward, we brought forward to try and address all which were the main issues. To be fair in terms of raised when I was in committee, even when we brought the scheme in into where we are just now, these were seen as the key things. We'll continue to look at the evidence that can come soon in terms of the figures we have in terms of the short-term, let's in terms of the figures that we have in terms of accommodation through the sector, but actual figures, I know there's anecdotal statements that are made but in terms of what comes through, so I mean there's an expert group that I'll continue to engage with.

So if I need to bring forward other, if it's legislation guidelines be brought forward at a time, I think it would be relevant and support the sector in terms of that. Happy to engage with the committee at any time in terms of what's being brought through and made that point clear if there's correspondence or whatever. But I think it's very much a continued discussions. The expert group I think indicates that we're really willing to do that. The engagement I've had before and will continue to have even when we're through transitional phase will still be there in terms of that for me. So I don't think there's, it would be difficult to put a timeline on it as such, but there's, if we feel collectively that situation that we need to bring forward amended guidance or amended legislation, then it'll be brought forward at the time. I think it would be relevant to do it. Why we brought forward the things just now are brought a key points that we're raised within that there are different opinions within the sector about what's important. STA, as I said, mentioned they think they strike the right bans but it's an ongoing dialogue and I think they've struck the right bans in terms of that.

Mark Griffin:

Okay. Something else that we've been hearing about through evidence is the interaction of the licencing scheme and planning and the planning system and short term operators asking for a clarified and more consistent approach as it seems to be different in different parts of the country. And I know you've talked about essentially being a localised scheme with differences in policies, but I wonder if government are hearing the same concerns about how the licencing scheme is interacting with the plan and scheme in different parts of the country and whether there are any plans to issue any guidance around that.

Paul McLennan:

I think there's a number of points. One I think it was touched upon, I think it was Jess touched upon Edinburgh for example, is short term control areas. That's a planning issue and obviously there's a licencing scheme. I know Edinburgh had its own legal challenges, which I think they've amended and changed to. That was their interpretation. It's not my job to go in and tell 'em how to interpret that. I think that was a specific issue. There are other areas that I know that are looking at short-term let control areas. And again that's how that interaction is in terms of that. And I think some of the issues have been raised have been particularly Edinburgh. But again that's something locally between Edinburgh because they felt the need to bring in the shortterm let control areas. So that's a broader issue. It's not part of the licencing scheme if you like, but if a local authority decides in terms of where it looks at its planning point, I think that's up to its own interpretation.

I think it still comes back to where local authorities within their own flexibilities of the scheme, they kind of see. But some of the issues have been around about the short term controller is in terms that myself

and master for planning for example as McKee are going to meet with the SSC again to pick on that particular point. And I've raised that in terms of that planning law isn't scope of this, this is around about in terms of how we interpret what the scheme was there for, which is obviously health and safety. The broader issue has been discussed. I think we've had that and we've written to the SSCA couple of occasions saying we don't agree with their interpretation of that but we'll continue to meet with 'em. And I said Ivan, myself and Ivan McKee and myself, I've got a meeting come up to the SSC on that particular point, but I know it's raised within the other local authorities. But I dunno, Jess, Andy, I dunno if Andy from a planning point of view, I dunno if you want to come in on that particular point because I may know what's being raised but I'll bring in Andy just on that planning point if that's okay. Convener.

Andy Kinnaird:

Okay, thank you minister and good afternoon committee. Lemme just pick up a couple of points around that. So the provisions that are in the planning act around short-term control areas, they were intentionally introduced in a way that do allow for local choice for local authorities to be able to designate different approaches in different parts of the areas. Secondly, in national planning framework four, we have a policy within the tourism policy policy 30 of NPF four, which is very supportive around tourism related development but does have very specific points around copay. It might not be appropriate to grant planning permission for short-term lets we are seeing an unacceptable impact on local immunity or if the loss loss of residential accommodation isn't outweighed by the local economic benefits that come with it. So that all can be built around so that planning decisions are made should reasonably be made by the local authorities and what as they want to see happen in their areas. I wonder definitely just say as well, it's one of the strengths of the links between the licencing and planning is that certainty and confidence for the operators that recognising you could potentially receive a licence but still be in breach of planning control in face planning enforcement action as well. So recognising that local planning choices can still be made, still have to be part of the mix. I hope that's helpful.

Paul McLennan:

Yeah, thanks Andy. And I suppose that comes back Mr. Gryphon to its local authorities flexibility on that and I understand in terms of some stakeholders raising that, but I think it is really important that the local authorities have that flexibility in terms of this, but they're not related. But we will be meeting again with the SSC to discuss the specific points and we already have met with the SSC to speak about these specific points, but Ivan UE is obviously just recently in post and I will be meeting again with 'em to discuss this and raise any individual issues that they might have.

Mark Griffin:

Okay. Final area question where just the same as the way they can outline any initial findings from the government's monitoring of the licencing systems impact and if you have any evidence that it's achieved in its stated aims.

Paul McLennan:

I think there's a number things, there's never been, I mean part that when we brought this in the scheme in was to get an accurate number of short term lets out there was the debris had indicated there was an estimated number. And I think what's been quite interesting is there's been figures highlighted in, I suppose in local press in terms of number short term LED applications in terms of different parts of Scotland, which I think is really good for local authorities to decide on, okay, what's the

broader strategy? And I think that's really important. I think in terms of there'll be an update to parliament in terms of the number of short term licencing, which I think is important that we come over the summer period. And again, I think that looks at each local authority in terms of what's coming through. I know the applications that Kenny came through were encouraging in terms of numbers and I think it's important to remember in 2019 that this is where the BRI estimate came in.

This was prior to Covid in terms of that. So I think there was an estimate in about 32,000 at that particular time. Now that was prior to Covid. I think some of the figures that we coming through are encouraging to see the number of applications that are coming through the worst. There was, I suppose statements made this would really reduce the number of short-term lets, I don't think that's the case and figures will demonstrate that when needs to all come through during that particular time. I think in terms of the tourism, I don't think there's, I mean I've got some figures in front of me in terms of this. I think there's average consider h and B and Bs and guesthouse for example in South Kate were up on the prior year. So again, I think that's encouraging in terms of that. So there's not been any material dropping in terms of that.

Tourism itself I think has been encouraged over numbers in last number of years as well. I think it's been encouraging. So I think we'll continue to monitor that. But the initial figures that are coming through don't show that drop off still show an increase in the short term lets and B and B and guest houses and so on as well. But we'll continue to monitor that and that's why for example, every meeting we've had with A SSC and others, we have officials from the tourism sector there being able to feed back in anything that's coming through. And again, we'll meet with say Airbnb and other providers as well in terms of what they think that any influence the legislation's had on that. They're not seeing anything at this stage. But again, this is why I'll be meeting with them after summer periods to sit down and discuss that with them.

But there's that ongoing dialogue with the actual stakeholders themselves, which include the providers to make sure that that's not the case. But there's no real concerns at this stage I have in terms of that the update on over the summer in terms of implementation I think will highlight. I think it's not the challenge I suppose part of it was a challenge in saying look, what do we actually have? What was the actual health of the, not the health sector? What was the actual number of the sector? I think that's really given us that chance to look at it as well as local authorities looking at the number to go, right, okay, how do we balance that in terms of monitoring their own local authorities input.

Mark Griffin:

Okay. Finally convener...

Ariane Burgess:

Just before you go I'm just going to have to ask Minister if you can keep your answers very to the point and very brief, that would be great. We've got a question, I've got one more question and then we need to move on to the next bit of the work we're going to do together. Mark.

Mark Griffin:

Thanks Convenor. Very briefly, the government committed to publishing a full monitoring report before the summer and that's obviously been affected by advice around election period publication. So just can ask the minister if that will be published as soon after the 4th of July as possible.

Paul McLennan:

Yeah, I'll bring Jess on that particular point we had hoped, as you're aware of to produce, have these figures available for committee kind of stuff. But Jess, I know in terms of the timelines, I dunno if you can advise on when that looks likely to be published.

Jess Niven:

Yeah, of course. So there's no specific date for that to be published because it just needs to go through with the usual process within government and for publishers to work through the iteration of that. However, all of the information that accompanies the draught order, the business regulatory impact assessment has been published as has the official statistics as of December, 2023. So that information's out there already and the implementation update will follow which gathers and reflects wider feedback from local authorities and others.

Paul McLennan:

Mr. Gryphon, maybe we could write to committee if that's okay. Jess may have a more accurate date if that's okay.

Ariane Burgess:

Thank you. Okay, thanks very much for that. Yes, and very briefly a final question, very brief response please. We've heard from visit Scotland in their written evidence that they believe there's evidence that licencing authorities have misinterpreted the guidance and or used old 2021 order the old 2021 order, not the current 2022 order as the basis for their policies and practises in some cases. I'd be interested to understand if you are aware of this, if you are, do you have a sense of how that occurred and what are you doing about it

Paul McLennan:

Just on that particular point? A small number of cases in terms of that not wide ranging. I'll bring in Jess in terms of that. Obviously it's ongoing monitoring convener in terms of that, but I'll bring in either Jess or Craig on that particular point just to, again, you are more involved in the operational day-to-day, any discussions. But Jess do you want to come on on that point?

Jess Niven:

Of course. So the minister met with the industry advisory group in April and that was something that was raised by the industry advisory group that there may be that mixed interpretation. As a result we engaged directly with local authorities. It's not their point of view that they're following the wrong legislation of course, but we continue to engage with them to make sure that we facilitate as much as we can in terms of they're using appropriate processes.

Ariane Burgess:

Okay, thank you very much for that response and I thank the minister and his officials for the evidence you've given us today and thank you so much, minister. I understand Covid is a challenging experience, having had it myself as well and I think you're doing a great job. So really appreciate you being here with us this morning. We're now going to turn to agenda item five, which is the consideration of the motion on the instrument and I invite the minister to move motion S six M1 3 5 0 2.

Speaker 16:

Dear form, moved convener,

Ariane Burgess:

Do I need to say that? Yeah, you should do. I didn't say something. I should have said that the local government housing and planning committee recommends that the civic government Scotland Act 1982 licencing of short-term, lets amendment order 2024 be approved. Can you move it again please?

Speaker 16:

Yeah, sorry. Formally moved.

Ariane Burgess:

Thank you. Do members have any further comments that they wish to make on the instrument? Yeah, miles,

Miles Briggs:

Thanks Convenor we'll be abstaining today really because we don't think the social government's really listened and acted on many of the concerns which we've put forward. Tried to constructively work with the minister in a lot of this, but I think it's quite clear from what we've heard today, this is a dog's breakfast that as a piece of legislation, the warnings in which I and others made in this committee have come to fruition that is impacting on people's livelihoods. As much as we can hear of the minister saying this hasn't made an impact. The sector's telling us we've seen thousands of rentals lost and not necessarily moved into longer term rent. It's quite clear as well that this legislation was poorly drafted. We've had to look towards foster care carers for example, being taken out of the scheme as well and not being included. And where councils have just had 32 almost different versions of this legislation operating and the legal challenges which that has presented here in Edinburgh specifically.

I do hope there is further opportunities to look at this as soon as possible, the ministry line, the expert group, but I think there needs to be a significant review of this scheme. We see Portugal, which seems to be a model of the legislation the Scottish government has used suspend their scheme because it has damaged their tourist sector and not had any of the policy outcomes, which they said it would and which Scottish ministers have said it would also take place. So we'll abstain. But I do hope as soon as we return in September, there's an opportunity not only for the committee to maybe do some more work on this, but for the Scottish government to genuinely look at the impacts it's had and actually bring forward more than just this because I think we are getting down to a split stage where we're just constantly looking at this and this isn't how we should be making legislation. Another bad example of a framework bill.

Ariane Burgess:

Okay, thanks Mar Mark

Mark Griffin:

Than giving. I wouldn't be voting against this order. I'm happy to see it proceed, but I can't vote positively for it. The minister has quoted the scotch tourism lines and I think part of it, the quote in that they have said it's a positive first step in addressing some of the issues that have emerged since the introduction of the short-term let scheme, but that's not the extent of what they said. They continue to say it remains a case that a far more significant review of how the short-term let licencing scheme is

operating in practise is needed if we're to safeguard these businesses and protect and enhance the visitor accommodation offer. So I think it's clear that there is real disappointment within the sector that this order doesn't go far enough. And so I wouldn't wish to block the small improvements that are made that are still wide ranging impacts that need to be addressed.

The government have convened their own industry advisory group who have made recommendations which haven't been fully listened to or implemented. I'm not quite clear as to why we need to do this in a piecemeal nature, why those recommendations couldn't have been taken as a whole and implemented when the committee made the decision to approve this initially or not. It was a very finely balanced decision that the committee had taken out of far preferred see the government take an approach similar to the tourism visit levy, where actually there was real local democratic control and councils could have chosen not just how they implement the scheme, but actually whether to implement a scheme at all. And there are some areas of the country that I feel don't need a licencing schema at all, and I would've preferred a much more local sale over how it was run. But I do think that well this does make small steps towards addressing some of this issues that industry have raised that we should have been looking at a far more comprehensive review and implementation of a much more wide range in nature. And I don't see why we can have come to that point today.

Ariane Burgess:

Thank you, mark. Does the minister wish to respond to any of these comments? And please bear in mind it can only be the minister that responds. Visuals aren't permitted to speak under this item.

Paul McLennan:

Yeah, clean enough. Okay. Just to pick up on the points that were raised, I did say we picked up on the most important points that we've taken forward. I talked about the short-term accommodating association as well and said what their point of view wasn't it. I'll continue to engage with the committee, I'll continue to engage with stakeholders and obviously reflect on what the committee is saying today. And again Clark, that'll be through yourself whether there's additional information you would like or invite me back at some other stage. But I'll continue discussions, reflect on what's being said today and happy to meet individual members or the committee itself at a further stage if they thought that was relevant. Okay,

Ariane Burgess:

Thanks very much for that. Yes, and continued engagement is always welcome. I'm going to move on the question is that motion S six M1 3 52 in the name of Paul McClellan be approved? Are we all agreed? No, we're not agreed. So there will be a division. Those in favour of the motion, please raise your hands. Just got to check Emma online. Okay. And those against, against. And those abstaining. Three, the result of the division is four in favour of zero against and three abstentions. Therefore the amendment is agreed. Sorry, the motion is agreed.

Speaker 3:

Okay.

Ariane Burgess:

So thank you for that. And the committee will publish a report setting out its recommendations on this instrument tomorrow. And as that was the final public item on our agenda today, I now close the public part of the meeting.