• EDINBURGH COUNCIL			
Business Centre G.2 Way	verley Court 4 East Market Street Edinburgh	n EH8 8BG Email: pla	nning.support@edinburgh.gov.uk
Applications cannot be va	Applications cannot be validated until all the necessary documentation has been submitted and the required fee has been paid.		
Thank you for completing	this application form:		
ONLINE REFERENCE	100634357-001		
	e unique reference for your online form only ease quote this reference if you need to con		ority will allocate an Application Number when ority about this application.
Are you an applicant or a	Applicant or Agent Details Are you an applicant or an agent? * (An agent is an architect, consultant or someone else acting		
Agent Details	in connection with this application)		Applicant Agent
Please enter Agent detail			
Company/Organisation:	Ferguson Planning Ltd		
Ref. Number:		You must enter a B	uilding Name or Number, or both: *
First Name: *	Sam	Building Name:	37 ONE
Last Name: *	Edwards	Building Number:	37
Telephone Number: *		Address 1 (Street): *	George Street
Extension Number:		Address 2:	
Mobile Number:		Town/City: *	Edinburgh
Fax Number:		Country: *	Midlothian
		Postcode: *	EH2 2HN
Email Address: *			
Is the applicant an individual or an organisation/corporate entity? *			
Individual Organisation/Corporate entity			

Applicant De	tails		
Please enter Applicant d	letails		
Title:	Ms	You must enter a Bu	uilding Name or Number, or both: *
Other Title:		Building Name:	
First Name: *	Deanna	Building Number:	28
Last Name: *	Dobosz	Address 1 (Street): *	Thistle Street
Company/Organisation	c/o Destiny Scotland	Address 2:	
Telephone Number: *		Town/City: *	Edinburgh
Extension Number:		Country: *	Scotland
Mobile Number:		Postcode: *	EH2 1EN
Fax Number:			
Email Address: *			
Site Address	Details		
Planning Authority:	City of Edinburgh Council		
Full postal address of the site (including postcode where available):			
Address 1:	21A QUEEN STREET		
Address 2:	NEW TOWN		
Address 3:			
Address 4:			
Address 5:			
Town/City/Settlement:	EDINBURGH		
Post Code:	EH2 1JX		
Please identify/describe	the location of the site or sites		
Northing	674161	Easting	325248
		Lasung	

Description of Proposal
Please provide a description of your proposal to which your review relates. The description should be the same as given in the application form, or as amended with the agreement of the planning authority: * (Max 500 characters)
Change of use (retrospective) from residential to short term let (sui-generis)
Type of Application
What type of application did you submit to the planning authority? *
<ul> <li>Application for planning permission (including householder application but excluding application to work minerals).</li> <li>Application for planning permission in principle.</li> <li>Further application.</li> <li>Application for approval of matters specified in conditions.</li> </ul>
What does your review relate to? *
<ul> <li>Refusal Notice.</li> <li>Grant of permission with Conditions imposed.</li> <li>No decision reached within the prescribed period (two months after validation date or any agreed extension) – deemed refusal.</li> </ul>
Statement of reasons for seeking review
You must state in full, why you are a seeking a review of the planning authority's decision (or failure to make a decision). Your statement must set out all matters you consider require to be taken into account in determining your review. If necessary this can be provided as a separate document in the 'Supporting Documents' section: * (Max 500 characters)
Note: you are unl kely to have a further opportunity to add to your statement of appeal at a later date, so it is essential that you produce all of the information you want the decision-maker to take into account.
You should not however raise any new matter which was not before the planning authority at the time it decided your application (or at the time expiry of the period of determination), unless you can demonstrate that the new matter could not have been raised before that time or that it not being raised before that time is a consequence of exceptional circumstances.
Please see appeal statement for full details.
Have you raised any matters which were not before the appointed officer at the time the Determination on your application was made? *
If yes, you should explain in the box below, why you are raising the new matter, why it was not raised with the appointed officer before your application was determined and why you consider it should be considered in your review: * (Max 500 characters)
We have provided additional information on the operation of Destiny Scotland and the property as a STL as part of an argument for the local economic benefit.

Please provide a list of all supporting documents, materials and evidence which you wish to submit with your notice of review and intend
to rely on in support of your review. You can attach these documents electronically later in the process: * (Max 500 characters)

For the Appeal: Appeal Statement and Appendix 1 - Economic data for Destiny Scotland and 21A Queen Street (Private and Confidential). From the Previous Application: 2 - CEC Decision Notice and Report, 3 - Location/Floor Plans, 4 - Planning Statement, 5 - NPF4 Compliance, 6 - Property Management Statement, 7 - Site Photos

## **Application Details**

Please provide the application reference no. given to you by your planning authority for your previous application.	22/01778/FUL
What date was the application submitted to the planning authority? *	31/03/2022

What date was the decision issued by the planning authority? \*

### **Review Procedure**

The Local Review Body will decide on the procedure to be used to determine your review and may at any time during the review process require that further information or representations be made to enable them to determine the review. Further information may be required by one or a combination of procedures, such as: written submissions; the holding of one or more hearing sessions and/or inspecting the land which is the subject of the review case.

05/04/2023

Can this review continue to a conclusion, in your opinion, based on a review of the relevant information provided by yourself and other parties only, without any further procedures? For example, written submission, hearing session, site inspection.\* Yes 🛛 No

Please indicate what procedure (or combination of procedures) you think is most appropriate for the handling of your review. You may select more than one option if you wish the review to be a combination of procedures.

Please select a further procedure \*

By means of inspection of the land to which the review relates

Please explain in detail in your own words why this further procedure is required and the matters set out in your statement of appeal it will deal with? (Max 500 characters)

To understand the nature of the activity and surrounding area.

In the event that the Local Review Body appointed to consider your application decides to inspect the site, in your opinion:

Is it possible for the site to be accessed safely and without barriers to entry? \*

X Yes No X Yes No

Can the site be clearly seen from a road or public land? \*

Checklist – App	blication for Notice of Review	
Please complete the following checklist to make sure you have provided all the necessary information in support of your appeal. Failure to submit all this information may result in your appeal being deemed invalid.		
Have you provided the name	e and address of the applicant?. *	X Yes 🗌 No
Have you provided the date a review? *	and reference number of the application which is the subject of this	X Yes No
	n behalf of the applicant, have you provided details of your name hether any notice or correspondence required in connection with the or the applicant? *	X Yes No N/A
	ent setting out your reasons for requiring a review and by what f procedures) you wish the review to be conducted? *	X Yes No
Note: You must state, in full, why you are seeking a review on your application. Your statement must set out all matters you consider require to be taken into account in determining your review. You may not have a further opportunity to add to your statement of review at a later date. It is therefore essential that you submit with your notice of review, all necessary information and evidence that you rely on and wish the Local Review Body to consider as part of your review.		
	ocuments, material and evidence which you intend to rely on nich are now the subject of this review *	X Yes No
Note: Where the review relates to a further application e.g. renewal of planning permission or modification, variation or removal of a planning condition or where it relates to an application for approval of matters specified in conditions, it is advisable to provide the application reference number, approved plans and decision notice (if any) from the earlier consent.		
Declare – Notice of Review		
I/We the applicant/agent cert	tify that this is an application for review on the grounds stated.	
Declaration Name:	Mrs Sam Edwards	
Declaration Date:	04/07/2023	

### **Proposal Details**

Proposal Name100634357Proposal DescriptionAppeal on Change of use (retrospective) fromresidential to short-term let (sui generis)at 21A Queen StreetAddress21A QUEEN STREET, NEW TOWN,EDINBURGH,EH2 1JXLocal AuthorityCity of Edinburgh CouncilApplication Online Reference100634357-001

#### **Application Status**

Form	complete
Main Details	complete
Checklist	complete
Declaration	complete
Supporting Documentation	complete
Email Notification	complete

#### **Attachment Details**

Notice of Review	System	A4
3 - Site Location Plan	Attached	A0
3 - Floor Plan	Attached	A0
6 - Property Management Statement	Attached	A4
4 - Planning Statement	Attached	Not Applicable
5 - 21A Queen St NPF4 Compliance	Attached	A0
Statement		
6 - Site Photos - 21A Queen St	Attached	Not Applicable
2 - CEC Decision Notice and Handling	Attached	A4
Report		
Appeal Statement	Attached	A4
1 - Economic Benefits Statement for	Attached	A4
21A QS - CONFIDENTIAL		
Notice_of_Review-2.pdf	Attached	A0
Application_Summary.pdf	Attached	A0
Notice of Review-001.xml	Attached	A0



#### APPENDIX 1: Economic Benefits Statement for 21A Queen Street (Private and Confidential)

The following data is provided to give Members of the LRB a quantitative insight into the economic value and benefits of the use of 21A Queen Street as short term let accommodation.

- 21A Queen Street runs at an average occupancy of 82%. This provides 44 more days than the MKA Economics Report suggests at only 70% occupancy, which clearly provides a significant uplift in visitors that can be accommodated and local spend annually, over the figures provided by MKA.
- 2. The MKA report assumes short term lets are paying Council Tax, but this is not true for 21A Queen Street. The annual Non-Domestic Rates (NDR) for 21A Queen Street is £7,619.40. The Council Tax Band for this property would be Band F, with a value of £2,352.50 for 2023/2024. This provides over £5,000 economic gain per year to CEC using this specific property as a short term let compared to its use as a residential dwelling. There is clearly a much more significant gain, when calculating the benefit of NDR across the whole of Destiny Scotland's portfolio in Edinburgh, which comprises 142 apartments.
- 3. Destiny Scotland supports a payroll of over £700,000 per annum across the 24 full and part-time employees directly employed by them locally in Edinburgh, based out of their Thistle Street offices. All employees are above living wage. The size of this professional operation is predicated on having a portfolio of high-quality properties like 21A Queen Street to manage. If this portfolio is eroded, this in turn has consequences for local employment both directly and in directly which can be sustained by Destiny Scotland.
- The contract for cleaning at 21A Queen Street is approximately £5,000 per annum. Destiny Scotland uses this local cleaning firm across their portfolio of 142 apartments in the city, supporting employment of 30 in-direct jobs.
- 5. A further £2,000 per annum for 21A Queen Street is spent on maintenance and safety checks/fire regulation compliance.

GALASHIELS Shiel House, 54 Island Street Galashiels TD1 1NU T: 01896 668 744 EDINBURGH 37 One George Street Edinburgh EH2 2HN T: 0131 385 8801

NORTHERN IRELAND 61 Moyle Road, Ballycastle, Co. Antrim, Northern Ireland BT54 6LG

Northern Ireland BT54 6LG T: 07960 003 358

WWW.FERGUSONPLANNING.CO.UK





- 6. 21A Queen Street nets circa £28-30,000 per annum after all costs and provides circa £7,000 per annum towards Destiny Scotland's overheads and profit margin. All rent and costs are collated prior to the landlord being sent the net proceeds. This gives the property owner of 21A Queen Street an annual income of approximately £21 23,000 per annum. Many of the property owners that work with Destiny Scotland rely on this as their sole source of income, or as crucial assistance for them to provide for their families, e.g., to cover unexpected hospital bills or for home care. The host's income and associated spend does not appear to be reflected anywhere in the MKA study.
- Destiny Scotland makes additional investments in the long-term care and maintenance of the Category A Listed building, through grounds maintenance, interior furnishings and redecoration, estimated at £17,000.



Shiel House, 54 Island Street Galashiels TD1 1NU T: 01896 668 744 EDINBURGH 37 One George St

37 One George Street Edinburgh EH2 2HN T: 0131 385 8801

#### NORTHERN IRELAND

61 Moyle Road, Ballycastle, Co. Antrim, Northern Ireland BT54 6LG T: 07960 003 358



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Ferguson Planning (George Street). FAO: Sam Edwards 37 ONE George Street Edinburgh EH2 2HN Deanna Dobosz C/o Destiny Scotland. 21A Queen Street Edinburgh EH2 1JX

Decision date: 5 April 2023

#### TOWN AND COUNTRY PLANNING (SCOTLAND) ACTS DEVELOPMENT MANAGEMENT PROCEDURE (SCOTLAND) REGULATIONS 2013

Change of use (retrospective) from residential to short term let (sui-generis). At 21A Queen Street Edinburgh EH2 1JX

Application No: 22/01778/FUL

#### **DECISION NOTICE**

With reference to your application for Planning Permission registered on 31 March 2022, this has been decided by **Local Delegated Decision**. The Council in exercise of its powers under the Town and Country Planning (Scotland) Acts and regulations, now determines the application as **Refused** in accordance with the particulars given in the application.

Any condition(s) attached to this consent, with reasons for imposing them, or reasons for refusal, are shown below;

1. No conditions are attached to this consent.

#### Reason for Refusal:-

1. The proposal is contrary to National Planning Framework 4 Policy 30(e) part (ii) in respect of Loss of Residential Accommodation, as the use of this dwelling as a short stay let will result in the unjustified loss of a residential property.

Please see the guidance notes on our <u>decision page</u> for further information, including how to appeal or review your decision.

Drawings 01, 03A, represent the determined scheme. Full details of the application can be found on the <u>Planning and Building Standards Online Services</u>

The reason why the Council made this decision is as follows:

This determination does not carry with it any necessary consent or approval for the proposed development under other statutory enactments.

Should you have a specific enquiry regarding this decision please contact James Armstrong directly at james.armstrong@edinburgh.gov.uk.

Chief Planning Officer PLACE The City of Edinburgh Council

#### NOTES

1. If the applicant is aggrieved by the decision to refuse permission for or approval required by a condition in respect of the proposed development, or to grant permission or approval subject to conditions, the applicant may require the planning authority to review the case under section 43A of the Town and Country Planning (Scotland) Act 1997 within three months beginning with the date of this notice. The Notice of Review can be made online at www.eplanning.scot or forms can be downloaded from that website. Paper forms should be addressed to the City of Edinburgh Planning Local Review Body, G.2, Waverley Court, 4 East Market Street, Edinburgh, EH8 8BG. For enquiries about the Local Review Body, please email localreviewbody@edinburgh.gov.uk.

2. If permission to develop land is refused or granted subject to conditions and the owner of the land claims that the land has become incapable of reasonably beneficial use in its existing state and cannot be rendered capable of reasonably beneficial use by carrying out of any development which has been or would be permitted, the owner of the land may serve on the planning authority a purchase notice requiring the purchase of the owner of the land's interest in the land accordance with Part 5 of the Town and Country Planning (Scotland) Act 1997.

# **Report of Handling**

### Application for Planning Permission 21A Queen Street, Edinburgh, EH2 1JX

Proposal: Change of use (retrospective) from residential to short term let (sui-generis).

Item – Local Delegated Decision Application Number – 22/01778/FUL Ward – B11 - City Centre

#### Recommendation

It is recommended that this application be **Refused** subject to the details below.

#### Summary

The proposal is acceptable with regard to Sections 59 and 64 of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997 as it will not harm the listed building or its setting and it will preserve or enhance the character or appearance of the conservation area.

The change of use of this property to a short term let will result in a loss of the residential accommodation. Whilst it is recognised that there is an economic benefit to the City as a whole from the provision of visitor accommodation in this case it does not outweigh the loss of residential accommodation. The proposal does not comply with the Development Plan policy NPF 4 policy 30(e) part (ii). There are no material considerations that outweigh this conclusion. The proposal is unacceptable.

### **SECTION A – Application Background**

#### Site Description

The application site is a basement, three bedroom flat located on the southern side of Queen Street. The property has its own access to the street.

Queen Street is a key thoroughfare, served by public transport routes and benefiting from significant footfall. There are a mix of uses on the street and in the surrounding area including residential, office, retail, restaurants, public houses and tourist attractions. Public transport links are easily accessible from the site.

The application property is part of a category A listed building, 21 Queen Street With Railings, LB29543, 14/12/1970.

The application site is in the Old and New Towns of Edinburgh World Heritage Site and New Town Conservation area.

#### Description Of The Proposal

The application is for a retrospective change of use from Residential to STL (suigeneris). No internal or external physical changes are proposed.

#### Supporting Information

- Planning Statement
- Management Statement
- Planning Statement regarding NPF4

#### Relevant Site History

08/04030/FUL 21 Queen Street Edinburgh EH2 1JX Change of use from existing office to form 5 flats, including extension to rear, new access to front basement Granted

29 September 2010

08/04030/LBC 21 Queen Street Edinburgh EH2 1JX Alterations to existing building to form 5 flats, rear extension at basement level, infill existing doorway and form new access at front basement and associated internal works Granted

3 March 2009

#### Other Relevant Site History

Several surrounding properties are used as Short Term Lets. Site address and references are:

- 22/06377/CLESTL, 21/1 Queen Street
- 22/06385/CLESTL, 21/2 Queen Street
- 22/06389/CLESTL, 21/4 Queen Street
- 22/06391/CLESTL, 23/1 Queen Street
- 22/06393/CLESTL, 23/2 Queen Street
- 22/06394/CLESTL, 23/3 Queen Street
- 22/06395/CLESTL, 23/4 Queen Street

#### **Consultation Engagement**

Historic Environment Scotland

#### **Publicity and Public Engagement**

Date of Neighbour Notification: 5 April 2023 Date of Advertisement: 29 April 2022 Date of Site Notice: 29 April 2022 Number of Contributors: 4

#### Section B - Assessment

#### Determining Issues

Due to the proposals relating to a listed building(s) and being within a conservation area, this report will first consider the proposals in terms of Sections 59 and 64 of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997 (the "1997 Heritage Act"):

a) Is there a strong presumption against granting planning permission due to the proposals:

(i) harming the listed building or its setting? or

(ii) conflicting with the objective of preserving or enhancing the character or appearance of the conservation area?

b) If the strong presumption against granting planning permission is engaged, are there any significant public interest advantages of the development which can only be delivered at the scheme's proposed location that are sufficient to outweigh it?

This report will then consider the proposed development under Sections 24, 25 and 37 of the Town and Country Planning (Scotland) Act 1997 (the 1997 Act):

Having regard to the legal requirement of Section 24(3), in the event of any policy incompatibility between National Planning Framework 4 (NPF4) & Edinburgh Local Development Plan 2016 (LDP) the newer policy shall prevail.

Do the proposals comply with the development plan?

If the proposals do comply with the development plan, are there any compelling material considerations for not approving them?

If the proposals do not comply with the development plan, are there any compelling material considerations for approving them?

In the assessment of material considerations this report will consider:

- equalities and human rights;
- public representations; and
- any other identified material considerations.

### Assessment

To address these determining issues, it needs to be considered whether:

#### a) The proposals harm the listed building or its setting?

The following HES guidance is relevant in the determination of this application:

• Managing Change in the Historic Environment: Guidance on the principles of listed buildings

• Managing Change in the Historic Environment: Setting

Managing Change in the Historic Environment: Interim Guidance on the principles of listed building consent sets out the principles for assessing the impact of a development on a listed building.

Managing Change in the Historic Environment: Setting sets out the principles that apply to developments affecting the setting of historic assets or places including listed buildings and conservation areas. It includes factors to be considered in assessing the impact of a change on the setting.

There are no external or internal alterations proposed. As such, the proposal will not have an adverse impact on or cause harm to the listed building. The setting of the listed building and the setting of neighbouring listed buildings will be unaffected by the proposal.

#### Conclusion in relation to the listed building

The proposal does not harm the character of the listed building, its setting, or the setting of neighbouring listed buildings. It is therefore acceptable with regard to Section 59 of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997.

#### b) The proposals harm the character or appearance of the conservation area?

Section 64(1) of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997 states:

"In exercise, with respect to any buildings or other land in a conservation area, of any powers under any of the provisions in subsection (2), special attention shall be paid to the desirability of preserving or enhancing the character or appearance of that area."

The New Town Conservation Area Character Appraisal states that the area is typified by the formal plan layout, spacious stone built terraces, broad streets and an overall classical elegance. The buildings are of a generally consistent three storey and basement scale, with some four storey corner and central pavilions.

As stated previously, there are no external changes proposed. Therefore, the impact on the character and appearance of the conservation area is acceptable.

#### Conclusion in relation to the conservation area

The proposals comply with Section 64 of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997.

#### c) The proposals comply with the development plan?

National Planning Framework 4 (NPF4) was adopted by the Scottish Ministers on 13 February 2023 and forms part of the Council's Development Plan. NPF4 policies supports the planning and delivery of Sustainable Places, Liveable Places and Productive Places and are the key policies against which proposals for development are assessed. Several policies in the Edinburgh Local Development Plan (LDP) are superseded by equivalent and alternative policies within NPF4.

The relevant NPF4 and LDP 2016 policies to be considered are:

- NPF4 Sustainable Places Tackling the climate and nature crises Policy 1.
- NPF4 Sustainable Places Historic assets and places Policy 7.
- NPF4 Productive Places Tourism Policy 30.
- LDP Housing Policy Hou 7.
- LDP Transport Policies Tra 2 and Tra 3.

The non-statutory 'Listed Buildings and Conservation Area' guidance is a material consideration that is relevant when considering historic assets.

The non-statutory 'Guidance for Businesses' is a material consideration that is relevant when considering change of use applications.

#### Listed Buildings, Conservation Area and World Heritage Site

There are no external or internal works proposed and as such there will not be a significant impact on historic assets or places. The proposal complies with NPF 4 Policy 7.

#### Proposed Use

With regards to NPF 4 Policy 1, the proposed change of use does not involve operational development resulting in physical changes to the property. The proposals will have a negligible impact on the global climate and nature crisis.

NPF 4 Policy 30 seeks to encourage, promote and facilitate sustainable tourism development which benefits local people, is consistent with our net zero and nature commitments, and inspires people to visit Scotland. Criterion 30 (b) and (e) specifically relate to STL proposals.

LDP Policy Hou 7 (Inappropriate Uses in Residential Areas), seeks to protect residential amenity.

The non-statutory Guidance for Businesses states that an assessment of a change of use of dwellings to a short term let will have regard to:

- The character of the new use and of the wider area;

- The size of the property;

The pattern of activity associated with the use including numbers of occupants, the period of use, issues of noise, disturbance and parking demand; and
The nature and character of any services provided.

In connection to short term lets it states, "The Council will not normally grant planning permission in respect of flatted properties where the potential adverse impact on residential amenity is greatest".

#### Amenity

The application property has its own main door access and is located within an area of mixed character. There are several properties in use as STLs in the converted house above the application property (21 Queen Street) and next door at 23 Queen Street. There is a moderate to high degree of activity in the immediate vicinity of the property at any time, contributing to high ambient noise levels in the street during the day and at night.

There are a number of residential properties in proximity to the application site, however due to the character of the area being busy and of a mixed nature, the STL use will not have an unacceptable impact on neighbouring amenity or the character of the area.

There is access to a rear garden area which is located at basement level. The impact of guests using the rear garden will not result in unacceptable amenity impacts given the character of the area, the surrounding urban form, and the level of background noise present in the courtyard and motor vehicle parking area to the rear of properties.

The proposal complies with NPF 4 30(e) part (i) and LDP policy Hou 7.

#### Loss of residential accommodation

NPF 4 policy 30 (e) part (ii) requires that where there is a loss of residential accommodation, this will only be supported where the loss is outweighed by demonstrable local economic benefits.

Paragraph 220 of the LDP acknowledges that tourism is the biggest source of employment in Edinburgh, providing jobs for over 31,000 people. The use of the property by guests and the required maintenance and upkeep of STL properties are likely to result in a level of job creation and spend within the economy which can be classed as having an economic benefit.

The applicant has provided a planning statement outlining the economic benefits of the proposed change of use of the property, describing how STLs benefit the economy in general, and how the applicant's wider business benefits the economy. Additionally the applicant states that no loss of residential accommodation will result from the proposal, as the application is in retrospect and was in office use prior to its conversion to residential use.

However, the retrospective nature of the application and historic uses of the property do not change that the current lawful use of the property is as residential accommodation. The use of the property as an STL would therefore result in a loss of

residential accommodation, which given the recognised need and demand for housing in Edinburgh it is important to retain, where appropriate.

Furthermore, residential occupation of the property also contributes to the economy, in terms of providing a home and the spend in relation to the use of the property as a home, including the use of local services and resultant employment, as well as by making contributions to the local community.

In this instance it has not been sufficiently demonstrated that the loss of the residential accommodation is outweighed by demonstrable local economic benefits arising from the STL use. As such, the proposal does not comply with NPF 4 30(e) part (ii).

#### Parking Standards

There are no motor vehicle or cycle parking spaces. This is acceptable as there are no parking requirements for STLs.

The proposal complies with LDP Policies Tra 2 and Tra 3.

#### Conclusion in relation to the Development Plan

The change of use of this property to an STL will result in a loss of the residential accommodation. Whilst it is recognised that there is an economic benefit to the City as a whole from the provision of visitor accommodation in this case it does not outweigh the loss of residential accommodation. The proposal does not comply with the Development Plan policy NPF 4 policy 30(e) part (ii). There are no material considerations that outweigh this conclusion. The proposal is unacceptable.

#### d) There are any other material considerations which must be addressed?

The following material planning considerations have been identified:

#### Emerging policy context

City Plan 2030 represents the settled will of the Council, and it has been submitted to Scottish Ministers for examination. As such, limited weight can be attached to it as a material consideration in the determination of this application.

#### Equalities and human rights

Due regard has been given to section 149 of the Equalities Act 2010. No impacts have been identified.

Consideration has been given to human rights. No impacts have been identified through the assessment and no comments have been received in relation to human rights.

#### Public representations

A summary of the representations is provided below:

2 objections

1 in support 1 neutral

A summary of the representations is provided below:

material considerations in objection

- Negative impact on resident amenity. Addressed in Section C.
- Loss of residential accommodation. Addressed in Section C.

#### non-material considerations

- Too many STLs on Queen Street.
- Similar application refused elsewhere.
- Eligibility for council tax.
- Anti-social behaviour.
- No negative impact on amenity of nearby office workers.

#### Conclusion in relation to other material considerations

The proposals do not raise any issues in relation to other material considerations identified.

#### **Overall conclusion**

The proposal is acceptable with regard to Sections 59 and 64 of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997 as it will not harm the listed building or its setting and it will preserve or enhance the character or appearance of the conservation area.

The change of use of this property to an STL will result in a loss of the residential accommodation. Whilst it is recognised that there is an economic benefit to the City as a whole from the provision of visitor accommodation in this case it does not outweigh the loss of residential accommodation. The proposal does not comply with the Development Plan policy NPF 4 policy 30(e) part (ii). There are no material considerations that outweigh this conclusion. The proposal is unacceptable.

#### **Section C - Conditions/Reasons/Informatives**

The recommendation is subject to the following; **Conditions** 

1. No conditions are attached to this consent.

#### Reasons

#### Reason for Refusal

1. The proposal is contrary to National Planning Framework 4 Policy 30(e) part (ii) in respect of Loss of Residential Accommodation, as the use of this dwelling as a short stay let will result in the unjustified loss of a residential property.

#### **Background Reading/External References**

To view details of the application go to the Planning Portal

#### Further Information - Local Development Plan

Date Registered: 31 March 2022

#### Drawing Numbers/Scheme

01, 03A

David Givan Chief Planning Officer PLACE The City of Edinburgh Council

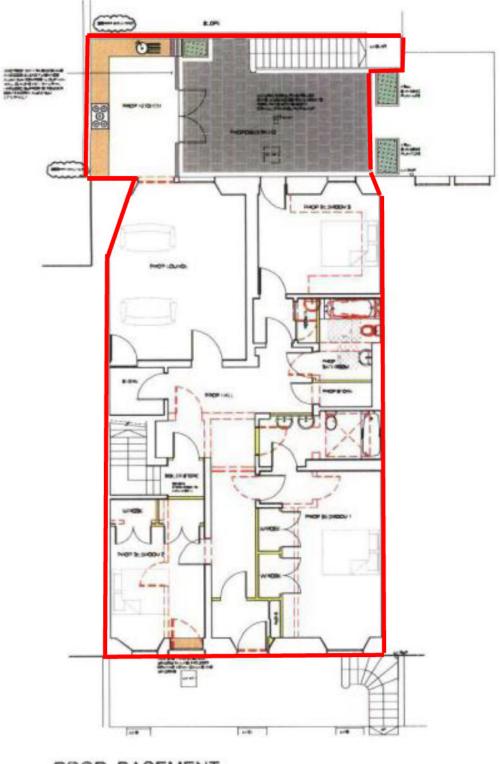
Contact: James Armstrong, Assistant Planning Officer E-mail:james.armstrong@edinburgh.gov.uk

Appendix 1

### Consultations

NAME: Historic Environment Scotland COMMENT: No comments or objections. DATE: 22 June 2022

The full consultation response can be viewed on the Planning & Building Standards Portal.







## FER<u>GUSO</u>N PLANNING

Ferguson Planning Ltd 37 ONE 37 George Street Edinburgh EH2 2HN E: sam@fergusonplanning.co.uk M: 07854009657

City of Edinburgh Council **Development Management** Waverley Court 4 East Market Street Edinburgh EH8 8BG

31 March 2022

Via E-Planning Ref: 100548540-001

Dear Sir/ Madam.

### APPLICATION FOR CHANGE OF USE (RETROSPECTIVE) FROM RESIDENTIAL TO SHORT TERM LETS (SUI-GENERIS) 21A QUEEN STREET, EDINBURGH, EH2 1JX

We write on behalf of the applicant, the owner of 21A Queen Street, in support of a planning application for the following:

"Change of use (retrospective) from residential to short term let use (sui generis)"

The application has been submitted electronically via E-Planning (references above) along with the following supporting information.

Submission Documents	Consultant
Covering Letter	Ferguson Planning Ltd
E-Planning Forms and Certificates	Ferguson Planning Ltd
Site Location Plan	Promap
Floor Plans (As Existing/Proposed)	Destiny Scotland
Management Statement	Destiny Scotland

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 GALASHIELS
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#### SITE LOCATION AND SURROUNDING AREA

The property at 21A Queen Street, is known as the 'Q Residence' and has been used to provide high quality visitor accommodation since November 2015.

The flat is managed by Destiny Scotland Ltd on the owner's behalf. Destiny Scotland is a local company, based in Edinburgh. They were established in 2005 and currently manage 140 apartments across 15 buildings in central Edinburgh. They are an accredited member of the Association of Serviced Apartment Providers. Their portfolio of properties is managed and marketed in a materially different manner from most of the short stay rental accommodation in Edinburgh. Destiny Scotland provides premium visitor accommodation, and the price and quality of the apartments attract the higher end of the market, which they actively target. We have provided a separate statement by Destiny Scotland in support of this application, to demonstrate that the short term let is safe and well managed.

The flat is accessed from a private main door at lower ground level from Queen Street. The entrance is shown in the photograph in Figure 1 below.



Figure 1: Photo of property entrance to 21A Queen Street

The flat was created from planning permission and listed building consent granted in September 2010 (Ref 08/04030/FUL and 08/04030/LBC) to convert the existing office buildings at 21-22 Queen Street, to form five residential dwellings, including 21A Queen Street.

The three-bedroom flat is on the lower ground floor of a three-storey townhouse with basement and attic. The remainder of the townhouse is comprised of four other flats, which are also used as short term lets.

The building at No 21 Queen Street, of which this flat is part, is Category A listed and described as a 3-storey basement and attic, 3-bay former terraced classical house. Historic Environment Scotland's Statement of Special Interest states that it, *"Forms a single office with No 22 [Queen Street]. A significant surviving part of the original fabric of Edinburgh's New Town, one of the most important and best-preserved examples of urban planning in Britain".* 

The property is situated on the south side of Queen Street, a busy pedestrian and major vehicle thoroughfare in the heart of the city centre, which overlooks Queen Street Gardens and runs parallel, to George Street. It is therefore ideally located for visitor accommodation, benefiting from proximity to the commercial and retail facilities on George Street and Princes Street, as well as the independent shops and restaurants on neighbouring Thistle Street.

The use of the neighbouring properties on Queen Street is varied commensurate with its city centre location, and include offices, an auction house, restaurant and bar, nursery, and opticians, with residential on some of the upper floors. Several properties are also used for visitor accommodation including Travelodge (30-31 Queen Street) City Apartments (29 Queen Street) and No 19 Queen Street Apartment.

The nearest bus stop is approximately 100m from the entrance to the property on Hanover Street. It is also only a short walk away from St Andrews Square bus station, Waverley Railway Station and the nearest tram stop on Princes Street, creating easy access to the rest of the city and the airport for guests.

The flats are very popular with visitors to the city, being ideally located for key tourist attractions including Edinburgh Castle and the Royal Mile as well as all the amenities of the city centre.

#### THE PROPOSAL

The purpose of this application is to permit the continued use of the flat for short term let use.

Under the recent legislation approved by the Scottish Parliament, all existing hosts and operators must apply for a license to operate a short term let by 1 April 2023, to ensure they are safe and the people providing them are suitable. Where the premises is in a 'short term let

control area', the applicant must have made an application for planning permission, or already have planning permission before they apply for a license.

The City of Edinburgh Council have recently approved a 'Short Term Let Control Area' (Planning Committee 23 Feb 2022), subject to approval of Scottish Government. Once designated, likely Spring 2022, this confirms that all proprietors wishing to use their properties within Edinburgh City Centre as short term lets would require planning permission for a 'change of use' to do so, unless their property has been in use for more than 10 years.

Short term lets are defined within the Scottish Government's Planning Circular 1/2021 (Short Term Let Control Areas) as a dwellinghouse where:

- Sleeping accommodation is provided to one or more persons for one or more nights for commercial consideration.
- No person to whom sleeping accommodation is provided is an immediate family member of the person by whom the accommodation is being provided.
- The accommodation is not provided for the principal purpose of facilitating the provision of work or services to the person by whom the accommodation is being provided or to another member of that person's household.
- The accommodation is not provided by an employer to an employee in terms of a contract of employment or for the better performance of the employee's duties, and
- The accommodation is not excluded accommodation e.g., hotel or aparthotel.

The subject property meets the above definition, as we demonstrate in this letter. The flats have been used for short term lets since November 2015 and so does not meet the necessary 10 years. It also does not form excluded accommodation. A full planning application seeking permission for a change of use from residential use to short term let is therefore being submitted.

#### PLANNING POLICY CONTEXT

#### Development Plan

Section 25 of the Town and Country Planning (Scotland) Act 1997 states: 'Where in making any determination under the planning acts, regard is to be had to the development plan, the determination shall be made in accordance with the plan unless material considerations indicate otherwise.'

Within this context, the Development Plan covering the properties comprises the:

- SESplan Strategic Development Plan (2013); and
- Edinburgh Local Development Plan (2016)

As the proposals are not of a strategic nature, we have not considered the SDP policies in further detail. However, we note it lends support for tourism uses. The SESplan vision is that *"By 2032, the Edinburgh City Region is a healthier, more prosperous and sustainable place which continues to be internationally recognised as an outstanding area in which to live, work and do business".* 

It goes on to state that, "the high quality built and natural environment of the SESplan area underpins its desirability as a place to live, work, do business and visit and can contribute to improving health and wellbeing". It also states that key sectors of which tourism is one, "are central to the regional economy".

We assess the proposals in line with the relevant Local Development Plan policies below. Other items relevant to the planning assessment, forming 'material considerations' include:

- CEC Guidance for Businesses (Updated 2021)
- Recent DPEA decisions relating to short term lets
- Emerging City Plan 2030

### ASSESSMENT OF PROPOSALS - DEVELOPMENT PLAN

#### Site Specific Policies

Within the City of Edinburgh Council's Local Development Plan (LDP) (2016) the site is located within the defined City Centre, New Town Conservation Area and Edinburgh World Heritage Site.

There is no specific policy relating to the proposed use as commercially managed short term let or holiday accommodation. However, as the site is an existing residential property (by permitted use) in the city centre, the key policies are Policy Del 2 (City Centre) and Policy Hou 7 (Inappropriate Uses in Residential Areas).

As there are no physical alterations proposed to the property, we consider that the heritage designations would be unaffected and therefore there would be no conflict with the development plan in this regard.

#### Principle of Proposed Development

**Policy Del 2 City Centre** states that, the core of the policy establishes that development proposals which retain and enhance the *"character, attractiveness, vitality, and accessibility"* of the City Centre and contribute *"to its role as a strategic business and regional shopping centre and capital city"* will be supported.

The text of the associated City Centre Shopping & Leisure Supplementary Guidance explains that: "There is a need to ensure a healthy balance of uses within the city centre in line with development plan policy to ensure its vitality, viability and maintain footfall, with a sufficient proportion of retail units to ensure that shopping continues to be a predominant use. However,

there are also benefits in allowing shops to change to other uses to achieve a diverse, thriving and welcoming city, allowing complementary uses that support the main shopping function and encourage use into the evening."

Assessment - The approval of this application would allow for the applicant to continue to provide visitor accommodation in a central part of the city centre with a range of other commercial uses already well established nearby, including shops, offices, and restaurants. The site is ideally located for ease of access to public transport, with bus and tram stops located around the corner.

The proposals will support the city centre's role as a shopping centre and capital city, accommodating visitors to the city and associated spend in the local economy. This accords with CEC's approach to development management in the city centre, set out in their retail guidance which states that "there are also benefits in allowing ... complementary uses that support the main shopping function and encourage use into the evening." It is our view that the proposal complies with Policy Del 2.

#### Policy Hou 7 Inappropriate Uses in Residential Areas

Policy Hou 7 states that "Developments, including changes of use, which would have a materially detrimental effect on the living conditions of nearby residents, will not be permitted."

The supporting text states that the intention of the policy is to preclude the introduction of nonresidential uses incompatible with <u>predominantly residential areas</u>, and to <u>prevent any further</u> <u>deterioration in living conditions in more mixed-use areas</u> which nevertheless have important residential functions [our underlined emphasis].

Assessment – The property lies in an area of the city in which commercial and footfall generating uses are already well established in the surrounding area (including short term lets and hotels). It is an ideal location for visitor accommodation, given the city centre hosts numerous existing tourist attractions.

The uses on this part of the Queen Street appear to be largely commercial at ground floor, with residential above, typical of many similar streets in Edinburgh. The area cannot therefore be *"predominantly residential"*, and the proposal is compatible with the wider mix of existing uses in the area.

Regarding the importance of preventing "further deterioration in living conditions in more mixed-use areas", it is considered that the proposal does not represent a significant or unacceptable risk to residential amenity.

This is supported by the recent approval for the conversion of the nursery at 29 Queen Street to form nine short term let apartments (Ref 19/00243/FUL). In the report prepared by CEC, the planning officer confirms that, "This is a busy city centre location in which there are adjacent commercial and residential uses and a high level of ambient noise. The nearest residential properties are on either side of the commercially occupied buildings that adjoin no. 29. The provision of additional tourist accommodation in this location will not therefore have a detrimental impact on residential amenity."

The flat is managed professionally by Destiny Scotland and the use of the flats for short term lets has already been in operation since November 2015. This provides another safeguard regarding residential amenity. Destiny Scotland's terms and condition of letting, as outlined in their separate supporting statement, means that there have been no complaints to CEC or enforcement activity relating to the flats use for short term lets, in more than six years that Destiny Scotland has managed it.

It is our view that there will be no adverse impact on residential amenity and the proposals are therefore compliant with LDP Policy Hou 7.

### ASSESSMENT OF PROPOSALS - MATERIAL CONSIDERATIONS

#### CEC Guidance for Businesses (November 2021)

The Council has issued a guidance document for businesses, which includes advice around changing residential property to short term lets. Although non-statutory, it assists in the interpretation of Policy Hou 7 above. The guidance contains four criteria for determining whether planning permission is required for a change of use to short term let:

- The character of the new use and of the wider area
- The size of the property
- The pattern of activity associated with the use including numbers of occupants, the period of use, issues of noise, disturbance, and parking demand, and
- The nature and character of any services provided.

It goes on to state, that, "proposals for a change of use will be assessed in terms of their likely impact on <u>neighbouring residential properties</u>. Factors which will be considered include <u>background noise in the area, and proximity to nearby residents</u>".

It also says that "the Council will not normally grant planning permission in respect of flatted properties where the potential adverse impact on residential amenity is greatest" and that a "change of use in flatted properties, will generally only be acceptable where there is a private access".

**Assessment -** It is determined that planning permission is required for the change of use to short term let, as confirmed by the recent publication of Planning Circular 01/2021.

There is an existing level of background noise and the assessment of impact upon impact upon neighbouring residential amenity is considered above under Hou 7.

Whilst the application is for a flatted property, it is accessed via its own private door at lower ground floor. This door is not shared by any other uses. Given this, we consider the proposals are supported by the guidance and there will be no conflict with neighbouring residential uses in terms of access.

#### Recent DPEA decisions relating to short term lets

It is noted that several recent appeal decisions have been issued concerning proposals for short term lets. These appeals are material planning considerations and in recent decision making, CEC have considered that the main determining issues in these cases are:

- The location of the property and whether it is part of a common stair shared by residents. Typically, appeals are successful where the property has its own private access.
- 2. The frequency of movement and likely disturbance for neighbours, and whether this is likely to be more than a full-time tenant occupying the flat. Generally, the smaller the flat the less likelihood of disturbance to neighbours.
- 3. The impact on the character of the neighbourhood. Again, this often relates to the size of the property and whether anyone renting it for a few days is likely to shop or use local services any differently from a long-term tenant.
- 4. The nature of the locality and whether the property is located within an area of activity such as being on a busy road or near shops and other commercial services. As such residents would be accustomed to some degree of ambient noise/disturbance.

These appeals have also found that short stay visitor accommodate units can be acceptable in predominantly residential areas.

**Assessment - 1. Access -** The site occupies a highly sustainable location in Edinburgh City Centre, within easy walking distance to all local attractions and amenities.

As described above, the flat has its own private access. In the successful appeal case (PPA-230-2238) relating to a two-bedroom flat at 17 Old Fishmarket Close, the Reporter found it, *"particularly significant that the flat benefits from its own external door. This would substantially reduce the scope for the arrival and departure of guests to disturb the occupiers of other flats. This is recognised by the council's non-statutory guidance referred to above. Given also the nature of this city centre location, as outlined in paragraphs 11 and 12 above, I am satisfied that the flat could be used for short-term holiday letting without any materially detrimental effects on* 

the living conditions of nearby residents". So, it follows in line with the appeal decision above, that the proposed change of use at Queen Street, would also have no materially detrimental effects on the living conditions of nearby residents.

Assessment - 2. Size of Property and Frequency of Movement – The flat is a three-bedroom property and is let as an entire unit and not on a per room basis. Destiny Scotland stipulates a maximum occupancy at the time of booking, in keeping with the expected levels of a residential property of this size. Guests are not permitted to allow any guests or visitors to cause any nuisance, annoyance, or disturbance to neighbours. The likelihood of disturbance to neighbours is therefore low as it is unlikely it will be used for large numbers of visitors which may impact on neighbours' amenity.

Given the modest scale of the flat, there are unlikely to be no more significant comings and goings than would be expected with ordinary residential use, such as people leaving for work or social reasons every day. Given the multitude of amenities and excellent transport connections available within relatively proximity of the property, it's likely that an owner or tenant might also have a more active movement pattern than those living in quieter, more residential parts of the city.

The size of the property means it would be incapable of accommodating large groups, such as stag or hen parties, which are actively avoided by the management company in any case. Instead, they are most suited to use by long stay corporate guests or small family groups. This significantly reduces the risk of regular disturbance arising from anti-social behaviour.

Indeed, this view is supported by the Reporter in reference to the appeal at 17 Old Fishmarket Close (PPA-230-2238). In this case, he confirms that, "The flat which is the subject of this appeal has two bedrooms, one bathroom, and is relatively modest in size. It would therefore be incapable of satisfactorily accommodating large groups of individuals and would be more suited to use by single occupants, couples or families. This in my view reduces, to some extent, the likelihood of regular disturbance arising from anti-social behaviour by guests inside, or outside the entrance to the flat".

Assessment - 3. Impact on Character of the Neighbourhood - The size of the flat and the fact that it is laid out for normal residential use with bedrooms, living areas with kitchen and bathrooms, means it is highly likely that guests will use this largely in the same way as long-term residents.

There is a neighbouring Sainsbury's supermarket on Rose Street, which provides a convenient location for guests undertaking food shopping, as well as several independent food shops within the city centre and in Stockbridge a short walk north. As occupants will not be permanently resident, however, they are likely to rely on local restaurants to a greater extent

than a full-time occupant, thereby providing an economic benefit for the neighbourhood and ensuring the livelihood of local businesses.

We do not consider there will be any adverse impact on the character of the neighbourhood, rather a positive benefit for the reasons noted above.

Assessment - 4. Nature of Locality and Current Activity in the Area – As described above, the property is located on a busy city centre street, and well used pedestrian and major vehicle route. Noise from people in the street is to be expected and provides an established level of ambient background noise.

This fact is recognised in the Officer's report associated with application 20/05757/FUL relating to development of serviced apartments on nearby George Street, which state that, "this is a busy city centre location...so the development will not diminish the quality of the residential environment in terms of noise generation, disturbance, and parking demand". It is therefore important to note that this context is pre-existing and the result of the vibrant urban environment, not a single use or development.

As shown above, the pattern of activity does not facilitate the type of visitor numbers that would generate any excessive noise either inside or outside the property to the disturbance of the rest of Queen Street, where there are other residents. Indeed, the property is carefully managed by Destiny Scotland to ensure that problems of anti-social behaviour are avoided and there have been no complaints of noise or disturbance relating to this property over the years this use has been operating.

It is therefore our view that the continued use of the flat for short term lets will result in no more than a minimal disturbance to residential neighbours and no more than with any other type of residential use and would have no materially detrimental effects on the living conditions of nearby residents.

#### Emerging City Plan 2030

City Plan 2030 recognises that there is strong growing visitor demand and limited availability in Edinburgh City Centre. The properties are a popular visitor facility in a very busy location, well located for Edinburgh's commercial attractions. The continued use of this flat to provide visitor accommodation contributes positively to the Council's broad policy objectives for the vitality of the city centre.

To accompany consultation on City Plan 2030, CEC commissioned a Commercial Needs Study (2019) of the Edinburgh Visitor Accommodation Sector. The market model projections undertaken to inform this report forecast that there is capacity for 7,890 new hotel bedrooms in Edinburgh by 2030, including 2,750 under construction or confirmed. Whilst there are no figures

provided for the demand for short term lets, these numbers clearly show a substantial demand for tourist accommodation which this proposal could continue to satisfy as it does at present.

Whilst there is not a specific LDP policy relating to the jobs created through the required care, maintenance and upkeep of short term let properties, a recent successful application (21/04825/FUL) for short term let use at 19 Kings Stables, states that the economic benefits are a material planning consideration. The officer in this Instance, references Paragraph 220 of the LDP which acknowledges that tourism is the biggest source of employment in Edinburgh, providing jobs for over 31,000 people.

Destiny Scotland have outlined in their supporting statement which accompanies this application, that between their office headquarters and operations/housekeeping, they directly employ 24 full-time staff, and a further 30 full and part-time housekeepers indirectly. They actively support the Edinburgh economy by forging partnerships with local suppliers and service providers for linen & laundry, waste & recycling, consumables & toiletries, furniture, communications & call handling, IT support, uniforms, and vehicle hire. They also partner and support local bars, restaurants, and tourist attractions by actively promoting them to guests to enhance their experience in Edinburgh.

Part of the reasoning behind the Council's introduction of the Short Term Let Control Area, in line with the purpose outlined in Section 17 of the Planning (Scotland) Act 2019 is to *"help ensure local authorities ensure that homes are used to best effect in their areas"*. There are currently no policies restricting the loss of housing in the current LDP. However, City Plan 2030 seeks to introduce a presumption against loss of housing (Draft Policy Hou 7).

In this instance, the property's former use was office and, while it has been physically converted to residential, it has only been used as a commercial let since those physical works have taken place. The flat's continued use as a short term let through the grant of retrospective planning permission would therefore facilitate continued commercial use of this property.

#### SUMMARY

The use of 21A Queen Street for short term lets will continue to contribute to the attractiveness and vitality of Edinburgh as a capital city, in line with LDP Policy Del 2.

The site and its surroundings are both in residential and non-residential uses, which will continue to be the case. The wider area is commercial in nature and provides a bustling urban context. The proposal will complement that offer by continuing to provide much needed tourist accommodation for the city.

The specifics of the size, access arrangements, and professional management of the flats by Destiny Scotland means the proposed change of use will not give rise to any detrimental impact

on amenity or the deterioration in living conditions. Indeed, this has been the case since November 2015, given the lack of complaints, for as long as the short term let use has operated to date. The principle of development is therefore acceptable in accordance with Policy Hou 7.

Whilst it is acknowledged that each planning application is different and must therefore be considered on its own merits, recent approvals of short term let in similar circumstances, highlighted throughout this statement, are considered to set a clear precedent for the acceptability of such use in this location.

It is considered that the proposal accords with relevant adopted policy of the Local Development Plan and is supported by other material considerations. It is respectfully requested that planning permission is granted.

The relevant planning application fee of  $\pm 401$  for the application, will be paid directly by Destiny Scotland, on behalf of the applicant.

We look forward to receiving confirmation that the application has been validated. In the meantime, if you have any queries regarding the enclosed documents, please do not hesitate to contact Sam Edwards (sam@fergusonplanning.co.uk).

Yours faithfully,

Ferguson Planning

Ferguson Planning Ltd 37 ONF 37 George Street Edinburgh EH2 2HN E: sam@fergusonplanning.co.uk M: 07854009657

James Armstrong City of Edinburgh Council Planning and Building Standards Waverley Court 4 East Market Street Edinburgh EH8 8BG

16 February 2023

Dear James,

### APPLICATION 22/01778/FUL CHANGE OF USE (RETROSPECTIVE) FROM RESIDENTIAL TO SHORT-TERM LET (SUI-GENERIS). 21A QUEEN STREET, EDINBURGH, EH2 1JX

We respond on behalf of our client, following receipt of your letter dated 2 February 2023, requesting a planning statement outlining how their proposal complies with National Planning Framework 4 (NPF4) Policy 30 (e) adopted on 13 February 2023.

This letter contains the applicant's response and assessment of the proposals in line with Policy 30 (e). We trust this addresses the matter fully but welcome any further discussion should you have any queries about any of the information contained within.

### NPF4 - POLICY 30 (PART E) - ASSESSMENT

Policy 30 (Part e) says that "Development proposals for the reuse of existing buildings for short term holiday letting will not be supported where the proposal will result in:

An unacceptable impact on local amenity of the character of the neighbourhood Ι. or area; or

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II. The loss of residential accommodation where such loss is not outweighed by demonstrable local economic benefits.

#### Impact on Local Amenity

The proposal is retrospective to change the use of the property at 21A Queen Street from residential to short-term let use (sui generis), the entrance of which is shown in Figure 1 below.



Figure 1: Entrance to 21A Queen Street, and neighbouring uses

The property spans the basement of the three-storey and attic tenement above and comprises a kitchen, living room and three bedrooms. There is a small patio area to the rear. The property is accessed from a private main door directly from Queen Street. The access is not shared with any other properties.

The property is situated on the south side of Queen Street, a busy pedestrian and major vehicle thoroughfare in the heart of the city centre, which overlooks Queen Street Gardens and runs parallel, to George Street. There are no residential properties opposite, as shown in Figure 2 below. There is therefore no interaction with other residential properties, other than on the street outside.



Figure 2: Location of property on Queen St, showing the busy road and gardens opposite.

The street and wider area is busy throughout the day and evening and any neighboring residents will already be accustomed to an existing level of ambient background noise from existing businesses, and the increased movement of people associated with the neighbouring commercial uses as shown on Appendix A. In the immediate local area, this includes:

- 20 Queen Street (adjacent to the east) is in commercial office use.
- 21 Queen Street (Flats 1-4) (entire building above) is in use as commercial serviced short term let accommodation, currently subject to a CLU (CEC Refs 22/06385/CLESTL, 22/06389/CLESTL, 22/06377/CLESTL, 22/06388/CLESTL)
- 22 Queen Street (adjacent to the west) is in commercial auction house use with associated offices (Bonhams)
- Vehicles queuing and traffic directly outside the property on Queen Street a busy traffic route across the city.
- Regular bus services crossing Queen Street from Hanover Street, including services 8. 23 and 27. These Lothian bus services start at as early as 4.31am, until 23.38 on Hanover Street, so there are regular vehicle movements at all times of day and evening, along with associated pedestrian movements near the property.
- Pedestrian footfall and noise directly associated with the cafes, restaurants, and bars of Hanover Street throughout the day and evening (50m from the door). For example, Bramble Bar is open from 4pm-1am, Wednesday to Sunday, and The Hanover Tap is open 12pm-1am Monday to Friday, 11am-1am
- Several properties are also used for visitor accommodation including Travelodge (30-31 Queen Street) City Apartments (29 Queen Street) and No 19 Queen Street Apartment.

There are therefore no residential neighbours directly adjacent to the property. In this context, we do not believe that the comings and goings of visitors to the STL at 21A Queen Street would be noticeable to any residential dwellings beyond this, above this existing level of background noise, which they will already be accustomed too and therefore there will be no impact on residential amenity.

The above assertion is supported by the recent approval for the conversion of the nursery at 29 Queen Street to form nine short term let apartments (Ref 19/00243/FUL). In the report prepared by CEC, the planning officer confirms that, "This is a busy city centre location in which there are adjacent commercial and residential uses and a high level of ambient noise. The nearest residential properties are on either side of the commercially occupied buildings that adjoin no. 29. The provision of additional tourist accommodation in this location will not therefore have a detrimental impact on residential amenity."

Brodies, also produced a Legal Opinion for the ASSC in 2018 (available at https://www.assc.co.uk/wp-content/uploads/2020/07/Legal-Opinion.pdf) which considers whether short stay occupation, necessarily has different planning considerations/impacts. Whilst they noted that cases will need to be assessed on their individual merits, they did note that short stay occupation does not necessarily equate to greater movements of people, or different times of movement. Their view, which we would agree with is that "More permanent residents can have vastly different movements of people or different times of movement...depending on their employment, leisure interests, family circumstances, health etc. For example, an offshore worker might occupy his/her house for a few weeks and then work off-shore for a few weeks; a family with teenage children might enter and leave the house many times during the day and night; a single person with care needs might be visited by carers several times a day. Users of a selfcatering property are therefore unlikely to exhibit markedly different characteristics to more permanent residents. Disruptive or anti-social behaviour is just as likely in residential use as selfcatering use". Given the multitude of amenities and excellent transport connections available within relatively proximity of the property, it's highly likely that an owner or tenant might also have a more active movement pattern than those living in guieter, more suburban residential parts of the city.

An FOI request was also submitted by the ASSC to CEC to understand the reported incidences of anti-social behaviour attributed to holiday lets from 2018 to 2021, as well as making a comparison with ASB in other types of housing tenure. This is publicly available in the ASSC's response to CEC's STL Guidance Consultation in 2022. The results are summarised in the table below in Figure 2 and clearly show that complaints against holiday lets are low, when viewed in comparison to other types of housing tenure. We therefore do not believe there is a case to claim that transient visitors would have less regard for neighbouring amenity.

Please note the date range for 2021 is 1 Jan to 31 Aug 2021. 'Not recorded' are cases where no tenure has been recorded opposed to those where the Housing Officer has recorded 'Unknown'.

Tenure Type	2018	2019	2020	2021	Total
City of Edinburgh Council	294	200	206	118	818
Housing Association	16	7	15	10	48
Owner Occupied	70	53	54	38	215
Private Rent	126	58	76	37	297
Private Sector Leasing scheme	12	3	5	7	27
Unknown	783	1153	1117	827	3880
Not Recorded	155	152	97	67	471
Total	1456	1626	1570	1104	5756

	Short Term Let				
	2018	2019	2020	2021	
Owner					
Occupied	1	1	1		
Private Rent	4	8	8	6	
Unknown	1	50	19	1	
Total	6	59	28	7	

Figure 3: ASSC FOI Request - ASB Complaints in Edinburgh

Similar findings were reported by the ASSC Report <u>'More than Just Housing'</u> which found that the frequency of antisocial behaviour complaints in each key destination local authority (including Edinburgh) is negligible compared to the number of available properties and occupancy levels. This evidence demonstrates that anti-social behaviour and therefore impact on the amenity or character of the neighbourhood, is not a problem which is not necessarily exacerbated by the presence of short term lets.

Whilst there is a small patio area to the rear, this is sunken into the basement ground level, and enclosed on all sides by tall tenement buildings in commercial office use, or commercial STL above. It is not overlooked by any residential properties. Given this setting, it is highly unlikely that any noise from the patio area would be detectable from neighbouring residents over and above that of other neighbouring uses and/or other neighbouring garden areas in the locale.

It should also be given weight as a material consideration, that the application is submitted in retrospect. The effect on the living conditions of neighbouring properties has therefore already been tested since November 2015, more than 7 years ago. Evidence therefore exists that during this time there have been no complaints from neighbours, either directly or indirectly to either the Police or City of Edinburgh Council.

Based on the above, we therefore consider the proposals to be fully compliant with Policy 30 (part e), criteria i.

#### Loss of Residential Accommodation and Economic Benefits

The proposal will not result in the loss of residential use at present as it is currently in and has been in STL use for over seven years. Booking evidence can be provided for this period, if required.

The former use of the property was office and converted under planning permission and listed building consent granted in September 2010 (Ref 08/04030/FUL and 08/04030/LBC) to convert the existing office buildings at 21-22 Queen Street, to form five residential dwellings, including 21A Queen Street. These works were completed in 2012, at which point the property was lived in by the current owner for a period until it was let as a STL from 2015 onwards.

The predominant historic use of the building has therefore always been commercial use. Any perceived loss of historic residential accommodation over the brief period highlighted above, however, is outweighed by significant local economic benefits which we outline below.

In June 2018, the Association of Scotland's Self-Caterers (ASSC) commissioned a report entitled 'Far More Than Just Houses: The Benefits of the Short-Term Rental (STR) Sector to Scotland'. It identifies that:

- STR is a major component of Scotland's growing tourism offering, making a substantial contribution to the tourist economy.
- In 2016, there were 14.45 million tourism trips to Scotland.
- Estimates from Visit Scotland show that approximately 17% of all tourist visitors stay in self-catering accommodation and will play an important role in accommodating everincreasing number of visitors to and within Scotland.
- In Edinburgh and Lothians, the proportion of all trips as self-catering trips is at 36%.

In May 2022 Airbnb commissioned a Scottish Local Authorities Economic Analysis report (BIGGAR Economics) which reported:

- By 2019, £676 million Gross Value Added (GVA) and 33,500 jobs were supported by Airbnb across Scotland
- Scotland is the 3rd most preferred overnight trip destination in the UK.
- The pandemic has had a severe impact on tourism confidence is returning but it remains below pre-pandemic levels.
- Inbound tourism to the UK isn't expected to recover until 2026, with Scotland now more reliant on increasing its competitiveness as a domestic tourism destination.
- Airbnb contributes to the Scottish tourism sector by providing flexibility in visitor accommodation supply to facilitate peaks in demand and large events like the Edinburgh Festival

- The combined economic shocks of the pandemic, rising energy costs and the Russian invasion of Ukraine have led to a sharp increase in the cost of living which is forecast to continue into 2023/2024
- Stringent licensing and planning schemes could further reduce Airbnb's economic impact by between £32 million and £133 million which would cost between 1,740 and 7,190 jobs across Scotland.
- In Edinburgh a 10% fall in Nights and 3% fall in Guest Spending would lose £6.2 million GVA and 340 job losses. A 25% fall in Nights and a 4% fall in Guest Spending would lose £13.7 million GVA and 740 job losses. A 50% fall in Nights would lose £25.6 million in GVA and 1,390 job losses.

In August 2022, the ASSC published several facts about Short-Term Letting in Edinburgh stating that:

- Self-catering generates £867m across Scotland.
- In Lothian self-catering is worth £71m to the local economy

Not only do self-catering properties offer incomes and livelihoods for their owners, but they create benefits to local suppliers, cafes, pubs, restaurants, gift shops, and tour operators both in the management of the STL, and by attracting a greater number of visitors to the local area.

Destiny Scotland have outlined in their supporting statement which accompanies the application, that between their office headquarters and operations/housekeeping, they directly employ 24 full-time staff, and a further 30 full and part-time housekeepers indirectly. They actively support the Edinburgh economy by forging partnerships with local suppliers and service providers for linen & laundry, waste & recycling, consumables & toiletries, furniture, communications & call handling, IT support, uniforms, and vehicle hire. They also partner and support local bars, restaurants, and tourist attractions by actively promoting them to guests to enhance their experience in Edinburgh.

The impact of the loss of STLs in years to come should not be underestimated in the decisions which are taken now, and the economic benefits of such proposals should be given significant weight in the Council's decision. Based on the above evidence of significant local economic benefits, we therefore consider the proposals to be fully compliant with Policy 30 (part e), criteria ii.

### Conclusion

We consider the application is fully compliant with Policy 30 (part e). The proposals will have no adverse impact on local amenity or character of the area, and the predominant historic and current use has always been commercial. Any perceived loss of any historic use of the premises for residential accommodation will be far outweighed by the local economic benefits outlined

above. We trust this letter and the information enclosed provides you with sufficient information to address your request.

Yours sincerely,



Ferguson Planning

Appendix A - Site Photographs



#### To Whom It May Concern: 21A Queen Street- Management Statement

Destiny Scotland was established in 2005 and currently manages 140 apartments across 15 buildings in central Edinburgh (and a further 18 apartments in 2 buildings in Glasgow). Several properties have serviced apartment planning consent, others are whole residential blocks operating as short lets, and our sole focus is on the provision and management of high-quality accommodation for corporate and leisure travellers.

We are accredited members of both ASAP and ISAAP as a statement of product quality and consistency across all properties; this drives corporate bookings and distances our brand from the less regulated sharing economy end of the short-let market. Our Edinburgh operations are coordinated from our office on Thistle Street, which incorporates reservations, sales & marketing, revenue management and accounts- housekeeping, maintenance and our quality control supervisor are on site at each of our buildings daily.

All properties under management are listed conversions specifically designed for use as short lets in predominantly non-residential city centre locations, in areas with high external footfall and relatively heavy traffic noise. This particular flat is on a very commercial section of Queen Street where traffic volume is now significantly higher than in previous years given limitations of access to both George Street and Princes Street- it is 4 lanes of constant traffic with buses and heavy trucks passing regularly. The property was originally converted from office use and has been operating as a short/corporate let since 2015. It has main door private access directly from street level, the flat has no shared facilities and we have not had any complaints from neighbours in circa 7 years of management.

Our properties operate with a self-check-in keyless entry system, a management model that provides guests far greater flexibility and independence but also a high degree of interaction should they need it. Housekeeping and maintenance are on site daily within standard working hours, the office is open 8am-5pm, 7 days a week.

We operate a very strict screening process to understand guest demographic; we do not accept stag/hen parties and have a zero-tolerance policy for mass gatherings and smoking- we heavily scrutinise bookings from local postcodes, all guests must be over 21 and provide a security deposit prior to arrival. Our terms state that the guest agrees to use the property solely for the purpose of a private corporate residence for the maximum number of people shown on the booking correspondence, and that the guest agrees not to cause or allow visitors to cause any nuisance, annoyance or disturbance to neighbours.

Security cameras and guest entry code usage are monitored for abnormal levels of activity and maintenance are on call 24/7 assisted by 24-hour call handling and security (Profile Security Services



Dest ny Scot and Ltd, 28 Th st e St, Ed nburgh, EH2 1EN Te 0131 629 3888. Ema : enqu r es@dest nyscot and.com Company Reg No: SC293368. VAT number: GB 9779 43940 Ltd) should it ever be required. There is clear signage with details of who to contact in the event of a disturbance and guests always have a point of contact. All buildings have a call button at the front entrance that connects through to the office or to our out-of-hours call handling, essentially acting as a virtual reception that can also be used by neighbours should that ever be required.

All of our properties are registered for non-domestic rates and are run entirely independently of council amenities- water supply is metered and supplied privately, all waste & recycling is sorted by housekeeping and handled internally by Changeworks. We aim to minimise our carbon footprint by remotely controlling Nest thermostats in all flats, while encouraging guests to arrive by public transport, recycle as much of their waste as possible and minimise their laundry requirements.

Leisure stays at our properties are typically 3,4 or 7 nights, while corporate guests can be with us for 3-6 months or more. We work closely with corporate booking agency Silverdoor as well as Homelike Reloquest, Situ, Suitehub and The Sqau.re to assist housing needs for professionals relocating to Edinburgh. Our average review score on booking.com is 9.1/10, Expedia is 4.6/5 and Trust Pilot 4.7/5 – giving confidence to the guest that we strive for excellence in all areas of the business to deliver a safe, clean and comfortable experience.

Between the office headquarters and operations/housekeeping, we directly employ 24 full-time staff, and a further 30 full and part-time housekeepers through Daybreak Scotland Ltd. We actively support the Edinburgh economy by forging partnerships with local suppliers and service providers for linen & laundry, waste & recycling, consumables & toiletries, furniture, communications & call handling, IT support, uniforms and vehicle hire. We also partner and support local bars, restaurants and tourist attractions by actively promoting them to guests to enhance their experience in Edinburgh.

The self-contained nature of our buildings under management allow us to provide high-quality, flexible and centrally located accommodation in an extremely controlled environment. I am fully in support of the council's move to introduce more regulation to the self-catering sector, and believe that our professional team and innovative management model both complements and enhances the accommodation offering in Edinburgh.

With best regards

Stuart Moffat

Managing Director- Destiny Scotland





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### 21A Queen Street







## **APPEAL STATEMENT**

# CHANGE OF USE (RETROSPECTIVE) FROM **RESIDENTIAL TO SHORT TERM LET (SUI GENERIS**)

21A QUEEN STREET, EDINBURGH, EH2 1JX

**JULY 2023** 

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#### 1. INTRODUCTION

- 1.1 This statement is submitted on behalf of Deanna Dobosz c/o Destiny Scotland (the appellant) and sets out the grounds of appeal against the decision of the City of Edinburgh Council (CEC) to refuse planning application LPA ref: 22/01778/FUL by delegated decision on 5 April 2023.
- 1.2 The detailed planning application sought consent for "Change of use (retrospective) from residential to short-term let (sui generis)" at 21A Queen Street, Edinburgh EH2 1JX2.
- CEC's only reason for refusal of the application was: 1.3
  - 1. The proposal is contrary to National Planning Framework 4 Policy 30(e) part (ii) in respect of 'Loss of Residential Accommodation', as the use of this dwelling as a short stay let will result in the unjustified loss of a residential property.
- 1.4 On all other grounds the application was considered acceptable as stated by the officer in their report:
  - Due to the character of the area being busy and of a mixed nature, the shortterm let (STL) use will not have an unacceptable impact on neighbouring amenity or the character of the area.
  - The impact of quests using the rear garden will not result in unacceptable amenity impacts given the character of the area, the surrounding urban form, and the level of background noise present in the courtyard and motor vehicle parking area to the rear of properties.
  - The proposal complies with NPF4 Policy 30(e) part (i) and LDP Policy Hou 7.
- The remaining sections in this appeal statement comprise: 1.5
  - A description of the appeal site and the proposals (Section 2).

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- The appellant's grounds for appeal (Section 3)
- Summary of the appellant's case (Section 4).
- 1.6 This appeal statement should be read in the context of all supporting evidence documents submitted as appendices to this appeal statement, and all those from the previous planning application which are listed below:

No	Appeal Document Appendix Description				
1	Economic Benefits Statement for 21A Queen Street (Confidential)				
	Documents from Original Application	Author			
2	CEC Decision Notice and Handling Report	CEC			
3	Location Plan and Floor Plans	Appellant			
4	Planning Statement	Ferguson Planning			
5	NPF4 Compliance Statement	Ferguson Planning			
6	Property Management Statement	Appellant			
7	Site Photos	Ferguson Planning			

1.7 This appeal is made to the CEC Local Review Body (LRB) on the basis it was a local application, which was determined by delegated decision. For the reasons outlined in this statement, we conclude that the development is in accordance with relevant development plan policies. On that basis, we respectfully request that Members of the LRB allow this appeal.

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#### 2. THE APPEAL SITE AND PROPOSAL

2.1 The property at 21A Queen Street has been used to provide high quality visitor accommodation, since November 2015. The property is located at the lower ground floor level of a Category A Listed three-storey (plus attic and lower-level) townhouse. The flat is accessed from a private main door directly from Queen Street. The entrance is shown in the photograph in Figure 1 below.

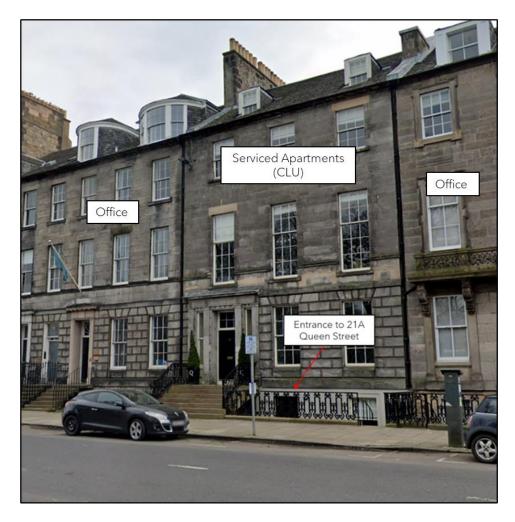


Figure 1. Photo of property entrance to 21A Queen Street.

2.2 The property comprises three bedrooms, living area, fully fitted kitchen and two bathrooms. There is a small patio area at the rear of the property which is accessed

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via the living area. The floor area is approximately 80m<sup>2</sup>. The layout of the building is illustrated on the floor layout plans submitted with this appeal.

- 2.3 The property is managed by Destiny Scotland Ltd on the owner's behalf. Destiny Scotland is a local company, based in offices on Thistle Street in Edinburgh. They were established in 2005 and currently manage 142 serviced apartments across 15 buildings in central Edinburgh. They are an accredited member of the Association of Serviced Apartment Providers. Their portfolio of properties is managed and marketed in a materially different manner from most of the short stay rental accommodation in Edinburgh. Destiny Scotland provides premium visitor accommodation, and the price and quality of the apartments attract the higher end of the market, which they actively target.
- 2.4 The property above the subject flat (21 Queen Street) contains four flats which are in use as STL accommodation and are also managed by Destiny Scotland. Certificates of Lawfulness have been approved for three of these flats and one is pending. Collectively the five apartments, together with another four apartments at 23 Queen Street, also in lawful STL use, are advertised as the Q-Residence.

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#### 3. GROUNDS OF APPEAL

#### CEC's Reason for Refusal

- 3.1 The application was refused on the grounds that, "The proposal is contrary to National Planning Framework 4 Policy 30(e) part (ii) in respect of Loss of Residential Accommodation, as the use of this dwelling as a short stay let will result in the unjustified loss of a residential property. "
- 3.2 In their report of handling the officer states that, "In this instance it has not been sufficiently demonstrated that the loss of the residential accommodation <u>is</u> outweighed by demonstrable local economic benefits arising from the STL use. As such, the proposal does not comply with NPF 4 30(e) part (ii)" [our underlined emphasis].

#### Appellant's Response

We disagree and argue that the loss of residential accommodation <u>is</u> outweighed by demonstrable and numerous local economic benefits, and other material considerations that we outline below.

#### Local Economic Benefits of STL Use

- 3.3 Destiny Scotland have outlined in their supporting statement which accompanied the original application and has been re-submitted with this appeal, that between their office headquarters and operations/housekeeping, they directly employ 24 full-time staff, and a further 30 full and part-time housekeepers indirectly.
- 3.4 They actively support the Edinburgh economy by forging partnerships with local suppliers and service providers for linen & laundry, waste & recycling, consumables & toiletries, furniture, communications & call handling, IT support, uniforms, and vehicle hire. They also partner and support local bars, restaurants, and tourist attractions by actively promoting them to guests to enhance their experience in Edinburgh.

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- 3.5 The property allows travellers to 'live like locals', allowing guests a more authentic tourist experience by soaking up the local atmosphere of the neighbourhood and choosing to spend their time and money locally. This is evidenced in recent reviews that are available online for the Q-Residence properties, of which the subject property forms part of several of which we highlight below:
  - "Location of the apartment was wonderful, very close to the city centre and local restaurants and shops" (Katrina, UK, 2023)
  - "Great city centre location, minutes' walk to The Dome" (Ashley, UK, 2023)
  - "Brilliant location with lovely restaurants nearby" (Janis, UK, 2022)
  - "Location is convenient to sight seeing points, restaurants as well as supermarkets for grocery" (Gladys, Hong Kong, 2022)
  - "We came to Edinburgh for our daughter's wedding at the Botanics...Can't not go without mentioning Franco's Fish and Chip shop on Raeburn Street! Thank you, Destiny Scotland, for helping to make these memories, we will be coming back!" (Steven, UK, 2022)
  - "The location was perfect, close to great restaurants, the castle and the sites we wanted to see". (Levy, USA, 2022)
  - "The central location meant many things were within comfortable walking distance - tourist attractions, Waverley rail station, plentiful dining options, shopping etc" (Penny, Australia, 2022)
- 3.6 MKA Economics was appointed by CEC Planning to prepare an assessment comparing the economic impact of residential and short term let properties in Edinburgh in November 2022. The final report was presented to the Planning Committee on 14 June 2023<sup>1</sup>.

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<sup>&</sup>lt;sup>1</sup> 'Economic Impact of Residential and Short Term Let Properties in Edinburgh: A Final Report for City of Edinburgh Council By MKA Economics' dated 24 May 2023.



- 3.7 The Economic Report shows that there are positive economic impacts from the use of properties for both residential use and short-term let use, but the report concludes that:
  - the gross value added (GVA) effects are greater for residential uses than short-term lets across all property types and all areas.
  - Whilst employment effects are greater for short term lets in most cases, and that although tourism jobs are valuable, they are not as valuable in GVA terms as other economic activity in the city.
- 3.8 The Committee Report highlights however, that, "Care needs to be taken with how the Economic Report is used" and that "Given it is considering generalities rather than the specifics of an individual case, it is likely that only limited weight can be attached to it as a material consideration when making planning application decisions". It goes on to say that "<u>Applicant's may be able to provide evidence that</u> <u>specific changes of use will deliver demonstrable economic benefits</u>" [our underlined emphasis']. We agree and set out our case for this below.

#### 3.9 Limitations of the MKA Report

- 3.10 We consider the report is too simplistic as it only covers gross impacts and is insufficient to understand the true economic consequences of refusing short term let applications. It does not consider the full range of issues and we highlight several of these limitations below:
  - It assumes the short term let property is on Council Tax. This is incorrect in this case and Non-Domestic Rates are paid by Destiny Scotland which makes for a substantial increase in income to CEC (refer to Appendix 1).
  - The average daily rate is an average and therefore under values properties run by commercial operators, charging higher rents and delivering a hotellike experience, as Destiny Scotland provide at 21A Queen Street (Appendix 1).

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- The average daily spend figure of £97.50 per day for tourists has been reduced to account for higher booking charges. This is not reflective of Destiny Scotland guest's experience in how guests spend their money and is evidenced by the reviews from guests above (para 3.5) who regularly mention dining out and visiting local attractions.
- Transport costs appear to be included for residents but excluded for STL guests - this is too simplistic given the majority of STL guests will utilise public transport and taxis in the city, when arriving without a car.
- It only assumes a 70% occupancy rates for a 3-bed property in the Central area. Occupancy rate for this property is in fact 82% over the year, thereby increasing the letting income and potential guest spend by a substantial 44 days.
- The GVA figures do not reflect that properties in residential use may be occupied by retirees, or students, or workers that spend periods working abroad i.e., those not in full time employment, or contributing to the local economy all year round, who would not produce the same economic benefits.
- The assessment of GVA for STLs only accounts for tourism jobs. It does not appear to account for the economic benefits arising from hosts salaries or their spend earnt through short-term letting. The owner of this property uses the letting of this property to support their own income (refer to Appendix 1) and the management allows Destiny Scotland to provide salaries for 24 full time / part time jobs and 30 in-direct jobs, who will each spend wages locally.
- It does not appear to consider benefits to local trades people such as cleaners, plumbers and electricians who use local wholesalers for materials, and again derive a valuable income from regular work on STL properties.

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- Full details of the model used to undertake the assessment are not provided so the methodology cannot be easily replicated by hosts to assess specific cases and circumstances of short term let properties across the city.
- The report assumes that any STL that is not permitted, would return to fulltime residential use and the benefits of residential use would be realised. In reality, it is highly likely that many of these properties will remain as second homes for occasional use by the owner, and therefore provide far less benefits to locals and the economy, than if it had remained in short term let use.
- 3.11 We appreciate, that this report has been prepared to give a broad overview only. We have therefore provided details of the unique economic benefits of 21A Queen Street at Appendix 1 (Confidential) which should be given greater weight by Members in their review. When these are considered, we believe that the local economic benefits of 21A Queen Street as serviced accommodation, far outweigh any benefits that would result from its use as residential accommodation and is compliant with NPF4 Policy 30(e) Part (ii).

#### 3.12 Wider Local Benefits of STL Accommodation

- 3.13 There is no definition attached to 'local economic benefits' in NPF4, but the supporting text to Policy 30 says that the policy intent is to "encourage, promote and facilitate sustainable tourism development which benefits local people, is consistent with our net zero and nature commitments and inspires people to visit Scotland". The policy outcomes are listed as "communities and places enjoy economic, social and cultural benefits from tourism, supporting resilience and stimulating job creation".
- 3.14 To achieve these outcomes, the benefits of short term let accommodation must surely also be considered beyond the immediate local benefits of a single property and instead the collective contribution of short term lets to the wider economy, that arguably are not reflected in the MKA report.

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- 3.15 The policy framework for short term lets in Edinburgh, and particularly with the introduction of NPF4, has become so restrictive, that it will inevitably mean that very few numbers of existing short term let properties will be able to achieve retrospective planning permission, and subsequently a license. As a result, these properties will be required to cease trading.
- 3.16 The ASSC have recently provided a review of the numbers of applications which have been permitted and identifies that only 189 permissions have been granted in recent years, which is very few in relation to the previous numbers of short term lets available in the city. Whilst the true number of short-term lets in Edinburgh is often disputed, it is quite clear that if NPF4 Policy 30(e) Part (ii) prevents most retrospective applications in the city going forward, the economic impact will be significant. The investment in the city which is attributable to both businesses operating a service in connection with short term lets (e.g., management, cleaning, linen), and their guests will be severely diminished, and this cumulative impact is not accounted for in the Council's response to this appeal. The monetary investment and jobs attributed to short term let accommodation sector is outlined in **Appendix 5 NPF4 Compliance Statement**.
- 3.17 In addition to the above, there will be a noticeable shortfall in available accommodation for visitors to the city in the coming months/year due to refusals of short term let applications, which may lead people to choose other cities to visit over Edinburgh. It does not appear that this shortfall can be made up by hotels in the short-medium term, given the lead-in time for new developments to take place. The Council's Commercial Needs Study which focussed upon the 'Edinburgh Visitor Accommodation Sector' was published in 2019 forecast capacity for 7,890 new hotel bedrooms in Edinburgh by 2030. Whilst there are several hotel developments in the planning pipeline, these are not yet built and will be some years before operational, leaving an immediate shortfall. The figures in 2019 are also unlikely to have accounted for the reduction in the number of short-term lets that now appears inevitable due to the recent planning reforms.

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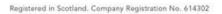




- 3.18 The report also identified a perceived lack of value for money issue within the hotel market, that is prevalent in the peak summer months. The report noted that this was a particular issue for participants in the Festival during August, which generates over £170m p/annum for the local economy. A lack of supply will only worsen this issue.
- 3.19 Independent research published on 28 June 2023 entitled 'Economic Impact of the Edinburgh Festivals'<sup>2</sup> confirms the huge contribution that Edinburgh's Festivals (e.g Fringe, Book, International, Tattoo, Hogmanay etc) make to the economic vitality of Edinburgh and Scotland. The report identifies that:
  - 51% of net audience expenditure in Edinburgh was spent on accommodation (£85m) with average number of nights spent increasing to 4.6 in Edinburgh in 2022.
  - Festivals contribute £407m to Edinburgh, increasing to £492m when Edinburgh and Scottish audiences are included in the figures.
  - The festivals support c.5,850 FTE (Full Time Equivalent) jobs in Edinburgh.
- 3.20 This study confirms that the festivals are a major contributor to both the local Edinburgh economy and the national Scottish economy. This economic impact spreads far beyond the immediate cultural economy, with the biggest beneficiary businesses in Edinburgh and Scotland being those in the tourism and hospitality sectors. In turn, the provision of suitable accommodation for both visitors and touring performers, is clearly essential to delivering the festivals and their farreaching economic benefits. Without sufficient short term let accommodation in areas where they have been deemed to have no impact on the amenity of existing residents, such as this property, the benefits of the festivals can only be diminished.

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<sup>&</sup>lt;sup>2</sup> https://www.edinburghfestivalcity.com/about/press-releases/1659-unique-edinburgh-festivals-programmes-strengthen-recovery



#### Other Material Considerations

#### 3.21 Time taken to Determine Application

3.22 The original application was validated by CEC on 31 March 2022 and so should have been determined by 30 May 2022 which was just shy of nine months prior to the adoption of the National Planning Framework 4 (NPF4) in February 2023. Therefore, had it been determined in a manner consistent with statutory timeframes, the policy of NPF4 should not have been used to refuse this application at all.

#### 3.23 Historic Use of Property

3.24 The Council view is that it is important to maintain the existing housing supply. However, the former use of the property was as an office. Planning permission and listed building consent were granted in September 2010 (Ref 08/04030/FUL and 08/04030/LBC) to convert the existing office buildings at 21-22 Queen Street, to form five residential dwellings, including 21A Queen Street. These works were completed in 2012, at which point the property was lived in by the current owner briefly for a period until it was let as a STL from 2015 onwards. The predominant historic use and current use of the building is therefore commercial short term let.

#### 3.25 Family Accommodation / Mid Term Lets

- 3.26 NPF4 Policy 30(e) Part (ii) does not allow for instances where a complete 'loss' of residential accommodation is not taking place. This policy is too blunt a tool for the multiple ways in which this property is used and provides such a narrow view of what benefits and types of accommodation short term lets provide in the city.
- 3.27 Properties like the subject site can make a valuable contribution to the availability of short-term accommodation in the city. They provide the market with a choice of accommodation to suit all budgets and preferences.

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- 3.28 The size of the property means it is regularly rented by families with children visiting the city for work or leisure purposes. The layout of the property makes it attractive to families wishing to stay in a 'home from home'. The provision of a kitchen and washing facilities, plus communal gathering space in a lounge, is a key benefit over hotels and bed and breakfast accommodation where families would be split across multiple rooms at significant expense. The property also allows guests space to work whilst travelling, following flexible working practices introduced post Covid pandemic. The property provides a more affordable option for longer stays of this nature, in a space that cannot be provided elsewhere in the city through alternative accommodation options due to the specific characteristics of this property.
- 3.29 The property is also often used for mid-term rentals and not just tourism. Policy 30(e) Part (ii) specifically only deals with tourism uses, but this property is also used for mid-term lets, by people working away from home in the city, or here on business, and this could not be described as 'short term holiday letting' as is defined by Policy 30 (e). For example, a family of five who were relocating to Scotland stayed at the property for eight months in October 2020 June 2021. The owner of the property also stays occasionally (and pays the applicable fee) so occupation is not limited just to tourists and such benefits must be recognised, otherwise these visitors will be excluded from visiting the city based on a lack of available and suitable accommodation.

#### 3.30 Precedent

3.31 29C Blair Street (reference 22/04393/FUL) was granted planning permission by the CEC Development Management Sub-Committee, following a recommendation to grant by the officer. In the report to the sub-committee on this application, the officer summarised that:

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- 3.32 "It has not been sufficiently demonstrated that local economic benefits of the STL use outweigh the loss of the residential accommodation and therefore the proposal does not comply with NPF 4 policy 30(e) part (ii).
- 3.33 However, the site is located within a busy city centre location near a number of leisure and commercial uses, including other STLs and late-night entertainment venues. This contributes to high ambient noise levels in the street during the day and at night. The proposal is acceptable regarding residential amenity and the character of the area.

On balance, whilst the proposal does not fully comply with NPF 4 policy 30 (e) part (ii), it is recognised that there is a degree of economic benefit in STL use and in this instance, the use is compatible with the surrounding area and will not have a detrimental impact of residential amenity."

- 3.34 Officers also considered that 21A Queen Street was compatible with the surrounding area and would not have a detrimental impact on residential amenity, stating that:
- 3.35 "There is a moderate to high degree of activity in the immediate vicinity of the property at any time, contributing to high ambient noise levels in the street during the day and at night...due to the character of the area being busy and of a mixed nature, the STL use will not have an unacceptable impact on neighbouring amenity or the character of the area".
- 3.36 It is therefore unclear why a different approach has been taken in the recommendation of refusal for this application.
- 3.37 If required to return this property to long term residential use (letting), this will become the only residential address at ground floor in this tenement, given Destiny Scotland manage all properties above as existing short term lets. The predominant footfall on the street will be associated with those visiting the

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commercial uses either side and to the rear (offices) and the other short term let accommodation.

3.38 Given the unique location of this property, the nature of surrounding uses, the direct local economic benefits that we have outlined specific to the use of this property for STL use above and at Appendix 1, we hope that Members can take a fair view of this case and support continued short term let use of the property.

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#### 4. CONCLUSIONS

- 4.1 The submitted appeal, supported by this statement, seeks the LRB's approval for the "Change of use (retrospective) from residential to short-term let (sui generis)" at 21A Queen Street, Edinburgh EH2 1JX2.
- 4.2 For the reasons outlined in this statement and summarised below we believe that the Members of the LRB should allow this appeal because:
  - There are demonstrable local economic benefits of the properties continued use as a short term let accommodation. These benefits are both direct, in terms of employment at/by Destiny Scotland and payment of non-domestic rates, as well as indirect local economic benefits through the spend by guests in the area.
  - The property serves an important gap in the tourist and local accommodation market, which cannot be serviced by hotels or guests houses and provides a significant local economic benefit, which outweighs any perceived loss of housing potential.
  - The property would be less suitable for use as a standard residential/longterm let due to the high level of ambient noise and the lawful STLs operating from the floors of the subject building immediately above.
- 4.3 In contrast to the officer's report, we consider the proposals are compliant with NPF4 Policy 30(e)(ii). We respectfully request that this appeal is therefore allowed.

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