

Business Centre G.2 Waverley Court 4 East Market Street Edinburgh EH8 8BG Email: planning.support@edinburgh.gov.uk

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 100639106-002

The online reference is the unique reference for your online form only. The Planning Authority will allocate an Application Number when your form is validated. Please quote this reference if you need to contact the planning Authority about this application.

Applicant or Agent Details

Are you an applicant or an agent? * (An agent is an architect, consultant or someone else acting on behalf of the applicant in connection with this application)

Applicant Agent

Agent Details

Please enter Agent details

Company/Organisation:	Houghton Planning Ltd		
Ref. Number:		You must enter a Building Name or Number, or both: *	
First Name: *	Paul	Building Name:	Alloa Business Centre
Last Name: *	Houghton MRTPI	Building Number:	
Telephone Number: *		Address 1 (Street): *	Whins Road
Extension Number:		Address 2:	Alloa
Mobile Number:		Town/City: *	Clacks
Fax Number:		Country: *	Scotland
		Postcode: *	FK10 3RF
Email Address: *			

Is the applicant an individual or an organisation/corporate entity? *

Individual Organisation/Corporate entity

Applicant Details

Please enter Applicant details

Title:	<input type="text"/>	You must enter a Building Name or Number, or both: *	
Other Title:	<input type="text"/>	Building Name:	<input type="text" value="Gordon Chambers"/>
First Name: *	<input type="text"/>	Building Number:	<input type="text"/>
Last Name: *	<input type="text"/>	Address 1 (Street): *	<input type="text" value="6th Floor, 90 Mitchell Street"/>
Company/Organisation	<input type="text" value="Clik Scotland Ltd"/>	Address 2:	<input type="text"/>
Telephone Number: *	<input type="text"/>	Town/City: *	<input type="text" value="Glasgow"/>
Extension Number:	<input type="text"/>	Country: *	<input type="text" value="Scotland"/>
Mobile Number:	<input type="text"/>	Postcode: *	<input type="text" value="G1 3NQ"/>
Fax Number:	<input type="text"/>		
Email Address: *	<input type="text"/>		

Site Address Details

Planning Authority:	<input type="text" value="City of Edinburgh Council"/>
Full postal address of the site (including postcode where available):	
Address 1:	<input type="text" value="1F1"/>
Address 2:	<input type="text" value="6 HIGH STREET"/>
Address 3:	<input type="text" value="OLD TOWN"/>
Address 4:	<input type="text"/>
Address 5:	<input type="text"/>
Town/City/Settlement:	<input type="text" value="EDINBURGH"/>
Post Code:	<input type="text" value="EH1 1TB"/>

Please identify/describe the location of the site or sites

Northing	<input type="text" value="673686"/>	Easting	<input type="text" value="326135"/>
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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)

Use of flat for short-term let use (Sui Generis) and residential flat (in retrospect). This property is available for letting all year.

Type of Application

What type of application did you submit to the planning authority? *

- Application for planning permission (including householder application but excluding application to work minerals).
- Application for planning permission in principle.
- Further application.
- Application for approval of matters specified in conditions.

What does your review relate to? *

- Refusal Notice.
- Grant of permission with Conditions imposed.
- No decision reached within the prescribed period (two months after validation date or any agreed extension) – deemed refusal.

Statement of reasons for seeking review

You must state in full, why you are 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 unlikely 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.

See Local Review Statement

Have you raised any matters which were not before the appointed officer at the time the Determination on your application was made? *

Yes No

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)

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)

Application as submitted Report of Handling Decision Notice Local Review Statement Press articles

Application Details

Please provide the application reference no. given to you by your planning authority for your previous application.

23/03731/FULSTL

What date was the application submitted to the planning authority? *

16/08/2023

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

12/10/2023

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.

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 view the property.

Please select a further procedure *

Holding one or more hearing sessions on specific matters

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 discuss the policy towards short term lets.

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

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

Yes No

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

Yes No

If there are reasons why you think the local Review Body would be unable to undertake an unaccompanied site inspection, please explain here. (Max 500 characters)

Property is secured, and councillors will need to be accompanied to access it.

Checklist – Application 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 and address of the applicant?. * Yes No

Have you provided the date and reference number of the application which is the subject of this review? * Yes No

If you are the agent, acting on behalf of the applicant, have you provided details of your name and address and indicated whether any notice or correspondence required in connection with the review should be sent to you or the applicant? * Yes No N/A

Have you provided a statement setting out your reasons for requiring a review and by what procedure (or combination of procedures) you wish the review to be conducted? * 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.

Please attach a copy of all documents, material and evidence which you intend to rely on (e.g. plans and Drawings) which are now the subject of this review * 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 certify that this is an application for review on the grounds stated.

Declaration Name: Mr Paul Houghton MRTPI

Declaration Date: 19/10/2023

Local Review Statement

1F1 6 High Street, Edinburgh, EH1 1TB

Introduction

Houghton Planning Ltd has been instructed by Clik Scotland Ltd (hereafter the applicant) to submit a local review for *“Use of flat for short-term let use (Sui Generis) and residential flat (in retrospect). This property is available for letting all year”* at 1F1 6 High Street, Edinburgh, EH1 1TB (ref: 23/03731/FULSTL).

The planning application was refused under delegated powers on 12th October 2023 for the following two reasons:

“1. The proposal is contrary to Local Development Plan Policy Hou 7 in respect of Inappropriate Uses in Residential Areas, as the use of this dwelling as a short term let will have a materially detrimental effect on the living conditions and amenity of nearby residents.

2. The proposal is contrary to National Planning Framework Policy 30(e) in respect of Local Amenity and Loss of Residential Accommodation, as the use of this dwelling as a short term let will result in an adverse impact on local amenity and the loss of a residential property has not been justified”.

This Statement starts by describing the site, and including details of how the property is managed. Thereafter, it follows the same format as the Report of Handling, and only comments on that report, as necessary, and to put the applicant’s compelling case for why planning permission should be granted.

Site Description

The property is a two-bedroom, first floor flat, which was formerly part of a single hostel that occupied the first floor of the tenement until that larger unit was divided up into three smaller flats in 2017. It is situated above the World’s End Public House in what is a busy, bustling, and often noisy, part of the City.

As stated in the Report of Handling *“The immediate area is mixed use in character with both residential and commercial uses. At ground level of the site is The World's End pub, with the immediate ground floor uses in commercial use.”* This is important to understand when considering the likely residential amenity issues (see further below).

The property is accessed via a shared ground floor door, which connects with a communal stair that also serves three further residential properties.

The property is a category 'B' listed building, is located within the Old Town Conservation Area, and Edinburgh's World Heritage Site.

Photographs of the interior were included with the planning application.

The property has no designated car parking, and no communal garden.

Management Guidelines

The property has been a short term let since November 2019, without any complaints having been received.

It is professionally managed to ensure that the amenity of neighbouring properties is protected. The following guidelines, amongst others, are applied:

- The maximum number of guests in the flat is four.
- Check in is after 3pm on the day of arrival, and no later than 10pm, and check-out is by 11am on the day of leaving. Guests are asked not to leave before 8am.
- No single sex groups, or groups where everyone is under twenty-five, are permitted.
- There is strictly no smoking, no parties, and no pets.
- Quiet hours are between 10PM and 9AM, and guests are asked to keep the noise down on the communal stairwell, and in the flat, and to respect the neighbours in the building.
- Guests are requested not to bounce suitcases up the stairs and, if they expect to have a lot of heavy luggage, to contact the applicants who will arrange for someone to carry it up and down for them.

Determining Issues

These are agreed.

Assessment

Amenity

The applicant has never had any issues with the use of the flat, as a short term let. It appears as if the other occupiers of the building are of like mind, as none of them have apparently objected to the planning application. Indeed, this application has received four letters of support. Instead, the objections seem to be the sort of generic comments that are being submitted by interest groups, and individuals, politically opposed to short term lets in the City.

The property is well managed, well maintained, and is occupied by guests who understand their responsibilities, and act accordingly.

The applicant considers that the comings and goings from the flat are no different from what would occur were they to have young professional tenants, or students,

living in the flat. These types of occupiers may have the same, or a greater degree of, movements than those people staying in the flat on holiday.

Permanent residents can have vastly different movements depending on their student status, employment, leisure interests, family circumstances, health, or just their way of living being a night owl rather than a day person, for example. A doctor or nurse may work shifts coming in at odd times; a family with teenage children might enter and leave the flat many times during the day and night, and can be very noisy; a single person with care needs might be visited by carers several times a day. Users of a self-catering property are, therefore, unlikely to exhibit markedly different characteristics to more permanent residents.

Anti-social behaviour is just as likely in residential use as self-catering use. It is probably more prevalent from permanent residents because they feel more secure in their occupancy whereas a guest can be asked to leave immediately.

Servicing of self-catering accommodation is also not a particular difference because many residential occupiers use cleaners on a regular basis, especially if the occupier is in poor health.

Many city dwellers will have deliveries from the likes of Amazon, and takeaways at all times of the day and night, and probably far in excess of people staying on holiday who will not have the former, and are more likely to eat out spending money in local eateries that desperately need the custom, with the ongoing cost of living crisis.

The ambient noise level is barely impacted at all by this use. In that regard, the case officer accepts, at one point, that this area has a mix of uses, i.e. is it busy throughout the day, and relatively noisy, but then ignores that in considering the impact noise may have on the neighbours. As explained by the Applicant in the Supporting Statement, the flat is positioned above the World's End Pub, and below three flats that are occupied by students. These uses mean that this area is busy, lively, and sometimes noisy, with the short term let in no way contributing to this. Indeed, the opposite is often true, and on many occasions the applicant has received complaints from guests saying that the pub and students can be very noisy, and has stopped them sleeping.

It should also be noted that Environment Health have not, it would appear, commented on the application. If there were a noise issue, then it would be expected that an Environmental Health Officer would be the appropriate person to comment on this issue not a planning officer.

The conclusion reached by the case officer that the amenity of neighbours is adversely affected is manifestly not supported by the evidence, and cannot, therefore, be given any weight whatsoever. Contrary to the conclusion drawn by the case officer, the proposal patently does comply with NPF 4 policy 30(e) part (i) and LDP policy Hou 7.

Loss of residential accommodation/Economic impact

The total number of dwellings in Edinburgh is around 248,000, as of 2018, of which two thirds are flats, i.e. circa 164,000 (City Plan 2030: Monitoring Statement). The loss of this one flat to the housing supply is, therefore, negligible.

For the record, 3,542 properties have applied for a short term let licence, as of 11th October 2023, according to the latest available short term let licence register, of which a considerable number do not involve secondary letting, and are for home sharing, B&Bs and Guesthouses etc. So, the actual loss to the housing stock were all these secondary let properties to be granted licences, and most will not be, given the City Council's stated stance on the issue, is quite a low figure. The City Council has been reported in the press recently to have concluded in a committee report on the tourist tax that only 20% of short term lets may continue (Edinburgh Live 22nd August 2023), which would mean no more than circa 700 properties being permanently lost to the housing stock, which is 1.6% of the total stock. So far, 248 licences have been granted, as of 11th October 2023, of which very few are for secondary letting, suggesting that even 400 may be on the high side. This seems to be borne out by checking the numbers of Certificates of Lawfulness approved, given that only properties that have traded 10 or more years are likely to receive a licence at the end of the day, other than a few that secured planning permission (a handful) before the City Council decided to refuse them on mass. That stands at 28 Certificates granted, as of 10th October 2023, with a further 13 to be determined. It would appear that a further five Certificates have been granted on appeal, with two Certificate appeals remaining to be determined. Whichever way you look at it, the numbers are nowhere near the estimates reported in the newspapers at various points, or the 14,000 figure, originally quoted in the City Plan 2030: Monitoring Statement, or the other figures quoted in that report of 8,740 entire properties being registered with Airbnb, or 3,620 that were stated as available for 90 days, or more, on the same platform.

There may be a housing shortage in Edinburgh, but this is not being caused by short term lets, but is rather a multifaceted issue that seeking to close short term lets will not solve. Rather, it needs a multi-agency approach, including the City Council, to kick-start new housebuilding, increase the delivery of affordable housing, and to bring back into use the many thousands of empty properties across the City. In 2022, it was reported in the Edinburgh News that, following a freedom of information request, it was determined that Edinburgh had 9,285 empty properties (27th December 2022).

As one example, the Examination of the new Local Development Plan is ongoing now, and it is clear, from the evidence, that the City Council rather than tackling its housing shortage, may well simply exacerbate it by restricting the supply of new housing, and perversely allocating sites for new housing that are in use by others with no intention of them offering their sites for development. Taking a more progressive approach to housebuilding would deliver far quicker, and more certain, results than trying to clamp down on short term lets in the hope that owners will turn into landlords, which itself is unlikely to happen given the disincentives currently for bringing forward housing to rent, including, but not limited to, rent controls, and changes to the rules around

evictions. Therefore, the City Council may be successful in closing short term lets, but this is no panacea because whilst some owners may decide to take tenants, and/or students, which may happen here, many will simply leave their properties empty. So, instead of the economic benefit to the local area that derives from its use as a short term let, which seems to be accepted by the case officer in the Report of Handling, the local economy will see a significant reduction in spend, as the property remains empty for much of the year. The Council will still get its Council Tax, but the local restaurants, pubs, tourist sites, and shops, will lose the trade they get whilst the small businesses that help support the short term let use will see a drop in their income. Some of those businesses will not survive.

At the macro scale, the self-catering sector is hugely important to Scottish tourism in terms of jobs, revenue, and the world-class experiences offered to guests. Figures from Frontline Consultants produced in 2021 suggest that the Lothians had over a quarter of a million visitor nights in 2020, a total visitor spend of over £91 million that year, and supported over 2,500FTE jobs (see attached).

The self-catering sector is particularly important for Edinburgh by providing somewhere to stay for people visiting the city to work, rest, and play, and supports the world famous festival, and other cultural activities.

The festival issue is particularly pertinent given that a lack of accommodation is seen as a particular problem for the festival, as evidenced by what was provided in evidence by Festivals Edinburgh to the Scottish Government's Local Government, Housing and Planning Committee when they considered the issue of licencing in early 2023 (see attached). Edinburgh Festival Fringe Society has also had significant press coverage regarding the impact of legislation on the availability and affordability of accommodation: "Earlier this year, Festivals Edinburgh, which brings together the bosses of the city's various festivals, warned they were facing an "economic shock" as a result of new short-term letting regulations" (see Insider article attached). This view is supported by Fringe Edinburgh's report: 'Edinburgh Accommodation Supply and Affordability - A Red Risk for The Edinburgh Festival Fringe and major challenge for The Festival City and Edinburgh's reputation as a welcome, accessible, open cultural capital – 2023', which has been shared with the City Council.

Overall, visitor stays in the City will be dramatically reduced, as it would become difficult to find quality accommodation at an affordable price. This will, therefore, stop people visiting the City, will reduce footfall at the Edinburgh Festivals undermining their viability, and will be to the detriment of the applicant's business, and all the small local businesses that rely on the footfall generated by short term lets to be able to continue to trade as they do.

As for the independent economic impact assessment commissioned by the Planning Service, it is interesting that it is now suggested by the case officer to carry little weight. That is because it does not help the City Council's case. Contrary to what is said in the Report of Handling, the report is supportive of the value of short term lets to the City economy when considered based on Gross Annual National and Local

Taxation rather than Net Annual Local GVA Impact. Short term lets also create more jobs. The relevant table from the report is included below. Clearly, because this report does not support the narrative City Council planning officers have been asked to roll out on every short term let application, it has now been conveniently shelved, but, in reality, it should be given much more weight.

Edinburgh Average - Residential				Edinburgh Average - Short Term Let			
Unit Size	Net Local FTE Jobs	Net Annual Local GVA Impact	Gross Annual National and Local Taxation	Unit Size	Net Local FTE Jobs	Net Annual Local GVA Impact	Gross Annual National and Local Taxation
1 bed	0.19	7,516	7,301	1 bed	0.23	4,714	12,419
2 bed	0.31	12,559	16,267	2 bed	0.43	8,764	21,991
3 bed	0.49	19,699	22,065	3 bed	0.60	12,288	30,467
4 bed	0.62	25,117	32,040	4 bed	0.75	15,293	37,878
5 bed	0.77	31,212	42,355	5 bed	1.03	21,018	51,650

Edinburgh Central - Residential				Edinburgh Central - Short Term Let			
Unit Size	Net Local FTE Jobs	Net Annual Local GVA Impact	Gross Annual National and Local Taxation	Unit Size	Net Local FTE Jobs	Net Annual Local GVA Impact	Gross Annual National and Local Taxation
1 bed	0.20	£ 8,212	£ 8,088	1 bed	0.29	£ 5,990	£ 15,542
2 bed	0.33	£ 13,208	£ 16,937	2 bed	0.55	£ 11,137	£ 27,840
3 bed	0.51	£ 20,706	£ 22,780	3 bed	0.77	£ 15,775	£ 38,970
4 bed	0.66	£ 26,417	£ 33,174	4 bed	1.05	£ 21,470	£ 52,548
5 bed	0.82	£ 32,841	£ 43,142	5 bed	1.10	£ 22,412	£ 55,537

It has been clearly demonstrated in the Applicant's Supporting Statement, and this Statement, that the loss of the residential accommodation is outweighed by demonstrable local economic benefits. Therefore, the proposal complies with NPF 4 30(e) part (ii).

Overall Conclusion

The proposal complies with NPF 4 policy 30(e) and LDP policy Hou 7, and there are no material considerations that suggest otherwise.

Councillors are, therefore, respectfully requested to allow this local review, and grant planning permission.

House Rules

You'll be staying in someone's home, so please treat it with care and respect.


Checking in and out

 Check-in after 15:00


 Checkout before 11:00

During your stay

 4 guests maximum

 No pets

 No parties or events

 No smoking

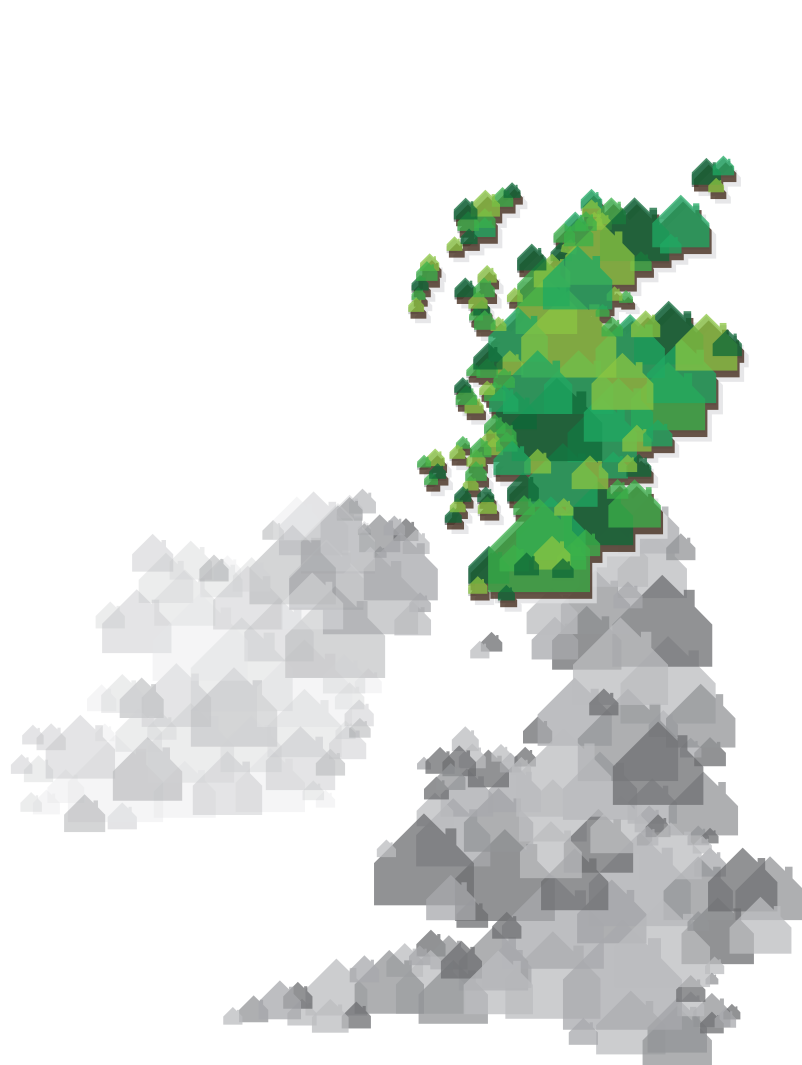
Additional rules

ALTIDO wants you to have a fantastic stay, and we encourage you to see this property as a home away from home.

There are, however, a few points we politely ask guests to note before their arrival and throughout their stay:

- Strictly no smoking, no parties, no pets
- Dispose of rubbish appropriately.
- Keep the property clean and tidy.
- Whilst washing up and stripping the beds at check-out would be appreciated, it is by no means expected.
- Quiet hours are between 10 PM and 9 AM. So please keep the noise down and respect the neighbours in the building.
- Please remember to close all windows and doors when leaving.
- Careful attention to the keys is extremely important. Guests are responsible for any additional costs resulting from misplaced keys or locksmith call-outs.
- To ensure the safety of our current and future guests, we ask all guests to complete our online check-in form and to provide a valid form of identification.

Economic Impact of Self-Catering Sector to the Scottish Economy



produced by
frontline
curious · committed · smart · proactive

for Association of Scotland's Self Caterers
and the Professional Association of Self-Caterers

August 2021

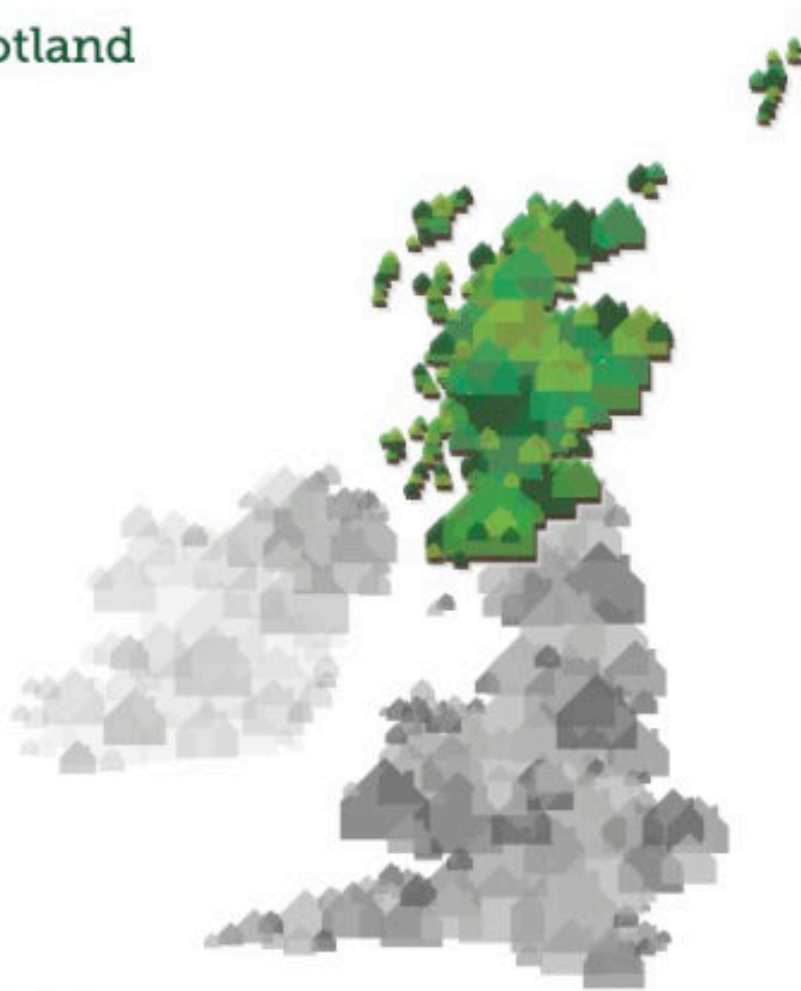
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This economic impact assessment was sponsored by SuperControl

1 Executive Summary

Scotland

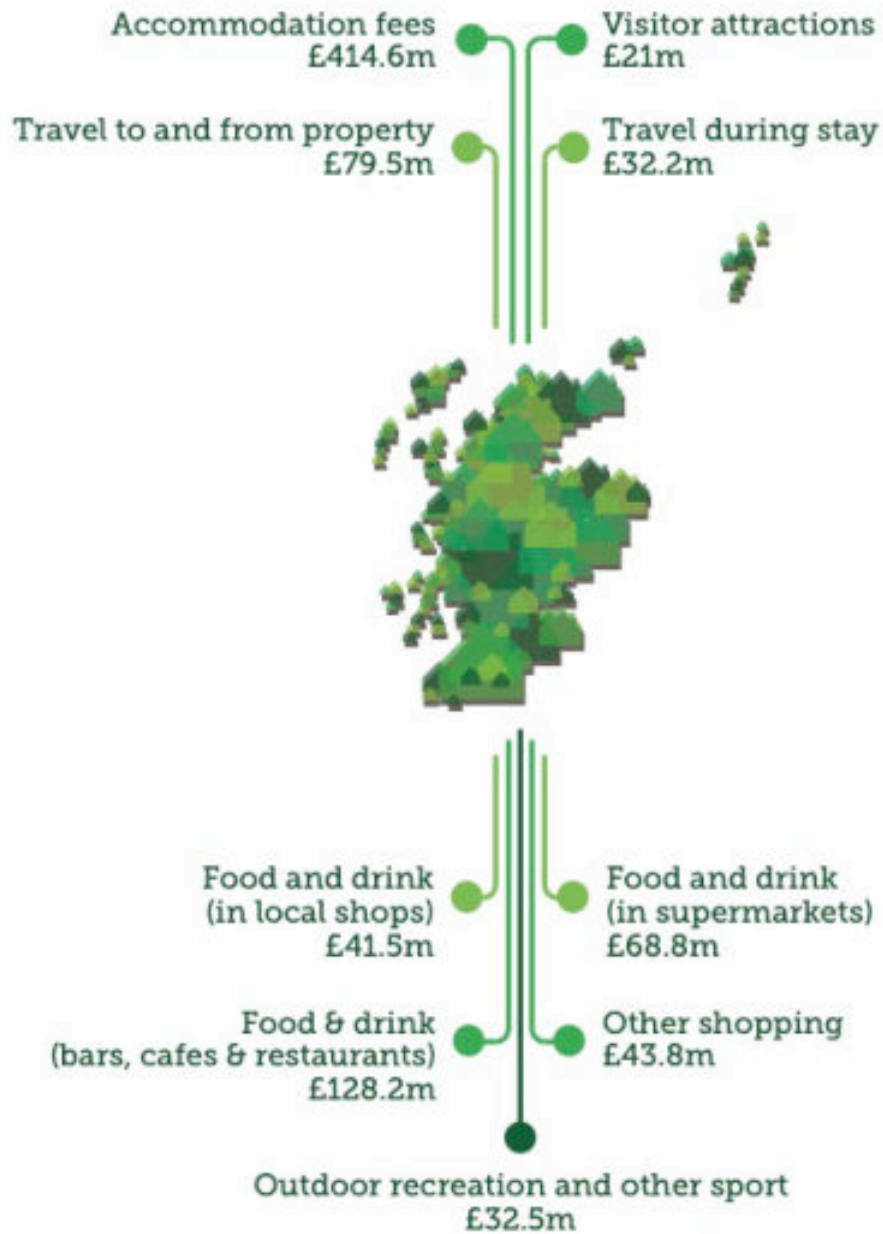


- 17,794 properties
- 2.4 million visitor nights per year
- £867.1 million total visitor spend
- Supports 23,979 FTE jobs
- £672.3 million Contribution to the Scottish economy

Areas with the greatest number of properties

1. Highland & Western Isles (5,580)
2. Dunbartonshire / Argyll & Bute (2,343)
3. Lothian (1,870)
4. Tayside (1,432)
5. Dumfries & Galloway (1,386)

Gross Visitor Spend by Item (Scotland)



2 Introduction

Since 2010 tourism has been the fastest growing sector in the UK in employment terms¹. By 2025, Britain aims to have a tourism industry worth over £257bn, supporting 3.8 million jobs. This is equivalent to almost 10% of UK GDP and around 11% of the total UK jobs².

The sector is predicted to grow at an annual rate of 3.8% through to 2025 – faster than the overall UK economy (with a predicted annual rate of 3% per annum) and much faster than sectors such as manufacturing, construction and retail³.

The Deloitte *Tourism: Jobs and Growth Report*⁴ found that the marginal revenue required to create a job in UK tourism is estimated to be around £54,000. For every 1% increase in total expenditure in UK tourism, it might be expected that full-time equivalent employment will increase by 0.9%.

Self-catering is an important component of the tourism industry. In order to fully understand its contribution, the Association of Scotland's Self-Caterers (ASSC) and the Professional Association of Self-Caterers UK (PASC UK) commissioned Frontline Consultants (Frontline) to carry out an independent Economic Impact Assessment of the self-catering industry in the UK. This includes an overall UK-wide report, providing headline findings for the UK and its four countries; plus detailed individual country reports for England, Scotland, Wales and Northern Ireland.

This report is for Scotland.

2.1 Research objectives

The **objectives of the economic impact assessment** were to:

- assess expenditure by property-owners and managers, and visitors in the local economy
- provide an independent, evidence-based, understanding of the direct and indirect economic impact/contribution of the self-catering sector in Scotland
- estimate the full-time equivalent jobs supported by the sector
- assess the impact of Covid-19 – presenting feedback from 2019 and 2020

2.2 Methodology

The UK self-catering sector is diverse and made up of a number of small businesses. It is inherently difficult to gather a complete data set on the sector. In order to develop the economic model an 8-month data gathering exercise was undertaken to understand the number and make-up of self-catering properties across the UK.

The **number of self-catering properties** in each country was determined as follows:

- England and Wales – VOA registrations
- Scotland – NDR registrations
- Northern Ireland – Local Authority registrations

¹ <https://www.visitbritain.org/visitor-economy-facts>

² <https://www.visitbritain.org/visitor-economy-facts>

³ <https://www.visitbritain.org/visitor-economy-facts>

⁴ https://www.visitbritain.org/sites/default/files/vb-corporate/Documents-Library/documents/Tourism_Jobs_and_Growth_2013.pdf

The **make-up of those self-catering properties** was based on a review of 1,000,724 transaction records provided to us by SuperControl to understand:

- property size
- occupancy levels for each property on each day of the year

The model includes over a million separate economic impact calculations, which were then reaggregated to produce as accurate as possible an estimate of the true economic impact of the sector.

This is a comprehensive approach that avoids any double counting and uses only verified data.

While these datasets are not 100% of the UK market, they are substantial, and provide the most comprehensive assessment of the sector to date. Findings therefore provide a conservative estimate of the scale of the self-catering sector.

3 Operators Survey

This section provides evidence from an e-survey of self-catering operators across Scotland. The survey was open from February-April 2021 and distributed by key partners.

3.1 Composition of the overall Scotland self-catering industry

Based on the information provided by NDR registrations and data provided by SuperControl, in **2020 there were 17,794 self-catering properties operating in Scotland. The majority of these were three bedroom or less properties.** Table 2.1 provides a breakdown of these by region and number of bedrooms.

Table 2.1: Composition of the industry

Location	Total number of bedrooms					Total Number of properties
	0-1	2	3	4	5+	
Ayrshire	16%	50%	16%	10%	9%	840
Central Scotland	14%	34%	26%	14%	11%	621
Dumfries & Galloway	13%	34%	34%	9%	11%	1,386
Dunbartonshire / Argyll & Bute	14%	32%	27%	13%	14%	2,343
Fife	8%	34%	31%	11%	16%	704
Glasgow City	22%	34%	22%	13%	10%	200
Grampian	17%	39%	28%	10%	7%	1,153
Highland & Western Isles	17%	39%	27%	9%	8%	5,580
Lanarkshire	11%	61%	11%	11%	6%	123
Lothian	20%	38%	28%	5%	9%	1,870
Orkney & Shetland	7%	57%	29%	0%	7%	672
Renfrewshire	30%	30%	20%	0%	20%	78
Scottish Borders	14%	38%	23%	13%	12%	792
Tayside	20%	20%	20%	20%	20%	1,432
Total	16%	37%	27%	10%	11%	17,794

(Source: ASSC⁵)

3.2 Sampling methodology and geographic locations

Self-catering properties across Scotland were invited to participate in the research. This was done by the various sponsor groups reaching out to operators, encouraging them to complete an e-survey.

The Steering Group and Frontline came together at various stages throughout the project to review the response rates, identifying which geographic areas were under-represented and those were targeted accordingly.

945 operators running a total of 2,173 properties across Scotland responded to the survey, giving a 99% confidence +/- 3% margin of error. This means that there is a 99% probability that the sample accurately reflects the wider population and is therefore representative of the self-catering sector in Scotland.

⁵ ASSC provided data on the total number of self-catering properties in Scotland based on units on non-domestic business rates (NDR). The breakdown by number of bedrooms is based on data provided by SuperControl

The geographic location of the surveyed self-catering operators was broadly representative of the sector as a whole with most regions having a minimum of 10% response rate with the exception of Glasgow City, Lothian and Renfrewshire.

Table 2.2: Location of surveyed self-catering operators

Location	Surveyed operators		Total number of properties across Scotland	Percentage of properties consulted
	Number of operators	Number of properties ⁶		
Ayrshire	48	110	840	13%
Central Scotland	27	62	621	10%
Dumfries & Galloway	58	133	1,386	10%
Dunbartonshire / Argyll & Bute	103	237	2,343	10%
Fife	49	113	704	16%
Glasgow City	7	16	200	8%
Grampian	56	129	1,153	11%
Highland & Western Isles	239	550	5,580	10%
Lanarkshire	10	23	123	19%
Lothian	57	129	1,870	7%
Orkney & Shetland	25	58	672	10%
Renfrewshire	2	5	78	6%
Scottish Borders	43	99	792	13%
Tayside	205	472	1,432	33%
Unknown	16	37	-	
Total	945	2,173	17,794	12%

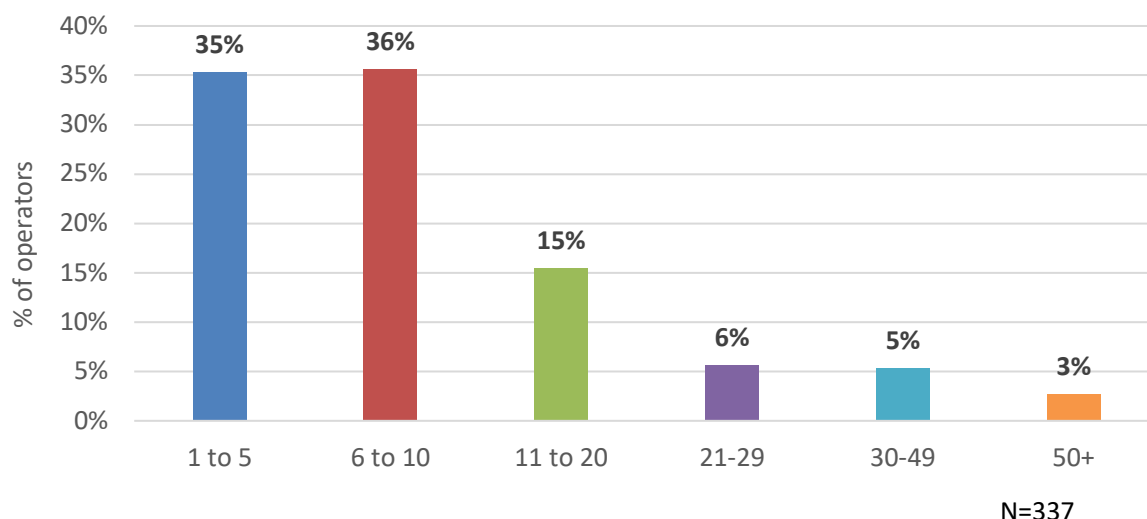
Source: Frontline Self-Catering Operator Survey, 2021

3.3 Property summary

Operators ran or owned, on average, 2.3 properties. Properties owned, ranged from one to 60 with 60% owning just one.

Over two-thirds (71%) of properties have capacity for up to ten people.

Figure 2.1: Number of Guests



⁶ We only had a response from 329 operators on number of properties owned/run and have therefore used the average (2.3) and factored this up to total operators responding

3.4 Length of season and occupancy rates

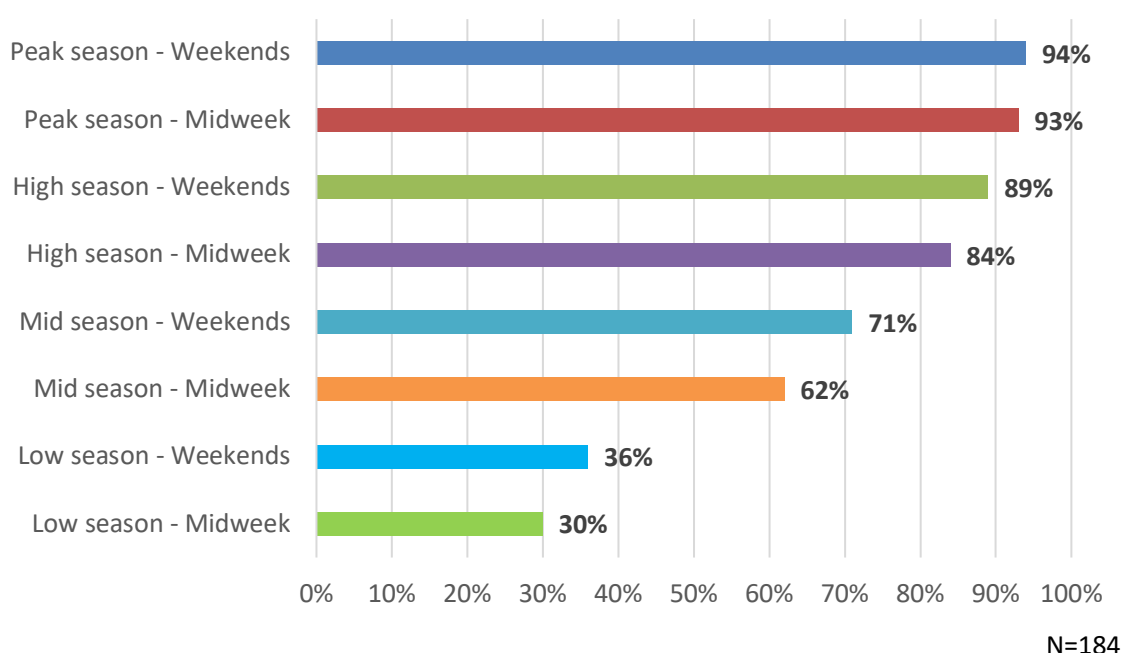
In 2019 the majority of self-catering properties (93%, 202⁷) operated all year round. In 2020 this reduced, with only 75% (142) operating all year; this was due to Covid-19 lockdown restrictions.

Surveyed operators were asked what they considered to be their peak, high, mid and low seasons during a standard operating year. Generally their responses were:

- peak = July, August, Christmas and New Year
- high = May, June and September
- mid = April and October
- low = January, February, March, November and December

Operators were also asked to report their typical occupancy rates for the following:

Figure 2.2: Average occupancy rates of self-catering properties



At peak, occupancy levels reached an average of 94% at the weekend and 93% midweek. During high season occupancy was 89% at the weekend and 84% during the week. Mid-season occupancy levels were 71% at the weekend and 62% mid-week with low season dropping to 36% at the weekend and 30% mid-week.

Operators were also asked about their average weekly occupancy level between 3 July and 30 September 2020 and the same period in 2019.

Table 2.4: Average weekly occupancy level between 3 July and 30 September (2019 and 2020)

	Under 10%		11-25%		26-50%		51-75%		76-90%		91% or above	
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
Scotland	12% (23)	1% (2)	7% (13)	1% (2)	14% (26)	3% (5)	18% (34)	9% (16)	19% (37)	25% (44)	30% (58)	61% (110)

⁷ The response rate is lower for this question as many respondents opted for us to use the data held by SuperControl.

The same was asked for the period of the 1 October and 30 November 2020 and 2019 as shown below.

Table 2.5: Average weekly occupancy level between 1 October and 30 November (2019 and 2020)

	Under 10%		11-25%		26-50%		51-75%		76-90%		91% or above	
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
Scotland	38%	3%	17%	6%	23%	22%	10%	30%	7%	23%	6%	15%
	(72)	(6)	(32)	(11)	(44)	(40)	(19)	(54)	(13)	(41)	(11)	(26)

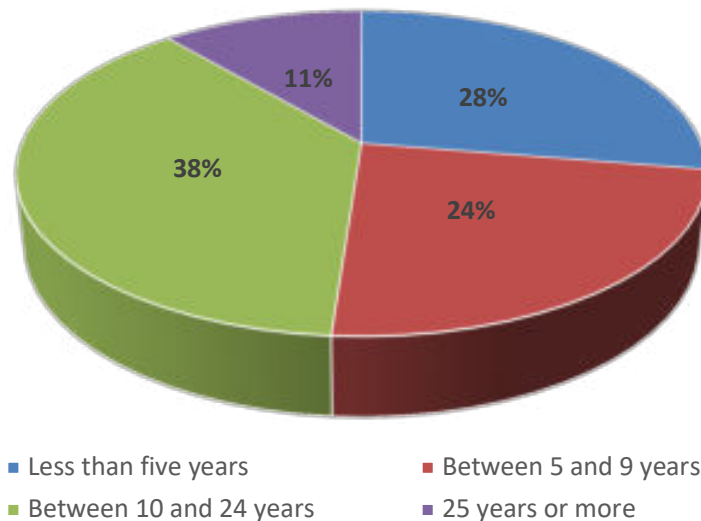
Occupancy levels provided by operators completing the survey were significantly higher than the occupancy levels derived from SuperControl data. The SuperControl data was based on 4,594 properties in Scotland and therefore this data was used to calculate the economic impact. Occupancy data from SuperControl can be seen in Appendix 1 and is more in line with general tourism occupancy figures.

92% (199) of operators had a minimal length of stay. This was, on average, 3.6 nights.

3.5 Property ownership and financial data

In just under half of cases, operators saw their self-catering properties as long-term investments, with 49% (317) of operators noting that they had owned and operated their properties for more than ten years.

Figure 2.3: Length of time survey participants have owned/operated their self-catering property



N=649

The vast majority of respondents (88%, 589) paid business rates for their properties.

Operators were asked to provide details of their turnover across 2017, 2018, 2019 and 2020. Table 2.6 shows the averages as well as total turnover across surveyed operators. This demonstrates that until 2020, average operator turnover was increasing (15% from 2017 through to 2019). **Not surprisingly the turnover drop in 2020 was significant, with a fall of 45% compared to 2019.**

Table 2.6: Operator turnover

	2017	2018	2019	2020
Number of respondents	204	224	253	256
Average turnover	£41,037	£43,379	£47,318	£26,114
Total turnover	£8,371,632	£9,716,897	£11,971,447	£6,685,061

When asked about their property portfolio, **80% (259)** said it remained the same during 2020 with a further 13% (43) saying it decreased and 7% (22) saying it increased. **During 2021, 77% (250) expect it to stay the same**, 13% (4) expect it to decrease while 10% (32) expect it to increase.

3.6 Cancellation policy

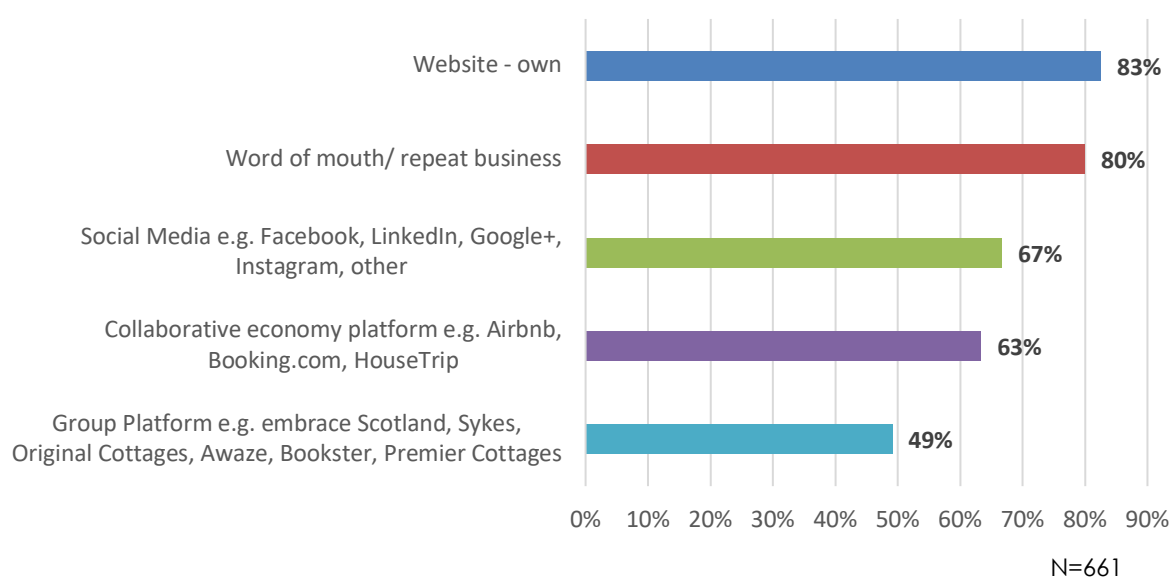
The majority (**85%, 528**) of operators stated that their cancellation policies became more flexible during Covid-19 with 12% (77) saying they stayed the same and just 3% (17) said their policy got stricter. Operators responded as follows about their cancellation policy:

- **38%** (235) had bookings **fully refundable up to a certain number of days** prior to arrival
- **25%** (155) provided a **partial refund depending on how close to arrival** they cancel
- **24%** (151) had **fully flexible bookings and would refund up to the day** of arrival
- **7%** (42) stated that **anything paid by the guest at the point of cancellation is non-refundable**
- **6%** (37) had **non-refundable bookings unless guests re-book** the dates

3.7 Property promotion

Operators were asked how they promote and market their properties. Results are shown in Figure 2.4. Operators were asked to tick all that applied. **Website (83%)** and **word of mouth (80%)** were the most popular used methods of promotion.

Figure 2.4: Routes to promote and market rental properties



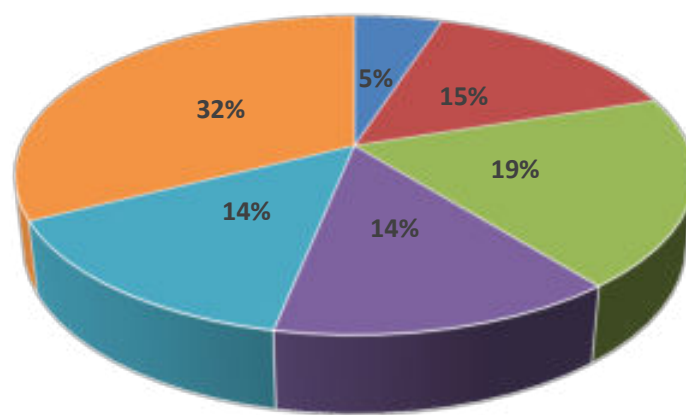
When looking at social media platforms in more detail, operators noted using the following:

- Facebook 95% (515)
- Instagram 52% (280)
- LinkedIn 13% (70)

3.8 Visitors and tourist season

Operators were asked what was the average capacity that their business was open during 2020 (this excludes periods of lockdown or when properties were in the highest tiers and could not open). Findings were as follows:

Figure 2.5: Average capacity during Covid-19



- not operating/closed our business
- 1% - 25% capacity
- 26% - 50% capacity
- 51% - 75% capacity
- 76% - 99% capacity
- 100% capacity

N=660

5% (33) were not operating at all while 32% (214) were at 100% capacity.

3.9 Accessibility, community integration and environment

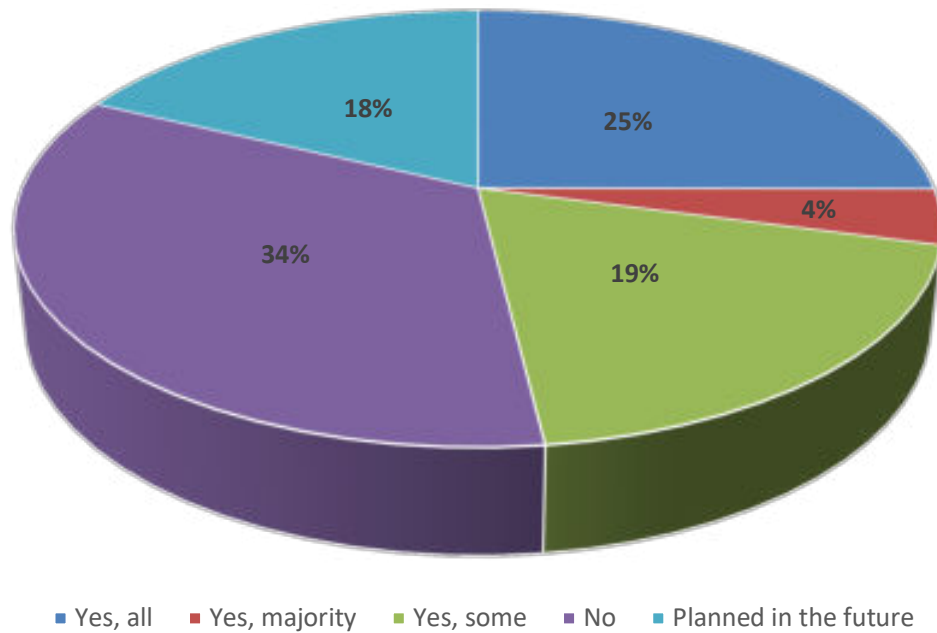
37% (202) of operators have properties that have accessibility features with a further 13% (27) planning for these in the future.

Some of the most common accessibility features included:

- no stairs or steps to enter (87%, 175)
- step-free path to entrance (79%, 169)
- wide entrance for guests (67%, 136)
- well-lit path to entrance (64%, 130)
- wide hallways (56%, 113)
- step-free shower (47%, 96)
- handheld shower head (42%, 85)

Operators were asked if their properties have green credentials. Just under half (48%, 259) said yes to some degree with a further 18% (95) planning for such credentials in the future.

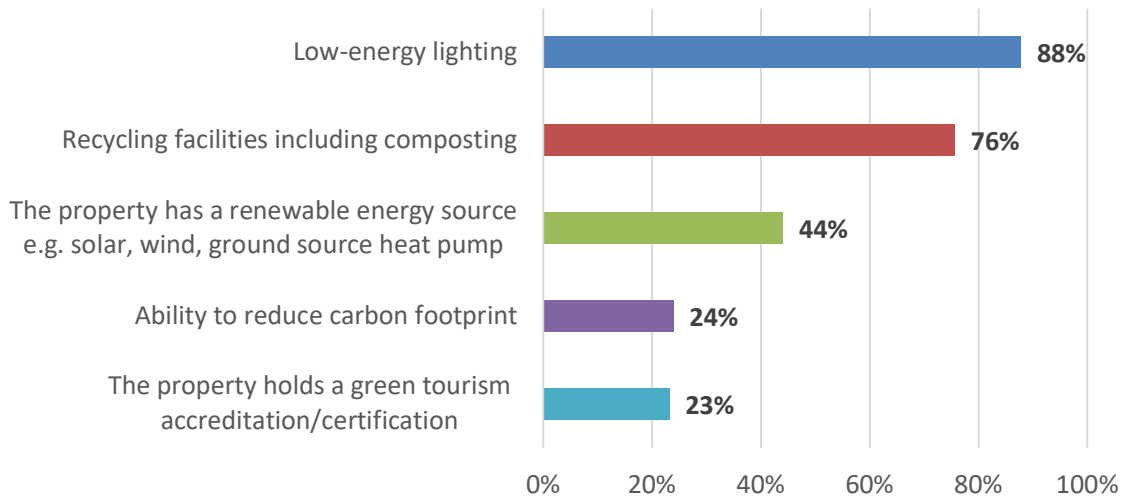
Figure 2.6: Properties with green credentials



N=537

Green credentials are highlighted in Figure 2.7. 88% of operators had low-energy lighting, 76% recycling facilities and 44% had a renewable energy source.

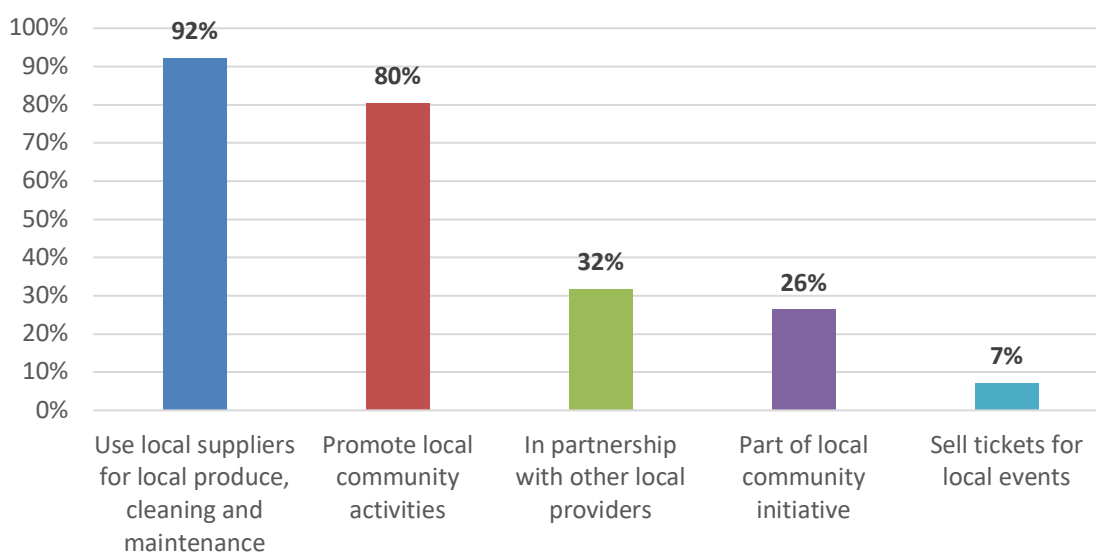
Figure 2.7: Green credentials held



N=263

Operators noted the following ways in which their business integrates with the local community.

Figure 2.8: Integration with local community



N=515

3.10 Staffing and expenditure

Surveyed operators were asked about staff numbers in part and full-time roles (Table 2.7). Results show that **during high season operators employed, on average, 1.5 staff fulltime and 3.3 part time (paid staff). During low season, fulltime staff dropped to 0.6 while part time staff reduced to 2.2.** Unpaid staff dropped from 2.1 fulltime in high season to 0.8 in low season. While part time went from 4.1 in high season to 6.7 in low season.

Table 2.7: Average number of staff in employment 2019

	High season				Low season			
	<i>Paid employment</i>		<i>Unpaid employment</i>		<i>Paid employment</i>		<i>Unpaid employment</i>	
	Total	Avg. per operator	Total	Avg. per operator	Total	Avg. per operator	Total	Avg. per operator
Full time (35 hours per week or more)	163	1.5	269	2.1	55	0.6	83	0.8
Part time (25-35 hours per week)	30	0.4	56	0.6	13	0.2	157	1.3
Part time (15-25 hours per week)	38	0.4	75	0.8	33	0.5	296	1.5
Part time (5-15 hours per week)	92	0.8	219	1.3	55	0.6	260	1.8
Part time (0-5 hours per week)	164	1.7	213	1.4	82	0.9	82	2.1

Surveyed operators were asked to provide details of their expenditure, for a range of areas in the last full financial year (2019) and then future expenditure in 2020. The total expenditure for each is presented in Tables 2.8 and 2.9. Findings show that current and or future spend is almost half of spend in 2019.

Table 2.8: Spend in 2019⁸

	2019	
	Total expenditure	Avg. per operator
Wages and salaries (including cleaning staff)	£4,218,798	£13,293
Capital expenditure on your property (including extensions and property maintenance)	£5,783,930	£18,245
Agency and OTA fees	£820,829	£2,589
Painting and decorating	£848,202	£1,527
Food and drink, welcome pack consumables	£269,142	£849
Furnishings	£538,984	£1,700
Laundry	£566,346	£1,786
Business services (e.g. accountancy, web design and booking systems)	£511,911	£1,630
Cleaning and cleaning products & equipment (excluding staff salaries)	£300,156	£953
Maintenance (gardening, window cleaning, plumber)	£399,347	£1,260
Marketing (online, printed)	£236,849	£1,031
Accessibility features	£8,440	£27
Green credentials	£45,969	£146
Other (specify what)	£409,456	£1,296
Total expenditure	£14,137,530	£46,332

N=318

Table 2.9: Current or future spend in 2020⁹

	2020		
	Total expenditure	Avg. per operator	Change since 2019
Wages and salaries (including cleaning staff)	£2,283,985	£7,228	-46%
Capital expenditure on your property (including extensions and property maintenance)	£2,364,821	£7,507	-59%
Agency and OTA fees	£428,568	£1,352	-48%
Painting and decorating	£291,647	£920	-66%
Food and drink, welcome pack consumables	£138,499	£437	-49%
Furnishings	£349,985	£1,104	-35%
Laundry	£393,150	£1,240	-31%
Business services (e.g. accountancy, web design and booking systems)	£399,904	£1,261	-22%
Cleaning and cleaning products & equipment (excluding staff salaries)	£218,298	£691	-27%
Maintenance (gardening, window cleaning, plumber)	£422,535	£1,333	+6%
Marketing (online, printed)	£243,537	£768	+3%
Accessibility features	£2,790	£8	-67%
Green credentials	£13,294	£42	-71%
Other (specify what)	£30,800	£109	-92%
Total expenditure	£7,581,813	£24,000	-49%

N=318

⁸ Reporting where the majority of the financial year was in 2019.

⁹ Reporting where the majority of the financial year was in 2020.

Per property, expenditure was £20,144 in 2019 reducing to £10,435 in 2020. This is based on operators owning, on average, 2.3 properties.

Grossing that spend up to the total population (17,794 self-catering properties across Scotland), operators spent a total of £358.4m in 2019 reducing to £185.7m in 2020. Table 2.10 shows grossed total expenditure.

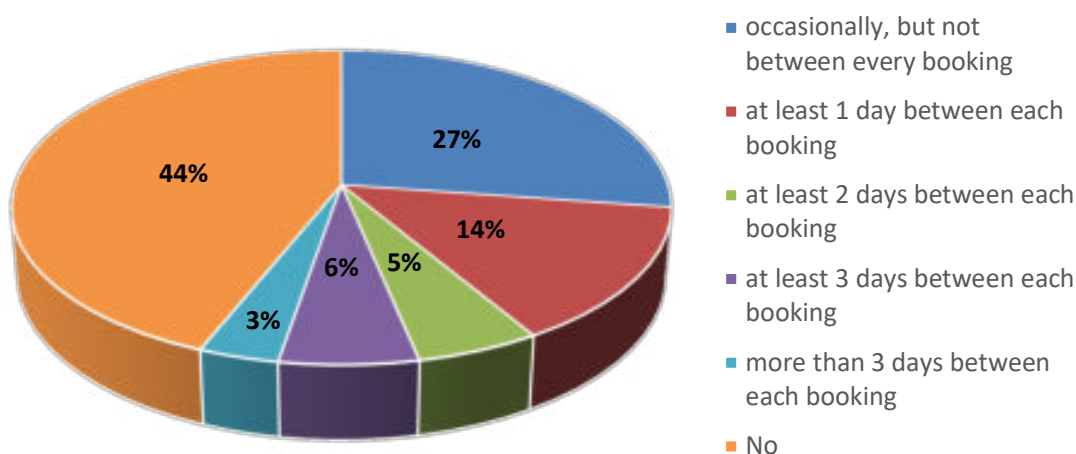
Table 2.10: Grossed current or future spend on each of the following

2019				2020			
Total expenditure	Avg. per operator	Avg. per property	Grossed to total population	Total expenditure	Avg. per operator	Avg. per property	Grossed to total population
£14,679,442	£46,332	£20,144	£358.4	£7,581,813	£24,000	£10,435	£185.7m

12% (49) of operators stated that they had taken on additional staff (full time or part-time) to assist with the government endorsed cleaning protocols and reopening guidelines. **On average operators employed an additional 1.5 cleaning staff.**

Furthermore, 87% (322) noted that **cleaning costs increased as a result of Covid-19**. Over half (56%) said that they were blocking days between bookings for additional cleaning as shown in Figure 2.9. Over one quarter (27%) said they occasionally blocked for cleaning, but not between every booking while 28% had between 1-3 days blocked for cleaning between each booking. 44% did not block for cleaning.

Figure 2.9: Additional cleaning days



N=319

Thinking about now and in the future, operators were asked how much they have or will have invested in their properties last year, this year and next year. Table 2.11 summarises the investment.

Table 2.11: Operator investment

	Last financial year (2019/20)	This financial year (2020/21)	Next financial year (2021/22)
Less than £10k	61% (212)	81% (261)	85% (247)
£11k to £25k	25% (87)	16% (52)	12% (36)
£26k up to £50k	8% (28)	2% (8)	2% (5)
Over £51k	6% (22)	3% (11)	1.5% (4)

4 Visitors Survey

An online visitor survey was open from March - May 2021. The survey was disseminated widely by sponsors and stakeholders. **718 visitors completed the survey.** Table 3.1 shows the spread of visitors across the Scottish regions. Visitors were asked to tell us about a visit in 2020 i.e., during Covid-19 (**Visit 1**) and during 2019 (**Visit 2**).

Table 3.1: Location of holiday self-catering properties visited

Location	Visitors	
	Visit during 1 (2020)	Visit during 2 (2019)
Ayrshire	62	79
Central Scotland	33	26
Dumfries & Galloway	48	40
Dunbartonshire / Argyll & Bute	68	72
Fife	26	32
Glasgow City	3	10
Grampian	32	25
Highland & Western Isles	256	223
Lanarkshire	-	2
Lothian	38	48
Orkney & Shetland	12	10
Renfrewshire	1	1
Scottish Borders	26	25
Tayside	113	88
Total consulted	718	681

Source: Frontline Self-Catering Visitor Survey, 2021

4.1 Visitor origin and number of trips

The majority of survey participants lived in Scotland (60%) with 37% from England. 1% were from Wales and 0.1% from Northern Ireland. 2% came from outside the UK.

Table 3.2: Visitor home country

Location	Visitors
Scotland	60% (433)
England	37% (266)
Wales	1% (5)
Northern Ireland	0.1% (1)
Outside the UK ¹⁰	2% (13)

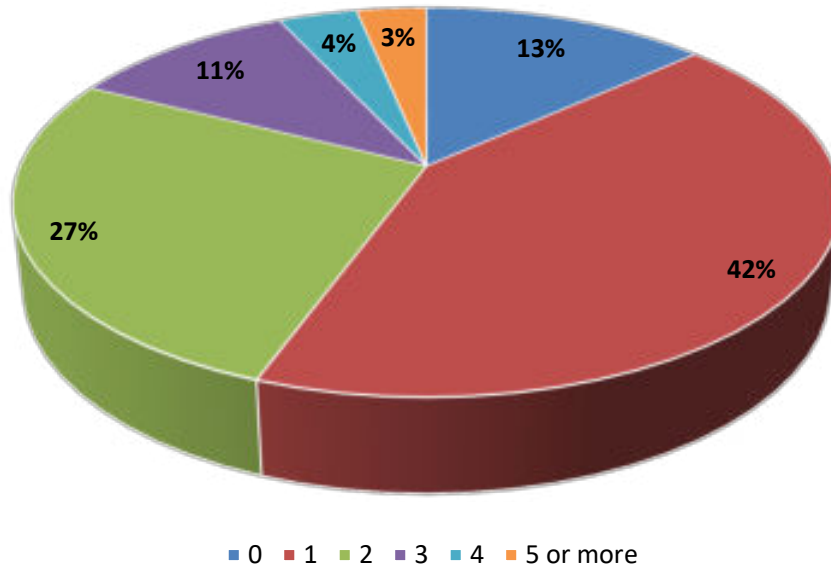
Source: Frontline Self-Catering Visitor Survey, 2021

N=718

¹⁰ This is an underrepresentation of actual overseas numbers and is a result of difficulty in engaging this group to participate in the study.
AS1006-00 Scotland

13% of respondents had not stayed in a self-catering property in the UK during the last 12 months (up until November 2020) with a further 42% staying only once. 27% stayed twice.

Figure 3.1: Number of visits to self-catering properties in the past 12 months (up to and including November 2020)

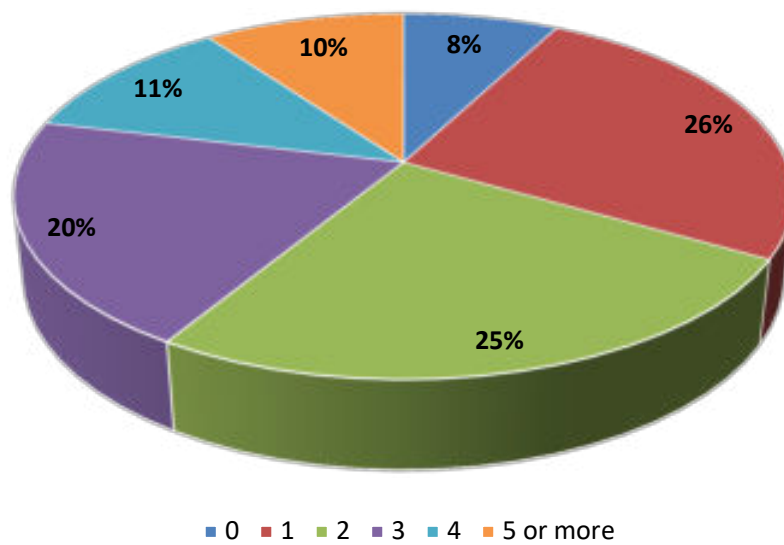


Source: Frontline Self-Catering Visitor Survey, 2021

N=705

Looking at the year before (up to November 2019), just over half of respondents (51%) had stayed in a self-catering property once or twice. A further 41% stayed three or more times with just 8% saying they did not stay in a self-catering property during this time.

Figure 3.2: Number of visits to self-catering properties in the past 12 months (up to and including November 2019)



Source: Frontline Self-Catering Visitor Survey, 2021

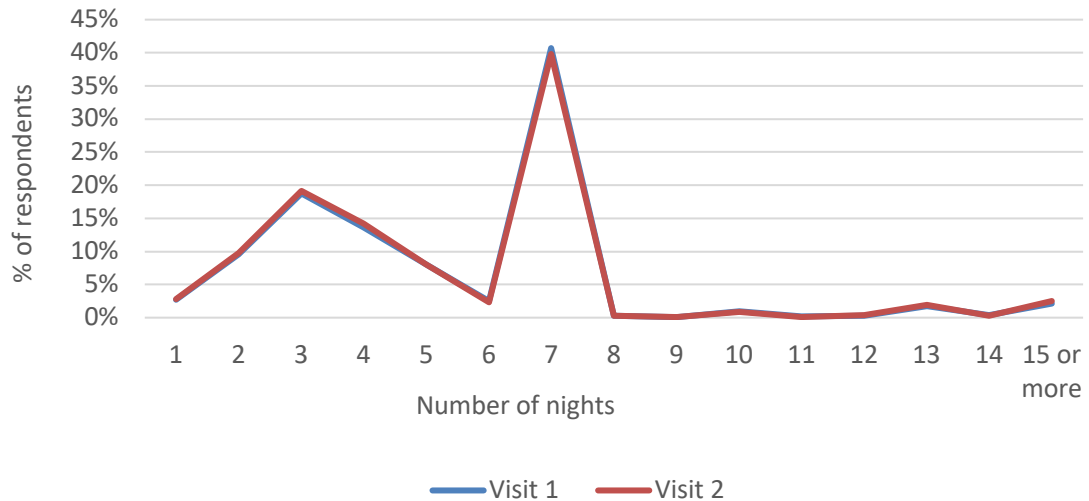
N=714

Covid-19 was the main reason for the decrease in stays during 2020.

4.2 Visitor characteristics

This section looks at findings from visitors for up to two visits to a self-catering property. Visit 1 is the most recent visit i.e., 2020 and visit 2 is pre-Covid-19 i.e. 2019. On average visitors spent 6.2 nights during visit 1 and 6.3 nights in visit 2. The distribution of responses is shown in Figure 3.3 and demonstrates a very consistent trend between visit 1 and 2.

Figure 3.3: Number of nights stayed per visit



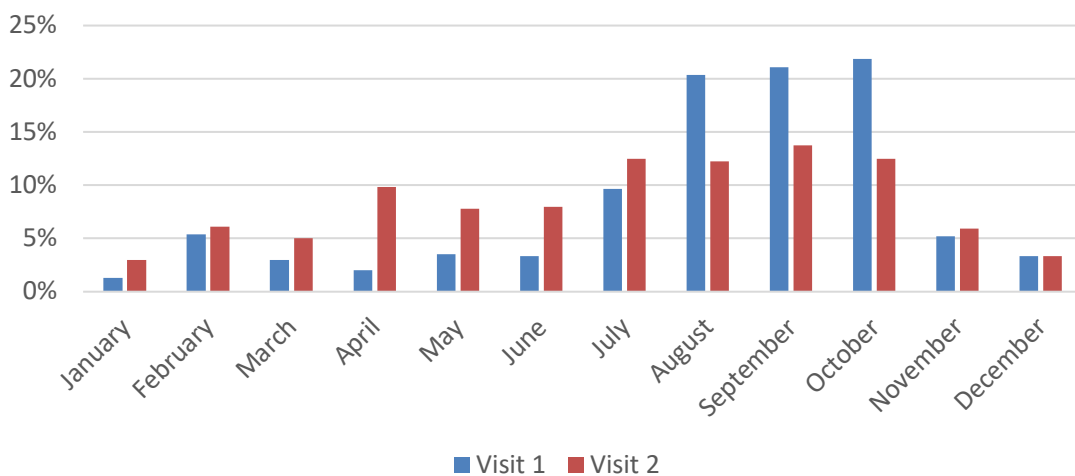
Source: Frontline Self-Catering Visitor Survey, 2021

N=567

Figure 3.4 shows the month in which the visits began. For visit 1 (2020) August, September and October were the most popular with significantly fewer visiting in March – June (compared with visit 2 (2019)). This was due to the lockdown measures imposed in March last year followed by the easing over the summer.

Looking at visit 2 (2019) there is a more even distribution across the months with a slight peak over July to October.

Figure 3.4: Month during which visit began



Source: Frontline Self-Catering Visitor Survey, 2021

N= 540

Tables 3.3 and 3.4 shows the number of adults, children and pets in each party for visit 1 (2020) and visit 2 (2019).

During visit 1 (2020), the average adult group size was 2.7 and 29% of groups included children. Where parties were travelling with children, the average number of children in each group was 2. 37% of groups brought a pet.

Table 3.3: Number of adults, children and pets in each group during visit 1 (2020)

	Number of adults	Number of children	Number of pets
1	3%	28%	67%
2	65%	50%	26%
3	11%	15%	7%
4	12%	5%	
5	3%	1%	
6	3%	0%	
7	1%	0%	
8	1%	0%	
9	0%	0%	
10+	1%	0%	
Average	2.7	2	1.3

Source: Frontline Self-Catering Visitor Survey, 2021

When looking at visit 2 (2019), the average adult group size was 3.1, and 26% of all groups included children. Where parties were travelling with children, the average number of children in each group was 2.3. 34% of groups brought a pet and no groups brought more than 3 pets.

Table 3.4: Number of adults, children and pets in each group during visit 2 (2019)

	Number of adults	Number of children	Number of pets
1	1%	27%	59%
2	49%	41%	31%
3	12%	14%	10%
4	19%	8%	
5	6%	6%	
6	6%	2%	
7	2%	0%	
8	2%	1%	
9	1%	0%	
10+	3%	0%	
Average	3.1	2.3	1.3

Source: Frontline Self-Catering Visitor Survey, 2021

4.3 Visitor expenditure

Visitors who stayed in self-catering property (**during visit 2, 2019**), spent, on average, **£2,264** during their visit. This reduced to **£2,107 for visit 1 (2020)**.

Table 3.5: Average visitor spend per party

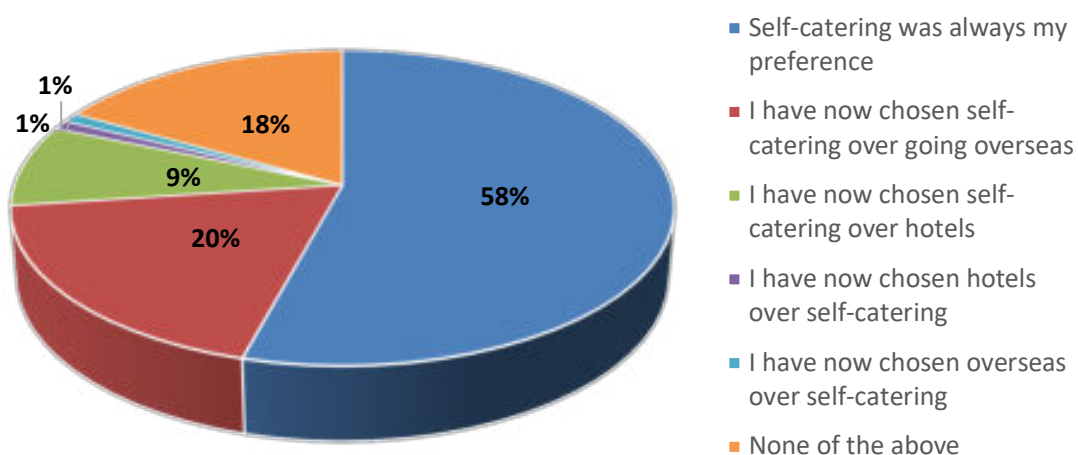
Area of expenditure	Average spend per party		
	Visit 1 (2020)	Visit 2 (2019)	Change since 2019
Transport to and from the property	£173	£208	-17%
Travel during stay	£96	£84	14%
Accommodation fees	£1,024	£1,082	-5%
Food and drink (in supermarkets)	£194	£180	8%
Food and drink (in local shops and farmers markets)	£103	£108	-5%
Food and drink (in bars, cafes, pubs and restaurants)	£295	£335	-12%
Other shopping (e.g. gifts, clothes, souvenirs)	£111	£114	-3%
Outdoor recreation (e.g. sailing, surfing, cycling, horse riding)	£46	£58	-21%
Visitor attractions (e.g. heritage sites, theme parks, gardens)	£39	£55	-28%
Outdoor sports (shooting, fishing)	£27	£40	-33%
Total	£2,107	£2,264	-7%

Source: Frontline Self-Catering Visitor Survey, 2021

4.4 Impacts of Covid-19

Respondents were asked, as a result of Covid-19, which statement best applies:

Figure 3.7: As a result of Covid-19

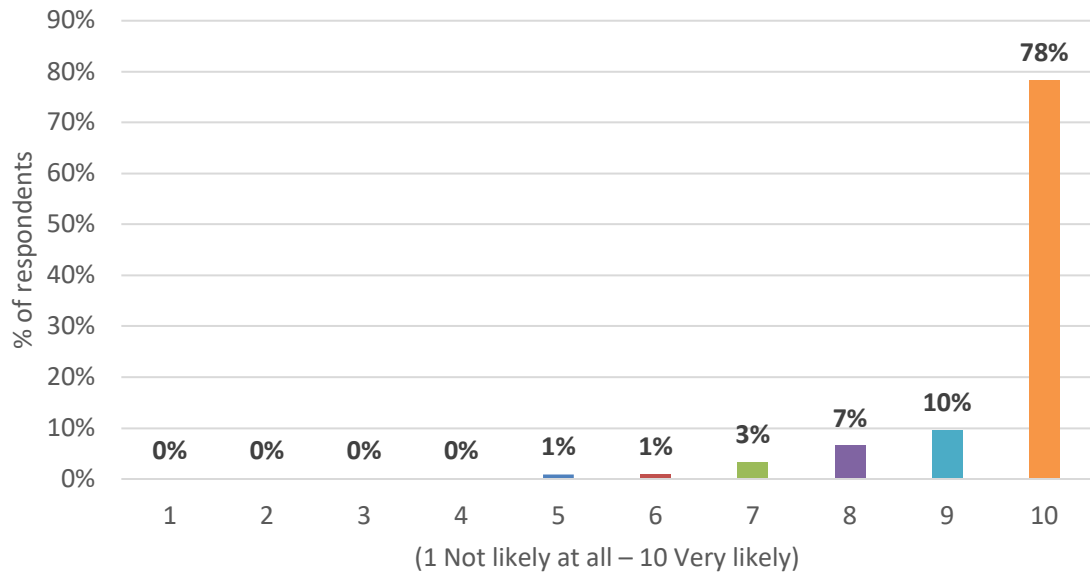


N=717

58% said self-catering in the UK was always my preference followed by 18% now choosing self-catering over going overseas.

On a scale of 1 (not likely at all) to 10 (very likely), visitors were asked to what extent they were likely to continue using self-catering in the future. **95% rated their likeliness to stay in self-catering in the future as 7 or more out of 10, with 78% rating 10.**

Figure 3.8: Extent to which visitors were likely to use self-catering in the future

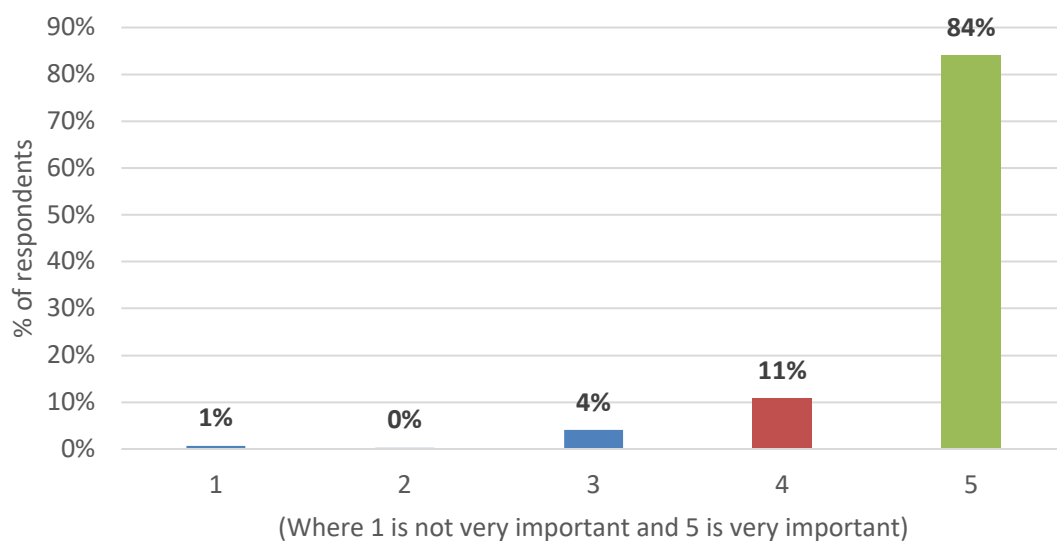


N= 717

Over two-thirds (74%, 406) of respondents said that they have had to cancel plans to holiday with people from outside of their household due to Covid-19.

On a scale of 1 (not very important) to 5 (very important), visitors were asked, as a direct result of Covid-19, how important the cleaning standards are in their choice of self-catering accommodation. **Almost all (99%) rated this 3 or more, with 84% saying very important.**

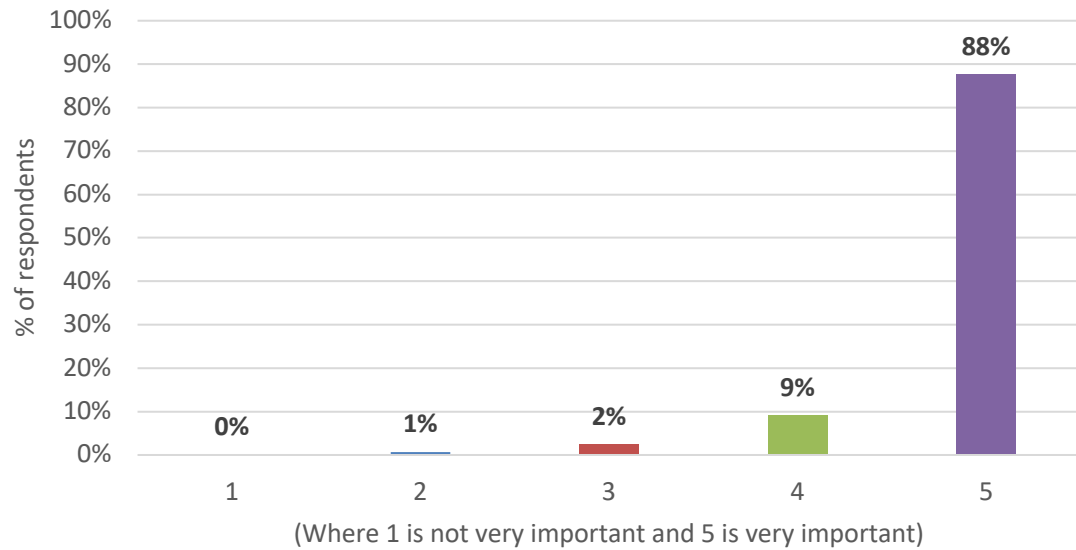
Figure 3.9: Importance of cleaning standards in choice of self-catering accommodation



N=718

Using the same rating scale of 1 (not very important) to 5 (very important), visitors were then asked, how important is having flexible cancellation terms due to Covid-19. **Almost all rated this 3 or above (99%) and 88% said very important.**

Figure 3.10: How important is having flexible cancellation terms due to Covid-19



N=717

Key features of flexible cancellation terms included:

- a full refund (73%, 518)
- ability to rebook with the same terms and conditions (69%, 497)
- refundable deposit (48%, 342)

5 Findings from Economic Impact Assessment

This section highlights the economic impacts that have occurred as a result of visitors use of self-catering properties in the UK in 2019 and 2020. This assessment was conducted in accordance with HM Treasury *Green Book* appraisal and evaluation guidance.

As part of this analysis, we measured the economic value of the sector, using the following five key indicators:

1. **Number of properties:** the number of self-catering properties that are available in Scotland, using data supplied to us by the ASSC.
2. **Visitor nights per year:** the total number of overnight stays that took place in self-catering properties in Scotland over the course of 2019 and 2020, based on a review of transaction records provided to us by SuperControl (see Appendix 1 for occupancy breakdown).
3. **Total visitor spend:** the total combined value of all expenditure made by visitors to the country during the course of 2019 and 2020, including the money that they spent on accommodation fees, travel to and from the properties, travel during their stay, food and drink (in shops, supermarkets pubs and bars), other shopping, outdoor recreation and trips to visitor attractions, based on evidence of visitor spending patterns acquired through our survey of visitors to Scottish self-catering properties.
4. **Total full time equivalent (FTE) jobs supported:** the total number of full-time equivalent jobs that the self-catering sector support in the local economy, through money spent in Scotland by visitors to self-catering properties. A full-time equivalent job can be defined as the number of full time (35 hour per week) permanent (52 week per year) jobs that this expenditure supports¹¹.
5. **Total economic contribution:** the total amount of Gross Value Added (GVA) in each area that can be attributed to expenditure by visitors to self-catering properties. The term GVA can be defined as the total amount of extra value that visitor expenditure contributes to the economy. This is broadly equivalent to either wages plus profit (i.e. the proportion of value added that goes to the company's employees and the proportion that goes to the company's owners) or to turnover minus cost of sale. For example, if a company were to buy enough coffee beans to make 100 cups of coffee for £40, and sell each cup for £1 each, the turnover impact of these transactions would be £100, the cost of sale would be £40, and the value added would be £60.

In the case of FTE jobs supported, and total economic contribution, the analysis includes indirect and induced expenditure that has occurred as a result of the multiplier effect, such as money spent by the employees of self-catering businesses, and by the business itself in the local economy.

Detailed results tables are provided in Appendix 2, a glossary of technical terms in Appendix 3, and a description of the economic impact calculation methodology in Appendix 4.

This section presents a summary of the visitor expenditure, GVA and full-time equivalent (FTE) employment impacts of the self-catering sector in Scotland, broken down by region.

¹¹ As some people work part time or seasonally, and as some workers spend part of their time providing services to tourist visitors and some of their time providing services to local residents, the total number of workers who jobs are at least partially dependent on self-catering visitors will be higher than this figure.

5.1 Impact by Scottish region

It is estimated that in **2019** visitors to Scottish self-catering properties spent a **total of £867.1m in the economy**. This visitor expenditure **supports 23,979 FTE jobs and contributed £489.3m of GVA to the Scottish economy**. This resulted in a **total economic contribution of £672.3m**.

In **2020** visitors spent a **total of £614.8m in the economy**. This visitor expenditure **supports 17,002 FTE jobs and contributed £346.9m of GVA to the Scottish economy**. This resulted in a **total economic contribution of £476.7m**. This was a **29% reduction to the previous year**. Tables 5.1 and 5.2 summarise the impact at a regional level in 2019 and 2020. The section that follows provides an infographic summary of impact findings for Scotland for 2019 as this was a more 'typical year'.

Table 5.1: Economic impacts by Scottish region 2019

	Total visitor nights	Total visitor spend (£m)	Total GVA impact (£m)	Total FTE employment	Total economic contribution (£m)
Ayrshire	114,084	41.0	23.1	1,134	31.8
Central Scotland	84,340	30.3	17.1	838	23.5
Dumfries & Galloway	188,238	67.7	38.2	1,871	52.5
Dunbartonshire / Argyll & Bute	318,212	114.4	64.5	3,163	88.7
Fife	91,325	32.8	18.5	908	25.5
Glasgow City	27,163	9.8	5.5	270	7.6
Grampian	156,593	56.3	31.8	1,557	43.6
Highland & Western Isles	757,841	272.4	153.7	7,533	211.2
Lanarkshire	16,705	6.0	3.4	166	4.7
Lothian	253,972	91.3	51.5	2,524	70.8
Orkney & Shetland	91,267	32.8	18.5	907	25.4
Renfrewshire	10,593	3.8	2.1	105	3.0
Scottish Borders	107,564	38.7	21.8	1,069	30.0
Tayside	194,485	69.9	39.4	1,933	54.2
Scotland total	2,412,382	867.1	489.3	23,979	672.3

Source: Frontline, 2021

Table 5.2: Economic impacts by Scottish region 2020

	Total visitor nights	Total visitor spend (£m)	Total GVA impact (£m)	Total FTE employment	Total economic contribution (£m)
Ayrshire	85,703	29.1	16.4	804	22.5
Central Scotland	63,359	21.5	12.1	594	16.7
Dumfries & Galloway	141,410	48.0	27.1	1,327	37.2
Dunbartonshire / Argyll & Bute	239,050	81.1	45.8	2,243	62.9
Fife	68,606	23.3	13.1	644	18.0
Glasgow City	20,405	6.9	3.9	191	5.4
Grampian	117,637	39.9	22.5	1,104	30.9
Highland & Western Isles	569,311	193.1	109.0	5,341	149.8
Lanarkshire	12,549	4.3	2.4	118	3.3
Lothian	190,791	64.7	36.5	1,790	50.2
Orkney & Shetland	68,562	23.3	13.1	643	18.0
Renfrewshire	7,958	2.7	1.5	75	2.1
Scottish Borders	80,805	27.4	15.5	758	21.3
Tayside	146,103	49.6	28.0	1,371	38.4
Scotland total	1,812,250	614.8	346.9	17,002	476.7

Source: Frontline, 2021

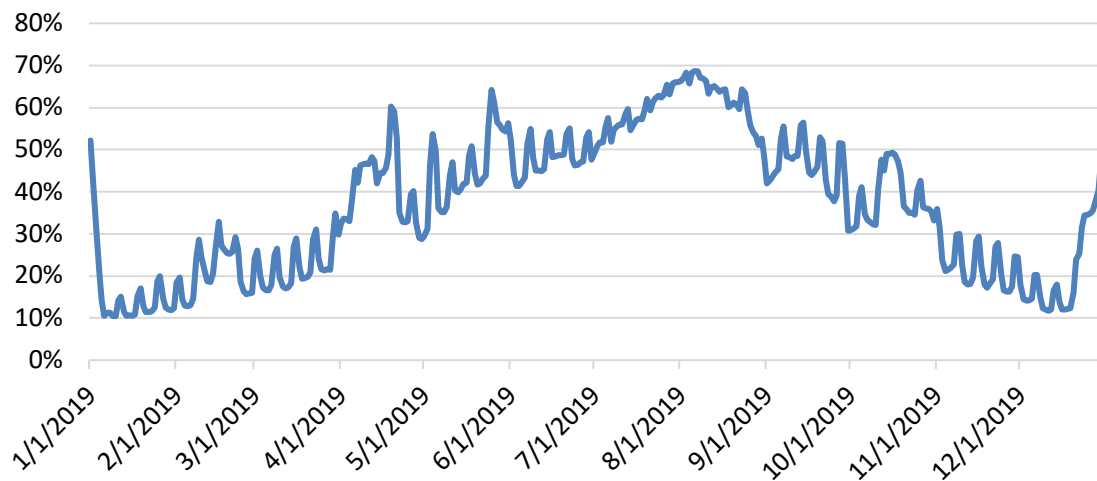
Appendix 1 – SuperControl Occupancy Data

Occupancy figures are likely to underestimate the true occupancy rate as:

- there were some days in 2020 when each property was not available for occupancy due to Covid-19 restrictions (though some of the unfulfilled bookings for these nights will still be in the database)
- some properties may have been available for booking through a range of different platforms, and therefore there may be some bookings that are not captured in this database
- some owners may have only made their properties available for booking some of the time, and either occupied them themselves, rented them on a tenancy basis, or closed them for maintenance or for the off-season at other times of the year

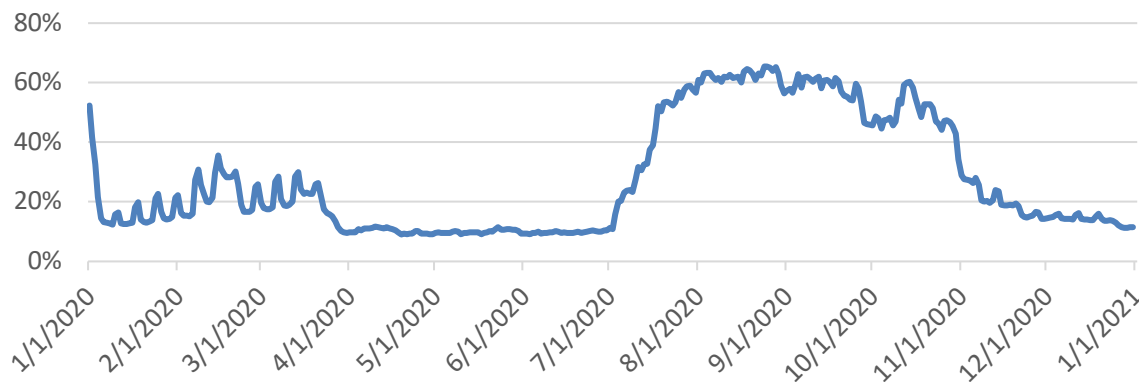
Scotland

Occupancy rates, 1st January 2019 to 31st December 2019



N= 4,594 properties

Occupancy rates, 1st January 2020 to 31st December 2020



N= 4,867 properties

Appendix 2 – Detailed Impact Findings

Total Visitor Nights

2019

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	17,703	57,042	17,703	11,802	9,835	114,084
Central Scotland	12,049	28,917	21,688	12,049	9,639	84,340
Dumfries & Galloway	24,010	63,386	63,386	17,287	20,168	188,238
Dunbartonshire / Argyll & Bute	45,459	101,020	85,867	40,408	45,459	318,212
Fife	7,718	32,157	30,013	10,719	10,719	91,325
Glasgow City	5,891	9,163	5,891	3,600	2,618	27,163
Grampian	26,413	60,373	43,393	15,093	11,320	156,593
Highland & Western Isles	126,564	294,802	208,368	69,456	58,652	757,841
Lanarkshire	1,856	10,209	1,856	1,856	928	16,705
Lothian	49,907	97,596	70,979	12,200	23,290	253,972
Orkney & Shetland	6,519	52,152	26,076	0	6,519	91,267
Renfrewshire	3,178	3,178	2,119	0	2,119	10,593
Scottish Borders	14,703	41,014	24,763	13,929	13,155	107,564
Tayside	38,897	38,897	38,897	38,897	38,897	194,485
Scotland total	380,866	889,905	640,998	247,295	253,318	2,412,382

2020

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	13,299	42,851	13,299	8,866	7,388	85,703
Central Scotland	9,051	21,723	16,292	9,051	7,241	63,359
Dumfries & Galloway	18,037	47,618	47,618	12,987	15,151	141,410
Dunbartonshire / Argyll & Bute	34,150	75,889	64,505	30,355	34,150	239,050
Fife	5,798	24,157	22,547	8,052	8,052	68,606
Glasgow City	4,425	6,884	4,425	2,704	1,967	20,405
Grampian	19,842	45,354	32,598	11,339	8,504	117,637
Highland & Western Isles	95,078	221,463	156,532	52,177	44,061	569,311
Lanarkshire	1,394	7,669	1,394	1,394	697	12,549
Lothian	37,492	73,317	53,321	9,165	17,496	190,791
Orkney & Shetland	4,897	39,178	19,589	0	4,897	68,562
Renfrewshire	2,387	2,387	1,592	0	1,592	7,958
Scottish Borders	11,045	30,811	18,603	10,464	9,883	80,805
Tayside	29,221	29,221	29,221	29,221	29,221	146,103
Scotland total	286,117	668,522	481,536	185,775	190,299	1,812,250

Total Visitor Spend (£m)

2019

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	6.4	20.5	6.4	4.2	3.5	41.0
Central Scotland	4.3	10.4	7.8	4.3	3.5	30.3
Dumfries & Galloway	8.6	22.8	22.8	6.2	7.2	67.7
Dunbartonshire/Argyll & Bute	16.3	36.3	30.9	14.5	16.3	114.4
Fife	2.8	11.6	10.8	3.9	3.9	32.8
Glasgow City	2.1	3.3	2.1	1.3	0.9	9.8
Grampian	9.5	21.7	15.6	5.4	4.1	56.3
Highland & Western Isles	45.5	106.0	74.9	25.0	21.1	272.4
Lanarkshire	0.7	3.7	0.7	0.7	0.3	6.0
Lothian	17.9	35.1	25.5	4.4	8.4	91.3
Orkney & Shetland	2.3	18.7	9.4	0.0	2.3	32.8
Renfrewshire	1.1	1.1	0.8	0.0	0.8	3.8
Scottish Borders	5.3	14.7	8.9	5.0	4.7	38.7
Tayside	14.0	14.0	14.0	14.0	14.0	69.9
Scotland total	136.9	319.9	230.4	88.9	91.1	867.1

2020

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	4.5	14.5	4.5	3.0	2.5	29.1
Central Scotland	3.1	7.4	5.5	3.1	2.5	21.5
Dumfries & Galloway	6.1	16.2	16.2	4.4	5.1	48.0
Dunbartonshire/Argyll & Bute	11.6	25.7	21.9	10.3	11.6	81.1
Fife	2.0	8.2	7.6	2.7	2.7	23.3
Glasgow City	1.5	2.3	1.5	0.9	0.7	6.9
Grampian	6.7	15.4	11.1	3.8	2.9	39.9
Highland & Western Isles	32.3	75.1	53.1	17.7	14.9	193.1
Lanarkshire	0.5	2.6	0.5	0.5	0.2	4.3
Lothian	12.7	24.9	18.1	3.1	5.9	64.7
Orkney & Shetland	1.7	13.3	6.6	0.0	1.7	23.3
Renfrewshire	0.8	0.8	0.5	0.0	0.5	2.7
Scottish Borders	3.7	10.5	6.3	3.6	3.4	27.4
Tayside	9.9	9.9	9.9	9.9	9.9	49.6
Scotland total	97.1	226.8	163.4	63.0	64.6	614.8

Direct GVA (£m)

2019

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	3.6	11.6	3.6	2.4	2.0	23.1
Central Scotland	2.4	5.9	4.4	2.4	2.0	17.1
Dumfries & Galloway	4.9	12.9	12.9	3.5	4.1	38.2
Dunbartonshire / Argyll & Bute	9.2	20.5	17.4	8.2	9.2	64.5
Fife	1.6	6.5	6.1	2.2	2.2	18.5
Glasgow City	1.2	1.9	1.2	0.7	0.5	5.5
Grampian	5.4	12.2	8.8	3.1	2.3	31.8
Highland & Western Isles	25.7	59.8	42.3	14.1	11.9	153.7
Lanarkshire	0.4	2.1	0.4	0.4	0.2	3.4
Lothian	10.1	19.8	14.4	2.5	4.7	51.5
Orkney & Shetland	1.3	10.6	5.3	0.0	1.3	18.5
Renfrewshire	0.6	0.6	0.4	0.0	0.4	2.1
Scottish Borders	3.0	8.3	5.0	2.8	2.7	21.8
Tayside	7.9	7.9	7.9	7.9	7.9	39.4
Scotland total	77.3	180.5	130.0	50.2	51.4	489.3

2020

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	2.5	8.2	2.5	1.7	1.4	16.4
Central Scotland	1.7	4.2	3.1	1.7	1.4	12.1
Dumfries & Galloway	3.5	9.1	9.1	2.5	2.9	27.1
Dunbartonshire/Argyll & Bute	6.5	14.5	12.3	5.8	6.5	45.8
Fife	1.1	4.6	4.3	1.5	1.5	13.1
Glasgow City	0.8	1.3	0.8	0.5	0.4	3.9
Grampian	3.8	8.7	6.2	2.2	1.6	22.5
Highland & Western Isles	18.2	42.4	30.0	10.0	8.4	109.0
Lanarkshire	0.3	1.5	0.3	0.3	0.1	2.4
Lothian	7.2	14.0	10.2	1.8	3.3	36.5
Orkney & Shetland	0.9	7.5	3.8	0.0	0.9	13.1
Renfrewshire	0.5	0.5	0.3	0.0	0.3	1.5
Scottish Borders	2.1	5.9	3.6	2.0	1.9	15.5
Tayside	5.6	5.6	5.6	5.6	5.6	28.0
Scotland total	54.8	128.0	92.2	35.6	36.4	346.9

Direct Multiplier

2019

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	1.3	4.3	1.3	0.9	0.7	8.7
Central Scotland	0.9	2.2	1.6	0.9	0.7	6.4
Dumfries & Galloway	1.8	4.8	4.8	1.3	1.5	14.3
Dunbartonshire / Argyll & Bute	3.4	7.7	6.5	3.1	3.4	24.1
Fife	0.6	2.4	2.3	0.8	0.8	6.9
Glasgow City	0.4	0.7	0.4	0.3	0.2	2.1
Grampian	2.0	4.6	3.3	1.1	0.9	11.9
Highland & Western Isles	9.6	22.4	15.8	5.3	4.4	57.5
Lanarkshire	0.1	0.8	0.1	0.1	0.1	1.3
Lothian	3.8	7.4	5.4	0.9	1.8	19.3
Orkney & Shetland	0.5	4.0	2.0	0.0	0.5	6.9
Renfrewshire	0.2	0.2	0.2	0.0	0.2	0.8
Scottish Borders	1.1	3.1	1.9	1.1	1.0	8.2
Tayside	3.0	3.0	3.0	3.0	3.0	14.8
Scotland total	28.9	67.5	48.6	18.8	19.2	183.0

2020

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	1.0	3.1	1.0	0.6	0.5	6.1
Central Scotland	0.6	1.6	1.2	0.6	0.5	4.5
Dumfries & Galloway	1.3	3.4	3.4	0.9	1.1	10.1
Dunbartonshire/Argyll & Bute	2.4	5.4	4.6	2.2	2.4	17.1
Fife	0.4	1.7	1.6	0.6	0.6	4.9
Glasgow City	0.3	0.5	0.3	0.2	0.1	1.5
Grampian	1.4	3.2	2.3	0.8	0.6	8.4
Highland & Western Isles	6.8	15.9	11.2	3.7	3.2	40.8
Lanarkshire	0.1	0.5	0.1	0.1	0.0	0.9
Lothian	2.7	5.2	3.8	0.7	1.3	13.7
Orkney & Shetland	0.4	2.8	1.4	0.0	0.4	4.9
Renfrewshire	0.2	0.2	0.1	0.0	0.1	0.6
Scottish Borders	0.8	2.2	1.3	0.7	0.7	5.8
Tayside	2.1	2.1	2.1	2.1	2.1	10.5
Scotland total	20.5	47.9	34.5	13.3	13.6	129.8

Total Economic Contribution – Direct, indirect and Induced GVA (£m)

2019

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	4.9	15.9	4.9	3.3	2.7	31.8
Central Scotland	3.4	8.1	6.0	3.4	2.7	23.5
Dumfries & Galloway	6.7	17.7	17.7	4.8	5.6	52.5
Dunbartonshire/Argyll & Bute	12.7	28.2	23.9	11.3	12.7	88.7
Fife	2.2	9.0	8.4	3.0	3.0	25.5
Glasgow City	1.6	2.6	1.6	1.0	0.7	7.6
Grampian	7.4	16.8	12.1	4.2	3.2	43.6
Highland & Western Isles	35.3	82.2	58.1	19.4	16.3	211.2
Lanarkshire	0.5	2.8	0.5	0.5	0.3	4.7
Lothian	13.9	27.2	19.8	3.4	6.5	70.8
Orkney & Shetland	1.8	14.5	7.3	0.0	1.8	25.4
Renfrewshire	0.9	0.9	0.6	0.0	0.6	3.0
Scottish Borders	4.1	11.4	6.9	3.9	3.7	30.0
Tayside	10.8	10.8	10.8	10.8	10.8	54.2
Scotland total	106.1	248.0	178.6	68.9	70.6	672.3

2020

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	3.5	11.3	3.5	2.3	1.9	22.5
Central Scotland	2.4	5.7	4.3	2.4	1.9	16.7
Dumfries & Galloway	4.7	12.5	12.5	3.4	4.0	37.2
Dunbartonshire / Argyll & Bute	9.0	20.0	17.0	8.0	9.0	62.9
Fife	1.5	6.4	5.9	2.1	2.1	18.0
Glasgow City	1.2	1.8	1.2	0.7	0.5	5.4
Grampian	5.2	11.9	8.6	3.0	2.2	30.9
Highland & Western Isles	25.0	58.3	41.2	13.7	11.6	149.8
Lanarkshire	0.4	2.0	0.4	0.4	0.2	3.3
Lothian	9.9	19.3	14.0	2.4	4.6	50.2
Orkney & Shetland	1.3	10.3	5.2	0.0	1.3	18.0
Renfrewshire	0.6	0.6	0.4	0.0	0.4	2.1
Scottish Borders	2.9	8.1	4.9	2.8	2.6	21.3
Tayside	7.7	7.7	7.7	7.7	7.7	38.4
Scotland total	75.3	175.8	126.7	48.9	50.1	476.7

Direct full time equivalent employment

2019

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	176	567	176	117	98	1,134
Central Scotland	120	287	216	120	96	838
Dumfries & Galloway	239	630	630	172	200	1,871
Dunbartonshire / Argyll & Bute	452	1,004	854	402	452	3,163
Fife	77	320	298	107	107	908
Glasgow City	59	91	59	36	26	270
Grampian	263	600	431	150	113	1,557
Highland & Western Isles	1,258	2,930	2,071	690	583	7,533
Lanarkshire	18	101	18	18	9	166
Lothian	496	970	706	121	232	2,524
Orkney & Shetland	65	518	259	0	65	907
Renfrewshire	32	32	21	0	21	105
Scottish Borders	146	408	246	138	131	1,069
Tayside	387	387	387	387	387	1,933
Scotland total	3,786	8,846	6,371	2,458	2,518	23,979

2020

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	125	402	125	83	69	804
Central Scotland	85	204	153	85	68	594
Dumfries & Galloway	169	447	447	122	142	1,327
Dunbartonshire / Argyll & Bute	320	712	605	285	320	2,243
Fife	54	227	212	76	76	644
Glasgow City	42	65	42	25	18	191
Grampian	186	426	306	106	80	1,104
Highland & Western Isles	892	2,078	1,469	490	413	5,341
Lanarkshire	13	72	13	13	7	118
Lothian	352	688	500	86	164	1,790
Orkney & Shetland	46	368	184	0	46	643
Renfrewshire	22	22	15	0	15	75
Scottish Borders	104	289	175	98	93	758
Tayside	274	274	274	274	274	1,371
Scotland total	2,684	6,272	4,518	1,743	1,785	17,002

FTE employment multiplier

2019

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	66	212	66	44	37	424
Central Scotland	45	107	81	45	36	314
Dumfries & Galloway	89	236	236	64	75	700
Dunbartonshire/Argyll & Bute	169	376	319	150	169	1,183
Fife	29	120	112	40	40	340
Glasgow City	22	34	22	13	10	101
Grampian	98	224	161	56	42	582
Highland & Western Isles	471	1,096	775	258	218	2,817
Lanarkshire	7	38	7	7	3	62
Lothian	186	363	264	45	87	944
Orkney & Shetland	24	194	97	0	24	339
Renfrewshire	12	12	8	0	8	39
Scottish Borders	55	152	92	52	49	400
Tayside	145	145	145	145	145	723
Scotland total	1,416	3,308	2,383	919	942	8,968

2020

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	47	150	47	31	26	301
Central Scotland	32	76	57	32	25	222
Dumfries & Galloway	63	167	167	46	53	496
Dunbartonshire/Argyll & Bute	120	266	226	107	120	839
Fife	20	85	79	28	28	241
Glasgow City	16	24	16	9	7	72
Grampian	70	159	114	40	30	413
Highland & Western Isles	334	777	549	183	155	1,998
Lanarkshire	5	27	5	5	2	44
Lothian	132	257	187	32	61	669
Orkney & Shetland	17	137	69	0	17	241
Renfrewshire	8	8	6	0	6	28
Scottish Borders	39	108	65	37	35	284
Tayside	103	103	103	103	103	513
Scotland total	1,004	2,346	1,690	652	668	6,359

Direct, indirect and induced FTE employment impact

2019

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	242	779	242	161	134	1,558
Central Scotland	165	395	296	165	132	1,152
Dumfries & Galloway	328	866	866	236	275	2,571
Dunbartonshire/Argyll & Bute	621	1,380	1,173	552	621	4,346
Fife	105	439	410	146	146	1,247
Glasgow City	80	125	80	49	36	371
Grampian	361	825	593	206	155	2,139
Highland & Western Isles	1,729	4,026	2,846	949	801	10,350
Lanarkshire	25	139	25	25	13	228
Lothian	682	1,333	969	167	318	3,469
Orkney & Shetland	89	712	356	0	89	1,246
Renfrewshire	43	43	29	0	29	145
Scottish Borders	201	560	338	190	180	1,469
Tayside	531	531	531	531	531	2,656
Scotland total	5,202	12,154	8,754	3,377	3,460	32,947

2020

Property size	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5+ bedrooms	Total
Ayrshire	171	552	171	114	95	1,105
Central Scotland	117	280	210	117	93	817
Dumfries & Galloway	233	614	614	167	195	1,823
Dunbartonshire/Argyll & Bute	440	978	832	391	440	3,081
Fife	75	311	291	104	104	884
Glasgow City	57	89	57	35	25	263
Grampian	256	585	420	146	110	1,516
Highland & Western Isles	1,226	2,855	2,018	673	568	7,339
Lanarkshire	18	99	18	18	9	162
Lothian	483	945	687	118	226	2,459
Orkney & Shetland	63	505	253	0	63	884
Renfrewshire	31	31	21	0	21	103
Scottish Borders	142	397	240	135	127	1,042
Tayside	377	377	377	377	377	1,883
Scotland total	3,688	8,618	6,207	2,395	2,453	23,361

Appendix 3 – Glossary of Technical Terms

Total visitor spend: money spent by visitors to the area (this does not include any money spent further down the supply chain through multiplier effects).

Full time equivalent (FTE) employment impacts: the number of full time (35 hour per week) permanent (52 week per year) jobs that this expenditure supports. Note that as some people work part time or seasonally, and as some workers spend part of their time providing services to tourist visitors and some of their time providing services to local residents, the total number of workers who jobs are at least partially dependent on self-catering visitors will be higher than this figure.

Gross value added (GVA): the total amount of extra value that visitor spend contributes to the economy. This is broadly equivalent to either wages plus profit (i.e. the proportion of value added that goes to the company's employees and the proportion that goes to the company's owners) or to turnover minus cost of sale. For example, if a company were to buy enough coffee beans to make 100 cups of coffee for £40, and sell each cup for £1 each, the turnover impact of these transactions would be £100, the cost of sale would be £40, and the value added would be £60.

Indirect multiplier (or Type I multiplier): additional knock-on benefits that take place as a result of payments made further down the supply chain. Examples may include money that the owner pays to a local accountant to do produce their accounts, or to a local tradesperson to fix any plumbing or electrical problems that might occur in the property.

Induced multiplier: additional knock on benefits caused by the expenditure of salaries by property owners and staff. An example may include the expenditure of people who work at the property in a local shop.

(the) Multiplier effect (or Type II multiplier): this term relates to the combined impacts of the indirect and induced multipliers.

Occupancy rate: the proportion off properties that have a paying visitor staying in them on any particular day of the year.

Turnover: the total value of all sales made by a business.

Appendix 4 – Economic Impact Methodology

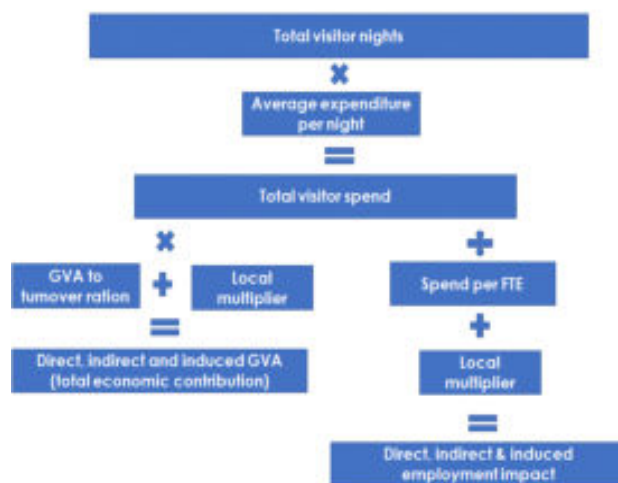
As part of the economic impact model, a net economic impact figure was calculated for every possible combination of:

- **day of the year:** we applied different occupancy rate assumptions to each of the days in 2019 and 2020, based on evidence from our analysis of SuperControl data

In other words, the model includes over a separate economic impact calculation, which were then reaggregated to produce as accurate as possible an estimate of the true economic impact of the sector.

For each of these combinations of date, we calculate our impact based on the following equation:

Economic impact calculation summary



Edinburgh housing crisis: More than 9,000 properties sitting empty amid soaring demand for housing

Startling new figures have revealed that more than 9,000 properties in Edinburgh are sitting empty, amid soaring demand for housing.

By Jolene Campbell

Published 27th Dec 2022, 12:35 BST

Edinburgh is the council area in Lothians – and across Scotland – with the most unoccupied properties at 9,285, according to freedom of Information requests.

Of these 8,589 are homes – that’s more than four times the 1950 total reported by the council just several weeks ago.

But the shocking new figures from FOIs to all councils captures all types of properties including privately owned homes, council and also non-domestic. Miles Briggs MSP said it suggests the scale of the problem with vacant properties has been drastically underestimated.

The report out in early December on the latest empty home statistics for Edinburgh highlighted that housing supply in the Capital "remains under pressure in the wake of the pandemic and increasing demand".

Scottish Conservatives have blasted the figures as ‘unacceptable’ at a time when many people are struggling to either get on the housing ladder or find rented accommodation.

It comes after calls from a leading letting agent to tackle the city's housing crisis, sparked by concerns that soaring numbers on social housing waiting lists could further exacerbate existing shortages of homes.

The Scottish Conservatives have now issued a fresh call for compulsory sale orders for long-term unoccupied properties, a commitment made in their manifesto for the 2021 Scottish Parliament elections.

Shadow Cabinet Secretary for Social Justice, Housing and Local Government Miles Briggs MSP said:

“These figures are a national scandal when we consider that, during a housing crisis, many properties lie forgotten and derelict.

“It’s appalling that viable housing stock is being wasted and neglected in this way, particularly in Lothian which is the fastest growing region of Scotland.

“Sadly, these issues are not unique to Lothian and we are seeing this replicated across Scotland.

“This is why the Scottish Conservatives would support compulsory sale orders for long-term unoccupied properties, and why we have proposed relaxing planning laws to allow for the conversion of unoccupied business buildings into accommodation.

“The SNP must commit to the ambitious housing targets that the Scottish Conservatives have proposed if they are to help the country out of the housing crisis that they created.”

The council has been contacted for comment.

Edinburgh could see 80% reduction in short-term rental properties in new scheme

By Katrine Bussey and Katie Williams Reporter

22 August 2022

One self catering host said the new legislation would make will make Scotland a 'laughing stock around the world and damage economy, businesses and its people.'

Scotland's capital could see an 80 per cent drop in properties for hire on Airbnb when a new licensing scheme for short-term lets comes into force in a few weeks, a report for the City of Edinburgh Council has warned.

A paper, prepared for the authority's policy and sustainability committee, warned of the impact of changes in the accommodation sector.

It comes in the wake of concerns from the owners of short-term, rental properties, such as those on Airbnb, that the changes are an "act of self-sabotage on their businesses and livelihoods".

The council paper – details of which were posted on social media by Conservative councillor Iain Whyte – considers the "future supply of the short-term let sector".

And it states there is "an assumption of an 80 per cent reduction from the Edinburgh 2021 number of active listings reported on Airbnb, as a proxy for the size of short-terms lets".

The Scottish Government's new licensing scheme requires hosts of these properties to display energy performance ratings on listings, have adequate buildings and public liability insurance, as well as various fire and gas safety precautions.

Businesses have to register by October 1 to ensure they can continue trading, with housing minister Paul McLennan having said previously it is "important that there is appropriate regulation in place to ensure the safety of guests".

But, as of August 7, only a reported 245 licence applications had been submitted to the City of Edinburgh Council out of the 12,000 estimated properties currently used for short-term let.

Fiona Campbell, chief executive of the Association of Scottish Self-Caterers (ASSC), said: "The Scottish Government is urging short-term lets operators to rush to inflict an act of self-sabotage on their businesses and livelihoods.

"In the meantime, these same operators are urgently addressing their need to cover rising living costs and keep their businesses afloat."

Self-catering host Louise Dickins said: "The dramatic statistics released by Edinburgh today is only the first sign of things to come.

"This legislation will make Scotland a laughing stock around the world. A country inflicting harm to its economy, businesses and its people, all the while confused about why it's doing so.

She claimed the licensing system would be "putting hard-working people out of business, or stopping them from supplementing their income in an honest and decent way".

Ms Dickens demanded: "The Scottish Government must step in now, go back to the drawing board with this legislation and save Scotland's tourism industry from being destroyed."

A Scottish Government spokesperson said: “All councils are working through the increasing number of short-term let hosts applying for a licence by 1 October. To date, no short-term let licence applications have been refused in Edinburgh and as long as an application has been received by the deadline, hosts can continue to trade after that date.

“Good quality standards are at the heart of regulating the short-term let sector, as well as providing assurance to visitors and guests staying in Scotland.

“Many hosts will already be meeting licensing conditions as a matter of compliance with existing law or best practice. As well as ensuring short-term lets have to meet consistent standards, the licensing scheme will also provide accurate numbers of such lets for the first time.

“Edinburgh City Council has adjusted its short-term let policies to take account of a recent Judicial Review which required some aspects to be amended, and is accepting and processing more applications on a daily basis.”

Council Leader Cammy Day said: “To be clear, we’re no intention of reducing the number of short-term lets operating in the city by 80 per cent – nor do we expect this to happen.

LOCAL GOVERNMENT, HOUSING AND PLANNING COMMITTEE

EVIDENCE ON SHORT-TERM LETS LICENSING: FESTIVALS EDINBURGH

1. EDINBURGH FESTIVALS' COLLECTIVE VIEWS ON SHORT-TERM LETS REGULATION

Festivals Edinburgh represents Edinburgh's 11 major international year-round festivals - from the Science Festival in spring through the peak summer festivals season to the winter festivals of Storytelling and Hogmanay. The festivals are collectively on a par with a FIFA World Cup or Commonwealth Games. As they take place on an annual basis, however, they bring recurrent benefits to their host city and country including in 2022 an estimated 4,000 additional FTE jobs for Scotland as a whole, and additional economic impact of well over £200m through wider spending in the hospitality, tourism, retail and wider service sectors.

Since 2018 our member festivals have discussed and agreed collective support for short-term lets regulation. However, we are concerned about unintended impacts on temporary home-sharing and home-letting in people's primary residences from the way the regulations are being interpreted and implemented. So we welcome the announcement by the Cabinet Secretary for Social Justice, Housing and Local Government of her intention to extend the date by which existing hosts must apply for a short-term let licence from 31 March 2023 to 30 September 2023.

This extension is a great assistance in giving short-term let hosts time to seek clarity on the still-emerging implications of local authority licensing schemes at a time when there are many additional pressures due to the cost of living crisis. Furthermore, it could provide a valuable opportunity for the Scottish Government and Scottish Parliament to consider how the national framework is being interpreted across the country, and to adjust provisions at the margins where necessary to avoid negative unintended consequences.

2. SECONDARY LETTING VERSUS PRIMARY RESIDENCES

Edinburgh's festivals are in favour of regulating secondary short-term letting, in the context of the housing crisis with serious year-round shortages of accommodation and price escalations being experienced by local tenants.

However, one of the problems in the short-term lets legislation is the conflation of commercial secondary letting and personal primary letting in people's own residences (home-sharing and home-letting). Only the former takes properties out of residential housing supply whereas the latter is very localised in character, providing an income opportunity for city residents in their own homes and retaining that income in the local economy to help offset cost of living pressures on households. In order to tackle commercial secondary letting issues, it is not necessary to damage brief periods of personal primary letting in people's own residences.

We estimate that brief periods of personal primary letting account for **25,400 bed nights for each day of Edinburgh's 25-day peak season in August, 27% of the supply needed in peak season.** Further information on supply and demand estimates is provided at **Annex A.** This type of accommodation, which is more affordable than hotels or aparthotels, is of particular importance for the workers, artists and performers who transform Edinburgh into the world-leading festival city. **Without them, Scotland would lose these unique cultural assets along with 4,000+ jobs and over £200m in direct additional economic impact, as well as weakening the wider leisure and visitor economy employing 44,000 in Edinburgh alone.**

The other argument in favour of licensing home-sharing and home-letting is to reassure the public that all classes of short-term lets are safe and the people providing them are suitable. However, there is an anomaly in the national framework as short-term stays for educational purposes, including for example homestays for young language learners, have been excluded by Scottish Government under Article 3. (c) (ii) of the Order. **If national policymakers are content for temporary use of homestays for school age children to be unlicensed, we ask for the same type of national exclusion to be applied in excluding temporary use of homestays for adults working on major festivals and events.**

3. LOCAL INTERPRETATION OF NATIONAL PROVISION FOR TEMPORARY EXEMPTIONS

Instead of a national exclusion, the measure designed to cater for major festivals and events in the regulatory framework is to enable local licensing authorities to grant temporary exemptions, on application, during designated periods of up to six weeks in any 12 month period.

The Cabinet Secretary has confirmed that the legislation does not dictate a requirement for temporary exemption applications to include compliance with mandatory (Scotland wide) and additional (local) licence conditions. **However, given the design of the national regulatory framework, the City of Edinburgh Council (CEC) has decided to apply many of the mandatory and additional licence conditions to temporary exemptions for home-sharing and home-letting.** CEC has indicated to Festivals Edinburgh that the Council had asked for a discretionary licensing system and that it was ministers who decided it should be mandatory and apply to all types of licence. CEC has also stated that the local scheme is designed to ensure that the public is reassured that these short-term lets will be safe and effectively managed.

These local interpretations highlight that the provision in the framework for local temporary exemptions is not achieving its intended purpose. The SSI provides an opportunity to look at this again and apply an exclusion at national level, in light of the anomaly of educational guests being excluded from the scheme altogether but no other classes of temporary guests.

4. POTENTIAL CONSEQUENCES FOR EDINBURGH'S FESTIVALS ECONOMIC IMPACTS

Festivals Edinburgh is concerned that the conditions for temporary exemption will be a serious disincentive to city residents who want to open their own homes to guests for a brief period. The further details given in **Annex A** include likely costs of applying for an exemption, which could mean home-sharers with a spare room only break even in the final week of the peak festivals season. A survey of existing providers has shown that the conditions are likely to dissuade a majority of hosts.

The 2022 season returned at around 75% of 2019's record levels, so the festivals are already managing a post-Covid recovery and renewal of a different shape and scale in a challenging operating environment, with many participants and suppliers suffering lasting financial hardship. In this context, an estimated drop of 50% or more in temporary accommodation capacity next year would make the city increasingly unaffordable and unfeasible for festival participants and visitors, putting these global cultural assets for Scotland at risk of a downward spiral that would change their national and international impacts forever. **The Fringe Society makes a conservative estimate that a further third of their programme could be lost in 2024, representing a minimum of £30m in additional economic impact and nearly 700 FTE jobs in the first year alone.**

This reduction in scale could be a wider tipping point leading to the wholesale loss of many venue producers who operate on economies of scale, and putting a much larger proportion of the direct economic impacts at risk. That in turn would have a ripple effect on wider businesses and jobs in the city that benefit year-round from the festivals, in particular the 44,000 city jobs across service sectors such as bars, restaurants, hospitality and transport.

Despite these serious risks with national impacts for the creative, leisure and tourism economies, CEC has indicated to Festivals Edinburgh that it is not proposed to carry out economic assessment of the licensing arrangements, since Scottish Government undertook a business and regulatory impact assessment which explored some of the economic impacts and decided there was sufficient reason to introduce a licensing system.

5. COMMENTS FOR COMMITTEE'S CONSIDERATION

In conclusion, we would like to make three key comments for the Committee to consider:

- 1. To recommend that Scottish Government consider excluding from the scope of the regulations primary residential letting activity (home-sharing and home-letting) for major festivals and events – in light of the anomaly around exclusion provisions where guests staying for educational purposes, but no other classes of temporary guests, are excluded in the Order.**
- 2. To recommend that, if the issues related to primary residential letting activity (home-letting and home-sharing) remain in the legislation, Scottish Government consider including in the SSI the waiving of the requirement for licensing in circumstances where home-sharing or home-letting activity operates for less than six weeks a year - in light of the problems outlined in section 3 above with local implementation of the current temporary exemption provision.**
- 3. To examine how consistency is being achieved across Scotland in local authorities implementing the regulations, including impact assessments being undertaken into the implications of local policy decisions that cover economic as well as housing supply and neighbourhood impacts – in light of the potential economic damage outlined at Annex A.**

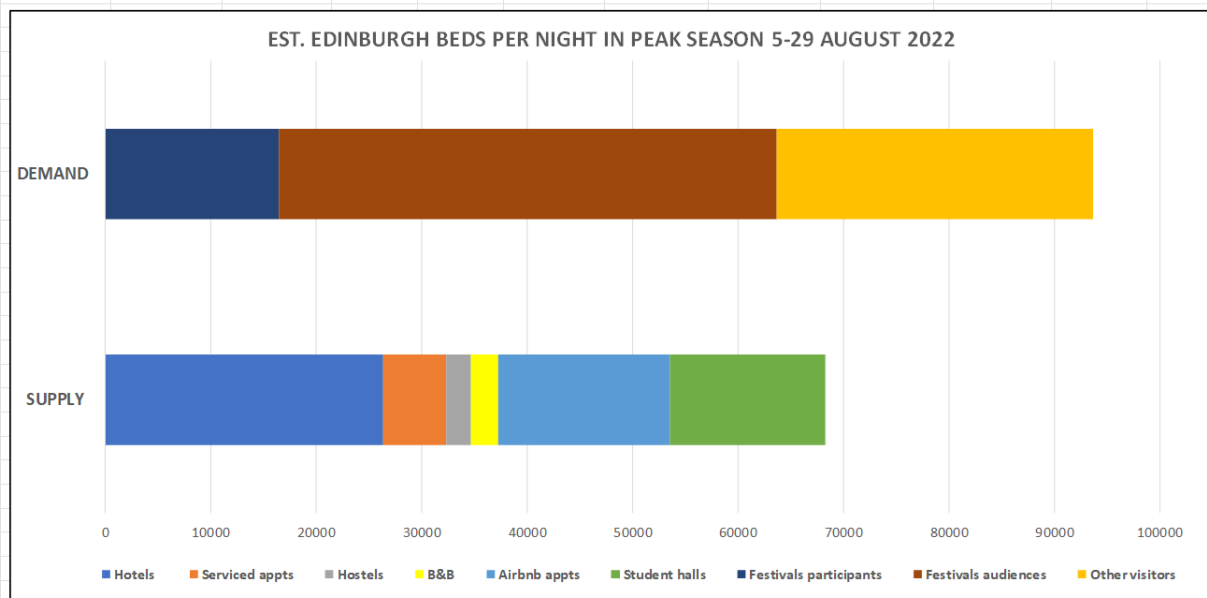
**Festivals Edinburgh
January 2023**

TEMPORARY ACCOMMODATION SUPPLY AND DEMAND IN EDINBURGH'S AUGUST PEAK SEASON

Festivals Edinburgh has prepared new overview data about specific temporary surge supply and demand issues in and around the 25-night peak August season, using secondary data from sources including the festivals themselves, and published figures from City of Edinburgh Council and VisitScotland. We are keen to see city and national government officials review and improve on these estimates as part of an economic impact assessment of the policies.

Our latest estimate of the importance of home-sharing and home-letting to Edinburgh's peak festivals season is summarised in the bar chart shown below. If a significant proportion of this temporary accommodation supply is lost, the situation could cause spiralling damage to the 4000+ additional jobs directly created by the festivals; the 44,000 jobs supported in the capital's wider arts, hospitality and recreation sectors; and the world-class brands of the Edinburgh Festivals that benefit the whole of Scotland in tourism, business and diplomacy across the globe.

In these figures, informal home-sharing and home-letting is estimated at 25,400 bed nights, 27% of the overall peak provision required which is not covered by other types of visitor accommodation. This makes it the single largest category and the one most used by festival performers, artists and workers. These local owner occupiers are making their properties available for just over 10% of the year, so the issues of neighbourhood amenity and housing supply that concern residents are limited compared to commercial secondary letting. However, the longstanding city tradition of welcoming cultural visitors into people's own homes would be the first area to be damaged by current licensing requirements. These involve up-front costs of up to £800+ as noted below the table - which would mean in the first year that householders would only clear a surplus of £160 if renting out one room for the 25-night season at the recommended affordable single room rate for workers. At such a rate of return, many existing hosts surveyed by Fringe operators have said they would not continue.



Estimates of up-front costs of applying for a temporary exemption in Edinburgh for a 2-bed property for home-sharing or home-letting potentially total up to £845, as set out below:

- CEC fee for applying for temporary exemption is £250 for up to 5 occupants (£350 for up to 10 occupants)
- Public liability insurance for hosting two guests is typically £400 for an annual policy (short-term cover products are not widely available unless hosts decide to list on certain online platforms and use the public liability insurance they offer)
- Annual PAT testing of up to 10 items typically £45
- Cost of Electrical Condition Report for 2-bed property typically £150 (valid for 5 years)



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Rising accommodation costs are 'grim reaper' for festivals - Fringe boss

Edinburgh International Festival leader warns that some of the festivals won't survive the next five years without more support


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By [Katrine Bussey](#) & [Peter A Walker](#) Content Editor

07:07, 16 MAY 2023

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 The Fringe Festival attract tens of thousands of performers and tourists to Edinburgh in August (Image: Getty Images)

A "strategic approach" to dealing with rising accommodation costs in Edinburgh is needed, the boss of the Edinburgh Festival Fringe has insisted, branding soaring bills in the capital as being the "grim reaper".

Shona McCarthy, the chief executive of the Edinburgh Festival Fringe Society, complained about the "dreaded rising cost of accommodation in Edinburgh".



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She spoke out as she told MPs on Westminster's Scottish Affairs Committee that artists and venues involved with the Fringe were still suffering financially as a result of the pandemic.

"There is no one across the Fringe landscape who is not still in a recovery position, not still carrying debts and deficits from just surviving Covid."

Speaking about the rising costs that performers and others have to pay for accommodation in the city, McCarthy said: "That is definitely my grim reaper at the moment, and I think we need an Olympic response."

Earlier this year, Festivals Edinburgh, which brings together the bosses of the city's various festivals, warned they were facing an "economic shock" as a result of new short-term letting regulations.

McCarthy said while they were "very supportive of the short term lets legislation" - which involves new licences having to be awarded for properties rented out on a short term basis - she added it had "unintended consequences - particularly for artists".

She said: "It is something that we need a strategic approach to address in a real way if we are to continue to host such a major event every year."

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Her comments came as she told MPs that both the Scottish and UK Governments could do more to help the festivals, which attract tens of thousands of performers and tourists to Edinburgh in August.

McCarthy said: "I think there is still huge opportunity both to invest in the festivals locally, because at the minute I think we all operate on shoestrings, we all operate on a huge amount of good will.

"Our marketing budgets are minuscule and yet we have these global reputations; there is an enormous amount the Scottish and UK Governments could do to promote the festivals overseas."

Meanwhile, Francesca Hegyi, the chief executive of the Edinburgh International Festival, said this was the first year they had received financial help from the UK Government - despite having being founded in 1947.

She said: "In the last eight years, we have 90 different instances of foreign governments investing in us, but the same isn't said for Scottish Government colleagues or our UK Government colleagues."

She described the summer festivals in the capital as being "enormous", describing them as being "second only in size to an Olympic Games" - but adding that unlike the sporting tournament they happen every year.

Hegy told MPs: "If you think of the effort that goes into staging a Commonwealth Games or even Eurovision over the weekend, it is sort of taken for granted we will happen every single year."

With some locals having voiced concern about the impact the festivals have on the capital, she conceded there was an "uncomfortable relationship" between the events and local government.

But Hegyi insisted: "We all need to get around the table and work out what is a sustainable future, including sustainable tourism for Edinburgh and for the festivals.

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Research reveals record investment in Scotland

In February, Festivals Edinburgh voiced fears that [the introduction of licences for Airbnb-style lets](#) could result in a third of the overall Fringe programme being lost.

In its written submission to MSPs, it noted the Fringe Society had made the "conservative estimate" that a third of its programme for 2024 could be lost with this "representing a minimum of £30m in additional economic impact and nearly 700 FTE [full time equivalent] jobs in the first year alone".

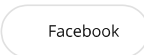
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