

Regulatory Committee

10.00am, Monday, 30 September 2024

Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Amendment Order 2024: Fees

Executive/routine
Wards

All

1. Recommendations

1.1 Regulatory Committee is asked to:

- 1.1.1 Note that the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Amendment Order 2024 has been passed by the Scottish Parliament;
- 1.1.2 Approve the proposed additional fees in relation to the new categories of applications for Short-Term Lets licences; and
- 1.1.3 Note that additional mandatory conditions will be added to the grant of any licence after the date on which the Order comes into effect.

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Report

Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Amendment Order 2024: Fees

2. Executive Summary

- 2.1 This report informs Committee that the [Civic Government \(Scotland\) Act 1982 \(Licensing of Short-term Lets\) Amendment Order 2024](#) was approved at the end of June 2024 and is expected to come in to force later in 2024. It makes certain amendments to existing legislation, including the addition of certain types of licence connected with Short-Term Lets. The Council will be required to process such applications, and therefore the introduction of relevant licence fees is required. Either the City of Edinburgh Council or Regulatory Committee can approve additions or amendments to the existing licensing fees.

3. Background

- 3.1 The [Civic Government \(Scotland\) Act 1982 \(Licensing of Short-Term Lets\) Order 2022](#) ('the 2022 Order') brought short-term letting within the scope of licensable activities covered by the statutory provisions of the [Civic Government \(Scotland\) Act 1982](#) ('the 1982 Act'),
- 3.2 The 2022 Order required local authorities to implement a licensing scheme for short-term lets ('STL'). On 29 September 2022, the Council adopted a licensing policy and additional conditions for STL. The [Civic Government \(Scotland\) Act 1982 \(Licensing of Short-term Lets\) Order 2024](#) ('the 2024 Order') amends the 2022 Order.
- 3.3 The 2024 Order makes minor amendments to [certain areas](#) of the 2022 Order.
- 3.4 The 2024 Order also adds licence types which are not replicated elsewhere in the 1982 Act for any other licence type. The nearest equivalent in licensing legislation would be the [Licensing \(Scotland\) Act 2005 \('the 2005 Act'\) \(which regulates the sale of alcohol\)](#), which makes provision for transfer of a premises licence.

4. Main report

Summary of amendments resulting from 2024 Order

- 4.1 The Order includes the following points:
 - 4.1.1 Clarification that certain types of activity fall out with the scope of the requirement to obtain a STL licence (such as foster care arrangements).
 - 4.1.2 Addition of new statutory provision for
 - a. Provisional STL licences;
 - b. Transfer of an existing STL licence where the licensed business is sold, or on the death of a licence holder; and
 - c. Provisional licences for new build STL properties while under construction, and subsequent confirmation of licence compliance once complete.
 - 4.1.3 Addition of new mandatory conditions (Appendix 2) relating to safety of certain gas appliances and installation of carbon monoxide detectors.
- 4.2 The review of the Council's STL policy will be required to include additional text which deals with the amendments summarised above. In the meantime, the Licencing Service will give effect to the new requirements when the legislation comes into force.

Proposed additional fees

- 4.3 The Council functions as a licensing authority are funded directly by income raised from licence application fees. These fees are normally approved by the Council as part of the annual budget process and are intended to fully recover the costs of delivering a licensing scheme. The terms of reference for committees gives the Regulatory Committee delegated powers to add or amend a licence fee structure or to amend any existing fee structure.
- 4.4 When the introduction of provisional licences or transfer of licences comes into effect, a fee will be required to be set. It is therefore recommended that the additional fees set out at Appendix 1 are approved. These are based on the framework for fees under the 2005 Act, which is the nearest equivalent with a percentage split of 80/20 for the fee for a provisional licence and its subsequent confirmation. It is not known how many applications are likely to be received for these new licence types.

5. Next Steps

- 5.1 If agreed, the new fee structure to be advertised and communicated as appropriate. This will include direct contact with all STL licence holders and agents.
- 5.2 The Council's STL licensing policy will be updated upon the conclusion of the current review to reflect the statutory changes made by the amendment order.

6. Financial impact

- 6.1 The new STL licensing regime has produced an increase in licensing income, which is expected to be balanced by the increased administration and enforcement costs of the licensing regime.
- 6.2 The suggested fee framework is attached. The new fee structure will take effect from the date on which the 2024 Order becomes law and will apply to any application received on or after that date.
- 6.3 The fee structure will have a direct impact on applicants for Short-Term Lets licences.

7. Equality and Poverty Impact

- 7.1 Not applicable.

8. Climate and Nature Emergency Implications

- 8.1 Not applicable.

9. Risk, policy, compliance, governance and community impact

- 9.1 The STL licensing regime contributes to the Council's strategic priority to create good places to live and work in Edinburgh.
- 9.2 Officers have engaged with colleagues from other Council services to accurately identify the effect of the proposed fee structure on resources and what further impact these changes may have.

10. Background reading/external references

- 10.1 [Licensing \(Scotland\) Act 2005 section 142: guidance for Licensing Boards](#)

11. Appendices

- 11.1 Appendix 1 - Proposed additional fees.
- 11.2 Appendix 2 - New mandatory conditions.

Application type	Fee (£)
Transfer of licence	120
Provisional licence	20% of full licence fee based on the maximum occupancy of the premises
Confirmation (see note below)	80% of full licence fee based on the maximum occupancy of the premises

An application for **Confirmation of a Provisional STL Licence** states that the applicant confirms that no variation has been made to the premises' layout plan since the Provisional Licence was issued, or since any variation applications were granted. The applicant also confirms that the contents of the application are true to the best of their knowledge and belief.

Amendment of the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2022

2(1) The Order is amended as follows

...

(9) In paragraph 12 of schedule 3 (information to be displayed), after sub-paragraph (f) insert—

“(g) instructions as to what guests should do in the event that the carbon monoxide alarm sounds,

(h) if there is a mobile gas cabinet heater in the premises, safety instructions as to the operation and movement of that mobile heater”.