Designation of Short-Term Let Control Area for Edinburgh

Statement of Reasons Background Report

City of Edinburgh Council

February 2022

Contents

1. Purpose

1.1 This report provides background information to support the Statement of Reasons for designation of a Short-Term Let Control Area for Edinburgh, February 2022.

2. Short-term letting in Edinburgh

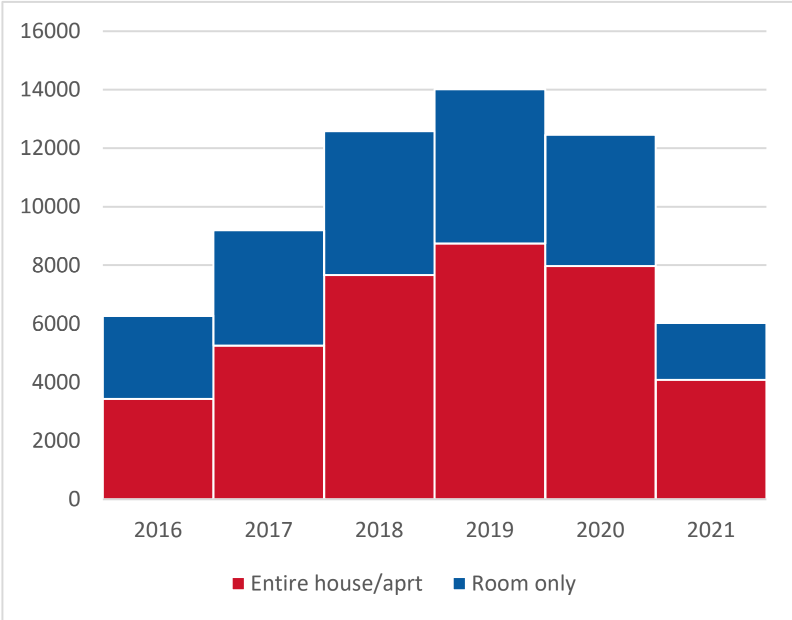
2.1 Edinburgh has a history of short term lets (STLs) due to its popularity as a tourist destination and the presence of the festivals. Properties are advertised through a variety of letting agencies, private advertisements, websites and word of mouth. Consequently, information on their extent is difficult to gather however, the rise to prominence of Airbnb, a booking platform, and the public availability of its data provides an indication of the current situation in Edinburgh. Combined qualitative and quantitative research undertaken on behalf of the Scottish Government[1] suggests that Airbnb comprises a very substantial part of the STL market. However, whilst a significant market player, it is not the only platform of its type and figures may be a conservative estimate of the total number of short-term lets operating within the city. It is acknowledged that this source is not an official register and provides a snapshot in time as listings can be fluid as properties are removed and added.

2.2 The data presented shows both entire dwellings which would be within the scope of the control area, and room only which is not. While it is not possible to identify if a property is a person's main residence and they are letting it out during a period of their absence, which would not be within the scope of control, the overall number of STLs, whether for secondary letting, home-letting or home-sharing are relevant to the overall impact.

2.3 At October 2021 there were 5,288 listings on Airbnb. A 'listing' refers to a single web address which advertises accommodation for visitors. Data has been filtered to exclude hotels, hostels, B&Bs, guesthouses, boats, serviced apartments. 77% (4,077) were entire properties.

[1] Research into the impact of short-term lets on communities across Scotland, Scottish Government October 2019

Figure 1- Number of STLs listed on Airbnb within Edinburgh March 2016- March 2021



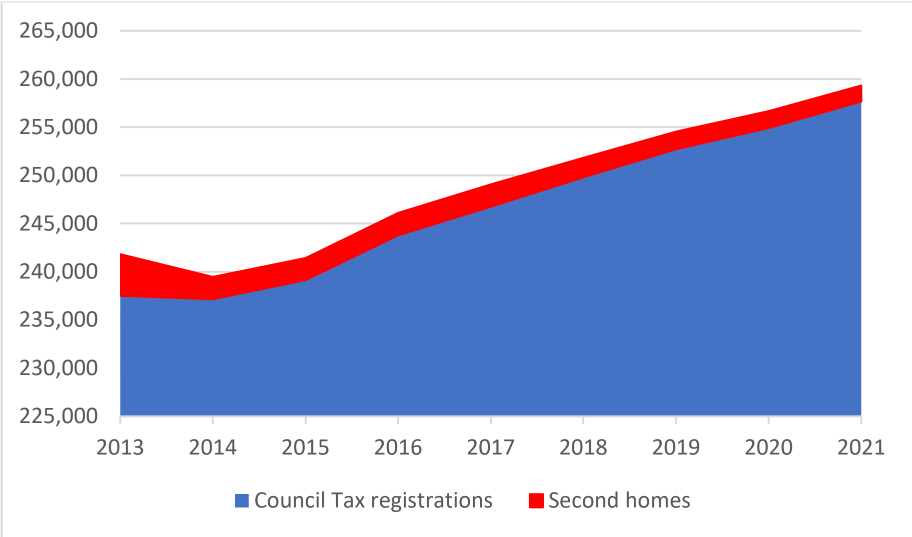
Source: Inside Airbnb

2.4 Alternative sources of data are provided by Visit Scotland and the Scottish Assessors. The Scottish Assessors valuation roll provides the number of self-catering properties registered for non-domestic rates. Visit Scotland's data provides the number of self-catering properties registered for their quality assurance scheme. At September 2021 there were around 540 self-catering properties registered with the Visit Scotland Quality Assurance Scheme. 1,376[2] self -catering properties were on the valuation roll January 2022. The valuation roll figure would appear at first sight to be an under-representation of the full extent of STLs in Edinburgh. If STL properties not on the valuation roll are operating commercially, then a change of use in planning terms may have occurred. These properties would be no longer contributing to the housing supply.

2.5 There is a disparity between these figures and the Airbnb data due to the voluntary nature of the Visit Scotland Quality Assurance Scheme and that not all STLs will have registered to pay non-domestic rates.

2.6 Council Tax records identify the number of second homes registered. In 2021 of the 257,671 properties registered, 1,657 were second homes.

Figure 2- Second homes 2013-2021



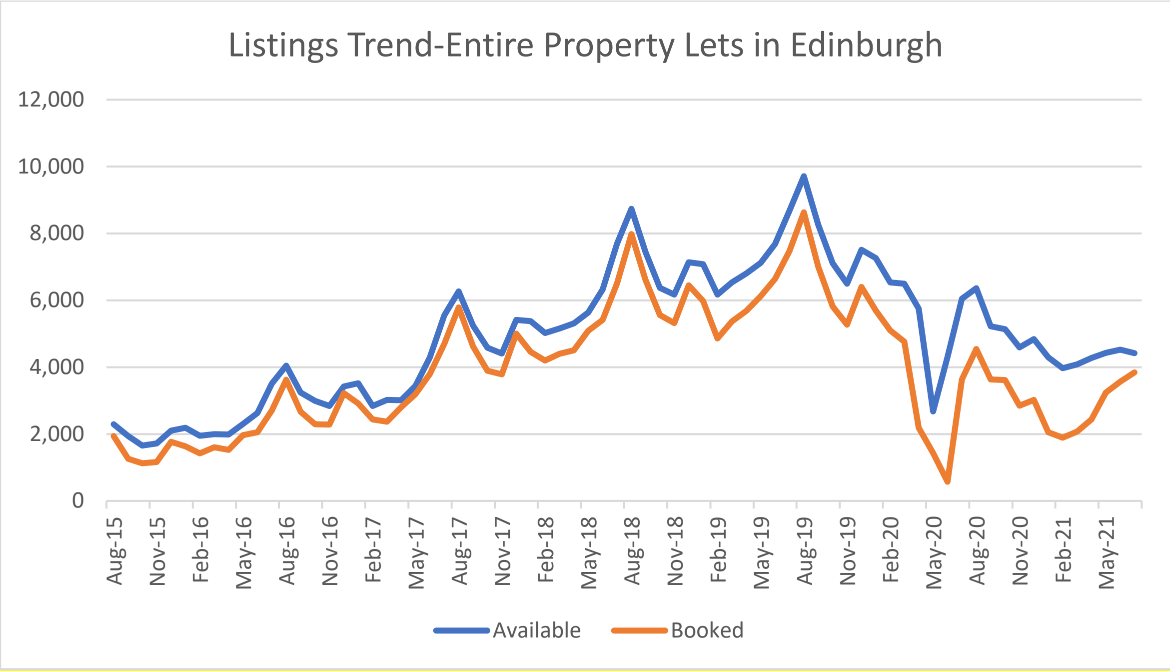
Source: Council Tax Register

[2] [Search – Scottish Assessors (saa.gov.uk)]

2.7 The Covid-19 pandemic has had a significant impact on the number of STLs that were advertised on the Airbnb platform since March 2020. It is not known what the longer term impact of this will be for the number of STLs in Edinburgh however indications are that while there may have been a shift of short-term lets to residential private-lets during lock-down, that the high demand for UK staycations means that pressure for STLs may continue.

2.8 AIRDNA data shows trends in the numbers of listings of entire properties available and the number booked within that month. Data from the last 12 months, shown at Figure 3 shows a general steadiness throughout most of the year with a peak for both entire properties and room only in August.

Figure 3 – Airbnb Listings in Edinburgh.



Source: AirDNA

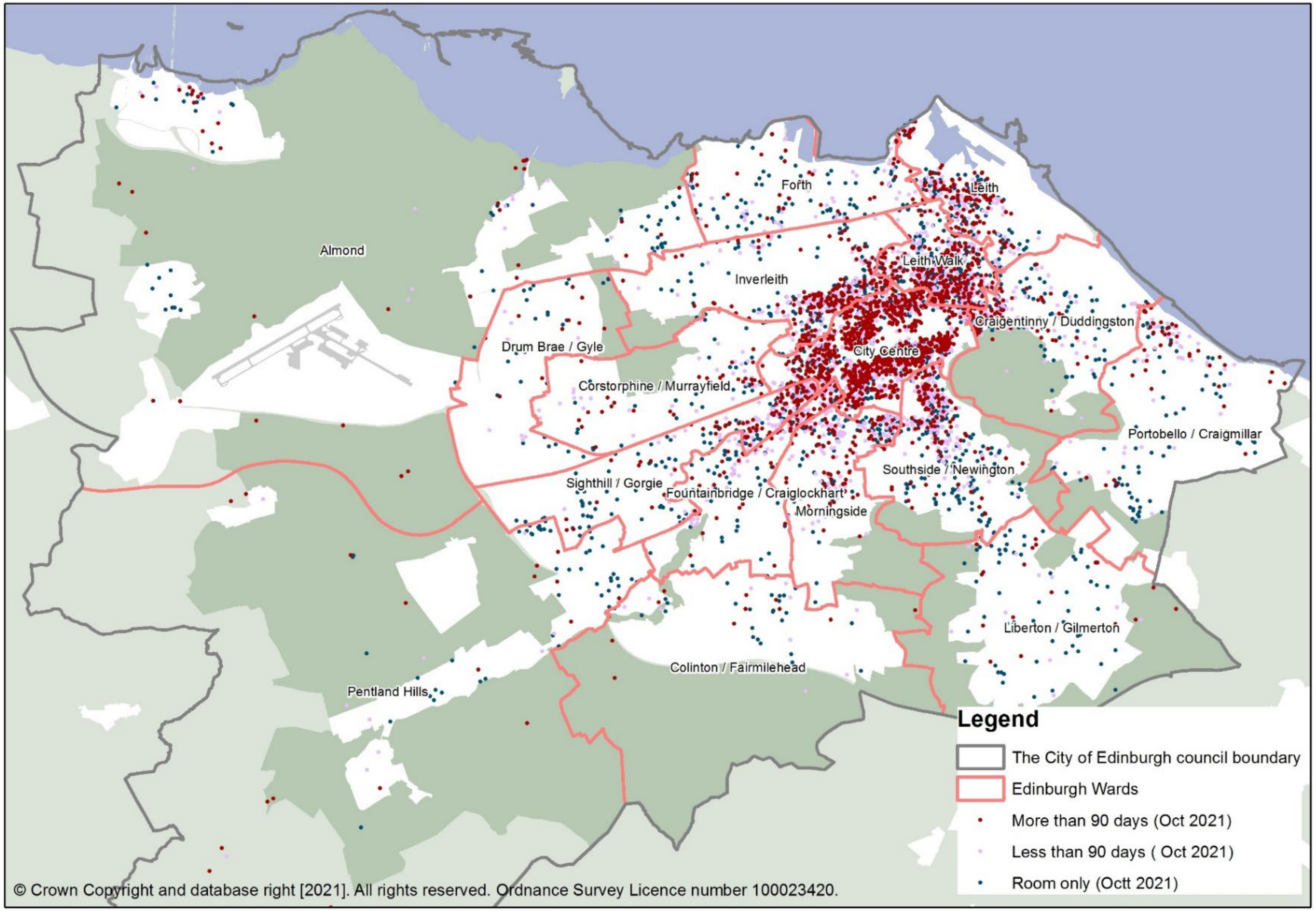
2.9 This shows that the number of listings is fluid. Compared with 2018/2019 the total number of entire property lets has reduced in 2021. Since the beginning of 2021 there has been a general increase. There is a gap between the number of properties listed and the number that actually get booked out. This could be an indication that there are more entire property lets than there is demand for.

2.10 While there is no definitive source of data on the number of STLs operating in Edinburgh, the available data demonstrates the scale of short-term letting. Responses to the consultation also indicate that there are perceived to be high numbers of STLs in Edinburgh.

Variation across the city

2.11 There is a concentration of STLs within the City Centre and Leith wards, however they are evident in all wards of the city with two thirds of the total number of STLs distributed across the remaining Council area, as indicated in Map 1 and Figure 4 below.

Map 1: Distribution of Airbnb registrations October 2021.



2.12 The number of STLs in all wards of the city including, those more rural locations such as Forth and Almond.

Figure 4: Airbnb registrations by ward October 2021

	Entire Property	*Entire Property More than 90 days*	*Entire Property less than 90 days*	*Room only*	*All (Entire property and room only)*
Total	**4,077**	**1,234**	**1,164**	**1,211**	**5,288**
City Centre	1,579	496	368	220	1,799
Leith Walk	522	157	161	222	744
Inverleith	311	103	85	91	402
Southside/Newington	299	76	115	98	397
Leith	236	70	75	90	326
Sighthill/ Gorgie	201	62	68	80	281
Morningside	203	58	72	71	274
Craigentinny/Duddingston	183	44	67	76	259
Fountainbridge/Craiglockhart	158	41	48	52	210
Forth	80	20	23	56	136
Portobello/Craigmillar	86	25	23	27	113
Corstorphine/Murrayfield	65	24	27	22	87
Almond	56	19	9	19	75
Pentland Hills	28	11	6	31	59
Liberton/Gilmerton	29	12	6	23	52
Drum Brae/Gyle	20	7	6	19	39
Colinton/Fairmilehead	21	9	5	14	35
Total	**4077**	**1234**	**1164**	**1211**	**5288**

Source: Inside Airbnb

Penetration rates

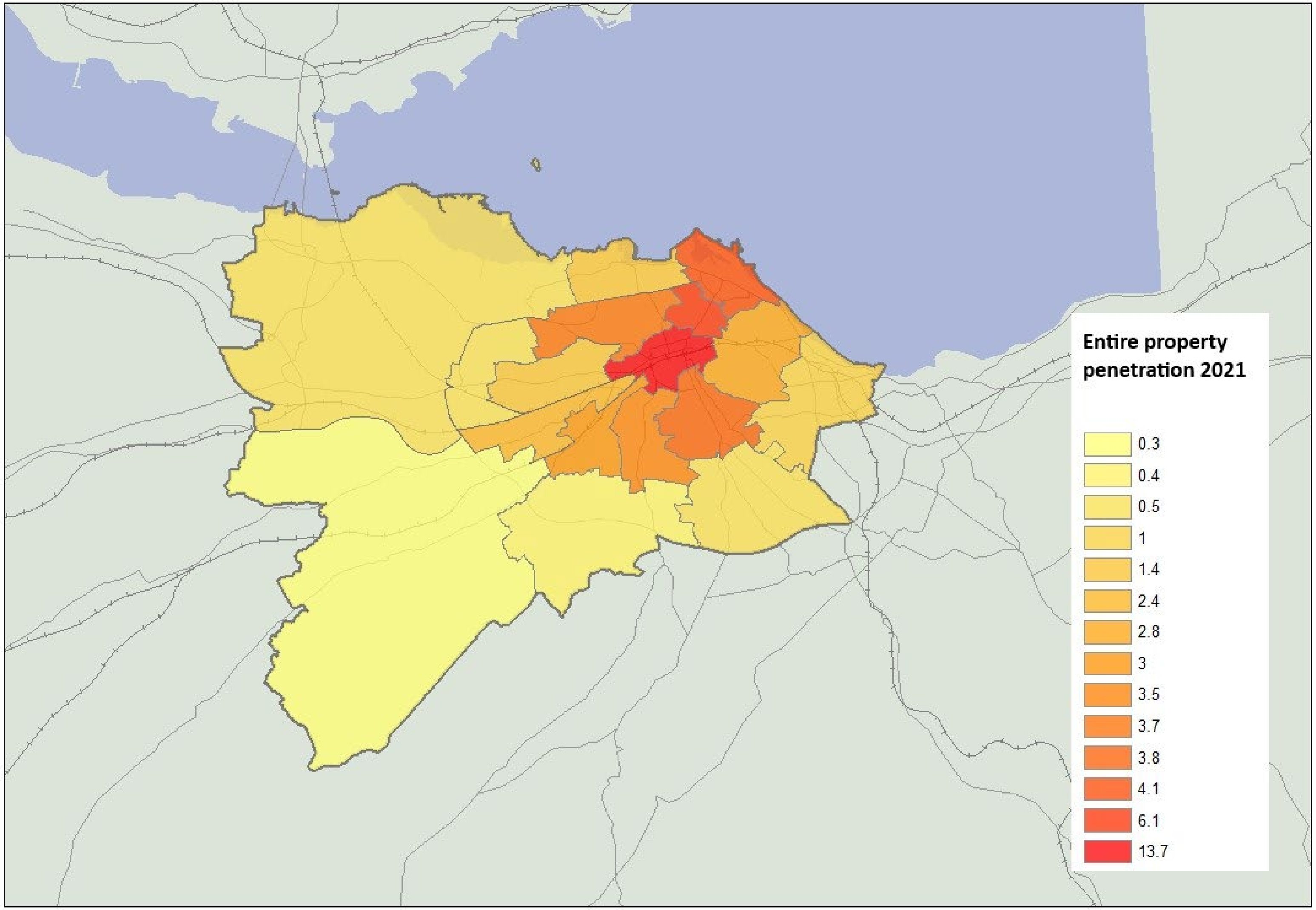
2.13 The concentration of STLs compared with dwellings varies across the city. The city centre has the highest rate at 18.5% in 2020 for both room only and entire property STLs, followed by Leith Walk which had a rate of 10%. The penetration rate of entire property STLs to dwellings was also highest in these wards.

Figure 5: % STLs to dwellings 2020/2021

Ward	**Penetration Rate all STLs %**		**Penetration Rate Entire Homes %**	
	2020	**2021**	**2020**	**2021**
City Centre	18.5	10.3	13.7	8.8
Leith	7.0	5.3	4.1	4.4
Southside/Newington	7.3	2.9	3.8	1.8
Inverleith	6.1	2.7	3.7	1.9
Leith Walk	10.0	2.7	6.1	1.2
Morningside	6.6	2.3	3.5	1.5
Craigentinny/Duddingston	4.9	2.0	2.8	1.3
Sighthill/Gorgie	4.5	1.7	2.4	1.1
Fountainbridge/Craiglockhart	5.0	1.7	3.0	1.2
Forth	3.3	1.3	1.4	0.5
Corstorphine/Murrayfield	3.0	1.1	1.4	0.6
Portobello/Craigmillar	2.5	1.0	1.0	0.5
Almond	1.6	0.7	0.5	0.3
Liberton/Gilmerton	1.8	0.7	0.5	0.2
Pentland Hills	1.3	0.6	0.3	0.2
Drum Brae/Gyle	1.4	0.6	0.5	0.2
Colinton/Fairmilehead	1.3	0.5	0.4	0.2
TOTAL	**11.6**	**2.4**	**8.1**	**2**

*Based on NRS dwelling estimates 2019

Map 2- Percentage of all (room only and entire property) Airbnb registrations to dwellings 2021



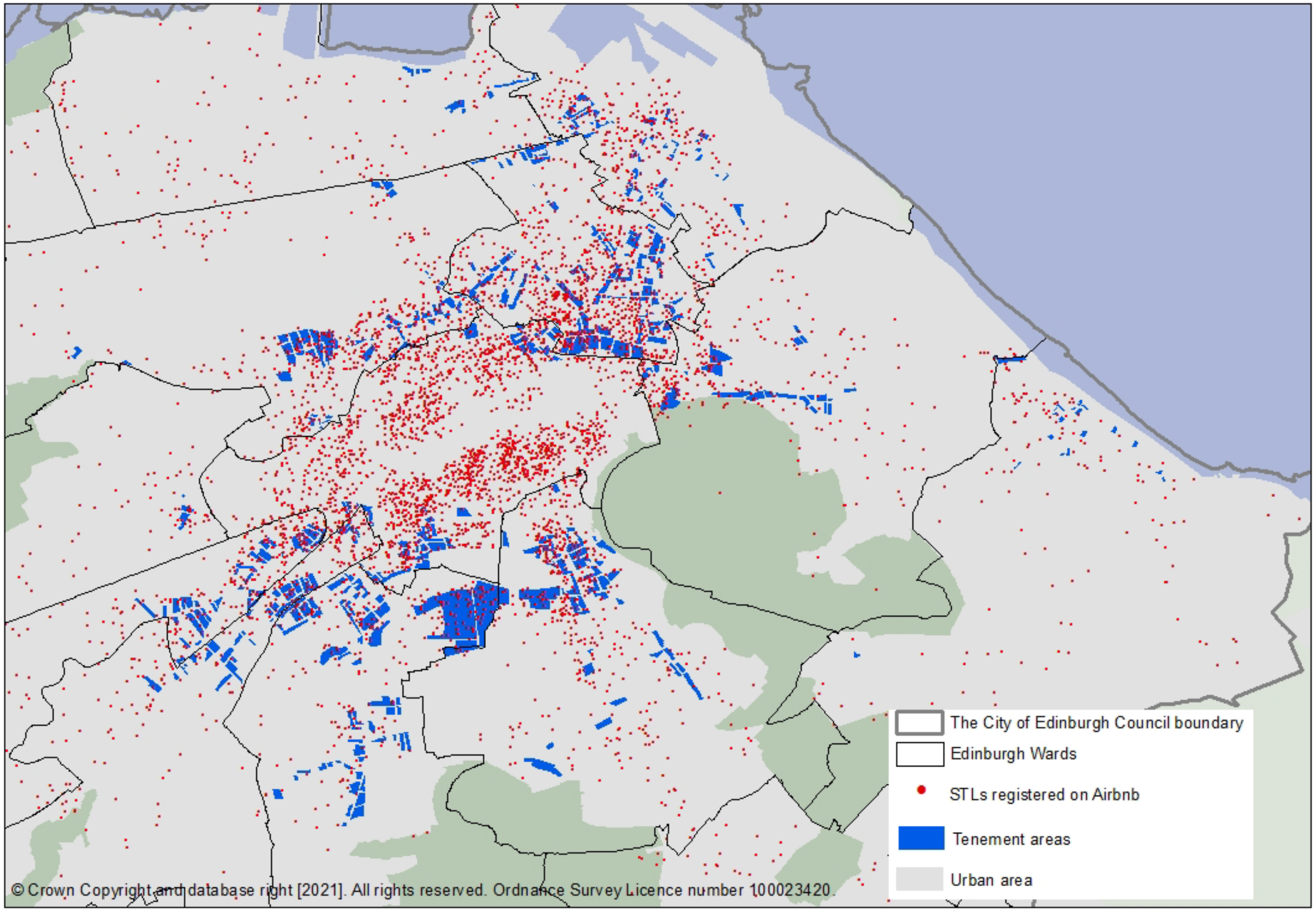
Property types

2.14 The majority of STLs in Edinburgh are within tenement properties, concentrated in areas of the city which already have high demand for housing. Regular use of any tenement flat as a short term let is generally inconsistent with tenement living, and often leads to anti-social behaviour and undue nuisance to other residents. This generates a high number of complaints.

2.15 The issue is not restricted to this type of accommodation. Residents have experienced persistent difficulties as a result of anti-social behaviour in properties which have a shared or common space. The transfer of noise into neighbouring properties is another well-known problem, especially in tenement flats but can also lead to complaints from residents in detached or semi-detached accommodation.

2.16 An analysis of urban area types across the city provides an indication of the areas with a predominance of tenement properties. Map 3 shows the location of these property types and STLs listed on Airbnb at October 2021.

Map 3-Tenement Areas and STLs registered on Airbnb October 2021



Source: Inside Airbnb

2.17 The size of properties utilised as STLs varies from studios to the extremes of 9 bedrooms. Of the 3,533 entire property STLs registered on Airbnb at April 2020, 683 were 3 or more bedrooms, a further 1,484 were 2 bedrooms and 1,365 were 1 bedroom or studios.

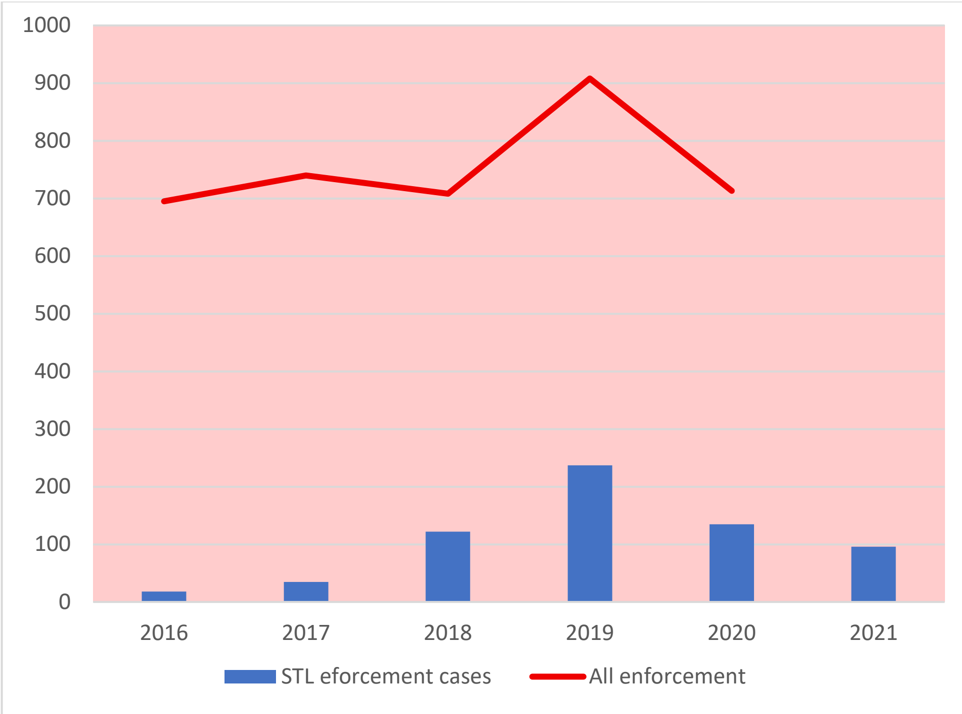
3. Existing Controls

3.1 Existing management of short-term letting is through planning law, anti-social behaviour legislation and environmental protection. There are also codes of practice in place, from industry bodies, however these relate to the operation of the property rather than its existence in a particular location or property and any cumulative impacts which can be considered by planning control.

3.2 Council services have been working together in Edinburgh for a number of years to co-ordinate action on STLs utilising the existing legislation.

3.3 Since 2016 there have been 643 planning enforcement cases raised relating to unauthorised use for short-term letting in Edinburgh. This is a resource intensive activity. Figure 6 shows this in the context of all planning enforcement cases raised.

Figure 6 Enforcement cases by year 2016-2021

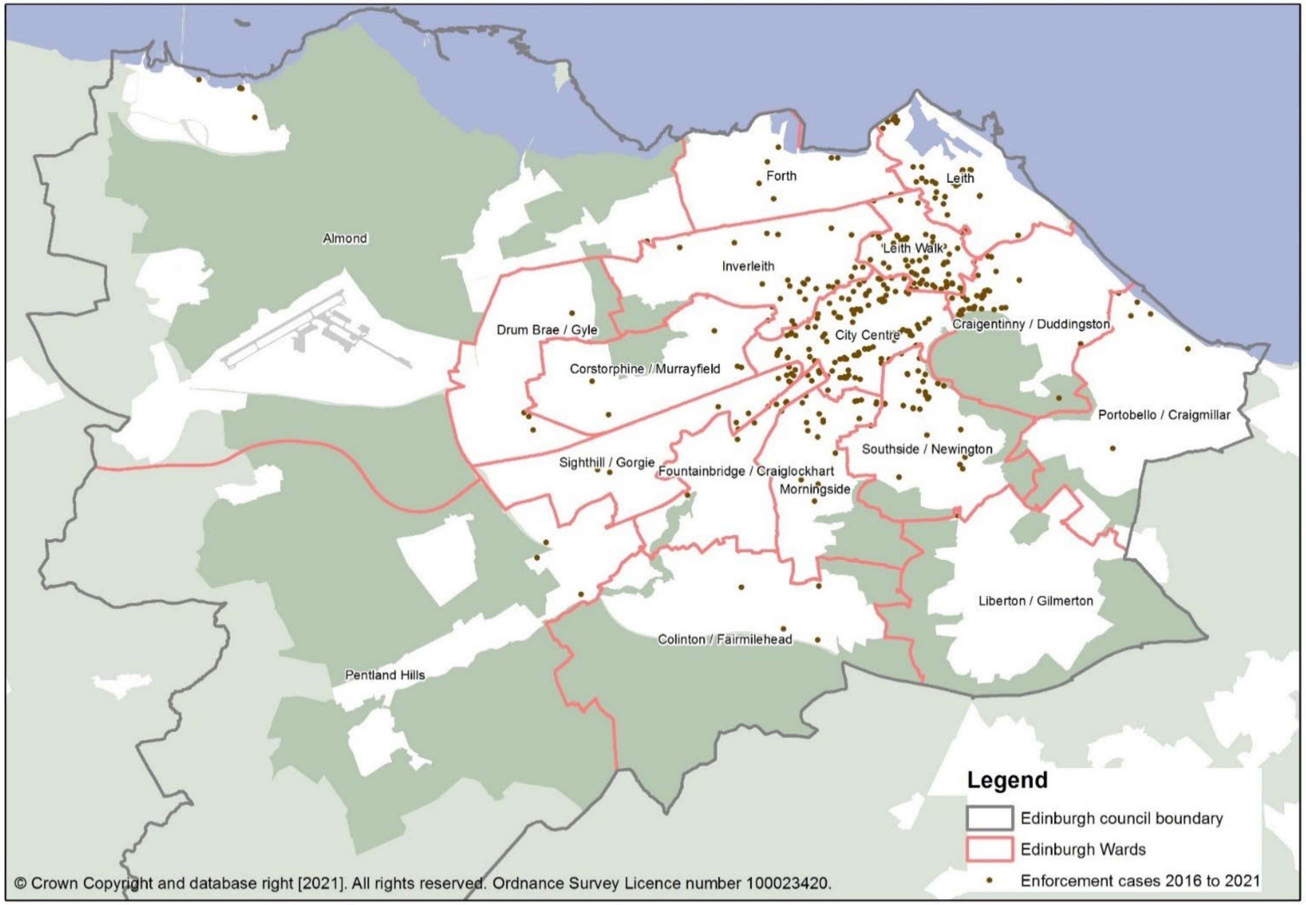


Source:CEC

3.4 In the absence of Short Term Let Control Area, when investigating cases, it must be established whether the use of a residential premises for short term holiday lets is a material change of use. The question of materiality is one of fact and degree having regard to a number of factors such as the character of the property, the frequency of arrivals and departures, the number of people occupying the property, disturbance to neighbouring residential amenity. Evidence gathering can be a very difficult process. Case officers must consider each of these factors. This can involve a number of visits to check levels of occupation and to collect corroborative evidence to support any claims of noise and nuisance. This is a resource intensive activity.

3.5 Enforcement cases are evident across the area. Map 4 below identifies the location of enforcement cases which have been raised relating to unauthorised use for short-term letting since 2016. This shows a concentration in the city centre where there are high levels of short-term lets identified in the available data. Figure 7 shows that there have been cases raised in all wards of the city.

Map 4-Location of enforcement cases raised in period 2016-2021



Source: Inside Airbnb

Figure 7- Planning Enforcement Cases by Ward

Ward	No of enforcement cases raised 2016-2021	%
City Centre	158	30
Leith Walk	85	17
Leith	52	10
Craigentinny/Duddingston	50	10
Southside/Newington	38	7
Inverleith	31	6
Morningside	23	5
Fountainbridge/Craiglockhart	19	4
Sighthill/Gorgie	18	3
Corstorphine/Murrayfield	11	2
Forth	8	2
Almond	7	1
Portobello/Craigmillar	7	1
Drum Brae/Gyle	4	1
Colinton/Fairmilehead	4	1
Pentland Hills	3	1
Liberton/Gilmerton	1	0
TOTAL	519	

Source: CEC

3.6 Despite the proactive approach to managing short-term letting it is clear that the Council lacks specific regulatory powers which allow it to effectively respond to all the issues currently faced by the city.

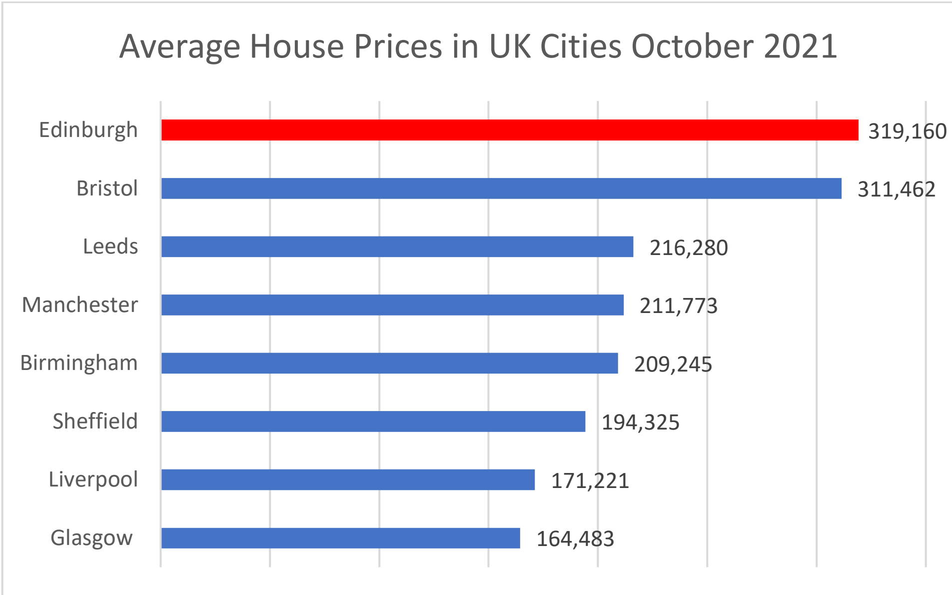
3.7 In January 2022 the Scottish Parliament approved a licensing scheme for STLs requiring that, from April 2024, all STLs obtain a licence. This will address safety concerns. The licensing scheme is complimentary to the control area and does not provide any regulation over the number of STLs or allow consideration of planning matters. The objective of a control area is to help manage high concentrations of secondary letting, restrict STLs in inappropriate places or buildings and ensure homes are used to best effect. No other regulations control the multiple issues which can be controlled through the planning system. Implementing a control area at the earliest opportunity will allow for applications to be made in advance of the licensing scheme.

4. The Housing Market

4.1 Edinburgh operates as a single housing market. There are high levels of demand and need for affordable housing which have been identified through an analysis of housing need and demand. Most properties operating as STLs were or are residential dwellings and any residential dwelling not being used for that purpose reduces the availability of housing in Edinburgh.

4.2 As set out in Figure 8 below at October 2021, the average house price in the UK was £268,349 and £181,391 in Scotland. The average property price in Edinburgh was £319,160, higher than most other major UK cities outside London.

Figure 8 - Average House Price in UK Cities



Source: UK House Price Index, National Statistics

4.3 The average house price is around six times the average gross annual earnings in the city, making it the least affordable city in Scotland to buy a home. The lockdown restrictions effectively saw the sales market frozen over the usually active Spring market in 2020, but a sharp increase was observed as restrictions eased and number of sales in Edinburgh jumped to levels well above Summer 2019.

4.4 The average advertised monthly private rent in Edinburgh in the last quarter of calendar year 2020 was £1,085, with the second highest rent recorded in Glasgow at £848 and a Scottish average at £826 (source: Citylets).

Need for housing

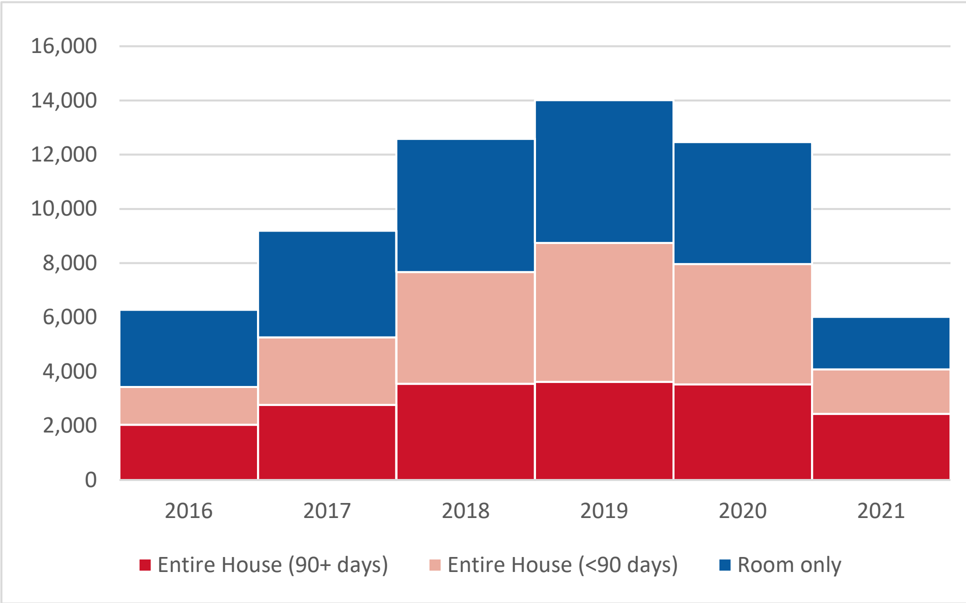
4.5 A housing need and demand assessment (HNDA) for Edinburgh and South East Scotland was prepared in 2015. The HNDA estimates the future number of additional housing units to meet existing and future housing need and demand in a housing market area. Edinburgh administrative area operates as a single sub housing market area, with a functional housing market area that extends to include all the SESplan local authority areas. It states that there is demand for at least 38,000 to 46,000 new homes in Edinburgh over ten years, over 60% of these need to be affordable. A review of this was undertaken on behalf of the Council in September 2020. The Edinburgh Local Development Plan, November 2016 sets a target base upon this need and identifies housing sites to provide for this. It is recognised that along with building new homes there is a need to retain existing homes.

4.6 A new local development plan, City Plan 2030, is being prepared. Consultation on the main issues for this review was carried out in early 2020. 88% of those responding supported the introduction of a policy on the loss of homes to other uses. The Proposed City Plan 2030 was approved in September 2021 and carries forward this intention with the inclusion of a policy to protect existing dwellings from being lost to other uses, including short-term lets. A period for representations on the Proposed Plan concluded in December 2021. Representations are currently being considered and it is likely that there will be an examination on behalf of Scottish Ministers, and potential for change in the plan contents, prior to any adoption of the plan.

Impacts on supply and affordability

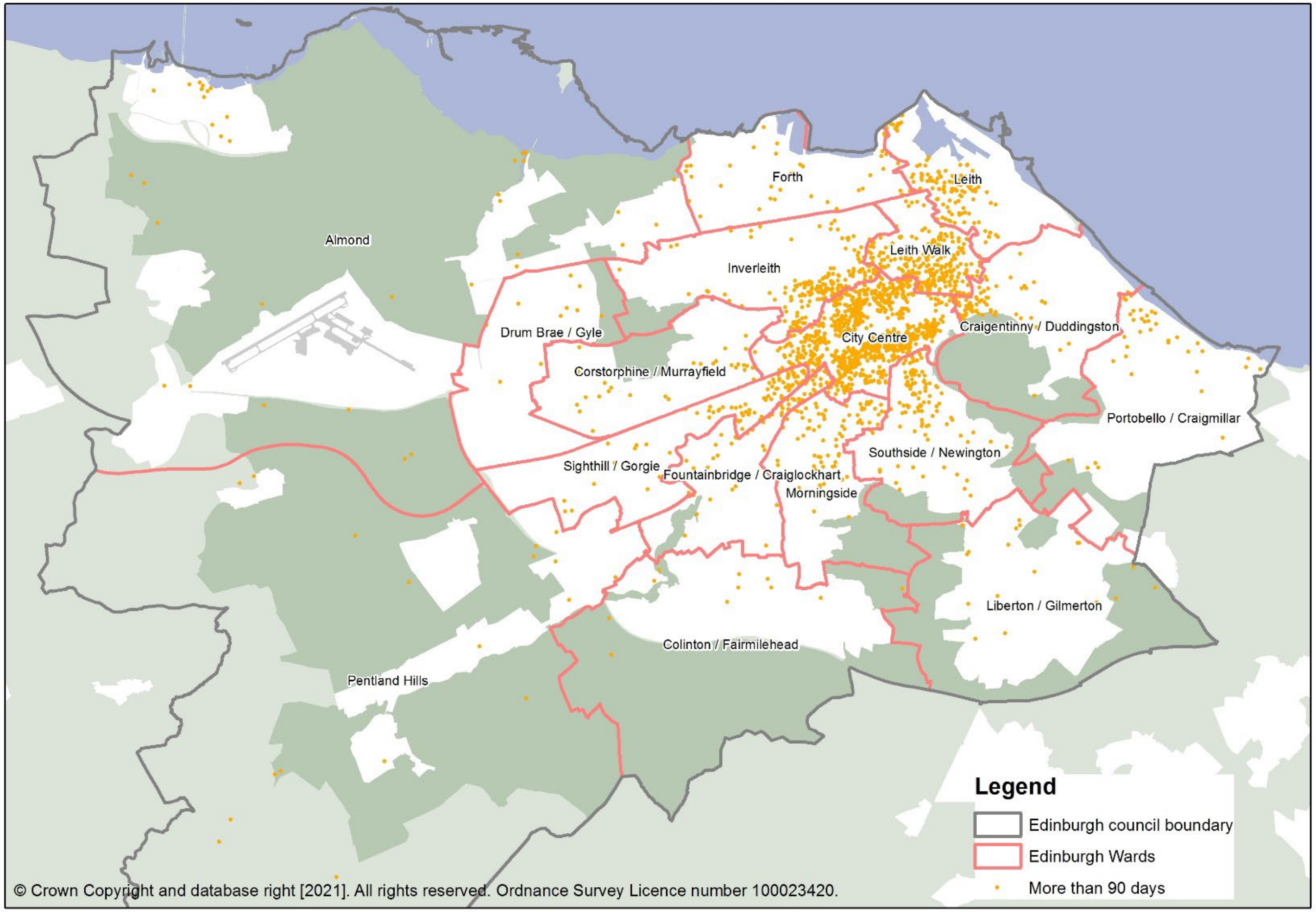
4.7 The number of days an entire property is available to let indicates how often the property is used as a permanent residence and whether it can still be considered part of the housing supply. Properties available for more than 90 days in a year may be considered to have been removed from the housing supply. The data has been filtered to identify those entire property lets which would be affected by the control area and identifies those available for 90 days or more. As set out in Figure 9 below, of the 4,077 entire property listings in 2021, 2,436 of these were available for more than 90 days. Map 5 shows the distribution.

Figure 9- Number of STLs registered on Airbnb within Edinburgh (number of days) 2016-2021



Source: Inside Airbnb

Map 5: Distribution of STLs available for more than 90 days.



Source: Inside Airbnb

4.8 It is very difficult to track how much housing has been transferred to short-term letting. Data set out in Section 1 indicates significant numbers of STLs. Typically, STLs have previously been dwellings. Properties removed from the long-term rental market for use as short-term lets impacts on the housing supply. Other things being equal, this decreases the supply of housing units in the long-term private rental market and put upward pressure on long-term rents and this is most likely to happen in cities such as Edinburgh which has high demand and low supply.

4.9 In 2018 the Council commissioned Rettie & Co to conduct research (Analysis of the Impact of the Edinburgh Short Term Rental Market – 16 July 2018) which assessed the impact that the short-term let sector was having on rents within Edinburgh's traditional private rented sector and the availability of residential property in the city. It estimated that there had been a loss of around 10% of private rented homes to short-term lets in recent years. The loss was most prevalent in the city centre and north Edinburgh. The rapid growth in short term lets was said to have had an impact on both supply and rent levels. Between 2014 and 2017 the city saw 2,700 more properties per year listed as available on Airbnb, while private rented sector stock fell 560 per annum.

4.10 The research also indicates a displacement of demand from STLs, with rents rising significantly above average (between 20-27% over the period 2014-17) in areas bordering a high concentration of short term lets. Private rents have increased by more than 30% over the last five years. Research indicates rising rents occurring in those areas bordering a high concentration of Airbnb, suggesting a displacement of demand. In those areas bordering the city centre, rents increased around 20-27% over the period 2014-2017

Impact of Pandemic

4.11 The Covid-19 pandemic has had a significant impact on the number of STLs that were advertised on the Airbnb platform since March 2020 (section 1). It is hard to speculate about the medium and long-term impacts of the pandemic on the STL market, and on the behaviour of investors, landlords and consumers. A study -Review of Housing Need and Demand in Edinburgh commissioned by CEC in 2020 considered evidence on housing need and demand in the context of the Covid-19 pandemic. This found that the impact of Covid-19 has seen a current surge in the housing market through pent-up demand and that there are indications of some of this demand leaving the city centre urban core, and even moving out of Edinburgh altogether to seek more affordable space. There was some evidence of an immediate shift of short-term lets to residential private-lets during lock-down, but consultation suggests that the high demand for UK staycations means that demand for City Centre STLs has been broadly maintained. For the long term, the market fundamentals for the Edinburgh market are projected to remain strong, with unlikely downward pressure of prices. It concludes that the private rented sector has been in a considerable state of flux but is now rebalancing and transient households are returning to the City. There is currently more flexibility in supply augmented to some extent by previous STLs moving to residential stock but warns that this should not be over-estimated as UK staycations are in high demand.

Appropriate use of dwelling

4.12 Properties being utilised for STLs are generally in accessible areas and supported by services. There is a need to ensure that such locations can be maximised for their potential to provide residential properties to meet the needs of Edinburgh. Existing housing units are best placed and designed to provide for residential use and most suited to meeting the needs of residents.

5. Impacts on communities and residents

5.1 STLs can provide local economic benefits and provide the potential for increased household income for hosts and local employment. They provide additional accommodation during important times of the year, e.g. the summer festivals. The control area only affects short-term lets where the property is not the only or principal home of the host. Home letting of people's own homes will not be impacted by the control area.

5.2 The impact of short-term lets on Edinburgh is a significant concern. regarding short term lets are wide ranging and continue to be received by the Council. The complaints cover several broad types and include:

- Impact on available housing supply within the city
- Erosion of sense of community in areas with dense concentrations of short term lets;
- Noise and antisocial behaviour created by guests using short term lets.The number of enforcement complaints recorded each year for the last 6 years are provided in table 10 below.

Figure 10- Enforcement complaints related to STL use

Year	No. of cases
2016	21
2017	32
2018	117
2019	229
2020	134
2021	104

5.3 Analysis of some cases received indicates that most complaints received relate to low level disturbance, which nonetheless can have a serious impact on residential amenity. For example, visitors who use flats will often arrive and depart at anti-social hours and in the process of doing so will disturb neighbouring properties when moving through communal areas. Many hosts allow two night minimum stays and there have been several cases where one night stays have been permitted by the host. In these circumstances, the likelihood of disturbance, with guests changing over on a more regular basis, also has a tangible impact on residential amenity. The negative impact of short-term lets on residential amenity have been well documented in a number of appeal decisions which have been handed down by Scottish Ministers. A list of recent appeal decisions is included at Appendix 1.

5.4 Research carried out on behalf of the Scottish Government -Research into the impact of short-term lets on communities across Scotland, 2019 assessed the impact of short-term lets in Scotland, with a focus on communities, particularly on neighbourhoods and housing. It considered 5 case studies including Edinburgh.

5.5 A key impact identified was the reduced availability of residential housing with the negative impact on affordability, sustaining communities and the negative impact on the wider local economy and local public services. There were indications from the survey and recurring themes coming through the qualitative research across all areas, from all types of participants except for some hosts, that properties were moving from long-term private lets and owner-occupation into STLs. This was voiced as a major area of concern in Edinburgh. In Edinburgh the rise in STLs was associated with the fall in resident population and school rolls, with fears about the long term sustainability of the community.

5.6 A further impact identified was disturbance of residents, quality of life and well-being which was evident in Edinburgh in particular. This related particularly to tenements but also other types of high density properties with shared space and common stairs/closes. Concentrations of entire property STLs let full-time in common stairs often results in daily disruption and stress caused by constant 'visitor use', rather than residential use – noise, disturbance, buzzers, door knocking, littering, anti-social behaviour, the loss of a sense of community and security where the majority in both the close, and within the wider local community, were constantly changing strangers.

5.7 Negative congestion effects from STLs were identified in Edinburgh where the level of tourism was the greatest amongst the five case study areas. They were also seen to be changing the nature of the communities. This was associated with traffic congestion, people congestion, litter, waste, noise, lack of amenities for locals including local shops, and higher demand for and impact on local public services.

5.8 Responses received to the consultation on the control area designation, which took place from September to November 2021, indicate strong support for designation. 3,108 responses were received. 51 organisations responded, including 18 community organisations, 7 of which were community councils. A Report of Consultation provides a summary of all responses received. A significant majority of all respondents (88%) supported both the principle of the designation of a STL control area and for the entire area to be included (85%). The responses identified many negative impacts on individuals and communities from the presence of short-term lets. These included reduction in availability of residential accommodation; loss of resident population leading to fragmentation of communities; disruption to well-being and isolation caused by lack of resident neighbours to provide a support network; and impact on surrounding area.

5.9 The requirement for planning permission would allow the Council to make decisions in accordance with the Development Plan, unless material considerations indicated otherwise. The planning application process involves notification of neighbours and provides an opportunity for public comments. Current planning policy allows consideration of the appropriateness of short-term letting within a residential context.

6. Visitor Accommodation in Edinburgh

6.1 There is considerable supply of serviced accommodation in Edinburgh, along with student halls which provide visitor accommodation at key times of the year. A study carried out on behalf of the Council, Edinburgh Visitor Accommodation Sector Commercial Needs Study, January 2019, Ryden identified almost 16,000 rooms within 422 properties. The breakdown by type is provided in Figure 11 below.

Figure 11- Structure of the Edinburgh Visitor Accommodation Market – January 2019

Type	No. of properties	No. of bedrooms/units
Hotels	167	13,180
Serviced Apartments	40	1,488
Hostels	15	457 (2,327)
Guest houses	200	1,300
Total	**422**	**15,968**

Source: AM:PM/VisitScotland Extracted from Edinburgh Visitor Accommodation Sector Commercial Needs Study, Ryden, January 2019

6.2 These other forms of commercial visitor accommodation are subject to planning regulation and where development or change of use occur these require planning permission. A requirement for planning permission would bring STLs in line with this requirement.

6.3 The study identified that supply growth over the last 10-15 years has been primarily driven by the hotel sector (although there have been a number of new serviced apartments which have opened in the last three years), with a 3.3% annual average growth in hotel bedroom supply (net, including closures). In particular, there has been significant growth in budget hotel stock in the city which has made up 78% of all new hotel bedrooms opened between 2012 and 2018.

6.4 Serviced apartments (which includes apart-hotels) are defined as properties offering a hotel-like room but typically with larger than average or multiple bedrooms, including additional working and kitchen amenities (AM:PM Hotels Database). 40 serviced apartments were identified within Edinburgh providing 1,488 units.

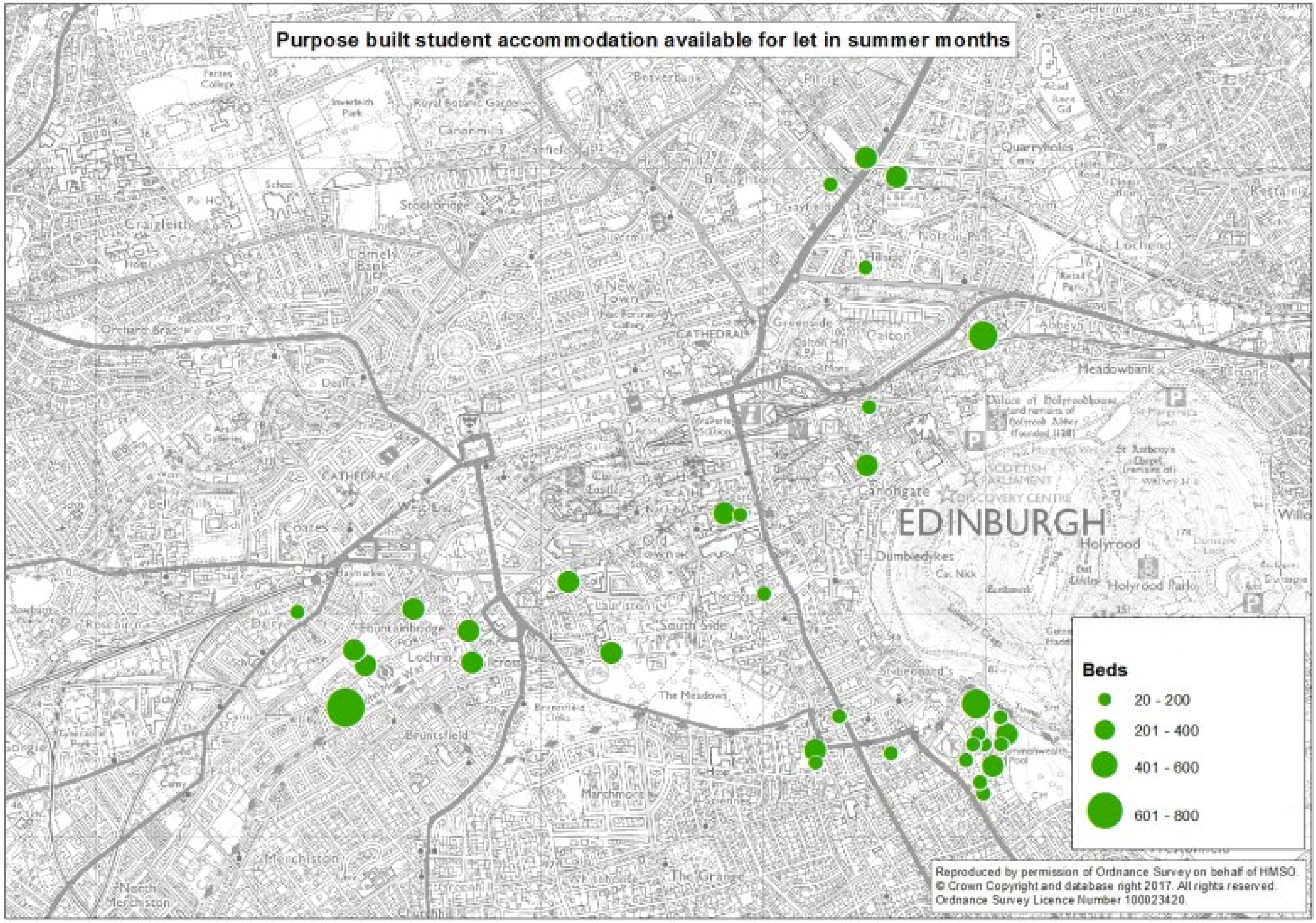
6.5 There have been a number of recent serviced apartment openings in the last two years, reflecting the growth in the apart-hotel concept, appealing to shorter stay visits, including:

- The Edinburgh Grand (2018, 50 bedrooms);
- Mode Apart-hotel (2018, 82 bedrooms);
- Eden Locke (2017, 72 bedrooms);

6.6 The study identified seven pipeline serviced apartment schemes in Edinburgh at 2019, representing an increase of 520 bedrooms. VisitScotland lists over 394 self-catering properties (although there is some cross-over with serviced apartments) and four holiday / touring parks.

6.7 Out with term time student accommodation can provide short-term accommodation suited to visitors. There were 37 student halls identified by the study in Edinburgh, 35 of which are available to rent during summer (nine are exclusively let during the festivals in August). These provide self-catering managed accommodation within purpose built units and the location of these are shown in Map 6. The use of these student residences in summer equates to 35 buildings and provides a combined number of 8,479 beds.

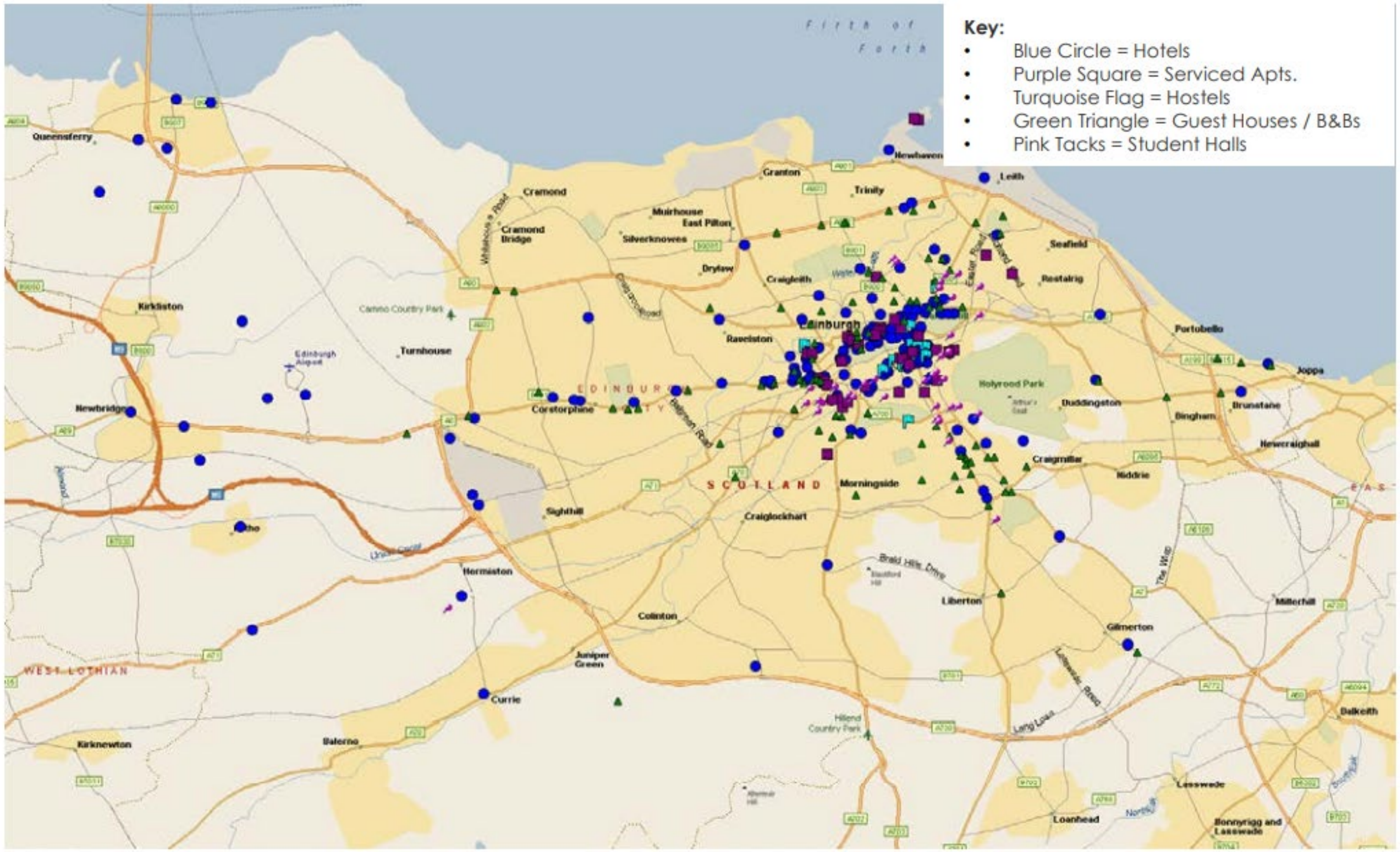
Map 6 - Student accommodation available for rent in summer



Source: CEC

6.8 Map 7 below shows the distribution of visitor accommodation in Edinburgh. Visitor accommodation is concentrated in the city centre, with a considerable spread across the city.

Map 7-Distribution of Visitor Accommodation Supply in Edinburgh 2019



Source: GVA / Microsoft MapPoint. Extracted from Edinburgh Visitor Accommodation Sector Commercial Needs Study, January 2019, Ryden

6.9 The study reported that future demand prospects for the visitor accommodation sector to 2030 appear positive due to a number of key factors, including several large regeneration projects (e.g. Edinburgh St James), the forecast growth of passenger numbers at Edinburgh Airport (projected to double by 2030) and the continuing strength of the city's business, conference and tourism sectors. This is matched by strong demand from brands, operators and developers in the visitor accommodation sector for new and / or additional supply in Edinburgh. A survey carried out as part of the study, with some of the leaders in the sector, highlighted overwhelming interest in such opportunities.

6.10 The Edinburgh Local Development Plan, November 2016 supports hotel development in the city centre, Edinburgh Airport, Royal Highland Centre and the International Business Gateway and other locations within the urban area with good public transport access to the city centre. The Proposed City Plan 2030 supports new hotel provision in local, town, commercial centres and other locations with good public transport access throughout Edinburgh.

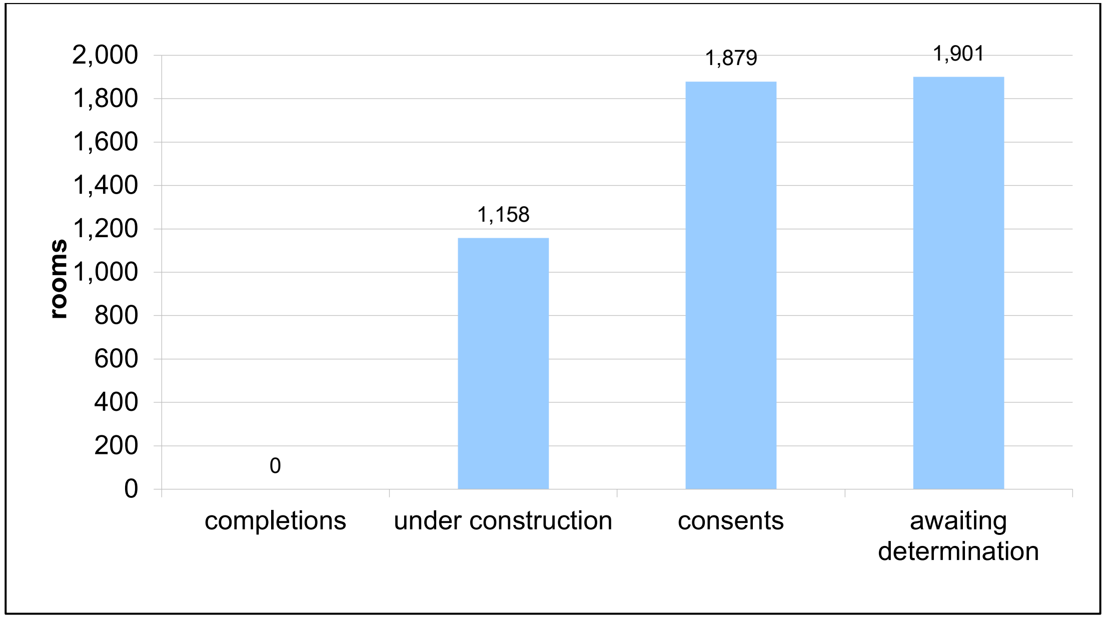
6.11 Since 2012, 24 hotels have opened in Edinburgh, adding 3,139 bedrooms to the market; a 23.8% increase in supply. Figure 12 below shows the status of hotel developments since 2001.

Figure 12- Hotel Development 2001-2020

Source: Hotel Development Schedule 2020, CEC

6.12 Hotel stock is expected to continue to increase. There were 4,938 bedrooms identified in the planning pipeline (under construction, with consent or awaiting determination) at 2020. As shown in Figure 13 below, 1,158 rooms were under construction in 2020 and consent had been granted for another 1,879. Of these, 1,259 were new build, 471 were change of use and 149 were extensions. There were also 1,901 rooms still awaiting determination.

Figure 13- Hotel developments in Edinburgh 2020



Source: Hotel Development Schedule 2020, CEC

6.13 The effect of the control area is to require planning permission to use an entire dwelling that is not a principle home for a short-term let. It does not apply to home sharing or home letting. Current planning policy is set out in the Edinburgh Local Development Plan (LDP) Policy Hou 7 – Inappropriate Uses in Residential Areas. This policy prohibits change of use which would have a materially detrimental effect on the living conditions of nearby residents. Planning applications for secondary letting will be determined against this policy and other material considerations. Current non-statutory guidance, Guidance for Businesses, November 2021 states that planning permission will not normally be granted for flatted properties, where the potential adverse impact on residential amenity is greatest and will generally only be acceptable where there is a private access from the street.

6.14 The designation of a short-term let control area, therefore does not mean a blanket ban on such uses: each case will have to be assessed on its own merits.

6.15 Current planning policy allows consideration of the appropriateness of short-term letting within a residential context. Where this is appropriate it allows for STLs. In 2021 there were 25 applications for planning permission for STLs determined. 15 of these were granted. These are detailed in Figure 14 below.

Figure 14-Short-term let applications 2021

Application Number	Address	Decision	No. of objections
21/04512/FUL	1B Fingal Place	Refuse	4
21/04825/FUL	19 Kings Stable Lane	Grant	1
21/04319/FUL	30 Castle street	Grant	0
21/03890/FUL	13 Dewar Place Lane	Grant	0
21/04098/FUL	555 Gorgie Road	Grant	1
21/03508/FUL	7A Jamaica Street South Lane	Refuse	1
21/02664/FUL	Drylaw House	Grant	4
21/03226/FUL	3B Dundas street	Grant	1
21/03509/FUL	3B Jamaica Street South Lane	Refuse	0
20/05581/FUL	2-4 Abbey Mount	Grant	0
21/02351/FUL	68b Grassmarket	Refuse	287 (280 support)
21/02525/FUL	8 Shandwick Place	Grant	0
21/02615/FUL	41 Barony Street	Grant	16
21/01591/FUL	48 Howe street	Grant	2
21/01109/FUL	3 Albert street	Refuse	1
21/01108/FUL	5 Albert street	Refuse	3
21/00750/FUL	33 Queensferry street	withdrawn	5
19/06157/FUL	41/43 Lanark Road	Grant	3
21/00878/FUL	13 Sciennes	Grant	1
21/00869/FUL	8 Shandwick Place	Refused	0
20/05425/FUL	37A London street	Refused	12
20/05421/FUL	39 London street	Refused	11
20/01505/FUL	45 Grove street	Grant	33
20/04531/FUL	Mid Kinleith	Grant	0
20/03051/FUL	18 Torphichen street	Grant	2

* In the case of 8 Shandwick Place the committee refused a mix of 1 flat and 2 short stay lets but subsequently granted 3 short-stay lets

6.16 Purpose built tourist accommodation in the form of hotels, hostels, apart hotels, guest houses and bed and breakfasts is readily available throughout the city. Along with student halls, which provide visitor accommodation at key times of the year, this accommodation meets the vast majority of tourism needs while balancing impacts on neighbourhoods. There are currently properties with consent to operate as short-term lets and properties where the use as a short-term let can be demonstrated to have been ongoing for a period of 10 years, thereby establishing the use as lawful. Along with the opportunity to apply for planning permission this means that there will continue to be short-term lets within Edinburgh providing choice of visitor accommodation.

Background reports

- Report to Planning Committee, 2 March 2017 Short Stay Commercial Visitor Accommodation
- Report to Corporate Policy and Strategy Committee, 7 August 2018, Short-term Letting in Edinburgh
- Report to Planning Committee, 2 September 2020, Short-term Letting in Edinburgh
- Report to Corporate Policy and Strategy Committee, 14 May 2019 Short Term Letting in Edinburgh Update
- SESPlan Housing Need and Demand Assessment 2
- Edinburgh Visitor Accommodation Sector Commercial Needs Study, Ryden, January 2019
- Hotel Development Schedule 2019, CEC
- Research into the impact of short-term lets on communities across Scotland, Scottish Government, October 2019

Appendix 1

Short-term Let Appeals

2021/2022 (Q1 and Q2 ONLY)
ENA-230-2191, 5A Leopold Place, Edinburgh, EH7 5JW, (appeal dismissed 23/04/2021)
2020/2021
ENA-230-2186, 1F2, 68B Grassmarket, Edinburgh, EH1 2JR (appeal dismissed 11/01/2021)
ENA-230-2187, 2F1, 68B Grassmarket, Edinburgh, EH1 2JR (appeal dismissed 11/01/2021)
ENA-230-2188, 3F1, 68B Grassmarket, Edinburgh, EH1 2JR (appeal dismissed 11/01/2021)
ENA-230-2185, 2F2. 68B Grassmarket, Edinburgh, EH1 2JR (appeal dismissed 11/01/2021)
ENA-230-2184, Flat 8, 33 Ocean Drive, Edinburgh, EH6 6JL (appeal dismissed 10/08/2020)
ENA-230-2182 Flat 1, 9 Elsie Inglis Way, Edinburgh, EH7 5FQ (appeal dismissed 03/09/2020
ENA-230-2177, 1F1 Drumdryan Street, Edinburgh, EH3 9LA (appeal dismissed 03/06/2020)
ENA 230-2190, 24 Craiglockhart Avenue, EH14 1HX (appeal dimissed 20/05/2020)
8 Appeals
2019/2020
ENA 230-2179 Flat 5, 46 North Castle Street, Edinburgh, EH2 3BN (appeal dismissed 26/03/2020)
ENA-230-2175 Flat 5, 10 Western Harbour Midway, Edinburgh, EH6 6PT (appeal dismissed 12/03/2020)
ENA-230-2174 1F4, 17 Dalgety Street, Edinburgh, EH7 5UN (appeal dismissed 03/03/2020)
ENA-230-2172 Flat 2, 11 Oxford Terrace, Edinburgh, EH4 1PX (appeal dismissed 21/02/2020)
ENA-230-2171 PF1, 65 Prince Regent Street, Edinburgh, EH6 4AP (appeal dismissed 13/02/2020)
ENA-230-2169 148/2 Albert Street, Edinburgh, EH7 5LT (appeal dismissed 22/01/2020)
ENA-230-2167 4F3, 22 Haymarket Terrace, Edinburgh, EH12 5JZ (appeal dismissed 21/01/2020)
ENA-230-2168 Flat 9, 6 Succoth Court, Edinburgh, EH12 6BY (appeal dismissed 16/01/2020)
ENA-230-2164 5/9 Castle Wynd South, Edinburgh, EH1 2JT (appeal dismissed 12/12/2019)

ENA-230-2162 1F1, 33 Milton Street, Edinburgh, EH8 8HB (appeal dismissed 04/12/2019)
ENA-230-2161 1F, 11 Royal Circus, Edinburgh, EH3 6TL (appeal allowed in part (more time allowed 15/11/2019)
ENA-230-2152 5/6 Castle Wynd South, Edinburgh, EH1 2JT (appeal dismissed 30/08/2019)
ENA-230-2156 3F2, 22 Haymarket Terrace, Edinburgh, EH12 5JZ (appeal dismissed 13/08/2019)
ENA-230-2157 3F3, 22 Haymarket Terrace, Edinburgh, EH12 5JZ (appeal dismissed 13/08/2019)
ENA-230-2147 Flat 14, 6 Pilrig Heights, Edinburgh, EH6 5BF (appeal dismissed 03/04/2019)
15 Appeals
2019/2020
ENA-230-2138 63/2 Bread Street, Edinburgh, EH3 9AH (appeal dismissed 28/11/2018)
ENA-230-2138 63/3 Bread Street, Edinburgh, EH3 9AH (appeal dismissed 26/11/2018)
ENA 230-2137 63/11 Bread Street, Edinburgh, EH3 PAH (appeal dismissed 26/11/2018)
ENA-230-2129 3F1, 14 Chancelot Terrace, Edinburgh, EH6 4SS (appeal dismissed 06/11/2018)
ENA 230-2142 2F2, 52 Morningside Road, Edinburgh, EH10 4QP (appeal dismissed 01/11/2018)
ENA 230-2130 Flat 15, 17 Ratcliffe Terrace, Edinburgh, EH9 1SU (appeal dismissed 29/08/2018)
6 Appeals