ABERDEEN CITY COUNCIL

COMMITTEE	Licensing Committee
DATE	05 June 2024
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Review of Licensing of Short Term Lets
REPORT NUMBER	F&C/24/171
EXECUTIVE DIRECTOR	Eleanor Sheppard - Executive Director of Families
	and Communities
CHIEF OFFICER	Jacqui Mckenzie, Chief Officer - Housing
REPORT AUTHOR	Jocelyn Janssen
TERMS OF REFERENCE	16.3

1. PURPOSE OF REPORT

1.1 To update Committee, following Committee instruction, on the operation of Short Term Let licensing within Aberdeen City since implementation on 1 October 2022, and seek approval of the updated Short Term Lets policy to enable the Council to continue licensing short-term lets under the <u>'Civic</u> <u>Government (Scotland) Act 1982 (Licensing of Short Term Lets) Order 2022</u>' (the 2022 Order).

2. **RECOMMENDATIONS**

That the Committee:-

- 2.1 Note the operation of the licensing scheme for Short Term Lets and enforcement of unlicensed operators within Aberdeen City;
- 2.2 Approve the updated Short Term Lets Policy with effect from 5 June 2024 as contained in Appendix 1.

3. CURRENT SITUATION

- 3.1 A short-term let is the use of residential accommodation provided by a host in the course of business to a guest, where the guest does not use the accommodation as their only or principal home.
- 3.2 On 1 March 2022, the '<u>Civic Government (Scotland) Act 1982 (Licensing of Short Term Lets) Order 2022</u>' (the 2022 Order) was enacted to introduce new powers for Licensing Authorities to regulate short term lets through the introduction of a licensing scheme by 1 October 2022. The Council's Short Term Let Policy was first approved by the Licensing Committee on 6 September 2022 and implemented within Aberdeen City from 1 October 2022.

- 3.3 From 1 January 2025, all hosts must have a licence before accepting bookings and receiving guests. A licence to operate a property as a short term is granted by the Licensing Committee or through delegated authority to officers as appropriate.
- 3.4 Aberdeen City Council has been accepting applications since 1 October 2022. From 1 October 2022 until 31 March 2024, Aberdeen City Council have received 511 Short Term Let applications:

Status	Applications
Granted	255
Planning Required	12
Withdrawn	37
Pending	147
Invalid (incomplete application)	60
Total	511

3.5 After reviewing all applications upon receipt, 402 Short Term Let applications have been accepted and consist of 255 Granted and 147 Pending applications. Pending applications are under consideration where the Short Term Let team continue to process. Accepted applications are broken down into existing and new operator categories. These categories are defined within Page 4 of the Short Term Let Policy.

Existing Operators

The deadline for existing hosts and operators to apply for a licence was by 1 October 2023. Local Authorities have 12 months from date of application to determine applications for existing operators:

Existing Operator Applications	Applications
Secondary Letting	242
Homeletting	23
Homesharing	29
Homeletting and Homesharing	10
Total	304

New Operators

After 1 October 2022, new hosts and operators cannot operate until they have obtained a licence. Local Authorities have 9 months from date of application to determine applications for new Short Term Let operators:

New Operator Applications	Applications
Secondary Letting	78
Homeletting	7
Homesharing	10
Homeletting and Homesharing	3
Total	98

3.6 Licenses can be Granted for up to 3 years. A public register of Short Term Let licensed properties is available online and updated when applications are granted at:

https://integration.aberdeencity.gov.uk/en/service/Short_term_lets_licence____holders_____

Objections

- 3.7 From 1 October 2022 until 31 March 2024 the Council received 95 Public objections to Short Term Let applications. Due to the volume of objections to Short Term Let applications, 4 additional Licensing Sub-Committees were scheduled to hear and determine the applications. 24 Short Term Let applications have been determined by the Council's Licensing and/or Licensing Sub-Committee where objections were received from members of the public regarding the application. A further 7 applications are to be determined that have received objections.
- 3.8 From 1 October 2022 until 31 March 2024 the Council received 10 Police Objections. All 10 applications have been determined by the Council's Licensing and/or Licensing Sub-Committee that received Police objections
- 3.9 A common theme contained within public objections, mentioned Title Deeds. In each case, objectors were advised Deed of Conditions for a property are not grounds for refusing a Short Term Let licence within the legislation. Licensing cannot be used to enforce other legal issues and that would have to be enforced via other legislation.

Enforcement

- 3.10 Complaints regarding unlicensed Short Term Lets can be reported to <u>ShortTermLets@aberdeencity.gov.uk</u> Complaints will be investigated, and advice provided to unlicensed operators on how to apply. Up until 31 March 2024, the Council has contacted 9 potentially unlicensed operators that are under investigation. Police Scotland are the enforcement body for unlicensed Short Term Lets, however Aberdeen City Council as the licensing authority will attempt to resolve matters directly with the host/operator in the first instance. Aberdeen City Council will report unlicensed operators to Police Scotland after attempts to encourage operators to submit an application for a short term let for consideration.
- 3.11 Licensed Short Term Let properties must adhere to mandatory licence conditions. In addition to the mandatory licence conditions contained within the 2022 Order, Licensing Authorities have the discretion to introduce Additional Conditions (also known as Discretionary Licence Conditions). Additional Conditions can assist Licensing Authorities to respond to local issues and specific concerns. On 6 September 2022 the Licensing Committee approved two Additional Conditions that must be adhered to within Aberdeen City. The Additional Conditions were around Anti-Social Behaviour and Waste Disposal. The full set of Short Term Let licence conditions within Aberdeen City are available online: https://www.aberdeencity.gov.uk/short-term-lets
- 3.12 The Council can intervene with regards to licensed properties by serving enforcement notices, varying, suspending, or revoking a licence. These activities would be investigated by the Private Sector Housing Team and then the route of enforcement action determined by Council's Licensing Committee. To date, these enforcement actions have not been required, however they may be used if an operator does not adhere to safety requirements or if complaints are received regarding a property.

Short Term Let Policy

3.13 A Short Term Let policy was first approved by the Licensing Committee on 6 September 2022. Following review, the updated Policy is contained within Appendix 1. The updated Policy has been through internal governance processes, and if approved by the Licensing Committee the updated Policy will be published on the Council's website. There are no substantial changes to the Policy, however information on Planning Permission is included along with updated Community Safety Team contact details. The policy will be reviewed on an annual basis to ensure it remains current and compliant.

4. FINANCIAL IMPLICATIONS

4.1 Short Term Let fees are subject to an annual review through the Fees and Charges budget process based on the cost of delivering the service and any changes will be reviewed by full Council.

5. LEGAL IMPLICATIONS

- 5.1 Approval of the updated Policy will allow the Council to continue meeting the statutory requirement of implementing a Short Term Let regime.
- 5.2 Aberdeen City Council's statutory duty to implement and perform requirements of Short Term Lets under Civic Government (Scotland) Act 1982 (Licensing of Short Term Lets) Order 2022.

6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no direct environmental implications arising from the recommendations of this report.

7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	Legislative changes within the private rented sector.	Keep up to date with changes through Scottish Government updates.	L	Yes
	The provision of short term lets may on a limited basis support the housing market in the city, as well as supporting tourism and	Adhering to this policy will ensure this sector of the market is providing safer accommodation		

	economic growth.			
Compliance	Data Protection Requirement for regular Policy reviews to update if required.	Privacy Notices for all areas. The policy and supporting documentation set out how the Council will exercise its functions under the	L	Yes
		Civic Government (Scotland) Act 1982 (the Act) and the Civic Government (Scotland) Act 1982 (Licensing of Short- term Lets) Order 2022 (the Order) in respect of the licensing of short term lets in Aberdeen		
Operational	There is a risk if the Council does not have resources in place to support the delivery of statutory duties e.g staff shortage.	Continuous staff training on updates to legislation and processes.	L	Yes
Financial	There is a financial risk is the Council does not fully recover the costs associated with these activities	Short Term Let fees will be reviewed annually at budget each year.	L	Yes

Reputational	Failure to enforce the provisions of policies and legislation may lead to reputational damage regarding the safety of	Appropriate governance and staffing will mitigate this risk.	L	Yes
	properties in the rental market across Aberdeen.			
Environment / Climate	No significant risks identified			

8. OUTCOMES

Council Delivery Plan 2024			
	Impact of Report		
Aberdeen City Council	Licensing of Short Term Lets improves housing		
Policy Statement	standards across the city.		
Working in Partnership for			
<u>Aberdeen</u>			
Loca	Local Outcome Improvement Plan		
Prosperous Economy	No impact on the Aberdeen City Local Outcome		
Stretch Outcomes	Improvement Plan.		
Prosperous People Stretch	All people in Aberdeen are entitled to live within our		
Outcomes	community in a manner which they feel safe.		
	As part of the Short Term Lets application process,		
	properties will be inspected by a Private Sector		

	Housing Officer. Additionally, copies of safety certificates will be required from the owner/operator before any Licence is issued, ensuring safety of the property.	
Prosperous Place Stretch Outcomes	No impact on the Aberdeen City Local Outcome Improvement Plan.	
Regional and City Short Term Lets licensing supports the delivery of Local Housing Strategy of which key actions re to private sector housing are:		
	 to improve property condition in the private sector 	

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	Previous Integrated Impact Assessment relating to Short Term Let Licensing Process has been reviewed and minor changes made onto a new template.
Data Protection Impact Assessment	Not required
Other	

10. BACKGROUND PAPERS

- 10.1 Legislation: <u>Civic Government (Scotland) Act 1982 (Licensing of Short Term</u> Lets) Order 2022
- 10.2 <u>Short term lets licensing scheme part 1: guidance for hosts and operators</u>

- 10.3 <u>Short term lets licensing scheme part 2: supplementary guidance for licensing authorities, letting agencies and platforms</u>
- 10.4 Operation and Enforcement of Licensing and Registration Schemes within the Private Rented Housing Sector of Aberdeen, report heard at Communities, Housing and Public Protection Committee 17 January 2023
- 10.5 <u>Short Term Lets New Licensing Powers, report heard at Licensing Committee</u> 06 September 2022

11. APPENDICES

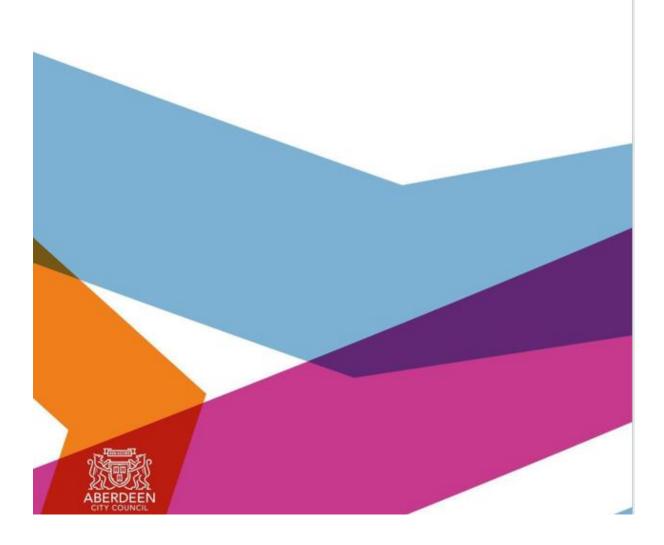
Appendix 1 – Updated Short Term Let Policy

12. REPORT AUTHOR CONTACT DETAILS

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Licensing of Short Term Lets

Approved by Committee on 06 September 2022 with an implementation date of 1st October 2022



Document Control

Approval Date	06 September 2022
Implementation Date	01 October 2022
Policy Number	POL-C-0009
Policy Author(s) and Owner	Author: Private Sector Housing Manager
	Owner: Chief Officer - Housing
Approval Authority	Licensing Committee
Scheduled Review	Annual

Date and Changes:

April 2024- Review conducted after the first full year of implementation of Short Term Let legislation. The following minor changes made:

- Updated web links
- Updated Chief Officer information
- Updated email address for Community Safety Team
- Inserted section on Planning in relation to Short Term Lets



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- 1 Why does the Council need this Policy?
- 1.1 This Policy sets out how the Private Sector Housing Unit and the Licensing Committee will exercise its functions under the <u>Civic Government (Scotland) Act</u> <u>1982 (the Act)</u> and the <u>Civic Government (Scotland) Act 1982 (Licensing of Shortterm Lets) Order 2022</u> (the Order) in respect of the licensing of short term lets in Aberdeen City.
- 1.2 The Policy is designed to provide licence-holders, prospective licence holders, members of the public and statutory partners with information on the Council's general approach to the making of licensing decisions in respect of short term lets.
- 1.3 The Policy will ensure that applications are administered in an open, transparent and consistent manner in order to reduce the risk of inconsistent decision making that could lead to reputational damage.

2 Application and Scope Statement

2.1 This policy applies to the grant and renewal of short term let licences as administered by the Private Sector Housing Unit on behalf of Aberdeen City Council.

3 Responsibilities

- 3.1 Chief Officer Housing, is responsible for managing this Policy and any supporting guidance.
- 3.2 Chief Officer Housing, is responsible for approving short term let licence applications subject to the standard conditions, where there are no objections, concerns or contentious issues.
- 3.3 The Licensing Committee is responsible for considering short term applications when there are objections, concerns or contentious issues.
- 3.4 The Licensing Committee is responsible for setting any discretionary licensing conditions, temporary exemptions and temporary licenses.
- 3.5 The Private Sector Housing Manager is responsible for ensuring that staff are aware of, and understand the contents of the Policy and to apply this Policy when determining applications for short term lets.
- 3.6 Hosts and operators of short-term lets in Scotland are responsible for ensuring that they comply with the Civic Government (Scotland) Act 1982 (the Act) and the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2022 (the Order) legislation including any conditions attached to licenses granted. Hosts and operators may be individuals or organisations such as partnerships, charities, trusts or

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companies who provide short-term lets.

- 3.7 Any instances of non-compliance with the Policy should be reported to the Chief Officer - Housing.
- 3.8 Any feedback or suggestions for improvement of this policy should be communicated to the Private Sector Housing Team: <u>ShortTermLets@aberdeencity.gov.uk</u>

4 Supporting Procedures & Documentation

- 4.1 The Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2022
- 4.2 The Civic Government (Scotland) Act 1982
- 4.3 Short term lets licensing scheme part 1: guidance for hosts and operators
- 4.4 <u>Short term lets Licensing scheme part 2: supplementary guidance for licensing</u> <u>authorities, letting agencies and platforms</u>
- 4.5 Advice for applicants on how to apply can be found through the Council's <u>Short</u>. <u>Term Let webpage</u>.

5 About this Policy

This policy sets out how the Council will manage the licensing scheme of short-term lets throughout Aberdeen City.

5.1 Application Fees

Application fees will be determined on an annual basis by the Council and published on the Council's Short Term Let webpage.

5.2 Types of Licenses

Hosts and operators may apply for the following types of licence:

- Secondary letting The letting of property where a host or operator does not normally live, for example a second home that is let to guests
- Home letting Using all or part of a host or operator's home for short-term lets, whilst they
 are absent. An example of this could be whilst the host or operator is on holiday
- Home sharing Using all or part of the host or operator's own home for short-term lets, whilst they are there
- Home letting and home sharing Operating short-term lets from the host or operator's own home while they are living there and for periods when they are absent



5.3 Licence Conditions

Mandatory conditions will be attached to every Licence and detail the applicant's responsibilities. Mandatory conditions can be viewed below:

https://www.legislation.gov.uk/sdsi/2021/9780111048092/schedule/3

5.4 Applying Discretionary Licensing Conditions

The application of Discretionary Licensing Conditions is subject to consultation and will be determined by the Licensing Committee. Discretionary Licensing Conditions will be reviewed regularly and details of any Discretionary Licensing Conditions will be made available on the <u>Council's website</u>.

5.5 Temporary Exemptions

The use of Temporary Exemptions is subject to consultation and will be determined by the Licensing Committee. This will be reviewed annually when the Short Term Let Policy is reviewed or earlier if required.

Aberdeen City Council's statement of policy on Temporary Exemptions can be found below: <u>https://www.aberdeencity.gov.uk/services/housing/short-term-lets</u>.

5.6 Temporary Licenses

The use of Temporary Licenses is subject to consultation and will be determined by the Licensing Committee. This will be reviewed regularly.

Aberdeen City Council's statement of policy on the use of Temporary Licenses can be found below: https://www.aberdeencity.gov.uk/services/housing/short-term-lets

5.7 Duration of a Licence

A short term let licence will be issued for a period of up to 3 years.

5.8 Consultees

Before any licence is granted the Council will consult with the following statutory consultees. A period of 28 days will be allowed for representations/objections to be received.

- Police Scotland
- Scottish Fire & Rescue Service



5.9 Objections

Objections must be received in writing within 28 days of a Public Notice being displayed by the applicant outside a property. Email objections can be sent to <u>ShortTermLets@aberdeencity.gov.uk</u> stating the reason for objection. The objection must be signed. Applications that have received an objection must be heard at the Council's Licensing Committee.

5.10 Planning

Planning Permission may be required before submitting a Short Term Let application. Applicants should contact the planning service to determine whether planning permission is required for their application and are strongly encouraged to have the relevant planning permission in place prior to submitting their Short Term Let application. Planning queries should be directed to <u>Pl@aberdeencity.gov.uk</u>

5.11 Decision Making

The Chief Officer - Housing, may determine applications for short term let licenses under delegated powers. Delegated powers will not be used for an application that has received any objections. Applications that receive an objection will be determined at the Licensing Committee.

5.12 Complaints Process

Complaints regarding unlicensed short term lets should be emailed to <u>ShortTermLets@aberdeencity.gov.uk</u> where the Council will then investigate.

Anti-Social Behaviour complaints should be directed to the Community Safety Team on 0800 0510434 or email CST@aberdeencity.gov.uk

Other Council departments may be consulted when required e.g. Community Safety Team after noise complaints.

5.13 Refund Process

Refused applications are non-refundable. However, a refund may be available under certain circumstances. Refund information will be published on <u>Aberdeen City Council's webpage</u>.



6 Risk

6.1 This policy and its supporting documentation will manage the following risks:

Reputational Risks – The policy and supporting documentation sets out how the Licensing Committee will exercise its functions under the Civic Government (Scotland) Act 1982 (the Act) and the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2022 (the Order) in respect of the licensing of short term lets in Aberdeen City in order to reduce the risk of inconsistent decision making that could lead to reputational damage.

Operational Risks - This policy is designed to ensure short term let properties are safe for occupation by guests. Hosts and operator information will be recorded on the Council's website, this could provide contact details to neighbors where Anti-Social Behaviour is an issue within a property.

Compliance Risks -This policy helps to ensure that the Licensing Authority complies with its resolution to licence short term lets. The policy therefore reduces the risk of non-compliance with its decision to licence short term lets.

7 Environmental Considerations

7.1 This Policy does not relate to, nor have an impact on, any environmental factors. As such an Environmental Assessment was not undertaken. Licensing of short term lets may bring positive impacts to the environment. For example, as Short Term Lets will be regulated, the hosts will be contactable, and they could have information notes displayed within the property advising of available waste & recycling facilities.

8 Policy Performance

- 8.1 Customer or member complaints regarding the application of the Policy and the number of appeals lodged where the appeal relates to the Policy and its application will be used to monitor the performance of the Policy. Complaints may encourage a review of the Policy.
- 8.2 Where there is a departure from Policy, the Committee decision will be set out in the Minutes of the Committee and will provide reasons for that decision.

9 Design and Delivery

9.1 The Policy and supporting documents are aligned to support delivery of the Council's statutory obligations under the Act and the Order.



10 Housekeeping and Maintenance

- 10.1 This Policy was created as a result of the introduction of legislation concerning the licensing of short term lets in March 2022.
- 10.2 The Chief Officer Housing, will review this Policy on an annual basis. It will, however, be subject to continual review and amendment. Changes to the Policy will only be put into effect following consultation with the Licensing Committee and Licence holders.

11 Communication and Distribution

- 11.1The Policy will be available on the Council's Short Term Lets webpage.
- 11.2 Changes in relation to Short Term Let guidance and legislation will be updated on the Council's <u>Short Term Let webpage</u>.

12 Information Management

12.1 The information generated by the application of the Policy will be managed in accordance with the Council's Corporate Information Policy and supporting procedures.

13 Definitions and Understanding this Policy

- 13.1 Short Term Let means the entering of an agreement between a guest and a host in the course of business for the use of the property as residential accommodation by a guest
- 13.2 Licensing Committee means the Licensing Committee of Aberdeen City Council
- 13.3 Applicant means the person making the application for the licence, normally the host or operator
- 13.4 Licence Holder means any one of the persons named on the licence application including, but not limited to, the host or operator
- 13.5 Discretionary Licensing Conditions Additional conditions to respond to local challenges and concerns specific to certain models of short-term letting
- 13.6 Temporary Exemptions exemption to the requirement to have a licence for a specified single continuous period not exceeding 6 weeks in any period of 12 months.
- 13.7 Public Notice A Notice displayed outside the property declaring a short term let application has been submitted to the Council.