# Short-term Let Licensing Frequently Asked Questions



#### Introduction

The Scottish Government approved the short term lets legislation on Wednesday 19 January 2022. The Council have a duty to establish a short term let licensing scheme by 1 October 2022.

Fife Council has produced this Frequently asked Questions, host and operators can also refer to the Scottish Government Guidance @ Supporting documents - Short term lets - licensing scheme part 1: guidance for hosts and operators - gov.scot (www.gov.scot)

Implementation of short-term lets licensing:

By 1<sup>st</sup> October 2022: Requirement to establish a short-term let licensing scheme
By 1<sup>st</sup> October 2023\*\*: Existing hosts and operators should apply for a licence
By 1<sup>st</sup> January 2025: All short-term let properties require a licence to operate

\*\*Existing hosts that have been trading on or before 30th September 2022 may continue to accept bookings after 1st October 2022. On 1st March 2023 the Scottish Parliament approved a six-month extension for applications. Existing hosts must apply for a licence before 1st October 2023 (previously 1st April 2023) and can continue operating while their application is being determined.

From 1st October 2022 all NEW short term lets must be licensed before they can operate.

There are four types of licence for short-term let accommodation:

Secondary letting	The letting of property where you do not normally live, for example a second home let to guests
Home letting	Using all or part of your own home for short-term lets whilst you are absent, for example whilst you are on holiday or a business trip etc.
Home sharing	Using all or part of your own home for short-term lets whilst you are there
Home letting and home sharing	Operating short-term lets from your own home while you are living there and for periods when you are absent

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### Frequently Asked Questions

### **About Short-term Let Licencing**

#### Why is Fife Council introducing this scheme?

It is a legal requirement. The Council has no discretion to delay or fail to implement a Short-term Let licensing scheme for short-term lets. The rationale for the legislation is to ensure that all premises used for short-term lets are safe, and that the people operating them are suitable. The scheme went live from 1<sup>st</sup> October 2022.

#### What are the timescales for approving a Short-term let Licence?

Existing Hosts	The council have up to 12 months to determine these applications, beginning with the date on which the valid application was made.
	Thereafter the council have 9 months for renewal applications from the date on which the application was made to consider and determine each application.
New Hosts	The council have 9 months from the date on which the application was made to consider and determine each application.

Provisional licence numbers will not be issued to new hosts from 1st October 2022, or existing hosts applying after 1<sup>st</sup> October 2023 as they cannot operate whilst their application is being determined.

#### Can I take bookings when I do not know if I will get a licence?

#### **Existing Hosts and Operators:**

Existing hosts that have been trading on or before 30<sup>th</sup> September 2022 may continue to accept bookings after 1<sup>st</sup> October 2022 but only if they have applied for a licence by 1<sup>st</sup> October 2023 and once it has been determined, the licence is granted. The Council will issue a provisional licence number on receipt of a valid licensing application to facilitate this. By 1<sup>st</sup> Jan 2025, existing hosts should not be trading unless they have been granted a full licence.

#### **New Hosts and Operators:**

From 1<sup>st</sup> October 2022 new hosts and operators cannot accept bookings until they have obtained a licence. After this date letting agencies and platforms should not allow a booking to be made by a new host/operator until a licence number can be provided.

#### **Hosts and Operators:**

- must ensure that any advert or listing placed on or after they are granted a licence includes their licence number
- are advised to make clear in their terms and conditions that the booking is conditional on the guests' compliance with the licensing scheme

#### What is a Short-term Let?

If you are providing anyone with residential accommodation which is not their main home anywhere in Scotland, then you might be providing short-term lets. It may be rooms in your home, a whole house or something more unusual like a yurt or a treehouse. You need a licence for each premises in which you let out accommodation. Example:

- two neighbouring cottages are likely to be separate premises (each will require a licence)
- 15 yurts in one field are likely to be counted as one premises (requiring one licence)
- For a self-catering cottage, the accommodation and the premises are one and the same. If you are letting out two rooms in your own home, both are classed as accommodation (assuming they can be let out separately) and the whole home is the premises

This distinction is important as some licence conditions will apply to the premises and others just to the accommodation.

#### What type of premises may be considered as a short-term let?

- Bed & Breakfast / Guesthouse
- Boat (if static and not used for transportation)
- Boathouse or Lighthouse
- Sharing your home as a short-term let
- Letting out a second home as a short-term let
- Cabins / Lodges / Chalets / Cottages / Farmhouse
- Castle
- Self-catering Unit / Holiday Let
- Serviced Apartment on its own, or up to four in a building
- Tent / Tipi / Wigwam / Treehouse / Yurt / Shepherd Hut
- Holiday Caravan or Glamping Pod (on an unlicenced site)

#### What type of properties are exempt from licensing?

- a. Licensed accommodation: licensed hotels and caravans
- b. Accommodation provided by guests: own tent
- c. Mobile accommodation capable of transporting guests at the time of their stay
- d. Hotels with planning consent to operate as a hotel
- e. Aparthotels comprising five or more serviced apartments in a residential building
- f. Health and care accommodation: residential care homes, hospitals, nursing homes
- g. Educational accommodation: residential schools, colleges, training centres and purpose-built student accommodation
- h. Secure residential accommodation including prisons, young offenders' institutions, detention centres, secure training centres, custody centres, short-term holding centres, secure hospitals, secure local authority accommodation or military barracks
- i. Hostels and refuges, including accommodation for women escaping domestic violence

#### What are the mandatory conditions to be met for a short-term let licence?

The mandatory conditions set out by Scottish Government include the following:

- Day to day management of the short-term let
- Only operating under the type of licence granted
- Fire safety
- Gas safety
- Electrical safety
- Water safety
- Safety and repair standards
- Maximum occupancy
- Displaying information
- Planning permission
- Listing of licence number on adverts
- Insurance
- Payment of fees
- Providing true and accurate information

### Applying for a STL Licence

#### How do I apply for a Short-term Let licence?

You must complete and return a copy of the Short Term Let Application form along with any relevant documentation and certificates relating to the application.

Link for the application form: Short term lets | Fife Council

#### What documentation should I submit with the application form?

It is a requirement to provide the following documentation with the application form if relevant for the premises to be licensed:

- Gas Safety Certificate (for premises with gas supply)
- Electrical Installation Condition Report (EICR)
- Portable Appliance Testing Report (for appliances guests have access to)
- Planning permission (if required)
- Licence Fee

Floor plans may be required if requested.

For other mandatory conditions a self-declaration is required as part of the application process, however documents may be requested to support your application form.

#### How much does a Short-term Let Licence cost?

The Council must determine the fee to recover establishment and running costs. Fife Council Licence Fees are set out below:

Occupancy	Temporary	Temporary	First Full	Renewed Full
	Exemption	Licence	Licence	Licence
1 - 2	£190	£215	£264	£264
3 - 4	£190	£243	£292	£292
5 - 6	£190	£272	£320	£320
7 - 8	£190	£300	£348	£348
9 - 10	£190	£328	£377	£377
11 - 12	£195	£356	£405	£405
13 - 14	£195	£385	£433	£433
15 - 16	£195	£413	£461	£461
17 - 18	£195	£441	£490	£490
19 - 20	£195	£469	£518	£518

Where hosts and operator have a greater occupancy than those noted above the charge for each 1-2 additional guests is £28; 3-4 additional guests would be £56; 5-6 additional guests would be £84 and so on. (Excluding Temporary Exemptions)

#### How do I pay for a licence?

Applicants can pay by card or BACs, if paying by BACs please quote STL and add first line of address. Once paid please email <a href="mailto:shorttermlets@fife.gov.uk">shorttermlets@fife.gov.uk</a> with the date paid and transaction reference number. Or make a telephone payment by calling 01592 583170.

#### **Bacs Details**

Sort Code: 83 22 37

Account Name: The General Fund

Account Number: 00197588

Reference: Please Quote STL followed by the property address

#### If the STL licence is refused does the fee get refunded?

Whether a licence is granted or not, the application fee is non-refundable. The fee is set for the administration to determine the licence. Where the Council refuses to consider an application because the host or operator needs to obtain planning permission the fee is non-refundable. However, the Council will not charge a further fee in respect of a resubmitted licensing application made within 28 days of planning permission being granted.

#### How long does a Short-term Let licence last?

Temporary Exemption	6 continuous weeks in a 12-month period
Temporary Licence*	6 continuous weeks in a 12-month period
First Full Licence	3 years
Renewed Full Licence	3 years

<sup>\*</sup>A temporary licence term may be extended if an application is made for a full licence

The Council are encouraged by Scottish Government to renew licences for a period of three years, unless they have good reasons to do otherwise.

#### Does a booking agent have to be named on the STL application form or licence?

No, unless they do day-to-day management of the business, including organising the cleaning and maintenance and any "hands on" with guests. You are not expected to register online advertising platforms on the application form.

#### I have Visit Scotland accreditation. Will my application be processed quicker?

Such accreditation may be viewed as evidence that the premises has been operating as a STL prior to 1<sup>st</sup> October 2022 with the benefits that entails. At this time Fife Council will not take further account of accreditation, until satisfied the criteria for accreditation meets all mandatory and additional licence conditions, including documentation checks.

#### **Licence Conditions**

#### What appliances need to have Portable Appliance Testing (PAT)?

The mandatory licence condition state a PAT report is required on all moveable appliances. This means any item with a plug that can be removed from a socket, including washing machines, fridge freezers and dishwashers. PAT testing is only required on appliances guests have access to.

#### How often do items need to be PAT tested?

The competent person doing the PAT testing will normally recommend when items are retested, the Council require records showing that appliances have been tested at least every 5 years. As well as compliance with the licence condition hosts have general obligations under health and safety legislation and should also be doing visual checks on electrical items and fixings regularly.

#### Does new electrical equipment need to be tested and labelled on the appliance?

New equipment should be supplied in a safe condition and therefore not required a formal portable appliance test. However, a simple visual check is recommended to verify the item is not damaged. The Council would expect to see new appliance listed on, or ancillary to any PAT report, with the date of purchase. Receipts may be requested for new appliances.

#### How long is the Energy Performance Certificate (EPC) valid for?

If you are using a dwellinghouse for secondary letting, you must have a valid EPC certificate issued within the last 10 years. If you have bought your property recently, you may wish to refer to the Home Report for the property. If the EPC was issued within the past 10 years, it is valid for the application process and to advertise the property. You must renew the EPC when the expiry runs out. An EPC is not required where only a room within a building (such as a hotel room) is being let. Guidance on EPC requirements for holiday lets can be found @ Energy Performance Certificates for Holiday Lets: guidance - gov.scot (www.gov.scot)

## If there are several lodges/premises on one site where only one licence is required, do all lodges/premises require an EPC?

Yes, each lodge/premise will require an individual EPC, further information can be found @ https://www.gov.scot/publications/energy-performance-certificates-introduction/

## How can hosts and operators prove they have smoke/heat/CO alarms to meet the mandatory conditions?

Within the application form there is a self-declaration section to confirm compliance. The Scottish Fire and Rescue Service and Protective Services may request copies of installation certificates or inspection certificates. If selected for a visit by Protective Services, there will be a visual check during the inspection.

## How can hosts and operators prove they meet water safety requirements to meet the mandatory conditions?

This should be part of the owner's risk assessment and they should declare if the property has a private water supply. The Council will check that any necessary testing is up to date. Further information can be found @ <a href="https://www.mygov.scot/risk-assess-private-water-supply">https://www.mygov.scot/risk-assess-private-water-supply</a>

#### Is there a gas certificate equivalent for oil boilers?

No, there is no equivalent certificate for oil boilers. Confirmation that oil boilers have recently been serviced and considered satisfactory by a competent person will be accepted as evidence the Repairing Standard is met.

#### What type of emergency lighting is required?

Light switches should be easy to find. If a fire knocks out the normal inside lighting, you could think about whether any 'borrowed lighting', for example from nearby streetlamps, would be enough to allow people on the premises to find their way out. It may be acceptable, in small premises, to rely on rechargeable torches which come on automatically if the main supply fails. You should have one in each room with a sign that says what they are for. Larger premises will need more sophisticated emergency lighting systems. Please check with a competent person on your requirements. Further information can be found @ Fire safety: guidance for the hospitality industry - GOV.UK (www.gov.uk).

## Do STL premises require a trade waste and recycling agreement, and will this be part of the STL application?

Information on waste and recycling compliance are included as an 'Additional Condition' within the STL licence, a self-declaration is required as part of the application process to confirm compliance. By law, every business in Scotland including guest houses, self-catering accommodation and applicable B&B's have a legal responsibility for the waste they generate. Further information can be found @ Holiday Accommodation Waste | Fife Council

#### **Licence Types**

#### I have just bought a short-term let business and need a licence to operate?

The legislation allows the council with the power to provide temporary licences, but do not need to do so. A temporary licence can last for up to six weeks or longer if hosts have made an application for a licence. The temporary licence will last until the licence application is finally determined. You can find out more about the Temporary Licences in the Short-term Let Policy.

#### Can I rent my house for major events, such as The Open. Do I need a licence?

Yes. The legislation allows the council with the power to exempt hosts from the requirement to have a STL licence. This can be for a specified single continuous period not exceeding 6 weeks in any period of 12 months. This can be used to accommodate a large influx of visitors over a short period for events such as sport or festivals. Host must apply to the council for a temporary exemption before letting a property. You can find out more about the Temporary Exempt Licences in the Short-term Let Policy.

#### Can I apply for a Temporary Licence for a trial period?

Yes. The legislation allows the council with the power to provide a temporary licence, but do not need to do so. A temporary licence can last for up to six weeks or longer if hosts have made an application for a licence. The temporary licence will last until the licence application is finally determined. You can find out more about the Temporary Licence in the Short-term Let Policy.

#### I own several holiday lets. Will one licence cover them all?

You need a licence for each premises in which you let out accommodation. If each property has its own postal address, then you would need two licences. Applicants can refer to the title deeds for clarification. Examples:

- two neighbouring cottages are likely to be separate premises (each will require a licence)
- 15 yurts in one field are likely to be counted as one premises (requiring one licence)
- For a self-catering cottage, the accommodation and the premises are one and the same. If you are letting out two rooms in your own home, both are classed as accommodation (assuming they can be let out separately) and the whole home is the premises

What happens if I have 6 similar properties / lodges on one site with the same postcode? If all properties are on a single site (as per the title deeds) one licence would be required for the premises.

## Do I require a STL Licence to home swap properties when there is no payments change hands between owners?

Yes, you require a STL Licence to home swap with another owner. It will depend on how long the home swap is for on the type of licence required.

#### Would two units (upper and lower flat) on one title deed need 1 licence or 2?

If both units are on a single site and the title deeds confirms this only one licence is required. If the premises are 2 separate dwellings, then 2 licences will be required. Applicants should check the title deeds.

## Do I need an HMO license and a STL license if I accommodate up to 6 guests or will a STL license be sufficient?

If the premise is only used as short-term let accommodation, then only a STL licence is required, 2 licences may be required if the premise is used also used as an HMO, see information on HMO below.

#### Does an HMO property require a Short-term let Licence?

If a property has an HMO licence, a short-term lets licence is required if it is also to be used for short-term lets. This is the case whether residence at the premises is covered by the HMO licence. Student accommodation is excluded but private houses and flats that are let to students during term time and as short-term lets out with term time are not excluded.

#### Do I need a Short-term Let Licence if I have a liquor licence?

No, where premises in respect of which a premises licence within the meaning of Section 17 of the Licensing (Scotland) Act 2005 has effect and where the provision of accommodation is an activity listed in the operating plan as defined in Section 20(4) of the 2005 Act.

#### Do I need a licence to rent one room during the summer months?

Yes. The legislation covers home-sharing (letting out rooms which are part of your own home) as well as secondary letting (letting out separate dwellings, such as a holiday cottage) and home-letting (letting out your entire home). There are no provisions in the legislation which exempt short-term letting carried out for only part of the year, or a specified number of days per year.

#### Do caravans and pods need a licence?

Caravans used for a short-term let should have a Caravan Site licence. If your pod is not classed as a caravan or does not have a caravan licence, then you will need a short-term let licence. Please see holiday caravan site licence section for more information:

• Caravan Site Licence | Fife Council

### **Licence Compliance**

#### How will the council ensure all tourism accommodation businesses are licensed?

The council are responsible for the STL Licensing Scheme and have a duty to ensure compliance with the legislation. The council will use available resources to determine Short-term Let premises and encourage hosts and operators to make an application for a licence.

#### How will anti-social behaviour be dealt with under the new licensing legislation?

While there are already a range of powers available to licensing authorities to deal with antisocial behaviour through provisions in the Antisocial Behaviour etc. (Scotland) Act 2004.

The council include 'additional conditions' requiring the licence holder to manage their premises in a way to prevent anti-social behaviour as far as reasonably practicable, and to effectively deal with any instances of anti-social behaviour. For example:

#### **Example: Additional Conditions to Licence:**

- 1. The licence holder must take reasonable steps to manage the premises in such a way as to seek to prevent and deal effectively with any antisocial behaviour by guests to anyone else in the short-term let and in the locality of the short-term let.
- 2. The licence holder must take reasonable steps to:
  - ensure that no disturbance or nuisance arises within or from the premises, for example by explaining the house rules to the guests

- deal effectively with any disturbance or nuisance arising within or from the premises, as soon as reasonably practicable after the licence holder is made aware of it
- ensure any vehicles belonging to guests are parked lawfully, for example explaining where any designated parking spaces are to be found and highlighting any local rules

### **Property Inspections**

#### Will my premises be inspected?

The council will take a risk-based approach to ensuring compliance, this includes allowing self-certification where appropriate and only using inspections where there are grounds to do so. Some factors when deciding whether to carry out an inspection might be:

- Accreditation obtained by the host or operator
- Feedback from Police Scotland and the Scottish Fire and Rescue Service
- Peculiarities of the operation (e.g. unconventional accommodation)
- Pattern of complaints associated with the host, operator, or premises
- Intelligence from other inspections (which may indicate a higher incidence of issue or non-compliance with hosts or operators or premises of that type or in that area)
- Reputational evidence (where available) guest reviews and internet profile

### **Operating without a Licence**

#### Under what circumstances would a licence NOT be granted?

The council will grant your application unless there are grounds to refuse it. Possible grounds for refusing an application may include:

- anybody named on the application is disqualified from having a licence
- anybody named on the application is not a fit and proper person
- some other person is benefiting from the activity who would be refused a licence if they made the application themselves
- the premises are not suitable or convenient having regard to:
  - a) the location, character or condition of the premises
  - b) the nature and extent of the proposed activity
  - c) the kind of persons likely to be in the premises
  - d) the possibility of undue public nuisance; or
  - e) public order or public safety; or
- there is other good reason for refusing the application (this cannot be applied in a blanket fashion without considering the merits of a particular application)
- you cannot demonstrate, or secure, compliance of the mandatory conditions
- you cannot demonstrate, or secure, compliance of the additional conditions

#### If I do NOT get a licence, can I appeal the decision?

Yes, an appeals process will be implemented as part of the Short-term Licencing Scheme.

What will happen if I am not granted a licence, or do not comply with licence conditions? Section 7 of the 1982 Act sets out four offences, as set out below.

- 1. It is an offence, without reasonable excuse, to carry on an activity for which a licence is required without having such a licence Depending on the activity, different punishments apply. The default is a fine not exceeding level 4 on the standard scale.
- 2. It is an offence to fail to comply with a licence condition, though it is a defence to have used all due diligence to prevent the offence The default is a fine not exceeding level 3 on the standard scale.
- 3. It is an offence for a licence holder, without reasonable excuse, to:
  - a) fail to notify the licensing authority of a material change of circumstances (level 3 on the standard scale)
  - b) make or cause or permit to be made any material change in the premises (level 3 on the standard scale)
  - c) fail to deliver the licence to the licensing authority (level 1 on the standard scale)
- 4. It is an offence to make a false statement in an application (level 4 on the standard scale).

#### These currently attract fines on the standard scale:

1 - £ 200	
2 - £ 500	
3 - £1,000	
4 - £2,500	
5 - £5,000	

### **Representations and Objections**

#### How will the public be made aware of short-term lets applications lodged?

Applicant hosts and operators are required to display a site notice at or near the premises so that it can be conveniently read by the public for a period of 21 days beginning with the date on which the application was submitted to the licensing authority. This will allow public to make a representation regarding the licence. Fife Council provide a Public Register of applications @ Short-term Lets Licence | Fife Council.

#### Can objections be made on a Short-term Let licence application?

Objections may be made by neighbours or any other person who wants to raise an objection on the Short-term Let application. Competent grounds for objection may include:

- concerns that the application is inaccurate or misleading
- concerns about the safety of guests, neighbours or others
- concerns about noise or nuisance; and
- concerns the application runs contrary to other legal or contractual requirements

Objections should be made within 28 days of the public site notice of the application being given. The council will send the host or operator copy of any relevant objections. The host/operator will have the chance to respond to any objections, either in writing or in person. Late objections may be considered.

#### How are objections from the public and neighbours managed?

The Council have a process to manage representations and do not automatically refuse a licence on the grounds of objections. If there are any concerns relating to the reason for the objection then the application would be decided with the Housing Decision Panel (HDP), hosts and operators would have an opportunity to defend the application.

### **Planning and Control Areas**

#### What is a control area?

A control area is a statutory designation. Use of a dwellinghouse for the purposes of providing short-term lets is deemed to be a material change of use in a control area. Planning permission is therefore required for short-term letting of any house or flat within a control area.

The purpose of control areas is to help manage high concentrations of secondary letting where it affects the availability of residential housing or the character of a neighbourhood; to restrict or prevent STLs in places or types of building where it is not appropriate; and to help local authorities ensure that homes are used to best effect in their areas. Ultimately, it is for local authorities to determine whether a control area is required, taking all relevant local circumstances into account.

Planning authorities should keep their control area(s), or absence of, under review, aligned with the review of their local development plan. The Control Area Regulations were approved by the Scottish Parliament in February 2021 and came into force on 1 April 2021.

Consideration of STL control areas for Fife will be progressed as part of the evidence gathering stage in Fife's local development plan review.

#### What planning permission do I need for a short-term let?

The introduction of the licensing scheme will require Short-term Let operators to interact with the Planning Authority to establish if they have the necessary planning permissions in place when applying for a Short-term Let licence. Fife Council Planning Services has currently not designated any short-term let control areas although that position may change through the review of the Local Development Plan.

Our current advice is that planning permission is required for the use of a property as a short-term let if a material change of use occurs. This is determined on a case-by-case basis.

In general terms planning permission is likely to be required if:

• The property is a flat with a shared entrance door or access to the property requires to be taken through a shared or communal space.

Planning permission will not be required if:

• The property (dwelling house or flat) has its own separate access and its use as a shortterm housing let does not impact on the amenity of neighbouring properties. In cases where planning permission is not required, we would strongly recommend that an application for Certificate of Lawfulness is applied for to confirm the current planning position. Applications can be submitted via <a href="https://www.eplanning.scot">www.eplanning.scot</a>

We recommend you review guidance and application requirements prior to completing your application. Obtaining planning permission or a certificate of lawfulness can take some time. We encourage you to apply at least four months in advance of your licence application.

Fife Council Planning: <a href="https://www.fife.gov.uk/planning">www.fife.gov.uk/planning</a>

Scottish Government Guidance: Short-term Lets and Planning (www.gov.scot)

#### How do I apply for a Planning Permission or a Certificate of Lawfulness?

Applications for Planning Permission for Change of Use and Certificates of Lawfulness can be made online at eplanning.scotland.gov.uk. Guidance on how to apply and pay for planning permission is available on Fife Council's website via the following link:

Link for Fife Council: Apply & pay for Planning Permission | Fife Council

Link for eplanning: <u>Getting Started on ePlanning Scotland</u>

#### I only let my property for 6 weeks in the year, do I need planning permission?

At present, planning permission is only required for the use of a property as a short term let if a material change of use occurs, currently this is determined on a case-by-case basis so advice should be sought from the Planning Authority.

#### **Further Information**

#### **Scottish Government Guidance:**

- Part 1: Guidance for Hosts and Operators
- Part 2: Supplementary Guidance for Licensing Authorities, Letting Agencies and Platforms
- Short-term Lets and Planning (www.gov.scot)

Visit Scotland has a guide which will be updated as and when more information becomes available. It also has a handy preliminary requirement list to help you have everything in place for your licence application:

Short Term Lets Legislation Changes in Scotland | VisitScotland.org

Short-Term Let Licensing Fife Council 2<sup>nd</sup> June 2023