

**ANGUS COUNCIL**

**CIVIC LICENSING COMMITTEE – 13 JANUARY 2022**

**CIVIC GOVERNMENT (SCOTLAND) ACT 1982 - LICENSING OF SHORT-TERM LETS**

**REPORT BY DIRECTOR OF LEGAL AND DEMOCRATIC SERVICES**

**ABSTRACT**

The purpose of this report is to advise Committee of the impending introduction of the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2022 which will make the use of accommodation for a short-term let an activity for which a licence is required, to summarise the licensing requirements; and to advise of work to be undertaken to ensure that arrangements are in place to meet the legal requirements of the Order.

**1. RECOMMENDATION**

It is recommended that the Committee notes: -

- (i) the requirements contained in the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2022 which will make the use of accommodation for a short-term let an activity for which a licence is required;
- (ii) the particular licensing requirements;
- (iii) that an officer group is to be formed to ensure that arrangements are in place to meet the legal requirements of the Order; and
- (iv) that further reports will be submitted to this Committee regarding detailed requirements for approval.

**2. BACKGROUND**

- 2.1 Section 44 of the Civic Government (Scotland) Act 1982 (“the 1982 Act” permits the Scottish Ministers to designate an activity as an activity for which a licence shall be required. The Scottish Ministers have laid before the Scottish Parliament the Civic Government (Scotland) Act 1982 (Licensing of Short-term Lets) Order 2022 (“the Order”). It is anticipated that this will be approved by Parliament this month.
- 2.2 The effect of the Order is that with effect from 1 October 2022, the use of accommodation for a short-term let is an activity for which a licence is required under the 1982 Act.

**3. REPORT**

- 3.1 The Order defines “short-term let” as: -

the grant of an agreement in the course of business for the use of residential accommodation (or a part of the accommodation) by a guest, where all of the following criteria are met—

- (a) the guest does not occupy the accommodation as the guest’s only or principal home,
- (b) the agreement is entered into for commercial consideration,
- (c) the guest is not—

- (i) an immediate family member of a person granting the agreement,
  - (ii) sharing the accommodation with a person granting the agreement for the principal purpose of facilitating the provision of work or services by the guest to that person or other members of the household, or
  - (iii) sharing the accommodation with a person granting the agreement for the principal purpose of advancing the guest's education, as part of an arrangement made or approved by a school, college, or further or higher educational institution,
- (d) the accommodation is not provided for the principal purpose of facilitating the provision of work or services by the guest to the person who is granting the agreement or to another member of that person's household, and
- (e) the accommodation is not excluded accommodation (as defined in Schedule 1 to the Order and which includes hotels, boarding houses and guest houses)
- 3.2 Any short-term let licence granted by the Council is subject to mandatory conditions set out in Schedule 3 of the Order. In addition, the Council can apply its own standard conditions to all licences granted or specific conditions on any particular licence.
- 3.3 In terms of timescales, all new short-term lets must apply for a licence after on or after 1 October 2022. Existing short-term lets have until 1 April 2023 to apply for a licence. The Council must consider an application for a short-term let licence within a period of six months of receiving the application and determine the application within twelve months. This means that all short-term lets should be licensed by 1 April 2024.
- 3.4 With some amendment, the provisions of the 1982 Act which the Committee is familiar with apply to the grant and renewal of licences.
- 3.5 The above is a brief summary of the new legislative requirements in respect of short-term lets. Further work is required in respect of:-
- (i) Application forms and information for residents and neighbours,
  - (ii) Types of licences,
  - (iii) General policies,
  - (iv) Licence duration and renewal policies,
  - (v) Overprovision policy statement,
  - (vi) Temporary exemptions and temporary licences policies,
  - (vii) The setting of fees,
  - (viii) Setting additional licence conditions,
  - (ix) The processing and determination of applications,
  - (x) Enforcement policies,
  - (xi) Creating a register of short-term lets.
- 3.6 Detailed Supplementary Guidance for licensing authorities is being prepared by the Scottish Government. Similar Guidance is being prepared for hosts and operators of short-term lets.

The current draft Supplementary Guidance for licensing authorities can be found here:-

<https://www.gov.scot/publications/short-term-lets-scotland-licensing-scheme-part-2-supplementary-guidance-licensing-authorities-letting-agencies-platforms/>

The current draft Supplementary Guidance for hosts and operators can be found here:-

<https://www.gov.scot/publications/short-term-lets-scotland-licensing-scheme-part-1-guidance-hosts-operators/pages/2/>

- 3.7 To ensure that arrangements are in place to meet the legal requirements of the Order, an officer group from relevant Services is to be established to assess requirements and prepare reports on the matters identified at paragraph 3.5 above for consideration and approval by this Committee.

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