

CAIRNGORMS NATIONAL PARK AUTHORITY

FOR DECISION

Title: CNPA RESPONSE TO HIGHLAND COUNCIL PROPOSALS FOR A SHORT TERM LET CONTROL AREA FOR BADENOCH AND STRATHSPEY

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Purpose

This paper summarises the Highland Council's proposals for a Short Term Let Control Area covering Badenoch and Strathspey and the proposed CNPA response to the formal consultation.

Recommendations

That the Board:

- a) **Welcome Highland Council's proposals for a Short Term, Let Control Area covering Badenoch and Strathspey as another tool to help manage the availability of housing for people working in the National Park in the long term; and**
- b) **Note the implications for the CNPA when acting as the planning authority and endorse officers continued work with Highland Council colleagues on the development of more detailed planning policy to accompany proposals.**

Background

1. The Town & Control Planning (Scotland) Act 1997 was amended in its last review to provide local authorities with the power to designate 'Short Term Let Control Areas'. In late 2021, the Town and Country Planning (Short Term Let Control Areas) (Scotland) Regulations 2021 were implemented which define a short-term let and set out the process for designating a 'Control Area'. Scottish Government Circular 1/2021 provides guidance on the implementation of the regulations. The proposed Cairngorms National Park Partnership Plan 2022-2027 that was consulted on during 2021 included objectives, actions and policy supporting the introduction and use of Short Term Let Control Areas to help maximise the availability of housing for residents and workers.
2. Following a request by all of Highland Council's Badenoch and Strathspey Ward Members, on 9 September 2021 Highland Council agreed that the Council would pursue the consideration of establishing a Short Term Let Control Area across the Badenoch & Strathspey Ward (Ward 20). Highland Council's Badenoch and Strathspey Ward is almost entirely within the Cairngorms National Park.

3. On 2 December 2021 Highland Council's ECI Committee agreed to pursue the establishment of the Short Term Let Control Area for Badenoch & Strathspey following a detailed report from officers setting out the available evidence to support one and the process by which to establish it. The consultation on the proposed Short Term Let Control Area started on 31 January 2022 and runs until 7 March 2022.

The Proposals

4. The consultation documents are available on Highland Council's website here: [Short-Term Let Control Area | Short-term Let Control Area | The Highland Council](#). The Statement of Reasons for the proposed Short Term Let Control Area is included as Annex I to this paper and provides a clear and simple explanation of the proposal and the available evidence to justify it. The more comprehensive report of 2 December 2021 to Highland Council's ECI Committee is available here: [Economy and Infrastructure Committee | The Highland Council](#).
5. The creation of the Short Term Let Control Area will mean that the use of a dwellinghouse for secondary letting will be considered to be a 'material change of use' which will require planning approval. It will allow planning policies to be used to assess applications which change the use of a dwellinghouse to a short-term letting property. The public have the opportunity to make representations on planning applications to change use in the same way as for other planning applications.
6. The requirement for planning permission will only apply to changes of use of dwellinghouses. It will not apply to long-term rentals, Bed & Breakfasts, renting out individual rooms/annexes if the owner/occupier resides in the dwellinghouse, second homes where no secondary letting is done or accommodation built specifically for holiday purposes, such as pods, annexes and holiday chalets. The Scottish Government's separate proposals for the licencing of all form of short term letting property will apply to them in future: [Short-term lets legislation approved - gov.scot \(www.gov.scot\)](#).
7. Once a Short Term Let Control Area has been established in Badenoch and Strathspey, all dwellinghouses that meet the definition of a short term let property (estimated to be up to 500 properties) will require to either apply for planning permission for their use, or where the property has been used consistently for secondary letting for period of ten years or more, apply for a Certificate of Lawfulness of Existing Use or Development.
8. The current consultation period runs until 7 March 2022. Following the consultation, Highland Council officers will analyse the responses and prepare a summary report for Council along with any detailed proposals for the Short Term Let Control Area.

Implications

Policy Development

9. The creation of the Short Term Let Control Area is not a ban on short term letting. It simply means that a dwellinghouse will require to have planning permission for that use or to change to or from a different use. Decisions on applications will require to

be based on planning policy and any other material considerations. Planning policy in Badenoch and Strathspey is founded on relevant national planning policy and that of the Cairngorms National Park Local Development Plan 2021 (LDP 2021) when inside the National Park and the Highland-Wide and Inner Moray Firth Local Development Plans outside the National Park Boundary.

10. All the relevant Local Development Plans pre-date the Short Term Let Control Area legislation. While the LDP 2021 has policies that contain relevant material for decisions (Policy 1: New Housing Development, Policy 3: Design and Placemaking), it does not have policies explicitly designed to manage the use of dwellinghouses as short term let properties. It is likely that the CNPA as the responsible authority for the Local Development Plan covering most of the area and Highland Council as the local authority and promoter of the Short Term Let Control Area, will need to prepare additional planning guidance on how applications will be considered and the relevant matters that will be taken into account in decisions. This involves more work for officers in both CNPA and Highland Council, though it is comparable with the work both forward planning teams undertake on a routine basis.
11. In addition, the National Park Partnership Plan provides the strategic context for the Local Development Plan and can be a material consideration in planning decisions. Officers will explore whether additional detail on relevant considerations is provided through the next National Park Partnership Plan.

Development Management Decisions

12. The requirement for planning applications to establish the use of a dwellinghouse as a short term letting property will create additional work for the planning authority. Initially this may create a significant additional workload if large numbers of properties are required to make planning applications. The majority of applications would be expected to be determined by Highland Council, on the basis of the relevant policy covering the area. The CNPA would have the ability to call in applications that were considered to raise issues of significance to the aims of the National Park, though in practice these applications fall into the scale where they would be unlikely to be called in.

Impacts on the Housing Market

13. There have been significant numbers of short term letting properties within Badenoch and Strathspey for many years and they have been and will continue to provide an important element of visitor accommodation and driver of the visitor economy. Nevertheless, one of the underlying reasons for establishing a Short Term Let Control Area in Badenoch and Strathspey is that there is shortage of supply of housing for people working in the area. The things that limit that supply of housing include high house prices generally through competition from people buying property for short term letting and second homes, reduced numbers of properties available for longer term occupation because of increased tenancy rights, higher standards of building efficiency and safety, higher yields from short term letting, as well as a limited supply of new houses being built that are guaranteed to meet the local need and demand.
14. It is not possible to fully quantify the effect of the Short Term Let Control Area on the existing housing market, but officers anticipate that in the short-term, the complex

nature of the housing market and the relatively limited application of the Short Term Let Control Area within it mean it is unlikely to result in a significant reduction in numbers of short-term let properties. However, in the longer term, the Short Term Let Control Area should help limit the leakage of housing from new developments to short term letting uses which will be a considerable advantage.

15. It is worth noting that the Short Term Let Control Area will not prevent people from buying or owning second homes nor influence how they use them unless they let them on a short term basis. A possible consequence of a Short Term Let Control Area is that properties where a short term letting use is refused become second homes that are used less and contribute less to the local economy.

Conclusion

16. Short Term Let Control Areas are one of the tools available to help manage the housing market to support local communities, but need to be considered in the context of other tools such as investment in new affordable and mid-market housing that remains so in perpetuity, future arrangements for licensing of all short term let properties, and the powers available to influence second home ownership and use. No single tool currently available is likely to solve the issue of availability of housing for people living or working in the National Park, but used together, they have potential to make a significant improvement.
17. Officers recommend the Board respond to Highland Council's proposals for a Short Term Let Control Area covering Badenoch and Strathspey by welcoming the approach as another helpful tool to manage housing pressures in the area and that the Board note the future implications for the CNPA acting as planning authority and in preparing planning policy and guidance for the Badenoch and Strathspey part of the National Park.

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