

SHORT-TERM LETS - GUIDE TO COMPLETION

Shetland Islands Council will accept applications from 1st October 2022.

Prior to filling in the application you are strongly advised to look at our

Shetland Islands Council Short-Term Let Policy and

Scottish Government Guidance: Licensing scheme part 1: guidance for hosts and operators, both of which can be found online

If you need help completing the form please e-mail: stl@shetland.gov.uk or call: 01595 745250.

Existing Hosts

All existing hosts (those who have operated their premises for short-term lets before 1st October 2022) MUST have made an application by 30th September 2023. Existing hosts that have made an application during the period above will be given a temporary licence number and will be able to continue to trade until the licence is determined (which could be up to one year).

Existing Hosts who do not make a valid application by 30th September 2023 will have to apply as a new host. This means that they will not be permitted to take bookings or guests until a valid licence is in place.

New Hosts

New hosts (those who intend to operate **after** 1st October 2022) can apply for a licence from 1st October 2022, but cannot take bookings or guests until they have a licence.

The licensing authority will endeavour to determine the licence from receipt of a valid application within 4-6 weeks from receipt of a competent application.

GENERAL ADVICE

The licence application form will ask for information about your let property and for your personal details.

The form will also ask you to confirm that you comply with various licence conditions and may ask for supporting evidence. If you need further information on what these conditions, mean please contact us or visit our website.

Keeping your licence up to date

As a licence holder you are required to keep your details up to date. This includes any personnel and email addresses. When your licence is due to expire we will send reminders to the e-mail address given or postal address. This will be done 1 month prior to renewal. You should apply, at the latest, two weeks prior to your licence expiry. A renewed licence will begin on the last day of the previous licence.

A separate licence is required for each let unless the lets are in one building or on one piece of land e.g. wigwams/pods/ or buildings in the same curtilage (an area of land forming one enclosure with it).

Competent Application

If you have ticked “No” or “to be carried out” for any part of Section 3 of the form then the application will **not be** considered competent. You can still submit the form to begin processing but your application will only be considered competent if fully completed and all the required documentation has been submitted with the application, along with the correct fee.

Paper applications can also be submitted. These notes accompany the paper application. Whether you are applying for the first time or renewing an existing licence please read these notes before you begin.

Exemptions

There are exemptions from the requirement to be licensed. If you are doing short-term lets but think you may be exempt then please contact the licensing authority for advice.

Company Lets

These in most cases will be short-term lets. The host will be the owner and responsible for the property and the Company letting will be the agent/day to day manager. Details of all will need to be declared on the application form.

Section 1 - Premises/Licence Details

Type of Application

Please confirm whether the application is a new application, a temporary application (see below) a renewal of an existing licence or an application for a variation or change in circumstances (please make it clear why you are requesting a variation/change).

If you are applying to renew your licence please include the reference number of your previous licence. Please note that a renewal application can only be lodged while an existing, valid licence is in place (this allows the existing licence to cover the activity until the renewal application is determined).

If your previous licence has expired then a new application is required and if you continue to operate then you are operating without a licence. Please be advised that the statutory application process is the same for both new and renewal applications and therefore there is no mechanism for 'fast-tracking' renewal applications.

Temporary application

In some circumstances for example: those who may wish to try out short-term letting without having to apply for a full 3 year licence, the licensing authority may issue temporary licences. If hosts are granted a temporary licence, it can last for up to six weeks. It can last longer if the host has also made an application for a full licence. If the host applies for a full licence, the temporary licence will last until the licence application is finally determined.

Types of short-term let

The legislation defines four types of short-term let as follows:

- **secondary letting** means the letting of property where you do not normally live, for example a second home;
- **home letting** means using all or part of your own home for short-term lets whilst you are absent, for example whilst you are on holiday;
- **home sharing** means using all or part of your own home for short-term lets whilst you are there; and
- **home letting and home sharing** means you operate short-term lets from your own home while you are living there and also for periods when you are absent.

A detailed guide to the definitions can be found in Annex A of the Scottish Government Guidance - Short term lets - licensing scheme part 1: guidance for hosts and operators [here](#)

Description of Short-Term Let

Bed and Breakfast or Guesthouse?

There is no definitive definition and the terms are often interchangeable – Bed and Breakfasts tend to be where the host provides one or two bedrooms and facilities for guests some of which are shared.

The use of a home for bed and breakfast is permitted without planning permission: if the house has up to and including three bedrooms and only one is used for a guest house or bed and breakfast purpose; or the house has four bedrooms or more and no more than two bedrooms are used for a guest house or bed and breakfast purpose. Where the threshold is exceeded, planning permission will be required for a change of use. Planning permission will always be required if a flat is being used as a guest house or bed and breakfast, regardless of the number of rooms.

Unique Property Ref number (UPRN)

These do not exist for all types of premises. UPRN's for most dwellings can be found here: <https://osg.scot/portal/>

Maximum number of occupants per unit / total maximum occupancy

Applicants are expected to set their own maximum occupancy for their premises based on the number of cooking and sanitary facilities, beds, bedrooms, size of the premises and means of escape. They should also take into account the number of individuals that can be accommodated within tolerable noise and nuisance standards for neighbours. Their maximum occupancy number should also be broken down by adults and children that can be accommodated (children under 10 are considered as ½ an adult in Scottish Housing regulations relating to overcrowding).

Children under 2 years of age do not need to be included for occupancy levels (including in the application form numbers).

The licensing authority will consider: the maximum occupancy requested by the applicant; the maximum number that it considers that can be accommodated safely; and the maximum number that can be accommodated within tolerable noise and nuisance standards for neighbours. The licensing authority may set out a smaller maximum occupancy level in a licence than that applied for.

Most licence applications are expected to be approved with the applicant's maximum occupancy number. However, the licensing authority may question or review stated maximum occupancy levels, particularly if they are likely to result in overcrowding of the property under the standards detailed in the [Housing \(Scotland\) Act 1987](#) for dwellings or are related to unconventional accommodation.

Some illustrative examples are included below:

Premises type	Maximum occupancy per unit	Total max. occupancy
Self-catering detached house (secondary let – entire property)	10	10
Home sharing with 2 lettable bedrooms	2 bedrooms, with maximum occupancy of 2 per bedroom.	4
Field with 10 separately lettable pods	5 pods with maximum occupancy of 2; 5 pods with maximum occupancy of 3.	25

1.1 Plans

All applicants are expected to submit a floor/layout plan of the premises of a standard that reflects the complexity of the premises, the number of floors and number of requested guests. Drawings/plans should at least have details of:

- Room sizes - all rooms apart from kitchen and bathroom
- Room usage e.g. bedroom; kitchen; bathroom etc.
- Ground floor/First floor etc.
- For multiple units which are the same – an internal plan for one unit and site plan.
- Any unique structural characteristics of the building
- Any beds, including type (i.e. bunk beds). Where rollaway/folding/sofa beds are used their location and footprint should be clearly detailed in the floor plan.
- Any steps, stairs, elevators or lifts
- Location of any heat/smoke/ CO detectors or other fire systems

- Any fires/wood burners.

Simple drawings/sketches are acceptable for simple short term lets but the licensing authority (or Scottish Fire and Rescue Service) may ask for more detailed drawings, particularly for larger properties and those with guests on multiple floors or with a high guest to floor area ratio. It is expected that a single sized bed sleeps one person and a small double bed (or bigger) sleeps 2.

Section 2 - Home Sharing only

Whilst you will need to comply with all the requirements in Section 3, you will only need to complete sections 3.2; 3.9; 3.11 and 3.12 in full and send documentation when the form indicates.

This means using all or part of your own home (your only or principal place of residence) or short-term lets whilst you are there.

If you are not going to be present when letting to guests this is Home Letting and all certification/documentation will be required to issue a licence.

Tolerable Standard - <https://www.mygov.scot/landlord-repairs/tolerable-standard>

The tolerable standard criteria are detailed in section 86 of the Housing (Scotland) Act 1987. The criteria states that the dwelling house should:

- be structurally stable: this provision is mainly aimed at problems of subsidence
- be substantially free from rising or penetrating damp (it is important to note the use of the term 'substantially free', not 'completely free', and to note also that the standard does not extend to condensation dampness, although that may be covered by the next point)
- have satisfactory provision for natural and artificial lighting, for ventilation and for heating. Adequate natural lighting under good weather conditions should be available in rooms intended for sleeping, sitting or eating meals. A test for this is whether normal domestic activities can be undertaken without the aid of artificial light. Ventilation is thought to mean that fresh air can circulate easily to all rooms
- have satisfactory thermal insulation
- have an adequate piped supply of wholesome water available within the house. The water supply is for domestic use
- have a sink provided with a satisfactory supply of both hot and cold water within the house
- have a water closet, or waterless closet, available for the exclusive use of the occupants of the house and suitably located within the house. The toilet should be accessible to occupants without compromising their privacy and should be adequately lit and ventilated
- have a fixed bath or shower and a wash-hand basin, all of which must have a satisfactory supply of hot and cold water and be suitably located in the house
- have an effective system for the drainage and disposal of foul and surface water. Factors taken into account are the capacity of the system, susceptibility to leakages or blockages and whether foul air from sewage can enter the building
- have a supply of electricity, where electricity is supplied to the property, that complies with the relevant requirements in relation to electrical installation for that supply and is adequate and safe to use
- have satisfactory facilities for the cooking of food within the house. This does not necessarily mean that a cooker is actually installed, but as a minimum that there is the means of installing a gas or electric appliance

- have satisfactory access to all external doors and outbuildings. If there is no adequate means of access to a house then there may be a breach of the repairing obligation.
- satisfactory equipment installed for detecting fire, and for giving warning of fire or suspected fire
- satisfactory equipment installed for detecting, and for giving warning of, carbon monoxide present in a concentration that is hazardous to health

A house will not meet the tolerable standard if fails to fulfil one or more of the criteria above.

('House' is defined as including a flat and any yard, garden and outhouse etc. that belongs to it or is usually enjoyed by it).

Repairing Standard <https://www.mygov.scot/landlord-repairs/repairing-standard>

This is very similar to the Tolerable Standard but includes a section with regards to furniture provided:

- the property must be wind and water tight and in all other respects reasonably fit for people to live in.
- the structure and exterior (including drains, gutters and external pipes) must be in a reasonable state of repair and in proper working order.
- installations for supplying water, gas and electricity and for sanitation, space heating and heating water must be in a reasonable state of repair and in proper working order.
- any fixtures, fittings and appliances that the host provides under the tenancy must be in a reasonable state of repair and in proper working order.
- any furnishings that the host provides under the tenancy must be capable of being used safely for the purpose for which they are designed.
- the property must have a satisfactory way of detecting fires and for giving warning in the event of a fire or suspected fire.
- the property must have satisfactory provision for giving warning if carbon monoxide is present in a concentration that is hazardous to health.
- the property must meet the statutory [Tolerable Standard](#).

The holder of the licence must take all reasonable steps to ensure the premises are safe for residential use. (including any equipment provided as part of the let whether for on or off premises use). Houses & flats must also meet the repairing standard.

For example: If you have a solid fuel or oil boiler/cooker or heater, Solid or liquid fuel fires and boilers must be maintained and any chimney/ flue used for solid fuel appliances should be cleaned regularly

Section 3 - Compliance with Licence Conditions

You must comply with the following conditions as part of your licence. Prior to approving your licence you will be asked to declare your compliance and provide evidence where necessary.

3.1 Fire/Smoke & Carbon Monoxide (CO) Detection

Licencees must ensure the premises has satisfactory equipment installed for detecting, and for giving warning of fire or suspected fire (and carbon monoxide where there is a fixed combustion appliance (excluding an appliance used solely for cooking) or a fixed combustion appliance in an inter-connected space, for example, an integral garage.) Further guidance is available on our website [here](#)

3.2 Fire Checklist *A risk assessment must be done first and then the Checklist completed and returned with your application the checklist can be found on the SIC short-term let page [here](#)*

The licensee (duty holder) for the above premises is **required** under the Fire (Scotland) Act 2005 to undertake a Fire Safety Risk Assessment and produce an emergency evacuation strategy. The process of Fire Safety Risk Assessment should be ongoing and the licensee is required to ensure that the premises are fit for purpose for the proposed use.

Once you have completed the risk assessment you must complete and return the detailed **fire checklist** as part of your application. This will be forwarded to the Scottish Fire and Rescue Service (SFRS), who may get in touch directly if they have any queries.

More information in Annex 2 of Scottish Government Practical Fire Safety Guidance For Existing Premises with Sleeping Accommodation [here](#)

3.3 Furnishings & Furniture

Licensees must keep records showing that all upholstered furnishings and mattresses within the parts of the premises which are for guest use, or to which the guests are otherwise permitted to have access, comply with the [Furniture and Furnishings \(Fire Safety\) Regulations 1988](#).

3.4 Gas Safe certificate

Where a let property uses a gas supply it must be covered by a **yearly** Gas Safe certificate. This certificate is issued by a registered Gas Safe engineer. All gas equipment supplied as part of the let (including gas BBQs) should be checked.

<http://www.hse.gov.uk/gas/domestic/faqlandlord.htm> also see [Gas Safe register](#) for register of competent contractors.

3.5 Electrical Safety

All let properties must have a current Electrical Installation Condition Report (EICR) or a current Electrical Installation Certificate (EIC) at the time of let. An EIC certificate is appropriate if the electrical installation is less than 5 years old, an EICR certificate **must be renewed every 5 years**. EICR and EIC certificates can be issued by a suitably qualified electrician. <https://www.gov.scot/publications/electrical-installations-and-appliances-private-rented-properties/>

Electrical appliance testing - In any let property where you supply electrical appliances portable appliance testing (PAT) should be carried out at least every 5 years by a competent person. <https://www.gov.scot/publications/electrical-installations-and-appliances-private-rented-properties/>

3.6 Water supply - Private water supply (PWS)

All short-term lets with private water supplies (not supplied by Scottish Water or other company) must be regularly maintained and will be tested by the Council annually. <https://www.mygov.scot/risk-assess-private-water-supply>

3.7 Legionella *(example risk assessment sent with e-mail following payment of fee)*

Legionnaire's disease is a potentially fatal form of pneumonia caused by the inhalation of small droplets of contaminated water containing Legionella. All water systems can provide an environment where Legionella may grow. The licensee has a duty to ensure legionella risk is assessed and action taken if necessary. More information on Legionella is available from the [Health and Safety Executive \(HSE\)](#).

3.8 Tolerable and Repairing Standards – see Section 2 above

3.9 Information to be displayed

The holder of the licence must make the following information available within the premises in a place where it is accessible to all guests –

- a) a certified copy of the licence and the licence conditions,
- b) fire, gas and electrical safety information,
- c) details of how to summon the assistance of emergency services,
- d) a copy of the gas safety report,
- e) a copy of the Electrical Installation Condition Report, and
- f) a copy of the Portable Appliance Testing Report.

3.10 Energy performance

Premises that require Energy Performance Certificates (EPCs) , including house and flats, must provide proof of their EPC and display it in any adverts. The premises have a current EPC Certificate (required every 10 years): <https://www.scottishepcregister.org.uk/>

3.11 Insurance

The premises have valid building insurance that covers short term letting and have valid public liability insurance for the duration of each short-term let agreement.

3.12 Public Notice/Compliance certificate (*copy is sent with e-mail on payment of fees*)

You must display a **public notice** at the proposed premises as soon as this application has been lodged with this office. This display notice must be displayed for a period of 21 days. At the end of the 21 day period you must sign and return a **certificate of compliance** to stl@shetland.gov.uk to confirm that you have complied with this requirement. Templates are included as part of the application pack.

3.13 Fees

The appropriate fee must accompany all applications. The fee will not be reduced or refunded if the application is withdrawn, refused, or the licence is granted for a shorter period than 3 years or for a lower maximum occupancy than in the application.

4. Applicant details

If you are a joint owner then you will need to provide the name and D.O.B. of all the joint owners and written permission given for the application for a short-term let.

If you are not the premises owner (e.g. a tenant or agent) – then you must provide the name and D.O.B. of all the joint owners and written permission given for the application for a short-term let.

The checklist below may support you in preparing your application, however, please view our short term let licensing webpage at <https://www.shetland.gov.uk/directory-record/8352/short-term-let-licensing> to check any additional points that may be important.

Application Checklist:

Item	Completed
Completed application form	
Identified correct application fee	
Completed Fire Checklist/Risk Assessment	
Annual gas certificate <i>(for premises with a gas supply including bottled gas)</i>	
Electrical Installation Condition Report <i>(This must be completed every 5 years)</i>	
Portable Appliance Testing Report	
Legionella Risk Assessment	
Floor plan	
EPC Certificate <i>(for premises which are dwellinghouses – not home sharing or non-typical dwellings)</i>	
Buildings Insurance (that covers short-term letting)	
Public Liability Insurance (that covers short-term letting)	
Proof of consent from owner (if applicable)	
Evidence of operation as a short-term let on or before 1 October 2023 <i>(for existing hosts applying during transitional period)</i>	

I have:	
Identified the owners and those involved in the day-to-day management of my premises	
Ensured that to the best of my knowledge all those named on my application are fit and proper persons	
Prepared information that will be available to guests at the premises including: (a) a certified copy of the licence and the licence conditions, (b) fire, gas and electrical safety information, (c) details of how to summon the assistance of emergency services, (d) a copy of the gas safety report, (e) a copy of the Electrical Installation Condition Report, and (f) a copy of the Portable Appliance Testing Report.	
Applied for planning permission (if required).	
Noted the requirement to display my licence number and EPC rating on listings for my premises	
Checked if any additional licence conditions apply to me / my premises	
Proof that furniture and furnishings/the furniture and furnishings guests have access to comply with fire safety regulations	
Read and understood the mandatory conditions that will apply to my licence	
Read and understood the additional conditions that will apply to my licence	

I have Prepared information that will be available to guests at the premises including:

- (a) a certified copy of the licence and the licence conditions,
- (b) fire, gas and electrical safety information,
- (c) details of how to summon the assistance of emergency services,
- (d) a copy of the gas safety report,
- (e) a copy of the Electrical Installation Condition Report, and
- (f) a copy of the Portable Appliance Testing Report.

Noted the requirement to display my licence number and EPC rating on listings for my premises

Once my licence application has been accepted I know I must display a public notice on or near the premises for 21 days

*(this must be displayed on or near the short-term let property in a position where it can be **easily** read by the public)*

Once it has been displayed for 21 days the compliance certificate will be returned to stl@shetland.gov.uk

Waste collection

Short-term letting is a commercial operation. Any waste produced as a commercial operation is 'controlled waste' and applicants will need a Waste Transfer Note to ensure their waste is collected and disposed of correctly. These notes can be requested by e-mailing cleansing@shetland.gov.uk or phone 01595 744 891.

The waste collection service will run in conjunction with the existing household collection service, so your collection day will be the same as found here on our website: <https://www.shetland.gov.uk/directory/12/rubbish-collection-calendar>

If you own a holiday let or self-catering property, you have a Duty of Care to deal with your waste correctly and in line with legislation.

The Waste (Scotland) Regulations 2012 stipulate businesses must take all reasonable steps to separate the following materials for recycling:

- Paper
- Cardboard
- Plastic (bottles)
- Metals (cans and tins)
- Glass (bottles and jars)

If you are currently using the Council's domestic waste collection and disposal services for your controlled waste (including tipping at Recycling Centres without a permit then you are doing so unlawfully. Waste collection is explained here: <https://www.shetland.gov.uk/recycling-rubbish/commercial-waste/6> (Contact 01595 744 891)