

LOCAL REVIEW BODY

5th October 2023

Application No: 23/00499/P

5 The Promenade, Port Seton, EH32 0DF

Appointed Officer's Submission

23/00499/P – REVIEW AGAINST DECISION – PLANNING OFFICER’S SUBMISSION

Planning Application Review Against Decision (Refusal): Change of use of flat to short term holiday let (Retrospective) at 5 The Promenade, Port Seton, Prestonpans.

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1. Statement of Case: Officer’s report for planning application 23/00499/P.
2. Copy of stamp refused drawings relating to planning application 23/00499/P.
3. Copy of the Decision Notice (including reason for refusal) relating to planning application 23/00499/P.
4. Copy of consultation responses from (i) ELC Road Services; (ii) ELC Environmental Health; (iii) ELC Anti-Social Behaviour Team; (iv) Police Scotland; (v) ELC Economic Development; and (vi) ELC Housing Strategy & Development.
5. Copy of Part (e) of Policy 30 (Tourism) of National Planning Framework 4 and Policies RCA1 (Residential Character and Amenity), T1 (Development Location and Accessibility) and T2 (General Transport Impact) of the adopted East Lothian Local Development Plan 2018.
6. Schedule of conditions.

1st September 2023

Neil Millar
Planner (Planning Delivery)

OFFICER REPORT

20th June 2023

App No. **23/00499/P**

Application registered on **12th May 2023**
Target Date **11th July 2023**

Proposal	Change of use of flat to short term holiday let (Retrospective)	SDELL	Y/N
		CDEL	Y/N
Location	5 The Promenade Port Seton Prestonpans East Lothian EH32 0DF	Bad Neighbour Development	Y/N

APPLICANT: **Mrs Karen Skinner**

Is this application to be approved as a departure from structure/local plan? Y/N

**The Promenade
30 High Street
Cockenzie
Prestonpans
East Lothian
EH32 0HP**

DECISION TYPE:

Application Refused

PLANNING ASSESSMENT

The property to which this application relates is a ground floor flat within a two storey flatted building located within a predominantly residential area as defined by Policy RCA1 of the adopted East Lothian Local Development Plan 2018.

The building is bounded to the north by a public footpath and an area of open space beyond which is the Firth of Forth, to the east and west by neighbouring residential properties and to the south by a private car park.

Planning permission is retrospectively sought for the change of use of the residential ground floor flat of 5 The Promenade, Port Seton as a two bedroom unit of short term self-catering holiday let accommodation.

No alterations have been undertaken to the flat, either internally or externally, to facilitate the retrospective change of use.

Subsequent to the registration of this application the applicant's agent has confirmed in writing that (i) the flat has been marketed/used for short term lets since May 2021; (ii) the minimum length of stay is 3 nights and the average length of stay is 4 nights; (iii) the maximum number of visitors in one booking is 4 guests; (iv) cleaning takes place after each stay; (v) a key safe is used for guests on arrival/departure; (vi) there are 4 flats within the building (2 flats per floor) and that the flat, the subject of this retrospective planning application, is accessed via a shared front entrance door and communal hallway; and (vii) the flat benefits from a shared parking area.

Section 25 of the Town and Country Planning (Scotland) Act 1997 requires that the application be determined in accordance with the development plan, unless material considerations indicate otherwise.

The development plan is National Planning Framework 4 (NPF4) and the adopted East Lothian Local Development Plan 2018.

Policy 30 (Tourism) of NPF4 is relevant to the determination of this application. Policies RCA1 (Residential Character and Amenity), T1 (Development Location and Accessibility) and T2 (General Transport Impact) of the adopted East Lothian Local Development Plan 2018 are relevant to the determination of this application.

There is no public objection to this application.

This application seeks retrospective planning permission for the change of use of a two bedroom ground floor flat to a two bedroom unit of holiday let accommodation. The holiday let comprises of two bedrooms, a kitchen, a living room and a bathroom. The ground floor flat is capable of accommodating/sleeping 4 people.

The East Lothian Economic Development Strategy 2012-22 identifies tourism as one of the strengths of the East Lothian economy and a source of employment opportunities in the future and the adopted East Lothian Local Development Plan 2018 states that a range of hotel, guest house and other accommodation attracts visitors and encourages them to stay and benefit the economy of East Lothian. The adopted East Lothian Local Development Plan 2018 states that all leisure and tourism related development proposals, including visitor attractions, hotels and holiday accommodation, will be assessed against all relevant Local Development Plan policies.

The change of use of the residential flat to a holiday let provides holiday accommodation within Port Seton that attracts visitors and encourages them to stay in East Lothian, which supports the existing long established business and benefits the wider economy of East Lothian.

The adopted East Lothian Local Development Plan 2018 does not contain a specific policy on the change of use of flats to holiday lets. However, part e) of Policy 30 (Tourism) of NPF4 states that:

Development proposals for the reuse of existing buildings for short term holiday letting will not be supported where the proposal will result in:

(i) An unacceptable impact on local amenity or the character of a neighbourhood or area; or

(ii) The loss of residential accommodation where such loss is not outweighed by demonstrable local economic benefits.

Policy RCA1 (Residential Character and Amenity) of the adopted East Lothian Local Development Plan 2018 states that the predominantly residential character and amenity of existing or proposed housing areas will be safeguarded from the adverse impacts of uses other than housing. Development incompatible with the residential character and amenity of an area will not be permitted.

In the determination of this application it is necessary to assess the impact of the change of use (retrospective) of the application property to a unit of holiday let accommodation on the amenity of the existing neighbouring residential properties.

The Council's Senior Environmental Health Officer advises that whilst the normal use of a property would not result in loss of amenity to neighbours, the use of properties for short term holiday let can result in future guests misusing and abusing the property in a manner that is antisocial and can result in a significant impact upon amenity of neighbours. However, it is stated that the Council's Environmental Health Service cannot assume that antisocial behaviour issues will arise and thus cannot impose any enforceable conditions to protect the amenity of neighbours.

The Council's Antisocial Behaviour Team advise that they have had no records of any incidents relating to any antisocial behaviour matters at this address and thus they raise no objection to this retrospective planning application.

Police Scotland advise that there have been no police incidents at this address and thus they raise no objection to this retrospective planning application.

The Council's Road Services raise no objection to this retrospective planning application. Accordingly, the proposal does not conflict with Policies T1 and T2 of the adopted East Lothian Local Development Plan 2018.

The applicant's property is a two bedroom flat located at ground floor level within a two storey residential flatted building which contains a total of 4 residential properties (2 flats per floor). The property the subject of this retrospective application shares a communal front entrance door, including access to an internal communal stair, with three other residential properties within the flatted building. The existing communal hallway serving the applicant's ground floor flat also serves the other ground floor flat within the building.

The use of the application property as a holiday let would enable it to be let out for short stays resulting in a turnover of people over short time periods with a significant proportion of occupants likely to be visitors. Such a regular turnover of users/occupants would change the nature of comings and goings not only to the application property itself but also within the communal entrance and hallway of the residential building. Most users/occupants of the holiday let would have a degree of luggage or other property to take through the communal external entrance and hallway which in itself would lead to a level of disturbance and nuisance not associated with the permanent/long term residential use of the property which is harmful to the amenity of the occupants of the residential properties within the residential flatted building named 'The Promenade'. It is accepted that permanent residents may also make noise but they tend to keep their luggage in their homes and do not move them with the same frequency as

regularly changing guests who arrive and depart sometimes at unsociable hours, and this differs from typical residential circumstances.

Along with the extra comings and goings of users of the holiday let at check in/check out there would also be an additional level of activity not only at the application property but also within the communal entrance and hallway as a result of people regularly accessing both the main building and the application property itself to service/clean it and remove waste and recycling material. This level of additional activity would be evidently different to that expected with the permanent/long term use of the flat as a private residence again which is harmful to the amenity of the occupants of the residential properties within the residential flat building named 'The Promenade'.

Moreover, allowing frequently changing guests unfettered access to otherwise secure shared areas and facilities changes the actual and perceived level of security for permanent residents. Whilst permanent residents are likely to have visitors of their own from time to time, those permanent residents would remain in control of security to communal areas. The introduction of frequently changing guests regularly into these secure areas, independent of the owner, would therefore differ from typical residential circumstances.

Given the specific circumstances and location of the application property within the residential building named 'The Promenade', which contains a number of permanent/long term residences which share a communal entrance, internal stair and hallway, the change of use of the applicant's ground floor flat as a two bedroom unit of short term self-catering holiday let accommodation is incompatible with and harmful to the amenity of the occupiers of the properties within the residential building named 'The Promenade'. By having an unacceptable impact on local amenity, the proposal is contrary to part e) of Policy 30 of NPF4 and with Policy RCA1 of the adopted East Lothian Local Development Plan 2018.

It is now necessary to assess the impact of the change of use on the loss of residential accommodation where such loss is not outweighed by demonstrable local economic benefits as is stated in part e) of Policy 30 of NPF4.

The Council's Housing Strategy & Development Service advise that they do not support this application as the change in use of this property, from a long term residential dwelling to a short term let, is considered a significant loss and contrary to the priorities set out in the Local Housing Strategy. In particular, it is stated that (i) the property consists of a two bedroom flat in the Preston/Seton/Gosford area; (ii) the property is located on the ground floor and considered adaptable; (iii) the property is used as a short term let only and is not a long term established short term let; and (iv) the annual occupancy rate is below 6 months per annum.

The Council's Economic Development Service Manager advises that there are demonstrable local economic benefits delivered by all types of short term holiday lets in East Lothian and that existing provision of this type of accommodation must be retained, protected and supported where there is no demonstrable impact on local amenity, the character of the area or loss of residential accommodation. In the particular circumstances of this case it is stated that (i) the property will provide high quality tourist accommodation attracting visitors to Port Seton and the surrounding area providing economic benefit; (ii) there is a demonstrable economic benefit to having a wide range of accommodation types in East Lothian with the tourism sector contribution £155m to the local economy in 2021 and supporting 10% of the workforce; (iii) visitors staying overnight in non-serviced accommodation contributed £60.1m

to the local economy in 2021 and the majority of visitors to East Lothian are repeat visitors; (iv) non-serviced accommodation (short term holiday lets) contributes positively to the local economy (£279m in 2019), the applicant's flat accounts for 4 bedspaces and a potential annual economic impact of £89,000 and 2FTE jobs; (v) there is an increasing number of overnight stays in East Lothian for work purposes (which is expected to increase over the next 10-15 years) such that the loss of short term accommodation is likely to have a significant negative impact on the local tourist economy in monetary and reputational terms. Therefore, the Council's Economic Development Service Manger supports the this planning application stating that the change of use of the flat to short term holiday let accommodation supports the strategic goals and objectives of the Economic Development Strategy 2012-2022 and the intent and outcomes of part e) of Policy 30 of NPF4.

However the local economic benefits associated with the use of the applicant's ground floor flat operating as a two bedroom unit of short term self-catering holiday let accommodation does not outweigh the unacceptable impact on local amenity. Therefore, the change of use is not in accordance with the Development Plan and there are no material planning considerations that outweigh the fact that the change of use is not in accordance with the Development Plan.

The application property of 5 The Promenade, Port Seton as a holiday let is unauthorised and a breach of planning control. Enforcement action will be taken to ensure the cessation of the holiday let use with the period for compliance with the enforcement notice being three months.

REASON FOR REFUSAL:

- 1 The holiday let use of the flatted property is incompatible with and harmful to the amenity of the occupants of other flatted properties used as residential dwellings within the residential building of The Promenade, Port Seton, Prestonpans and as such is contrary to part e) of Policy 30 of National Planning Framework 4 and Policy RCA1 of the adopted East Lothian Local Development Plan 2018.

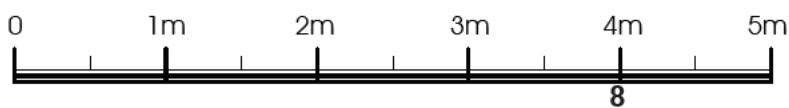
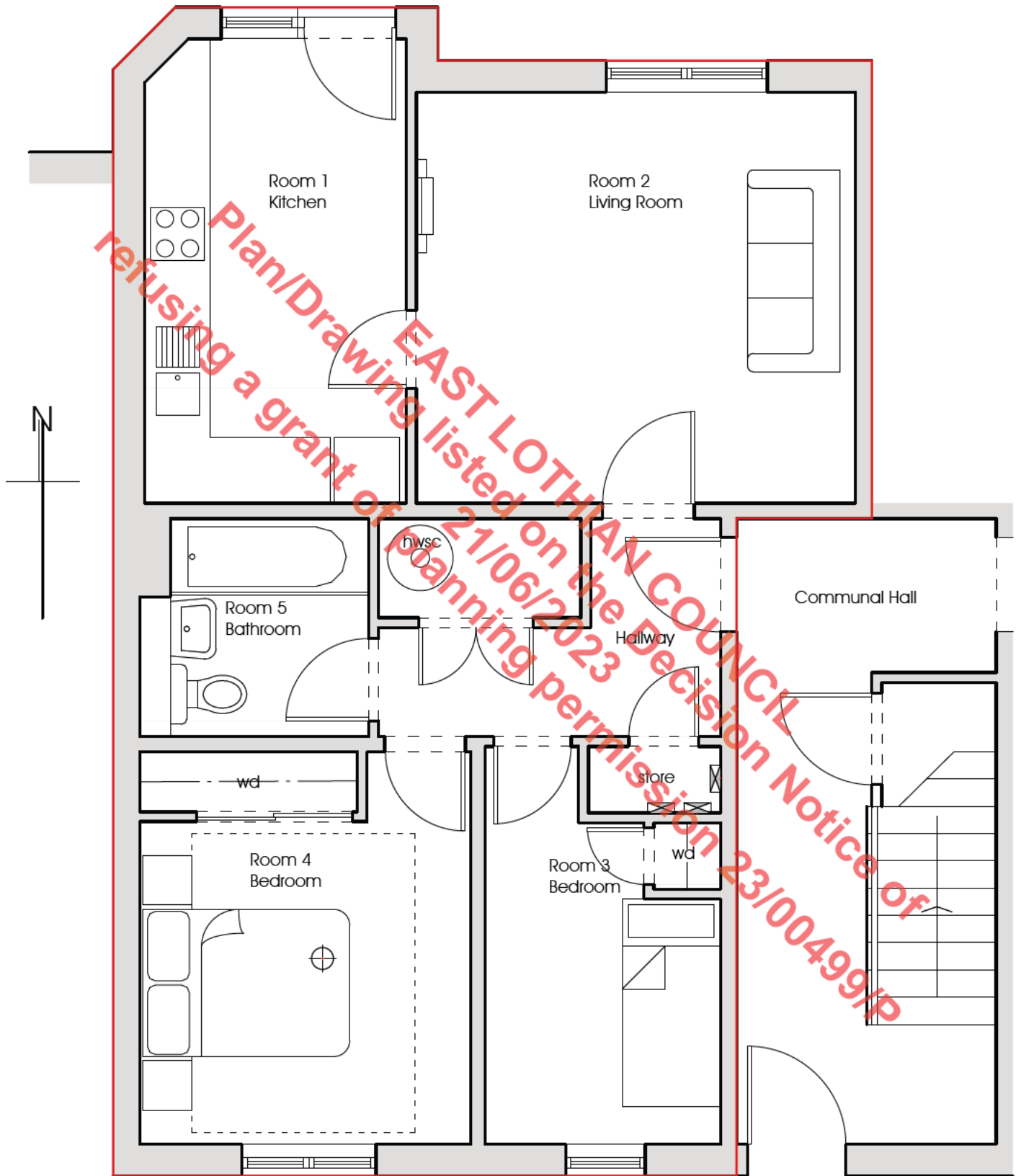
LETTERS FROM

20th June 2023

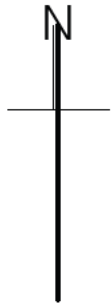
5 The Promenade, Port Seton, Prestonpans, EH32 0DF



NO. 5 THE PROMENADE, PORT SETON: FLOOR PLAN AT 1:50, NOVEMBER 2022



Scale in m at 1:50, A4



Scale in m. 1:200

Play Park

Grass

No. 5
The Promenade

EAST LoTHIAN COUNCIL
refusing a grant of planning permission 23/00499/IP
Plan/Drawing listed on the Decision Notice of 21/06/2023

pend

shared car parking

bin store

Links Garage

App No. 23/00499/P

**EAST LoTHIAN COUNCIL
DECISION NOTICE**

**TOWN AND COUNTRY PLANNING (SCOTLAND) ACT 1997
TOWN AND COUNTRY PLANNING
(DEVELOPMENT MANAGEMENT PROCEDURE) (SCOTLAND) REGULATIONS 2013**

**Mrs Karen Skinner
The Promenade
30 High Street
Cockenzie
Prestonpans
East Lothian
EH32 0HP**

APPLICANT: Mrs Karen Skinner

With reference to your application registered on 12th May 2023 for planning permission under the above mentioned Acts and Regulations for the following development, viz:-

Change of use of flat to short term holiday let (Retrospective)

**at
5 The Promenade
Port Seton
Prestonpans
East Lothian**

East Lothian Council as the Planning Authority in exercise of their powers under the above-mentioned Acts and Regulations hereby **REFUSE PLANNING PERMISSION** for the said development.

The reasons for the Council's refusal of planning permission are:-

- 1 The holiday let use of the flatted property is incompatible with and harmful to the amenity of the occupants of other flatted properties used as residential dwellings within the residential building of The Promenade, Port Seton, Prestonpans and as such is contrary to part e) of Policy 30 of National Planning Framework 4 and Policy RCA1 of the adopted East Lothian Local Development Plan 2018.

The report on this application is attached to this Decision Notice and its terms shall be deemed to be incorporated in full in this Decision Notice.

Details of the following are given in the application report:

- the terms on which the Planning Authority based this decision;
- details of any variations made to the application in terms of Section 32A of the Town and Country Planning (Scotland) Act 1997.

The plans to which this decision relate are as follows:

<u>Drawing No.</u>	<u>Revision No.</u>	<u>Date Received</u>
DWG 01	-	09.05.2023
DWG 02	-	09.05.2023
DWG 03	-	15.05.2023

21st June 2023



Keith Dingwall
Service Manager - Planning

NOTES

If the applicant is aggrieved by the decision to refuse permission for the proposed development, the applicant may require the planning authority to review the case under section 43A of the Town and Country Planning (Scotland) Act 1997 within three months from the date of this notice. The notice of review should be addressed to the Clerk to the Local Review Body, Committee Team, Communications and Democratic Services, John Muir House, Haddington, East Lothian EH41 3HA.

If permission to develop land is refused or granted subject to conditions and the owner of the land claims that the land has become incapable of reasonably beneficial use in its existing state and cannot be rendered capable of reasonably beneficial use by the carrying out of any development which has been or would be permitted, the owner of the land may serve on the Planning Authority a purchase notice requiring the purchase of the owner of the land's interest in the land in accordance with Part 5 of the Town and Country Planning (Scotland) Act 1997.

From: [REDACTED]
Sent: 23 May 2023 09:38
To: [REDACTED]
Cc: [REDACTED]
Subject: TRANSPORT PLANNING RESPONSE: 23/00499/P- Planning Consultation

EAST LOTHIAN COUNCIL ROAD SERVICES
From: Asset & Regulatory Manager
To: Service Manager, Planning

Proposal: Change of use of flat to short term holiday let (Retrospective) at 5 The Promenade Port Seton Prestonpans East Lothian EH32 0DF

The proposal is for a retrospective change in use from residential to short term holiday let with no internal changes proposed. The property is situated within an established residential development area of Port Seton and is served by unallocated private car parking with an overall provision of approximately one space per dwelling. Whilst there would potentially be some increase in the number of vehicles parking at the property during the peak tourist season when compared to residential use, this would likely even out throughout the year so the net result on car parking demand would not be noticeably different overall. Overall, on balance, we do not have any objections to this planning application.

Sent on behalf of IAN LENNOCK
ROAD SERVICES, ASSET & REGULATORY MANAGER

please ask for:
Aizaz Hussain
Transportation Planning Officer | Road Services | Infrastructure
East Lothian Council | Penston House | Macmerry Industrial Estate | EH33 1EX
ahussain@eastlothian.gov.uk



NHS Coronavirus Information

**Keep us
Covid safe**

From: [REDACTED]
Sent: 18 May 2023 12:02
To: Environment Reception
Cc: [REDACTED] - Planning Consultation

I refer to your consultation request of 15th May 2023 in connection with the above and would advise as follows.

While the normal use of a property would not result in loss of amenity to neighbours, the use of properties for short-term holiday let can result in future guests in the accommodation misusing and abusing the property in a manner that is antisocial and can result in significant impact upon amenity of neighbours. Environmental Health cannot assume such ASB will arise however, and cannot impose any enforceable conditions to protect amenity of neighbours.

East Lothian Council will have to determine whether or not any such future proposals are acceptable having regard to existing planning policy which may need to be revised to address this situation. I would suggest that you also consult with the Safer Communities Team in the event they may wish to comment further.

Regards

Colin Clark | Senior Environmental Health Officer, Public Health & Environmental Protection | Protective Services | East Lothian Council | John Muir House | Haddington | EH41 3HA |
Tel. 01620 827443 [REDACTED] | Email. cclark1@eastlothian.gov.uk | Visit our website at www.eastlothian.gov.uk

-----Original Message-----

[REDACTED]

-----Original Message-----

From: Environment Reception <environment@eastlothian.gov.uk>
Sent: 15 May 2023 09:16
To: Environmental Health/Trading Standards <ehts@eastlothian.gov.uk>
Subject: 23/00499/P-[REDACTED] - Planning Consultation

Please see attached document in relation to the following application: Change of use of flat to short term holiday let (Retrospective) at 5 The Promenade Port Seton Prestonpans East Lothian EH32 0DF

NHS Coronavirus Information

[https://intranet.eastlothian.gov.uk/multimedia/1624/1624_250x83.jpg]

[REDACTED]

From: [REDACTED]
Sent: 15 May 2023 17:06
To: Environment Reception
Subject: FW: 23/00499/P-[REDACTED] - Planning Consultation
Attachments: [REDACTED]
Categories: [REDACTED]

There is nothing on the ASB register for this address.

Regards,
Gail

-----Original Message-----

From: [REDACTED]
Sent: 15 May 2023 09:17
To: Raselli, Gail <graselli@eastlothian.gov.uk>
Subject: FW: 23/00499/P-[REDACTED] - Planning Consultation

GR
Can you check records and revert directly to Planning with the results of your endeavours.
Thanks
Kenny

-----Original Message-----

From: Environment Reception <environment@eastlothian.gov.uk>
Sent: 15 May 2023 09:16
To: [REDACTED]
Subject: 23/00499/P-[REDACTED] - Planning Consultation

Please see attached document in relation to the following application: Change of use of flat to short term holiday let (Retrospective) at 5 The Promenade Port Seton Prestonpans East Lothian EH32 0DF

NHS Coronavirus Information

[https://intranet.eastlothian.gov.uk/multimedia/1624/1624_250x83.jpg]

From: [REDACTED]
Sent: 15 May 2023 10:55
To: Environment Reception
Subject: RE: 23/00499/[REDACTED] - Planning Consultation [OFFICIAL]

CAUTION: This email originated from outside of the organisation. Do not click links or open attachments unless you recognise the sender and know the content is safe.

OFFICIAL

Police calls checked for this address over the past year and there have been no recorded incidents.

Many thanks

Elaine

-----Original Message-----

From: environment@eastlothian.gov.uk [<mailto:environment@eastlothian.gov.uk>]
Sent: 15 May 2023 09:16

Subject: 23/00499/P-[REDACTED] - Planning Consultation

Please see attached document in relation to the following application: Change of use of flat to short term holiday let (Retrospective) at 5 The Promenade Port Seton Prestonpans East Lothian EH32 0DF

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[https://gbr01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.eastlothian.gov.uk%2Fmultimedia%2F19774%2F19774_250x83.jpg&data=05%7C01%7CElaine.Baird%40scotland.police.uk%7C6001c4b852064aba587808db551cad65%7C6795c5d3c94b497a865c4c343e4cf141%7C0%7C0%7C638197354156517921%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6IklhaWwiLCJXVCi6Mn0%3D%7C3000%7C%7C%7C&sdata=OEHBP0ORT7%2FH0oNuhQFSoyTWUiHfGimHrmdgRFivL%2FE%3D&reserved=0]

PLANNING APPLICATION RESPONSE – SHORT TERM HOLIDAY LETS

The following observations represent the comments of the consultee on the submitted application as they relate to the area of expertise of that consultee and on the basis of the information provided. A decision on the application can only be made after consideration of all relevant information, consultations and material considerations.

Planning application reference – 23/00499/P

Proposal – Change of use of flat to short term holiday let (retrospective)

Location – 5 The Promenade, Port Seton, EH32 0DF

Planning Officer – Neil Millar

ECONOMIC DEVELOPMENT POLICY BACKGROUND

The East Lothian Community Planning Economic Development Strategy 2012-22 was adopted by East Lothian Council on 9th October 2012 and the mid-term refresh was concluded December 2018. Economic development is a key priority for East Lothian and is at the forefront of The East Lothian Partnership Plan 2017-27. The Economic Development Strategy 2012 to 2022 is a reflection of the priority placed on economic development and acts as a guiding framework for future activities. The Strategy is being reviewed and renewed during 2023 and continues to be in effect during that process. It sets out clear strategic direction and is the foundation of the vision set out in the East Lothian Plan of:

Working in partnership to achieve an even more prosperous, safe and sustainable East Lothian, with a dynamic and thriving economy that enables our people and communities to flourish.

To help achieve the vision, *two major strategic goals* have been set:

- To increase the proportion of East Lothian residents working in and contributing to East Lothian's economy.
- To increase the number of businesses in East Lothian with growth potential.

The two strategic goals are underpinned by five key objectives:

- To be the best place in Scotland to set up and grow an innovative business.
- To be Scotland's leading coastal, leisure and food & drink destination.
- To explore and develop regional opportunities to support economic development and to encourage study, work and spend in East Lothian.
- To provide high quality employment pathways for East Lothian's workforce.
- To become Scotland's most sustainable and digitally-connected local economy.

EAST LoTHIAN COUNCIL ECONOMIC DEVELOPMENT AND REGENERATION

Short Term Holiday Lets in East Lothian

Tourism is a mainstay of the East Lothian economy employing 10% of the workforce (3,075 FTE jobs). Overnight visitors contributed a total of £155m to the local economy in 2021, of that £60.1m was by visitors staying in local non-serviced accommodation. The majority of visitors to East Lothian are repeat visitors, 81%. The 2021 figures show significant negative impact following COVID-19 and taken in isolation are not representative of the value of tourism to the East Lothian economy in 'normal' times. Below we have used the figures from 2019 which was the last pre-COVID-19 year for the sector.

Short term holiday lets, whether flats or houses, are classed as non-serviced accommodation. Stays in this type of accommodation have become increasingly popular in recent years. In 2003, 6% of visitors stayed in a rented house or flat, rising to 30% in 2021. Other forms of accommodation have shown a fall in popularity over the same period, e.g. caravan parks, B&B/ guest houses, serviced apartments, and staying with friends / relatives. Most operators of short term holiday lets in East Lothian are small or micro businesses. Hotel stays during this period have also risen, although there was drop from 20% of stays to 19% between 2018 and 2021 representing a switch to non-serviced accommodation over the COVID-19 period. It remains to be seen if this is a developing trend. Hotel accommodation, and especially accommodation in larger hotels, is limited in East Lothian, promotion to overnight visitors is therefore focused on independent travellers, and not on-group travel.

Accommodation available to visitors does not operate in isolation. It forms a crucial part in the overall experience and destination offer. It is also the case that an increasing number of those staying in East Lothian's serviced and non-serviced accommodation are in the area for work. Significant numbers of workers visit the area regularly in association with the operation and maintenance of Torness Power Station and the Viridor Energy Recovery Facility as well as major sporting events e.g. golf tournaments. Over the next 10-15 years significant new projects to develop electricity grid connections for renewable energy and the decommissioning of Torness are anticipated to place high demand on local accommodation, and there is a risk that this may reduce the number of overnight stays by tourists to the area due to a shortage of beds. Any loss of bed stocks will negatively impact on many sectors that rely on the visitor economy including food and drink, retail, attractions, and activities.

Analysis commissioned by the Economic Development Service of the economic impact of non-serviced accommodation in East Lothian is detailed below. This is based on analysis of economic data from 2019, the last year not to have been impacted by COVID-19.

2019	Total Accommodation	Total Excluding Shared Access NSA	Impact of Removing Shared Access NSA
Number of NSA Establishments	203	114	-89
Number of NSA Bedspaces	6,111	5,495	-616
NSA Visitor Numbers	130k	110k	-20k
NSA Visitor Days	853k	721k	-132k

EAST LoTHIAN COUNCIL ECONOMIC DEVELOPMENT AND REGENERATION

Direct Economic Impact	£210m	£200m	-£10m
Indirect Economic Impact	£69m	£65m	-£4m
Total Economic Impact	£279m	£265m	-£14m
VAT Revenue	£35m	£33.4m	-£1.6m
NSA Direct Employment (FTEs)	1,007	740	-267
Total Employment (FTEs)	4,434	4,104	-330

There are 89 NSA units in the data set that contribute 616 bedspaces of local accommodation. The total annual economic impact of those as short term holiday lets is £14m, or £140m over the next ten years (at 2019 rates). Those 89 short term lets support 330FTE jobs in East Lothian. Each bedspace in an NSA short term let provides £22,727 of annual economic benefit and supports 0.5FTE jobs in East Lothian.

The impact of removing flats, studio flats, and apartments from non-serviced accommodation bedstock is evident. Fewer staying visitors would be able to stay within the area; the estimated drop in staying visitor numbers is 20,000 with a corresponding drop of 132,000 visitor days. Visitor days take into account those visitors who stay at any destination for more than a day. For example, if a family of five stay three nights, they will not only account for five visitors, but also fifteen visitor days.

The drop in staying visitors would have a corresponding effect on the economic impact of visitors to the area, reducing direct expenditure related to NSA by £10m, and by conservatively taking the wider supply chain into consideration, an overall total economic reduction of £14m to the visitor economy. The negative economic impact would further result in a reduction in VAT revenue of £1.6m. In 2019, the average NSA generated c£86k towards the local visitor economy, buoyed up by the use of the sector by golfers, especially during major golfing competitions.

The above reductions in bedstock and estimated staying visitor numbers would not only impact visitor expenditure and total economic impact, but also employment related to servicing and maintaining 89 properties if removed from accommodation bedstock. Should that happen, there is an estimated direct loss of 267 FTE jobs. Conservatively taking into account the supply chain and indirect employment, there is an estimated total loss of employment of 330FTE jobs within the wider tourism sector.

The needs of those seeking NSA are largely based on length of stay, and for staying visitors to East Lothian the current average length of stay in NSA 6.7 days, which suggests a high level of week-long rentals. It is therefore unlikely this segment of the visitor population would consider serviced accommodation for this length of stay due to cost and difference in amenities and independence, and would therefore seek accommodation out-with East Lothian, with the subsequent loss to the local visitor economy. The economic impact of visitors staying in the area for a week in NSA, far outweighs that of visiting the area as a day tripper- the average spend per person of those staying in NSA in 2019 was £97.44 per day, and £643.13 per stay; the average spend per day tripper was £52.52.

Context

EAST LoTHIAN COUNCIL ECONOMIC DEVELOPMENT AND REGENERATION

Economic Development has been asked to comment on the above application for change of use from a flat to a short term holiday let in the context of National Planning Framework 4 Policy 30 (Tourism) Part e) development proposals for the reuse of existing buildings for short term holiday letting. The intent of Policy 30 is to encourage, promote and facilitate sustainable tourism development that benefits local people, is consistent with [Scotland's] net zero and nature commitments, and inspires people to visit Scotland. The intended outcomes of Policy 30 are for communities and places to enjoy economic, social and cultural benefits from tourism, supporting resilience and stimulating job creation.

The proposed short term let in question is a ground floor flat located within Port Seton. The applicant has indicated that the property has been used as a holiday let since 2021 and is their main source of income. The applicant has provided information on the benefits to the local economy, including examples of local businesses that benefit from their visitors. The applicant has indicated that they have a number of forward bookings for the 23/24 season (158 nights).

Port Seton is a popular holiday destination with a number of amenities aimed at the tourist market. The nearby Seton Sands is a rocky beach to the east of the Town that leads into Longniddry Bents and is part of the John Muir Way coastal walk. The town is also the location of a popular holiday park operated by Haven, which attracts visitors from around the UK. The town is a popular destination for walkers and hosts the 3 Harbours Arts Festival. Port Seton is well situated for access to the rest of East Lothian by car and public transport.

Economic Development Recommendation

It is the view of the Economic Development Service that in terms of National Planning Framework 4 Policy 30 part e) ii. there are demonstrable local economic benefits delivered by all types of short term holiday lets in East Lothian and that existing provision of this type of accommodation must be retained, protected, and supported where there is no demonstrable and unacceptable impact on local amenity, the character of the area, or loss of residential accommodation. Furthermore, new applications for short term lets should be supported and encouraged in order that East Lothian continues to expand its capacity to host overnight visitors.

In the above noted case the Economic Development Service **supports** the proposal for change to short term holiday let.

Reason(s):

- The operation of short-term holiday letting is a bonafide business activity that contributes to employment and economic benefit in East Lothian. The proposal provides high-quality tourist accommodation attracting visitors to Port Seton and the surrounding area providing economic benefit.
- There is a demonstrable economic benefit to having a wide range of accommodation types in East Lothian, with the tourism sector contributing £155m to the local economy in 2021 and supporting 10% of the workforce. Visitors staying overnight in non-serviced accommodation contributed £60.1m to the local economy in 2021, a

EAST LoTHIAN COUNCIL ECONOMIC DEVELOPMENT AND REGENERATION

figure which has been rising year on year. The majority of visitors to East Lothian are repeat visitors, 81%, and rely on good availability of high quality accommodation year on year to facilitate this.

- Non- serviced accommodation (short term holiday lets) contribute positively to the local economy (£279m in 2019), this property accounts for 4 bedspaces and a potential annual economic impact of £89,000 and 2FTE jobs. This is borne out by the supporting information provided by the applicant.
- An increasing number of overnight stays in East Lothian are for work purposes, e.g. major events, servicing major infrastructure. This is expected to increase over the next 10-15 years as more nationally significant infrastructure is developed or decommissioned in East Lothian. In this context, the loss short term accommodation is likely to have significant negative impact on the local tourist economy in monetary and reputational terms.

This proposal supports the following strategic goals and objectives of the Economic Development Strategy 2012-2022:

- To be Scotland's leading coastal, leisure and food & drink destination.
- To explore and develop regional opportunities to support economic development and to encourage study, work and spend in East Lothian.

The proposal supports the intent and outcomes of National Planning Framework 4, Policy 30 (Tourism):

- To encourage, promote and facilitate sustainable tourism development that benefits local people, is consistent with [Scotland's] net zero and nature commitments, and inspires people to visit Scotland.
- Communities and places enjoy economic, social and cultural benefits from tourism, supporting resilience and stimulating job creation.

Additional recommendation(s)

- That should the application be refused all bookings for 2023/24 should be allowed to be honoured by the applicant, subject to any requirement to obtain a short term let licence.

Response author: Jamie Baker, Service Manager, Economic Development **Date:** 29/05/2023

EAST LoTHIAN COUNCIL: HOUSING STRATEGY & DEVELOPMENT

PLANNING APPLICATION RESPONSE

POLICY BACKGROUND

East Lothian Council's Housing Strategy and Development Service are consulted on planning applications to assess the loss in residential accommodation relating to the change of use from long term residential accommodation to short term holiday lettings.

In accordance with Policy 30 (Tourism) of the National Planning Framework 4:

'e) Development proposals for the reuse of existing buildings for short term holiday letting will not be supported where the proposal will result in:

- i. An unacceptable impact on local amenity or the character of a neighbourhood or area;*
- or*
- ii. The loss of residential accommodation where such loss is not outweighed by demonstrable local economic benefits.'*

The Housing (Scotland) Act 2001 requires local authorities to prepare a Local Housing Strategy (LHS) for their area, supported by an assessment of housing need and demand. The Local Housing Strategy is the sole strategic document for East Lothian which brings together a wide range of housing priorities. The current priorities of the LHS 2018-2023 relevant to the change of use to short term lettings are:

- Priority 1: Sustainable and vibrant communities are created and maintained
- Priority 2: The supply of housing is increased and access to housing improved
- Priority 3: Homelessness is prevented as far as possible [...]

Housing to 2040 (H2040) is Scotland's long-term national housing strategy and has also been taken into account as part of this assessment. H2040 recognises that local authorities should be empowered

'to strike a better balance between local housing need and the concerns of residents with that of the tourism industry, both of which are crucial to support thriving communities.'

LOCAL HOUSING CONTEXT

When considering a balanced approach between housing and tourism, the property types facing significant pressure in East Lothian and local housing demand by ward were analysed.

An affordable housing supply target of 189 units per annum (36%) and a market housing supply target of 330 (64%) were determined for East Lothian, according to the LHS 2018-2023.

East Lothian's housing stock is predominantly made up of private sector housing, with a substantial owner occupied sector. Owner-occupied homes account for 65.3%, private rented sector 11% and social housing accounts for 23.7% of all stock.

Almost a quarter (24%) of housing list applicants for social housing in East Lothian are made by households currently living in the PRS. There is a need for an increased supply in long term rental properties, particularly in the East of the county. PRS tenants seeking social rented housing in East Lothian are concentrated in North Berwick Coastal (36%), Haddington and Lammermuir (31%) and Dunbar and East Linton (27%).

Current available data shows that there is significant pressure on the supply of 1 and 2 bed properties in both the private and social sector:

- 1) 2 bed properties account for only 2.3% of new build homes in the private sector, compared to 3 and 4 bed homes which account for 40% respectively.

- 2) There is a projected increase of single and two adult households at 14.3% and 13.2% respectively compared to households with children which lies at 5%.
- 3) 80% of homelessness applications are single person households.
- 4) Single households are most affected by Unsuitable Accommodation Breaches.
- 5) Highest demand for 1-2 bed properties are in wards Musselburgh, Tranent/Wallyford/Macmerry and Preston/Seton/Gosford

East Lothian has an estimated unmet need of 430 wheelchair accessible homes and couple households had the biggest need of adaptable homes in 2020. In terms of population increase, those aged 75+ are expected to have the largest increase in population, at 32% and people aged 65 to 74 will also have a significant increase of 23.2%. This highlights East Lothian's ageing population who will most likely require smaller, accessible homes.

Short Term Lets in East Lothian

The now relatively out-of-date Census 2011 estimated that about 2% of all household spaces in East Lothian are second homes or holiday lets. However, when considering 'flat, maisonette or apartment in converted or shared house', it is estimated that 9% of those residential types are second residence/holiday lets. The LHS 2018-23 estimated that in 2017, 120 properties in East Lothian were short term lets, at which point short-term let properties were not considered problematic.

In 2022, Housing Strategy & Development commissioned Arneil Johnston to undertake research into the Private Rented Sector in East Lothian. This included an insight into the extent to which the PRS in East Lothian has been affected by the growth of Short Term Lets (STLs).

By taking a snapshot of available properties in October 2022, 387 STL vacancies were identified and analysed, with a focus on properties which could only be residential dwellings. This is a 222.5% increase from 2017.

The highest proportion of STL snapshot vacancies were in North Berwick Coastal area partnership (58%), followed by 19% in Dunbar & East Linton. Musselburgh had the lowest proportion of STLs (2%) along with Fa'side and Preston Seton Gosford (3.4%). The study shows that North Berwick Coastal has been impacted the most in terms of properties being taken out of the residential market, with 22% of the properties that could be long term residential, now functioning as STLs.

Short Term Lets (STLs) by Area Partnership, Snapshot October 2022.			
Area Partnership	PRS	Number of STLs	% of STLs
Dunbar & East Linton	914	76	20%
Fa'side	995	13	3%
Haddington & Lammermuir	1735	32	8%
Musselburgh	844	25	7%
North Berwick Coastal	836	225	58%
Preston Seton Gosford	636	13	3%
Total	5960	387	100%

Source: Arneil Johnston (2022) Research into the PRS in East Lothian

It is also crucial to consider the occupancy rate of short term lets. An empty home is considered to be one that has been sitting empty for 6 months. Empty and under used residential buildings can have detrimental impacts on communities. They can harm the overall appearance of areas, contribute to the deterioration of buildings, attract anti-social behaviour, and impact on the provision of local facilities. As highlighted in East Lothian's Rapid Housing Transition Plan, the significant shortage in homes and rising homeless, requires an increase in the number of homes across all tenures. Empty homes, and underused homes can provide a much faster solution than new build properties, when brought up to standard and leased to households in the private sector.

Policy approach

When considering the evidence above, East Lothian has a high housing need and there is already a limited supply of residential rental properties. Therefore even a small number of dwellings converted to STLs could have a disproportionate impact on meeting housing need. This is contrary to the LHS 2018-2023 priorities which seek to create sustainable communities, improve the supply of housing and prevent homelessness.

Housing Strategy & Development Service **will not** favour planning applications::

- Where the property consists of a one bed or two bedroom; as originally built; particularly when located in wards Musselburgh, Tranent/Wallyford/Macmerry and Preston/Seton/Gosford; and/or
- Where the property is deemed as adaptable¹; and/or
- Where the property is located within the North Berwick Coastal ward.

Housing Strategy & Development **will** favour applications where:

- The proposed short term let is the host's principal home; and/or
- The proposed short term let is deemed as an established short-term secondary let property e.g. has been let for over 5 years from date of application; and/or
- The annual occupancy rate of the property is 6months or more; and/or
- Where the property is advertised to seasonal workers and other persons who would use the property as their principal home for a short term period.

Each case will be assessed based on its own merit and the interconnection of the different criterion mentioned will be weighted in each case.

HOUSING STRATEGY & DEVELOPMENT RESPONSE

Pre-application enquiry reference – 23/00499/P

Proposal – Change of use to short term holiday let (retrospective)

Location – 5 The Promenade, Port Seton, Prestonpans, EH32 0DF

Planning Officer – Neil Millar

Housing Strategy has been asked to comment on the change of use of 5 The Promenade, Port Seton, Prestonpans, EH32 0DF to a short term holiday let (retrospective). The property has been used as a short term let since May 2021. The two bedroom property is located on the ground floor has two entrance doors, one private back door and one shared communal front door. According to the information provided, the property was occupied 150nights in 2021; 186 nights in 2022 and 158 nights in 2023; averaging 165 nights per annum.

The Housing Strategy & Development Service **object** to the proposal set out in the above noted application.

Reason(s):

The change in use of this property from a long term residential dwelling to a short term let is considered a significant loss and is against the priorities set out in the Local Housing Strategy because:

¹ A property is defined by East Lothian Council as being adapted or adaptable where it has a ground floor bedroom (or a room that can be used as a bedroom) and ground floor bathroom (or space to provide a bathroom within the existing footprint of the property) and can be ramped to provide level access.)

- The property consists of a two bedroom flat in Preston/Seton/Gosford.
- The property is located on the ground floor and considered adaptable.
- The property is used as a short-term let only.
- The property is not a long term established short term let.
- The annual occupancy rate is below 6 months per annum.

Response author: Anne Kripler – Housing Strategy Officer

Date: 31/05/2023

National Planning Framework 4

Part (e) of Policy 30 (Tourism)

Development proposals for the reuse of existing buildings for short term holiday letting will not be supported where the proposal will result in:

- i. An unacceptable impact on local amenity or the character of a neighbourhood or area; or
- ii. The loss of residential accommodation where such loss is not outweighed by demonstrable local economic benefits.

Adopted East Lothian Local Development Plan 2018

Policy RCA1 (Residential Character and Amenity)

The predominantly residential character and amenity of existing or proposed housing areas will be safeguarded from the adverse impacts of uses other than housing. Development incompatible with the residential character and amenity of an area will not be permitted. Proposals for new development will be assessed against appropriate local plan policies. In the case of infill, backland and garden ground development, this will include assessment against Policy DP7.

Policy T1: Development Location and Accessibility

New developments shall be located on sites that are capable of being conveniently and safely accessed on foot and by cycle, by public transport as well as by private vehicle, including adequate car parking provision in accordance with the Council's standards. The submission of Travel Plans may also be required in support of certain proposals.

Policy T2: General Transport Impact

New development must have no significant adverse impact on:

- Road safety;
- The convenience, safety and attractiveness of walking and cycling in the surrounding area;
- Public transport operations in the surrounding area, both existing and planned, including convenience of access to these and their travel times;
- The capacity of the surrounding road network to deal with traffic unrelated to the proposed development; and
- Residential amenity as a consequence of an increase in motorised traffic.

Where the impact of development on the transport network requires mitigation this will be provided by the developer and secured by the Council by planning condition and / or legal agreement where appropriate.

SUGGESTED SCHEDULE OF CONDITIONS - REVIEW AGAINST REFUSAL OF PLANNING APPLICATION BY THE LOCAL REVIEW BODY – 23/00499/P

Should the Local Review Body be minded to uphold the review it is respectfully requested that planning permission be granted subject to the following conditions:

1. The property shall be let for overnight occupation by a maximum of four persons at any one time.

Reason:

To ensure that the terms of the lets protect occupants of nearby residential properties from noise/disturbance.

2. A register of the date and number of occupants for each let shall be maintained for the property by the owner/letting agent and shall be available at all reasonable times for inspection, on request, by the Planning Authority.

Reason:

To ensure compliance with condition 1.

