

LOCAL REVIEW BODY

25 April 2024

Application No: 23/01051/P

8 Forth Street Lane, North Berwick

Appointed Officer's Submission

23/01051/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 8 Forth Street Lane, North Berwick.

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1. Statement of Case: Officer’s report for planning application 23/01051/P.
2. Copy of the Decision Notice (including reason for refusal) relating to planning application 23/01051/P.
3. 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.
4. Copy of Policies 7 (Historic assets and places), 13 (Sustainable transport) and part (e) of Policy 30 (Tourism) of National Planning Framework 4 and Policies RCA1 (Residential Character and Amenity), CH2 (Development Affecting Conservation Areas), T1 (Development Location and Accessibility) and T2 (General Transport Impact) of the adopted East Lothian Local Development Plan 2018.
5. Schedule of conditions.

30th January 2024

Neil Millar
Planner (Planning Delivery)

OFFICER REPORT

3rd November 2023

App No. **23/01051/P**

Application registered on **19th September 2023**

Target Date **18th November 2023**

Proposal	Change of use of flat to short term holiday let (Retrospective)	SDELL	N
		CDEL	N
Location	8 Forth Street Lane North Berwick EH39 4JB	Bad Neighbour Development	N

APPLICANT: **Mr Christian Poziemski**

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

**111 High Street
North Berwick
EH39 4HB**

DECISION TYPE:

Application Refused

PLANNING ASSESSMENT

The property to which this application relates is a first floor flat within a detached, two storey, flatted building which occupies a prominent position at the junction of Forth Street Lane and Forth Street in North Berwick. The ground floor component of the building is in use as a public house. The building is located within the Town Centre of North Berwick as defined by Policy TC2 of the adopted East Lothian Local Development Plan 2018. It is also within North Berwick Conservation Area.

The flatted building is bounded to the north and west by the public roads of Forth Street and Forth Street Lane respectively and to the east and south by neighbouring residential properties.

Planning permission is retrospectively sought for the change of use of the residential first floor flat of 8 Forth Street Lane, North Berwick 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 has confirmed in writing that (i) the flat has been marketed/used for short term lets since 2021; (ii) the minimum length of stay is 2 nights and the maximum length of stay is 31 nights; (iii) the maximum number of visitors in one booking is 6 guests; (iv) cleaning takes place after each stay by an appointed cleaning company and bins/recycling are collected and emptied by ELC Waste Management Services; (v) the property is managed by a letting agency and a key safe is used for guests on arrival/departure; (vi) there are two flats at first floor level (numbers 8 and 8A Forth Street Lane) and the neighbouring flat of 8A is owned by Greene King Pubs and they lease that neighbouring flat to the person who runs the ground floor pub; (v) the first floor flats share a communal entrance door and hallway, via an external stair, located to the rear of the building; and (vi) the applicant's flat does not benefit from a designated parking space.

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.

Policies 7 (Historic assets and places), 13 (Sustainable transport) and 30 (Tourism) of NPF4 are relevant to the determination of this application. Policies RCA1 (Residential Character and Amenity), CH2 (Development Affecting Conservation Areas), 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.

Material to the determination of the application is Section 64 of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997.

Section 64 of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997 requires that a planning authority must pay special attention to the desirability of preserving or enhancing the character or appearance of the area in which the building is located.

There is no public objection to this application.

This application seeks retrospective planning permission for the change of use of a two bedroom first floor flat to a two bedroom unit of holiday let accommodation. The holiday let comprises of two bedrooms, a kitchen, a sitting room and a bathroom/shower room. The first floor flat is capable of accommodating/sleeping 6 people within its two bedrooms.

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 North Berwick 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 on the amenity of the existing residential properties contained within the residential flatted building to which the applicant's flat forms a part.

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 lets (particularly those with communal entrances shared by other occupiers within the building) 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 (having checked their records from 2020 onwards) and thus they raise no objection to this retrospective planning application.

The Council's Road Services raise no objection to this retrospective application and note that the property has no in-curtilage parking and thus residents/visitors are required to park on the street, which is considered appropriate for this property. They also state that whilst there may be some increase in the number of vehicles during the peak tourist season compared to residential use, this increase is likely to even out throughout the year resulting in no noticeable difference in overall car parking demand. Accordingly, the proposals do not conflict with Policy 13 of NPF4 or 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 first floor level within a two storey

flatted building which contains one other residential property at first floor level. The property the subject of this retrospective application shares a communal front entrance door and internal hallway, via an external stair located to the rear of the building, with the neighbouring first floor flat of 8A Forth Street Lane. The external stair provides access to the communal entrance door that serves both first floor flats from Forth Street Lane.

The applicant states that the neighbouring first floor flat of 8A Forth Street Lane is owned by Greene King Pubs and is leased to the publican. The applicant also states that the publican does not permanently live at 8A Forth Street Lane and has been told that they use the property for holiday rentals. However, there is no record of planning permission having been granted for the use of that neighbouring flat (8A Forth Street Lane) as a short term let nor has a Certificate of Lawful Use been issued for that use. Moreover, the Council's Licensing Team confirm that they have no records of a short term let licence having been sought, nor obtained, relating to the first floor flat of 8A Forth Street Lane. Accordingly, it can reasonably be concluded that the neighbouring first floor flat is in use as a residential dwelling and not as a short term holiday let.

The use of the application property as a holiday let enables 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 has changed 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 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. This is harmful to the amenity of the occupant of the neighbouring first floor flat of 8A Forth Street Lane. 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 internal 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 after each guests stay. 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 occupant of the neighbouring first floor flat of 8A Forth Street Lane within the residential flatted building.

Moreover, allowing frequently changing guests unfettered access to otherwise secure shared areas changes the actual and perceived level of security for the existing permanent resident. Whilst the permanent resident is likely to have visitors of their own from time to time, the permanent resident would remain in control of security to the communal hallway area. The introduction of frequently changing guests regularly into that secure area, 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, which contains a permanent/long term resident and which shares a communal entrance and hallway, the retrospective change of use of the applicant's first 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 occupier of the neighbouring first floor flat within the residential building. 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 state that the change in use of this property from a long term residential dwelling to a short term let is considered a significant loss because (i) the property is located within the North Berwick Coastal Ward; (ii) the property is a two bed flat which is in high demand; (iii) the short term let is not considered long term established. Accordingly, the Council's Housing Strategy & Development Service object to this retrospective planning application.

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 North Berwick 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) non-serviced accommodation (short term holiday lets) contributes positively to the local economy (£279m in 2019) and the applicant's flat accounts for 6 bedspaces and a potential annual economic impact of £136,362 and 3FTE jobs; (iv) 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 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 first 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 8 Forth Street Lane, North Berwick 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 neighbouring flatted property used as a residential dwelling within the residential building 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

3rd November 2023

App No. 23/01051/P

**EAST LoTHIAN COUNCIL
DECISION NOTICE**

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

**Mr Christian Poziemski
111 High Street
North Berwick
EH39 4HB**

APPLICANT: Mr Christian Poziemski

With reference to your application registered on 19th September 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
8 Forth Street Lane
North Berwick
EH39 4JB

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 neighbouring flatted property used as a residential dwelling within the residential building 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	-	12.09.2023
DWG 02	-	12.09.2023

6th November 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: [Hussain, Aizaz](#)
To: [Millar, Neil](#)
Cc: [REDACTED]
Subject: TRANSPORT PLANNING RESPONSE: 23/01051/P- Planning Consultation
Date: 09 October 2023 21:43:58

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 8 Forth Street Lane North Berwick EH39 4JB

This planning application is for a retrospective change of use of flat to a short-term holiday let at 8 Forth Street Lane, located in North Berwick. The property has no in-curtilage parking and therefore residents/visitors are required to park on the street, which is considered appropriate for this property.

We have reviewed the documents submitted by the applicant in support of this planning application, which confirm that no internal changes are proposed. Hence, we conclude that there would be no changes in the likely parking demands. In general, we would note that whilst there may be some increase in the number of vehicles parking on the street during the peak tourist season compared to residential use, this increase would likely even out throughout the year, resulting in no noticeable difference in overall car parking demand.

Therefore, we confirm that we do not have any objections to this planning application.

Please advise the applicant that all works within or affecting the public road including works on the footway or verge must be authorised in advance by this Council as Roads Authority.

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

If telephoning, please ask for:

Aiz

Aizaz Hussain
Transportation Planning Officer
[REDACTED]

East Lothian Council
Penston House, Macmerry Industrial Estate, Macmerry, East Lothian EH33 1EX

From: [Clark, Colin - FHO](#)
To: [Environment Reception](#)
Cc: [Millar, Neil](#)
Subject: RE: 23/01051/P-Neil Millar - Planning Consultation
Date: 26 September 2023 16:49:25

I refer to your email of 26th September 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-----

From: Environmental Health/Trading Standards <ehts@eastlothian.gov.uk>
Sent: 26 September 2023 15:13

[REDACTED]

Subject: FW: 23/01051/P-Neil Millar - Planning Consultation

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

From: Environment Reception <environment@eastlothian.gov.uk>
Sent: 26 September 2023 14:57
To: Environmental Health/Trading Standards <ehts@eastlothian.gov.uk>
Subject: 23/01051/P-Neil Millar - Planning Consultation

Please see attached document in relation to the following application: Change of use of flat to short term holiday let (Retrospective) at 8 Forth Street Lane North Berwick EH39 4JB

From: [Baillie, Paula](#)
To: [Environment Reception](#)
Subject: FW: 23/01051/P-Neil Millar - Planning Consultation
Date: 28 September 2023 11:46:01
Attachments: [REDACTED]

Morning
Nothing on the ASB register
Paula

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

From: [REDACTED]
Sent: 26 September 2023 15:19
To: [REDACTED]
Subject: FW: 23/01051/P-Neil Millar - Planning Consultation

PB
Can you carry out the necessary checks and revert.
Thanks
Kenny

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

From: Environment Reception <environment@eastlothian.gov.uk>
Sent: 26 September 2023 14:57
To: [REDACTED]
Subject: 23/01051/P-Neil Millar - Planning Consultation

Please see attached document in relation to the following application: Change of use of flat to short term holiday let (Retrospective) at 8 Forth Street Lane North Berwick EH39 4JB

From: [Baird, Elaine](#)
To: [Environment Reception](#)
Subject: RE: 23/01051/P-Neil Millar - Planning Consultation [OFFICIAL]
Date: 26 September 2023 15:00:34

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

Good afternoon

Address checked over the last 3 years and no police incidents reported.

Many thanks

Elaine

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

From: environment@eastlothian.gov.uk [<mailto:environment@eastlothian.gov.uk>]

Sent: 26 September 2023 14:57

To: [REDACTED]

Subject: 23/01051/P-Neil Millar - Planning Consultation

Please see attached document in relation to the following application: Change of use of flat to short term holiday let (Retrospective) at 8 Forth Street Lane North Berwick
EH39 4JB

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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 – 23/01051/P

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

Location – 8 Forth Street Lane, North Berwick EH39 4JB

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 around £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.

EAST LoTHIAN COUNCIL ECONOMIC DEVELOPMENT AND REGENERATION

Context

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 short term let in question is a first floor 6 bedspace flat located within North Berwick Town Centre. The applicant has indicated that the property has been marketed as a short term let since 2021, with an overall occupancy rate of 77%. The applicant has provided information on the benefits to the local economy, including direct and indirect employment and activity / spend by visiting guests in the local area.

Other than the applicant's property the rest of the building is owned by Green King and is operated as 'The Auld Hoose' public house, with the publican's flat sharing the first floor with the applicant's.

The most visited location in East Lothian by some distance is North Berwick, with 64% of all visitors. North Berwick has attracted travellers and tourists for hundreds of years and has been an established holiday resort since the C19th, being referred to as the "Biarritz of the North". The Town's strong tourist economy supports a very high-quality offering of local shops, cafes, restaurants, and attractions, which are enjoyed by locals and visitors alike. The town is a popular destination for golfers, hosts the Scottish Seabird Centre, and the Fringe by the Sea festival, all of which rely on tourist visitors and high-quality flexible tourist accommodation in order to remain viable. North Berwick 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 and any loss of provision is mitigated.

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

Reason(s):

EAST LoTHIAN COUNCIL ECONOMIC DEVELOPMENT AND REGENERATION

- 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 North Berwick 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 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) contributes positively to the local economy (£279m in 2019), this property accounts for 6 bedspaces and a potential annual economic impact of £136,362 and 3FTE 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:** 10/10/2023

EAST LoTHIAN COUNCIL: HOUSING STRATEGY & DEVELOPMENT

PLANNING APPLICATION RESPONSE

POLICY BACKGROUND

Housing Supply in East Lothian

The population of East Lothian is growing and changing; house prices remain relatively high and are still rising. The desirability of East Lothian as a place to live and a rapidly growing population places increasing demands on infrastructure and housing. In addition, significant inequalities exist both within and between communities, and pockets of deprivation are evident. Increasing the supply of all tenures of housing is critical to addressing inequalities and alleviating poverty, ensuring that the needs of the local population are met within the local housing system.

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.

There is significant pressure on the supply of 1 and 2 bed properties in both the private and social sector. With 2 bed properties accounting for only 2.3% of new build homes in the private sector, compared to 3 and 4 bed homes which account for 40% respectively. This is particularly concerning due to the projected increase of 29.1% in single person households between 2022 and 2023 – and overall increase of 8,508 households or 387 per annum.

Impact of Short Term Lets in East Lothian

In 2022, Housing Strategy & Development commissioned Arneil Johnston to undertake research into the Private Rented Sector in East Lothian. While the main focus was on the wider PRS, the impact of short term lets on the PRS was also considered. This research was primarily concerns with whether the extent to which the PRS in East Lothian has been affected by the growth of Short Term Lets (STLs), and if private landlords are 'flipping' residential tenancies into STLs in East Lothian.

Although now significantly out of date and unable to provide a distinction between 'second residences' and 'holiday homes', Census 2011 estimated that 2,610 'whole' properties were unoccupied household spaces used for second residences and holiday homes. This accounts for 2% of all household spaces in East Lothian. The figure fluctuates significantly, when considering the different types of properties i.e. 9% of all 'flat, maisonette or apartment in converted or shared house' are second residence/holiday lets.

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. 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 findings of the Study showed 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 rental homes in this area, 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			

Property Type

When considering the evidence above, and with the overall view that in localities where there is already a limited supply of residential rental properties, even a small number of dwellings converted to STLs could have a disproportionate impact on meeting housing need, Housing Strategy & Development Service current viewpoint is that Short Term Lets **will not** be supported in the following situations:

Housing Strategy supports Policy RCA1 (Residential Character and Amenity) of the adopted East Lothian Local Development Plan 2018 which 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. 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'.

This suggests that where an application for an STL shares a communal front and rear entrance, an internal stair and a communal hall with other residential properties, it will not be supported.

HOUSING STRATEGY & DEVELOPMENT

Planning application reference – 23/01051/P

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

Location – 8 Forth Lane Street, North Berwick

Planning Officer – Neil Millar

Background

Housing Strategy has been asked to comment on the approval of the change of use of 8 Forth Lane Street, North Berwick to a short-term holiday let. The proposal is a first application for planning permission for short term letting. 8 Forth Lane Street has been marketed as a holiday let since 2021, and the occupancy rate is stated as FHL 77%. The property has two bedrooms, but is advertised as occupancy of up to 6 people (excluding children under 2) as there is access to three beds. The property shares a communal access.

Housing Strategy & Development Recommendation

The Housing Strategy & Development Service objects to this the proposal set out in the above note application.

Reason(s):

- The property is in the North Berwick Coastal wards; and
- The property is a two bed which is in high demand.
- It is not considered long term established.

Response author: Rebecca Pringle – Housing Strategy, Team Manager

Date: 27/09/2023

National Planning Framework 4

Policy 7 (Historic assets and places)

(a) Development proposals with a potentially significant impact on historic assets or places will be accompanied by an assessment which is based on an understanding of the cultural significance of the historic asset and/or place. The assessment should identify the likely visual or physical impact of any proposals for change, including cumulative effects and provide a sound basis for managing the impacts of change. Proposals should also be informed by national policy and guidance on managing change in the historic environment, and information held within Historic Environment Records.

(b) Development proposals for the demolition of listed buildings will not be supported unless it has been demonstrated that there are exceptional circumstances and that all reasonable efforts have been made to retain, reuse and/or adapt the listed building. Considerations include whether the: i. building is no longer of special interest; ii. building is incapable of physical repair and re-use as verified through a detailed structural condition survey report; iii. repair of the building is not economically viable and there has been adequate marketing for existing and/or new uses at a price reflecting its location and condition for a reasonable period to attract interest from potential restoring purchasers; or iv. demolition of the building is essential to delivering significant benefits to economic growth or the wider community.

(c) Development proposals for the reuse, alteration or extension of a listed building will only be supported where they will preserve its character, special architectural or historic interest and setting. Development proposals affecting the setting of a listed building should preserve its character, and its special architectural or historic interest.

(d) Development proposals in or affecting conservation areas will only be supported where the character and appearance of the conservation area and its setting is preserved or enhanced. Relevant considerations include the: i. architectural and historic character of the area; ii. existing density, built form and layout; and iii. context and siting, quality of design and suitable materials.

(e) Development proposals in conservation areas will ensure that existing natural and built features which contribute to the character of the conservation area and its setting, including structures, boundary walls, railings, trees and hedges, are retained.

(f) Demolition of buildings in a conservation area which make a positive contribution to its character will only be supported where it has been demonstrated that: i. reasonable efforts have been made to retain, repair and reuse the building; ii. the building is of little townscape value; iii. the structural condition of the building prevents its retention at a reasonable cost; or iv. the form or location of the building makes its reuse extremely difficult.

(g) Where demolition within a conservation area is to be followed by redevelopment, consent to demolish will only be supported when an acceptable design, layout and materials are being used for the replacement development.

(h) Development proposals affecting scheduled monuments will only be supported where: i. direct impacts on the scheduled monument are avoided; ii. significant adverse impacts on the integrity of

the setting of a scheduled monument are avoided; or iii. exceptional circumstances have been demonstrated to justify the impact on a scheduled monument and its setting and impacts on the monument or its setting have been minimised.

(i) Development proposals affecting nationally important Gardens and Designed Landscapes will be supported where they protect, preserve or enhance their cultural significance, character and integrity and where proposals will not significantly impact on important views to, from and within the site, or its setting.

(j) Development proposals affecting nationally important Historic Battlefields will only be supported where they protect and, where appropriate, enhance their cultural significance, key landscape characteristics, physical remains and special qualities.

(k) Development proposals at the coast edge or that extend offshore will only be supported where proposals do not significantly hinder the preservation objectives of Historic Marine Protected Areas.

(l) Development proposals affecting a World Heritage Site or its setting will only be supported where their Outstanding Universal Value is protected and preserved.

(m) Development proposals which sensitively repair, enhance and bring historic buildings, as identified as being at risk locally or on the national Buildings at Risk Register, back into beneficial use will be supported.

(n) Enabling development for historic environment assets or places that would otherwise be unacceptable in planning terms, will only be supported when it has been demonstrated that the enabling development proposed is: i. essential to secure the future of an historic environment asset or place which is at risk of serious deterioration or loss; and ii. the minimum necessary to secure the restoration, adaptation and long-term future of the historic environment asset or place. The beneficial outcomes for the historic environment asset or place should be secured early in the phasing of the development, and will be ensured through the use of conditions and/or legal agreements.

(o) Non-designated historic environment assets, places and their setting should be protected and preserved in situ wherever feasible. Where there is potential for non-designated buried archaeological remains to exist below a site, developers will provide an evaluation of the archaeological resource at an early stage so that planning authorities can assess impacts. Historic buildings may also have archaeological significance which is not understood and may require assessment.

Where impacts cannot be avoided they should be minimised. Where it has been demonstrated that avoidance or retention is not possible, excavation, recording, analysis, archiving, publication and activities to provide public benefit may be required through the use of conditions or legal/planning obligations.

When new archaeological discoveries are made during the course of development works, they must be reported to the planning authority to enable agreement on appropriate inspection, recording and mitigation measures.

Policy 13 (Sustainable transport)

(a) Proposals to improve, enhance or provide active travel infrastructure, public transport infrastructure or multi-modal hubs will be supported. This includes proposals: i. for electric vehicle charging infrastructure and electric vehicle forecourts, especially where fuelled by renewable energy; ii. which support a mode shift of freight from road to more sustainable modes, including last-mile delivery; iii. that build in resilience to the effects of climate change and where appropriate incorporate blue and green infrastructure and nature rich habitats (such as natural planting or water systems).

(b) Development proposals will be supported where it can be demonstrated that the transport requirements generated have been considered in line with the sustainable travel and investment hierarchies and where appropriate they: i. Provide direct, easy, segregated and safe links to local facilities via walking, wheeling and cycling networks before occupation; ii. Will be accessible by public transport, ideally supporting the use of existing services; iii. Integrate transport modes; iv. Provide low or zero-emission vehicle and cycle charging points in safe and convenient locations, in alignment with building standards; v. Supply safe, secure and convenient cycle parking to meet the needs of users and which is more conveniently located than car parking; vi. Are designed to incorporate safety measures including safe crossings for walking and wheeling and reducing the number and speed of vehicles; vii. Have taken into account, at the earliest stage of design, the transport needs of diverse groups including users with protected characteristics to ensure the safety, ease and needs of all users; and viii. Adequately mitigate any impact on local public access routes.

(c) Where a development proposal will generate a significant increase in the number of person trips, a transport assessment will be required to be undertaken in accordance with the relevant guidance.

(d) Development proposals for significant travel generating uses will not be supported in locations which would increase reliance on the private car, taking into account the specific characteristics of the area.

(e) Development proposals which are ambitious in terms of low/no car parking will be supported, particularly in urban locations that are well-served by sustainable transport modes and where they do not create barriers to access by disabled people.

(f) Development proposals for significant travel generating uses, or smaller-scale developments where it is important to monitor travel patterns resulting from the development, will only be supported if they are accompanied by a Travel Plan with supporting planning conditions/obligations. Travel plans should set out clear arrangements for delivering against targets, as well as monitoring and evaluation.

(g) Development proposals that have the potential to affect the operation and safety of the Strategic Transport Network will be fully assessed to determine their impact. Where it has been demonstrated that existing infrastructure does not have the capacity to accommodate a development without adverse impacts on safety or unacceptable impacts on operational performance, the cost of the mitigation measures required to ensure the continued safe and effective operation of the network should be met by the developer.

While new junctions on trunk roads are not normally acceptable, the case for a new junction will be considered by Transport Scotland where significant economic or regeneration benefits can be demonstrated. New junctions will only be considered if they are designed in accordance with relevant guidance and where there will be no adverse impact on road safety or operational performance.

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.

CH2 (Development Affecting Conservation Areas)

All development proposals within or affecting a Conservation Area or its setting must be located and designed to preserve or enhance the special architectural or historic character or appearance of the Conservation Area. Proposals for new development should accord with the size, proportions, orientation, alignment, density, materials, and boundary treatment of nearby buildings and public and private spaces. Parking requirements of new developments must accord with the Council's adopted parking standards unless it can be demonstrated that a reduced level of parking (which in exceptional circumstances could be no parking provision) will achieve positive townscape benefits without compromising road safety.

The Council will set out in supplementary planning guidance more detailed policies on the circumstances in which it would support proposals for alterations to shop fronts, external security, external wall treatment and the display or installation of advertisements in Conservation Areas.

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 – 23/01051/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 six 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.