



CHIEF EXECUTIVE'S REPORT



ASSC

Supporting self-catering in Scotland

OCTOBER 2022



This has been another year of challenge, change and progress.

As Chief Executive, I wish to convey my thanks to the ASSC team for their continued dedication during these unprecedented times and for continuing to go the extra mile, working very long days over an incredibly long period to support our members.

Despite the challenges that we face, as an association, our vision is that the ASSC takes the leading role in supporting and promoting a vibrant and prosperous self-catering sector that is recognised as pivotal to the future of Scotland's Tourism Economy. Our purpose is to empower our diverse and professional membership, enabling them to deliver exceptional experiences to guests. Our focus is on supporting individuals, businesses and communities in the promotion of Scottish self-catering as a sustainable, inclusive and responsible form of accommodation, at the heart of Scotland's tourism offer.

This report highlights just some of our achievements over the past 12 months, many of which have been achieved in partnership with others. This is something we take great pride in.

The most significant challenge that we have faced over the last twelve months results from the decision made by the Scottish Government to introduce Short-Term Let Licensing. It has been a long journey since the regulatory discussion ramped up around five years ago when the Scottish Government began to examine the issue through their Expert Panel on the Collaborative Economy. Throughout that period, the ASSC has been proactive and constructive in its relationship with government, offering up alternative solutions but challenging when necessary; and in more recent times, we worked tirelessly to try and persuade government that licensing was the wrong approach. All of this involved hundreds of meetings with Scottish Government Ministers and officials, MSPs, councillors, and industry stakeholders. It included the circulation of briefings and evidence-based reports, not to mention attendance at endless workshops and working groups, as well as near constant press activity.

The ASSC maintain that the Licensing Order is unfit for purpose, lacks an evidence base and is based on groundless fears, anecdote and hearsay. The self-catering sector has been used as a convenient scapegoat for wider policy failures by government, especially on housing. In contrast, our proposal for a mandatory registration scheme with health and safety provisions had cross-industry and cross-party support and would have provided a robust and legally effective regulatory regime.

Right now, businesses offering short-term lets are facing a perfect storm: first, the looming imposition of licensing at a national level; second, planning control areas at a local level; third, the spectre of ongoing Covid-19 uncertainty and changes to consumer behaviour and fourthly, the significant challenges to business as a result of the Cost of Living Crisis. To compound matters, the recent Programme for Government made reference to the resumption of work on a Transient Visitor Levy. Those who have been treading water now fear being totally submerged.

It was not the most auspicious of starts to the year but the ASSC, as ever, have continued to keep fighting on these issues of such importance to our sector.





Membership

The association has seen another healthy increase in the number of members from 2021 to 2022 with existing members showing their continuous support, and additional companies and organisations joining as partners and sponsors. The ASSC now has a membership of over 1,600, representing a 154% increase since 2019.

The amazing response to the 2022 membership subscription cycle is illustrative that ASSC members appreciate the benefits of membership that we have delivered over the last year. Notes of thanks from members include:

“We have always had great value from our membership, but never so more as now. Thank you for all the sterling work, blood, sweat and tears as you led us through Covid, the grants, and now the STL. What would we do without you.”

“I just wanted to say how very grateful I am to be a member of the ASSC. You have all put so much time and energy into helping all your members, fighting for us, advising us, giving us valuable contacts and keeping us up to date with the latest information (whether it be COVID, Licencing or just general aids to self-catering). It has been invaluable for me and will be going forward.”

“Thank you for being such an active and professional body representing the sector! You should be very proud of the profile you have given the sector in Government circles, surely that will help stand us in good stead moving forward”.

Awards

The ASSC has been presented with a series of top industry awards this year, which we are hugely proud of. These awards represent the efforts of the ASSC team, and the huge effort that Scottish self-catering has made to pull ourselves through the pandemic and get our industry moving again.

Throughout the pandemic and as we continue navigate out of it into the ‘New Extraordinary’, with all the associated challenges, the ASSC has fought the corner of its members, kept them informed of unfolding developments, and engaged with leading tourism stakeholders, MSPs and the Scottish Government to ensure the best outcome possible for our sector.

We are absolutely delighted to have recognised by these awards, which represents recognition for all of the incredibly hard work not only of the ASSC, but of every single one of our members.

I am honoured to have been recognised by the following awards:

- **Outstanding Contribution to Tourism Award 2022:** <https://bit.ly/3Q0y4JA>
- **Shortyz 2022 Pioneer Award:** <https://bit.ly/3lwNNTS>
- **Top 100 Women in Tourism:** <https://bit.ly/3lxoall>





We have also been shortlisted as finalists for the following awards:

- **The Association Excellence Awards 2022:** <https://bit.ly/3J8WVJ3>
 - Association Leadership Award
 - Best Lobbying Campaign: Short-Term Let Licensing and Planning Control Areas in Scotland
 - Best Membership Support Since Covid-19 (up to 4,000 members)
- **Scottish Thistle Awards Regional Ambassador Award 2022/23.** The Regional Ambassador award celebrates individuals who go above and beyond to contribute to the development of tourism with a passion for the future of tourism: <https://bit.ly/3TOYh0t>
- **Highlands and Islands Tourism Awards Working Together for Tourism Award 2022.** This award celebrates partnerships, collaborations and team working. It recognises the - 'Cleaning Protocols and Sectoral Guidance for Self-Catering Properties and Short-Term Lets in the Context of Covid-19', which supported the sector through the pandemic and enabled operators to ensure the safety of their guests, their cleaning staff and their communities: <https://bit.ly/3qiArwU>
- **Scottish Women's Awards 'CEO of the Year' 2022:** <https://bit.ly/3qip0ol>

Short-Term Let Licensing

On January 19th 2022, MSPs voted 68 to 53 to support short-term let licensing. They also voted in favour of the planning control area regulations by 87 to 33.

We received an influx of messages of support and commiseration from members, non-members, industry colleagues and opposition MSPs.

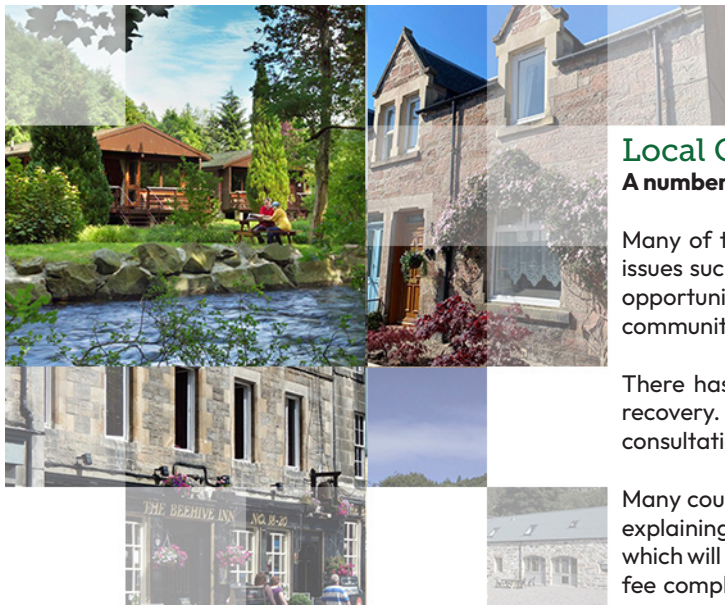
While disappointed that we were not able to persuade SNP and Scottish Green MSPs, we are very grateful for the support of Scottish Conservative, Scottish Labour and Scottish Lib Dem MSPs who voted against short-term let licensing to protect our sector, as well as the shrewd and informed interventions from former Scottish Government Cabinet Secretary Fergus Ewing MSP who backed Scottish tourism by speaking out against these “arbitrary, irrational, and draconian” regulations.

The Scottish Government have confirmed there will be a review of licensing in summer 2023 in so-called ‘hotspot areas’, and while the precise details of this remain unclear, we will be putting forward our views and insight to help protect self-catering and mitigate the worst effects of this damaging legislation.

To all of our members who have taken the time to respond to all the separate short-term let consultations, provided written evidence to parliamentary committees, as well as contacting local MSPs, I offer a heartfelt thank you. Your efforts were deeply appreciated by the ASSC, just as your continued hard work and dedication to our sector is appreciated by your guests. Sadly, this sense of appreciation has not been shared by those making decisions about your livelihood.

However, if it wasn't for our collective efforts, the regulations could have been passed a lot sooner and been far more damaging. The numbers have always been there in the previous and current session for this to happen. Our work has not been in vain. With the regulations passed by MSPs, we must now reflect what this means for the sector.





Local Council Short-Term Let Consultations and Inconsistencies in Policy

A number of local councils in Scotland launched consultations in regard to their proposed short-term let licensing regime.

Many of the draft policy statements from councils exhibited a presumption of bad practice against the short-term let industry, from issues such as anti-social behaviour to littering, which we find incredibly disheartening and disappointing given the immense economic opportunities the sector provides to Scotland, as well as the fact that many businesses in the area have been a welcome part of the community for decades.

There has already been a wide variation in the level of estimated fees set by councils, perhaps going beyond the principle of cost recovery. Unfortunately, there were also examples of local councils who did not provide any estimated fees as part of their draft policy or consultations.

Many councils are proposing that a short-term let licencing application include a layout plan at scale 1:50 which should include a legend explaining the scale used and the symbols used. Such technical layout plans may necessitate an expensive piece of work by a contractor which will be another cost on legitimate small businesses operating without issue for decades. This will be in addition to the cost of a licence fee compliance with existing regulations, the mandatory and additional conditions, not to mention other factors such as rising energy costs.

In addition, some councils intend to do much more in the way of applying additional conditions than others. While the 2022 Order grants local authorities the power to set additional conditions, many are stretching the boundaries of the legislation, and there are also instances of councils replicating the mandatory conditions or existing regulations.

Some Councils are proposing that the licence holder must ensure that the bedrooms, living room and hallway in the premises are carpeted. Applying a condition that the licence holder must ensure that bedrooms, living room and hallway are carpeted is disproportionate and is yet another cost levied on businesses. This would not be asked of a private landlord renting out a property where noise complaints had been levelled by neighbours, so short-term lets operators should not be discriminated against in this manner.

At a challenging time for small business, not only due to pandemic recovery but the impact of the cost of living crisis and in particular increased energy bills, these often unnecessary additional conditions will not only hit self-caterers in the pocket but will also burden resource-stretched councils.

We provided examples of a sample of local councils who may be going beyond the policy intentions of licensing, or who have proposed disproportionate costs for small businesses.

The ASSC responded to 25 individual local authority consultations.





Moffat Centre Evaluation of the Short-Term Let Sector

The Association of Scotland's Self-Caterers commissioned a review and baseline evaluation of the short-term let sector (including self-catering units, B&Bs, guest houses, glamping pods etc), which was undertaken by the Moffat Centre earlier this year.

The sector has already been impacted by the pandemic and restrictions on travel in an effort to control infection. However, the advent of licensing and planning control may adversely impact the sector in terms of operation, viability and survival yet further. The development of an independent baseline analysis of the scale and importance of the sector was required. This mid 2022 baseline analysis of the sector will enable future comparisons based on the same metrics and indicators.

Short-Term Let Planning Control Areas

On 27 July 2022, Scottish Ministers issued their decision granting approval for Edinburgh to become the first Short term Let Control Area in Scotland.

The whole of the City of Edinburgh Council area has been designated as a Short-term Let Control Area for the purposes of Section 26B of the Town and Country Planning (Scotland) Act 1997. The area of designation corresponds with the administrative area of the City of Edinburgh Council. From 5th September 2022, use of an entire dwelling that is not a principal home, as a short-term let will be a material change of use requiring planning permission.

The Highland Council has also applied to the Scottish Government to designate Badenoch & Strathspey as a Planning Control Area. Other local authorities are following suit, including Fife, East Lothian and East Renfrewshire.

Regulations Roadshow

Since the short-term let legislation was passed by the Scottish Government, and as we move towards the implementation stage and licensing schemes going live across the country, the ASSC has been committed to supporting short-term let operators navigate through the legislation.

The ASSC was delighted to announce the launch of our "Regulations Roadshow" in April, in partnership with Gilson Gray LLP, to support operators as the legislation was implemented, and to assist DMOs in supporting their members and the wider tourism sector.

The sessions have been open to operators of all short-term lets: Self-Catering, B&Bs, guest houses, glamping pods, as well as representatives from local authorities, agencies and anyone with an interest in the implementation of the legislation.

"The Roadshow was so positive, as it made us start the process, and snapped us out of the startled rabbit/too busy to begin thinking. I think it will be the same for a lot of folks, which is why it was so helpful, setting out timelines and suggesting a structure."

ASSC Member





Roadshows:

- 26 Regulations Roadshow Events
- Supported by 25 DMOs / local authorities / trade partners
- 2,290 miles travelled in person
- Face to face engagement with 3,298 people
- Total reach **9,608*** (in person and videos watched)s

* by 28 September

Cost of Living Crisis

In September, we welcomed that Scottish Ministers were keen to explore all areas of recent and proposed devolved regulation on Scottish businesses as well as any financial costs that companies may be asked for around such things as licensing, certification etc.

We encouraged Ministers to meaningfully explore if there was scope to consider how any of these regulatory impacts could be moderated to try and help reduce the burden on business over the short-term and during the current cost crisis.

We implored Ministers to protect small accommodation providers across Scotland, who are the backbone to the Scottish tourism sector, allowing operators the time and ability to recover from the pandemic, while we navigate through the cost of living crisis and unprecedented uncertainty.

We called on Parliament to delay the short-term let legislation, by simply passing an SSI, amending the existing order to extend the date of implementation. We noted that this would be within the gift of the Scottish Government as part of devolved regulation.

We called on Ministers to revisit the concept of a low-cost registration scheme for legitimate businesses which would facilitate the introduction of licensing at a time when businesses have recovered. This would provide data to enable licensing authorities to assess fees appropriately.

Regrettably, this proposal was rejected.

Revised Cleaning Protocols

The original Cleaning Protocols and Sectoral Guidance for Self-Catering Properties and Short-Term Lets was developed during the first Covid-19 lockdown, in partnership by the Association of Scotland's Self-Caterers, the Professional Association of Self-Caterers, and the Wales Tourism Alliance.

The document was reviewed by Public Health Scotland (PHS) and Infection Protection Control (IPC) in July 2021 and most recently in May





2022. It still remains valid until we are advised to the contrary. It is worth noting that other viruses are harder to neutralise (eg norovirus), so it is best practice to remain vigilant.

Throughout the COVID-19 pandemic, and as we navigate recovery, ASSC members have behaved in an exemplary way. Thank you to each and every one of our members for their commitment to looking after our guests, our staff and our communities.

EmbraceScotland

The EmbraceScotland website is the marketing platform exclusive to ASSC Members. We were delighted to have secured funding from VisitScotland's Destination & Sector Marketing Fund in 2021. This has enabled us to re-position and redevelop the EmbraceScotland website, alongside a robust marketing campaign, which has already illustrated a huge benefit to marketing members and the sector as a whole.

EmbraceScotland will be the conduit to deliver a national, co-ordinated marketing effort to put self-catering in Scotland front of mind for domestic consumers year-round, and to encourage visitors during shoulder seasons. This in turn will support the re-building of local visitor economies.

All promotional activities were designed to raise the profile of the self-catering industry and promote its unique features, whilst driving traffic to the EmbraceScotland website and ASSC Members' businesses increasing commission free bookings via the EmbraceScotland website direct to Members. In doing so, the ASSC will also further its reputation as the only trade body representing Scotland's self-catering sector, building its profile and increasing membership.

All activity will seek to drive traffic to the ASSC's Embrace Scotland website which will result in increased bookings for ASSC members. Concurrently, working with industry partners, EmbraceScotland will signpost guests to activity providers, tour guides and attractions to add value to their stay and increase visitor spend.

The website copy has been rewritten to help support the user journeys of the platform. Extensive keyword research and SEO optimisation has been performed to capitalise on web traffic, capturing more potential customers to visit the Embrace Scotland website.

We were delighted to announce the launch of the new EmbraceScotland website in September! A more thoughtful alternative to Online Travel Agencies, it is faster, easier to use, and easier to find. The new site is geared up to be the go-to destination for Scottish self-catering holiday bookings. Our mission is to show more people the wonders of self-catering holidays, and our members businesses are an integral part of that.

On EmbraceScotland, guests can book unique self-catering holiday cottages directly with owners for great prices and personal guest experiences. Whether someone has got dates in mind, a region in mind, or even if they just fancy a place with a hot tub, the new site allows guests to search for and browse through hundreds of unique self-catering holiday cottag





Looking Ahead:

- The new website is aimed at generating an increase in conversions. The user journeys have been optimised to signpost, funnel and direct users to book through the platform.
- The website now has the flexibility to support and adapt to the needs of the ASSC members and the changing landscape and needs of the tourism sector in Scotland.
- The 'Thoughts & Stories' section of the website has been redesigned to merge content from different sources, helping to support marketing activity, provide rich SEO and encourage more prospective holiday makers to book through the platform and holiday in Scotland.
- The website promotes different regions of Scotland evenly, whilst highlighting certain areas of interest, giving users a comprehensive and understanding of where they can holiday. This, coupled with clear signposts and links to associated properties will help steer users into booking through the platform.
- The website will be monitored, measured and improved upon with the support of analytics, research and the new needs of the organisation. This will help deliver the needs of subsequent marketing campaigns and tourism activity.

Social Media Content

Significant investment into our social media channels will increase organic social media audience, driving traffic to associated landing pages on EmbraceScotland.

We aim to continue to provide a variety of social media content to spread brand awareness. This will include utilising resources and assets easily accessible to us, as well as making the continuing maintenance of social media channels cost effective, durable & engaging.

We are partnering with property owners to create unique content which will form social media posts about specific properties and locations in Scotland. These will act as teasers, encouraging users to read the full article on the Embrace Scotland website. This will have a direct effect on audience growth and will increase website traffic.

With the development of the Marketing Film, we are using social media as a key way to deliver this to EmbraceScotland's following and potential following. Utilising Instagram Reels, Stories and even TikTok, this is aimed at widening the Embrace Scotland audience. This will also attract new followers to social media and increase website traffic.

Twitter

- Between April and August 2022 there has been 129% increase in the volume of tweets
- Tweet impressions have increased by 436%
- Profile visits have increased by 41.5%
- Mentions have increased by 1,750%





Instagram

- Between February and August 2022 there was a 94.7 % increase in accounts reached
- There was a 376% increase in engagement from accounts
- Followers have increased by 16, a 1.6% growth
- Posts have reached 104% more non-followers
- Posts have garnered engagement from 475% more non-followers

Facebook

- Posts between April and August 2022 had a reach of 1,707 users
- Monthly post engagement has risen to 197 users
- New page likes have increased by 14%

Marketing films

Also supported by VisitScotland funding, we have produced a film to support the marketing campaign and generate more interest in the EmbraceScotland brand and increase in more traffic to the website from social media.

We created a concept that highlighted the unique authenticity of Scotland as a holiday destination, whilst promoting EmbraceScotland's holiday homes as a way to access it.

There is a common misconception, due to the sometimes unpredictable climate, that holidaying in Scotland is undesirable, especially as a summer holiday location. Rather than seeing the unpredictable weather as a negative, we have pivoted this to be a positive.

'Jacket Weather' was the idea born of this rationale. Whilst having to take a jacket with you on a holiday might be seen as a sign of inclement weather, the concept centres itself around this being the reason as to why people should visit Scotland. The bracing weather, the dramatic scenery, the diverse activities and unforgettable experiences that you can have on holiday in Scotland outweigh the negative of needing a jacket.

We filmed on location in Scotland using subjects from different phases of life to show how no matter your age or background, Scotland has something for everybody, telling their story of their holiday experience in Scotland.

- The production of the film will become the centrepiece of the wider marketing campaign, allowing us to product content that will build on the existing and planned activity for the rest of 2022 for the year of stories and flexible enough to still be relevant for subsequent marketing activity beyond 2022.
- We will be partnering with other DMOs, tourism bodies and property owners to share and support the marketing films, helping to raise brand awareness whilst simultaneously encouraging tourism in Scotland.
- The smaller cuts of the film will provide teasers and content for paid for ads to help promote the platform of Embrace Scotland along with the wider tourism sector in Scotland.





- Stills from the film will help power social media content, blog posts and advertisements to help increase engagement and traffic to the website.

Teaser Video Links:

- <https://www.instagram.com/p/ChShAogsQQe/?igshid=MDJmNzVkMjY%3D>
- <https://www.instagram.com/p/ChcBuRqsKAc/?igshid=MDJmNzVkMjY%3D>
- <https://www.instagram.com/reel/ChZMsm5AR-0/?igshid=MDJmNzVkMjY%3D>

Business Partnerships

The ASSC is currently supported by:

- 19 Partners for Business
- 7 Trade Supplier Plus
- 56 Trade Suppliers
- We are delighted that Tunnock's have continued to support the ASSC as Key ASSC Talks Sponsor

We could not do what we do without the support of our partners. They allow us to fund the lobbying that we need to do to protect our sector, whilst at the same time protecting our members. With thanks to all of our partners and Trade Suppliers.





Conclusion

As your sector representatives, we have been, and continue to be at every meeting relevant to your business, well briefed and focused. We are at the top table, ensuring that your interests are heard, whether that top table is Scottish Government, UK Government, local authority or Destination Management Organisation. We are here to cover your back.

I am incredibly proud of our very small team, who continue to work passionately and tirelessly for the self-catering sector in Scotland, for whom I am forever thankful. Eleanor McBain (Membership Secretary) has supported the ASSC for almost 18 years. Joyce Borthwick (ASSC Events) has been with the association for almost a decade. Melanie Allen (former Communications and Company Secretary) has moved on to pastures new after five years, but will continue to work with us in her new role. We have now been joined by Victoria Brooks, who will bring her years of expertise in the tourism sector to the association.

We continue to be supported by Ali Campbell (Brand and Design Consultant); Halogen Communications (PR and Public Affairs Consultants); and of course, Jo Millar at Gilson Gray LLP.

Self-catering has experienced many challenges in recent years, over and above other tourism sectors, and there are significant challenges looming in the future. Our members need our support more now than ever – and the ASSC remains here for you.

**Fiona Campbell
Chief Executive**

October 2022

