

STATEMENT OF REASONS

Introduction

Under the [Town and Country Planning \(Scotland\) Act 1997, Section 26B\(1\)](#), and in line with the [Town and Country Planning \(Short-term Let Control Areas\) \(Scotland\) Regulations 2021 as amended](#), and [Planning Circular 1/2023: Short-term Lets and Planning](#), Perth and Kinross Council intends to designate a Short-term Let Control Area covering Highland Housing Market Area, and northern parts of Eastern Housing Market Area to allow full consideration of impacts of the change of use of dwellinghouses to short-term lets on the availability of residential housing for the reasons set out below. As a consequence of designation, the impact of a short-term let on the character and amenity of those areas would be assessed through each planning application.

Reason for designation

1. To enable consideration of impacts of short-term lets on the availability and affordability of residential housing within the control area.

- Concerns have been raised by communities on the impact of decreasing affordability and the role of short-term lets on housing supply and affordability. Public and stakeholder engagement for the Local Housing Strategy showed that 71% of respondents in Highland Housing Market Area (HMA) have concern over sufficiency and affordability of housing and 48% in Eastern HMA.
- There is evidence of higher levels of housing pressure in Highland HMA and northern parts of Eastern HMA, with affordability analysis indicating that 85% of resident households would not afford the average market house price in Highland HMA and 88% in north Eastern HMA. Concentrations of short-term lets are higher in these areas than in the rest of Perth and Kinross, with 9% in Highland HMA and 13% in north Eastern HMA, and although important economic contributors, the concerns of communities suggests that the balance of economic and housing needs is not in equilibrium.
- Capacity is limited for new build housing in part due to availability of unconstrained land, with 3% being available in Highland HMA and none in north Eastern HMA. Oversight of future use of existing residential stock will assist the planning authority in assessing the balance of a sustainable tourism industry and housing need.
- Northern Perthshire is adjacent to the Badenoch and Strathspey STL Control Area, which was designated in March 2024. There is the potential for demand from that zone to be displaced into Perth and Kinross, in particular parts that lie within the Cairngorms National Park. As these adjacent areas are evidenced to be experiencing housing pressure, it would be beneficial for the planning authority to be able to assess the concentrations of short-term lets.

Conclusion

Community engagement has raised concerns among business and residents of the impact of decreasing affordability and supply of homes on the sustainability of local communities. Housing pressure analysis indicates that in Highland Market Area and, northern parts of Eastern HMA there is significant housing pressure and short-term lets have a role in this pressure. It is therefore concluded that the establishment of a Short-term Let Control Area would provide the Council and the Cairngorms National Park Authority with the opportunity to consider the impacts on the availability of residential housing in future applications while also balancing sustainable tourism development for the benefit rural communities.

A short-term let control area would also:

- provide clarity on the need for planning permission for the change of use of a dwellinghouse to an STL within the designated area.
- allow the opportunity for the public to comment on the proposed change of use of a dwellinghouse to an STL within the designated area, through the planning application process.