Short-Term Licensing in Scotland: A policy murder is announced

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Objectives | The purpose of this paper is to examine the evolution of short-term licensing in Scotland, with particular focus on the city of Edinburgh using the lifecycle approach. The case of Edinburgh's short-term let licensing scheme (CEC, undated) is used as the backdrop to establish how the public value of tourism is conceptualized, advocated, and experienced by local and national stakeholders. Adopting a public value framework perspective in this study, allows us to use an alternative lens to identify and begin to understand the broader operating environment against which implementation occurs and which extends beyond the conventional economic imperative (Bennington & Moore, 2011; Moore 2017).

Methodology | The study adopts an interpretivist philosophical position, based on the inductive thematic analysis of academic literature and grey literature (organization reports and position statements, consultation documents and responses to consultations, and statistics). Semi-structured interviews with public and private sector, voluntary sector and local community group stakeholders have been carried out since the beginning of the consultation stage of the short-term regulation in Edinburgh in October 2022 and throughout the implementation process, which began since October 2023 seeking to explore their views on the intended and unintended consequences of the regulation.

Main results and contributions | The study findings illustrate that the STL licensing started from a position of contestation at the issue definition stage of the policy process. Although there was general agreement among local people and politicians that some form of regulation would be advantageous, licensing was the instrument of choice to regulate the sector. However, the purpose of the scheme remained unclear (i.e., Improving health and safety? Improving civic space access? Reclaiming "community"? Releasing housing?). Additionally, the council authorities failed to effectively manage stakeholder expectations that the scheme will meet their desired outcomes in their entirety. The first voices of discontent from sections of the short-term let operators came from the beginning of the process and have become stronger and more vocal as the policy process has unfolded.

As the issue progressed to the implementation stage, the weaknesses of the licensing scheme have come to the forefront, leading the Scottish government to give a grace period for applications to the scheme. However, almost a year since its launch in October 2022 the number of applications remain very low, putting the scheme in jeopardy. Additionally, the judicial review brought in against the council from sections of the short term let sector challenged the legality of the scheme, further compounding and complicating the issue. The debate around the fit for purpose of the licensing scheme has now reached a stage where it has become a proxy argument for broader, more challenging debates around who is the city for (McGillivray, Guillard & Reid, 2020; Hague 2021) and especially in relation to the lack of social and affordable housing. The scheme is deflecting the social accountability of and by public and private actors of long-term, structural, and financial systemic wicked issues. Additionally, it has polarized stakeholder views and expanded who is interested in the topic, even those only marginally affected by the issue.

Limitations | The findings are currently based on a single case of a fast moving, dynamic environment which currently is open to several judicial reviews. Data collection is ongoing. Issue lifecycle is used as lens to understand the turbulent tourism and urban policy domain.

Conclusions | In conclusion, Edinburgh's STL licensing scheme has become the Munchausen by proxy of tourism policy. The scheme leads by default to banning STLs from operating in the city, but this is a hollow/pyrrhic victory- it does not go deep enough to address the underlying issue of housing availability. Fundamental flaws in the policy design stage have made the scheme unimplementable despite broad agreement about the need to regulate STLs for health and safety purposes. There is danger that the policy has been changed to the extent that is creating further issues that extend beyond those it was brought intending to attend. It is also a missed opportunity to engage in productive debate between the city's stakeholders on what type of tourism inhabits the city space and the rights and responsibilities of private and public actors therein. Edinburgh's case illustrates the challenges of tourism policymaking (Anastasiadou, 2008) against the background of inequalities that exist within a capitalist system. The study findings further confirm public value theory assertion that to achieve win-win situations stakeholders will need to be prepared to accept temporary win-lose situations for themselves (Bennington, 2009; McMillan, 2021). The failure of stakeholders to see beyond their narrow interests makes tourism policymaking particularly challenging. With that in mind, we argue for the value and the further use of the public value framework within the tourism domain.

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