The Highland Council

Agenda Item	**5**
Report No	**NC/21/26**

Committee: **Nairnshire**

Date: **23 November 2026**

Report Title: **Short Term Let Control Area**

Report By: **Assistant Chief Executive - Place**

1 Purpose/Executive Summary

1.1 This report provides an update to the Short Term Let Control Area report previously considered by Nairnshire Members at its meeting on 24 November 2025. This previous report summarised the local prevalence and impacts of Short Term Lets (STLs). Members did not at that time seek to progress considering the introduction of a Short Term Let Control Area (STLCA) covering all or part of the Nairnshire Area but agreed to reconsider the evidence base within a further report brought to the Area Committee again at a future period, after 12 months.

1.2 This report revisits the indicators available to the Council and considers whether there has been any material change in circumstances since the previous assessment. While some datasets have been updated, the evidence available at this time does not indicate any significant change in the scale, distribution or impacts of STL within Nairnshire that would warrant the introduction of a STLCA. The available indicators continue to suggest that relative to other parts of Highland and to Highland as a whole, levels of STL interaction with the local housing supply within the area are not significant and sustained. Ongoing monitoring and review remains reasonable, and Members have the option to revisit local evidence in future should material differences in circumstances arise.

2 Recommendations

2.1 Members are asked to:-

i. **Note** that the evidence available at this time does not demonstrate a material change in the prevalence or impacts of STLs within Nairnshire that would justify the introduction of a STLCA at this time;
ii. **Agree** that the Nairnshire Area Committee does not at this time seek to progress with the process of considering the introduction of a STLCA covering all or part of the Nairnshire Area; and
iii. **Agree** that the evidence base regarding the prevalence and impact of STLs within Nairnshire be kept under review, with a further report to be brought to the Area Committee should updated evidence indicate a need for reconsideration.

3 Implications

3.1 **Resource** – Any decision taken to progress work on bringing into effect a STLCA will have resource implications that will not be met through existing budgets. This will relate to officer time and consultancy fees in establishing a control area and, if agreed, thereafter its implementation. While fees can be recovered for any subsequent processing of planning applications, these do not necessarily result in full cost recovery, and it is likely to result in a significant increase in enquires where fee income will not cover cost.

3.2 **Legal** –The Council has the power under Section 26B of the Town & Control Planning (Scotland) Act 1997, as amended by the Planning (Scotland) Act 2019, to designate a STLCA. Potential risks of legal challenge can be mitigated by careful consideration of the evidence to support such proposition.

3.3 **Risk** – Any decision taken to progress with a STLCA may be subject to legal challenge. This risk can be mitigated by careful consideration of the evidence to support such proposition.

3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – No specific implications to highlight.

3.5 **Gaelic** – There are potentially disproportionate impacts on specific Gaelic-speaking communities stemming from a lack of housing availability and affordability in some areas of Highland. Any evidence in relation to STLs and their impact on housing availability may therefore have related impacts on specific Gaelic-speaking communities.

4 Impacts

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3 This report does not relate to the formal implementation of a STLCA. It provides an update and considers whether there is an evidence base that would justify progressing to a full evidence gathering and consultation phase. An impact assessment is therefore not required. Were a decision taken to progress to the next stage, which would involve evidence gathering and consultation, an impact assessment would be required in order to inform the decision on whether to progress with such a scheme.

5 Background

5.1 Members will recall that The Planning (Scotland) Act 2019 introduced provision for Planning Authorities to designate all or part of their area as a STLCA:-

- To help manage high concentrations of STLs (where it affects the availability of residential housing or the character of a neighbourhood);
- To restrict or prevent STLs in places of types of building where it is not appropriate; and
- To help local authorities ensure that homes are used to best effect.

5.2 The regulatory process to designate a STLCA as set out in regulation 3 of The Town and Country Planning (Short-term Let Control Areas) (Scotland) Regulations 2021 follows three steps: notification and consultation; submission to, and approval from, Scottish Ministers; followed by public notice of the designation. The Highland Council, at its meeting on 18 September 2025 agreed a new structure for how such decisions can be reached where Area Committees will first decide on whether to progress with the introduction of a STLCA covering all or part of their Area. There is currently one STLCA within Highland, established in Ward 20 Badenoch and Strathspey.

5.3 The Short Term Let Control Area report previously considered by Nairnshire Members at its meeting on 24 November 2025 was produced in tandem with the Council's ongoing Housing Need and Demand Assessment (HNDA) to support Members decide whether to progress to the first stage of the implementation of a STLCA, namely the evidence gathering and consultation phase. The report provided detail on STL prevalence to allow consideration of impacts on the availability of undertaken residential housing using records from the mandatory STL Public Register.

5.4 Compared to other areas of Highland, the evidence available across a range of indicators suggested that STLs were less prevalent, less concentrated and less central to housing pressure in the Nairnshire area. Other Local Area Committees sought to progress consideration of their areas through the statutory consultation process and following this, the Economy and Infrastructure Committee at its meeting on 28 September 2026, agreed to submit the proposed Inverness City STLCA and Highland Rural STLCA designations to Scottish Minsters for their approval.

6 Assessment of Short Term Lets in Nairnshire

6.1 The Highland Housing Need and Demand Assessment (HNDA) has progressed through 2025 and 2026 and has been recently finalised. The containment analysis presented within the previous Short Term Let Control Area report is therefore unaltered and will only be updated and reassessed through a subsequent HNDA cycle. Given that the HNDA is undertaken on a five-year cycle in accordance with Scottish Government guidance, there is limited scope for a substantive refresh of this evidence in the intervening period.

6.2 By way of update to the previous Short Term Let Control Area report which provided a breakdown of STL types by Ward as of July 2025, **Table 1** provides a comparison with the figures as of July 2026. This suggests there has been minimal changes in the overall numbers of STLs within Ward 18. Owing to the small scale of change in numbers, the previous Short Term Lets Map (which ascribes this to the overall share of dwellings) is not anticipated to change significantly in the Nairnshire area. Officers will be updating this map in due course, but it has not been possible to finalise this in time for this report. The majority of STLs in Nairnshire remain detached dwellings. In Cawdor and Nairn East, unconventional accommodation (pods and chalets) remain the most prevalent type and within western Nairn semi-detached houses and self-contained flats remain the most common types of STL.

Table 1 Profile of Nairnshire (Ward 18) STLs

	Ward 18	
	2025	**2026**
Detached House STLs	**71**	**78**
Semi-Detached House STLs	36	41
Terraced House STLs	21	22
Self-Contained Flat STLs	33	40
All Potential Dwelling STLs	**161**	**181**
Unconventional Accommodation STLs (Pods, chalets etc)	27	34
All Short Term Lets	**188**	**215**

6.3 Analysis of Total New Housing Completions and the STL Licence Register was provided to Members previously and an update with the additional year of 2025/2026 is shown in **Table 2**. This reveals no significant increase from when this was last considered. The percentage of new build completions becoming STLs over the last 6 years in Nairnshire is below the Highland average of 4.7%.

Table 2 Newbuild Completions in Nairn and Cawdor (Ward 18) since used as STLs

	Ward 18		
Year	**Total Completions**	**Became STLs**	**%**
2020/2021	86	1	1.2%
2021/2022	29	0	-
2022/2023	26	6	23.1%
2023/2024	33	0	-
2024/2025	11	0	-
2025/2026	19	0	-
Total	**204**	**7**	**3.4%**

6.4 The Council utilised the Registers of Scotland Highland property sales data and matched these to the STL Public Register to identify those that were subsequently granted secondary letting STL Licenses shown in **Table 3**. These reveal a modest degree of house sales (2.5%) subsequently granted secondary letting STL licenses. The equivalent rate for the whole of Highland was 4.7%, with some Highland wards exceeding 7%,10% and 13% as detailed within the Highland Rural STLCA Statement of Reasons.

Table 3 House Sales since granted Secondary Letting STL Licenses

	Ward 18		
Year	**Total Sales**	**Granted STL License**	**%**
2019/2020	235	10	4.3%
2020/2021	288	6	2.1%
2021/2022	251	3	1.2%
2022/2023	215	7	3.3%
2023/2024	172	3	1.7%
Grand Total	**1161**	**29**	**2.5%**

6.5 A review of registered Local Place Plans (LPP) identifies communities that have expressed concern regarding prevalence of STLs. The Local Place Plan Register Map shows the status of areas that have formally registered LPPs, in addition to those that have notified that they intend to submit one.

6.6 There is presently one registered LPP in Nairnshire Area – Nairnshire LPP, which also serves as the Area Place Plan. There is a mixed response from the Nairnshire community for any planning regulation of STLs. The LPP notes local pressure to balance competing needs for tourist accommodation and for local families and key workers and acknowledges Highland Council's Ward 20 (Badenoch and Strathspey) STLCA. The LPP sets out that, following adoption of the LPP and within 12 months of recruitment of a Development Officer, Nairn Improvement Community Enterprise (NICE), in partnership with The Highland Council, will commission a Nairn-specific impact assessment on housing and tourism of a similar "STL control programme", which may be intended to mean a STLCA. The planning service have contacted NICE in the preparation of this item. NICE have advised that this has not yet progressed, but that other LPP workstreams are progressing, and that they and local Community Council partners who helped develop the LPP remain keen to support this work if the Council has resources to progress it. It is reasonable that this matter is kept under review through periodic analysis moving forward.

7.1 This report reconsiders the prevalence of STLs in Nairnshire and potential impacts on availability of residential housing in Nairnshire specifically. Since the Committee's previous consideration of this matter, monitoring of STL activity has continued. However, a comprehensive assessment of the relationship between STLs and housing market pressures can only be undertaken alongside the Housing Need and Demand Assessment (HNDA) process. The HNDA provides the principal evidence base for understanding housing need and market conditions across the area and is prepared by local authorities in accordance with Scottish Government guidance on a five-year cycle. Consequently, the availability of new evidence capable of materially informing consideration of a STLCA is in part constrained by the timing of the HNDA process, and limited additional information has become available since the Committee's previous consideration of the matter.

7.2 Noting the limitations on the availability of updated evidence, the indicators available at this time continue to suggest that relative to other parts of Highland and to Highland as a whole, Nairnshire does not experience a level of STLs prevalence or associated housing market pressure that would justify the introduction of a STLCA at this time. The evidence therefore does not indicate a material change in circumstances since the Committee's previous consideration of this matter. Indicators such as the spatial concentration of STLs, the proportion of new housing completions subsequently operating as STLs, and the proportion of residential property transactions that are later converted to STLs use will continue to be monitored and reviewed by the Council. Should future monitoring identify a material increase in STL prevalence or evidence of associated housing market pressures within Nairnshire, the position can be reassessed and reported to Members as appropriate.

Designation:	Assistant Chief Executive - Place
Date:	30 October 2026
Authors:	Meadhbh Maguire, Principal Planner
Background Papers:	Report to Highland Council 18 September 2025 Report to Nairnshire 24 November 2025
Appendices:	None