



FOR IMMEDIATE RELEASE

BiGGAR Economics report shows short term lets boost North East economy by £30m with no evidence of housing impact

BiGGAR Economics challenges false narratives surrounding Scotland's self-catering sector now at risk from heavy-handed government regulation.

A new independent analysis from a respected Scottish consultancy reveals the substantial positive economic impact of Scotland's self-catering industry which was also shown to have a negligible effect on housing.

BiGGAR Economics calculated that short-term lets (STLs) contribute nearly £1bn gross value added (GVA) to the Scottish economy while supporting approximately 30,000 jobs. By accommodating visitors, STLs generate economic activity across Scotland, with the local impacts exceeding residential use, supporting an additional £32,400 GVA per property. The localised results were just as impressive.

The North East's short-term let sector, despite regulatory challenges, is performing well, generating £30m GVA per annum and supporting 1,006 jobs in the local area.

This follows welcome news earlier this year that region [attracted over 3 million staying visitors](#) in 2023, an increase of around one-third on the previous year.

Guests staying in self-catering accommodation, termed 'secondary lets' in Scottish STL legislation, also spend more than the average visitor to the City and Shire, with knock-on gains for related tourist and hospitality businesses. Alongside this huge economic boost, the researchers also highlight that self-catering accounts for less than 1% of the country's total housing stock.

This challenges the narrative that STLs are fuelling Scotland's housing crisis, with self-catering at only 0.8% of the country's housing stock, too low a proportion to have a meaningful impact on local housing markets. Moreover, according to the report, in every local authority area including Aberdeen and Aberdeenshire, economically inactive empty homes account for a larger proportion of total dwellings than from secondary lets.

The key headlines include:

- STLs are estimated to generate £864m GVA and support 29,324 jobs across Scotland in 2023.
- In Aberdeenshire, the figures stand at £16.6m GVA and 563 jobs, whereas for Aberdeen, it is £13m GVA and 443 jobs.
- The annual GVA associated with an average owner-occupier/private rented household in Aberdeen was £11,645 compared to £26,898 for a two-bedroom STL; and for Aberdeenshire, £11,839 vs £15,518.
- STLs make up a tiny proportion of Scotland's housing stock, with self-catering accounting for just 0.8%. This is considerably less than the 3.6% that economically inactive empty properties account for.
- Secondary lets account for 0.9% of total dwellings in Aberdeenshire, compared to 4.2% for empty homes. In Aberdeen, secondary lets only account for 0.4% of total dwellings compared to 6.3% empty homes.

This study comes as the Scottish Government published an implementation update report on STL licensing which the industry maintains did not adequately address their longstanding concerns.

BiGGAR's new analysis is based on the best available evidence on STLs in Scotland. The findings have been shared with Scottish Government Ministers and officials, as well as Aberdeen and Aberdeenshire Councils.

Graeme Blackett, Director of BiGGAR Economics, said:

"This report shows that secondary lets make an important contribution to Scottish tourism and economy overall, supporting almost 30,000 Scottish jobs. Our research also concluded that it was clear that secondary lets are not a driver of the wider Scottish housing market. If short-term let regulations leads to a reduction in the supply of secondary lets, that will have a negative impact on the tourism economy, without delivering any solutions to Scotland's wider housing challenges."

Fiona Campbell, CEO of the Association of Scotland's Self-Caterers, said:

"This is yet more compelling evidence that short-term lets aren't the main contributor of the housing crisis but are instead turbocharging local economies. We can see this in the City and the Shire where STLs generate £30m per annum and support 1,000 local jobs."

The region has ambitious plans to grow its tourist economy and our industry is ready to play its part in seizing the opportunities through welcoming more visitors to this vibrant and unique part of the country. However, this windfall is at risk from heavy-handed regulation. Both Councils should take heed of the report's findings when considering their approach to planning policies and control areas to ensure the relatively small number of valuable short-term lets are protected.

For policymakers, the message couldn't be clearer: you can't solve a housing crisis by producing a crisis in Scottish tourism by decimating local businesses that underpin local economies. Attention must shift to the real causes of the housing crisis."

Notes to Editors:

- The report can be accessed here: <https://assc.flywheelsites.com/wp-content/uploads/2024/12/Economic-Impact-of-Short-term-Lets-in-Scotland-Report-by-BiGGAR-Economics-11Dec24.pdf>
- The Association of Scotland's Self-Caterers commissioned BiGGAR Economics to assess the economic impact generated by STLs across Scotland. This is an independent analysis and builds on their previous work on the [impact of the sector on Edinburgh's economy](#).
- BiGGAR Economics have provided expert advice and analysis to a range of private, public and third sector organisations since 2002, including the Scottish Government.

About BiGGAR Economics

[BiGGAR Economics](#) is a leading economics consultancy providing economic analysis and advice for central and local government, economic development and other government agencies, universities, colleges, social economy organisations and private sector firms across Europe. The aim of BiGGAR Economics is to deliver meaningful impact. This includes ensuring that the best quality economic evidence possible is available to decision-makers.

About the ASSC

Founded in 1978, the [Association of Scotland's Self-Caterers](#) represents over 1,700 members, operating self-catering properties throughout Scotland, from city centre apartments to rural cottages, to lodges and chalets, to castles. Our vision is that the ASSC takes the leading role in advancing a vibrant and prosperous self-catering sector 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 businesses and communities in the promotion of Scottish self-catering as a sustainable, inclusive and responsible form of accommodation.

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