

# LEITH LINKS COMMUNITY COUNCIL

## PLANNING MATTERS

### Does Leith Links really need more hotel rooms?

#### And why are local hotels doubling in size?

Like all Community Councils, Leith Links Community Council (LLCC) has a statutory role as a consultee on planning applications in our area. If LLCC makes an objection to any proposals this should be considered by the Council, and the LLCC can be invited to take part in any hearings to consider planning applications in this area. The Community Council monitors new applications as they come in, trying to inform and consult local residents, putting together views within a tight deadline, and also keeping an eye on progress as applications go 'through the system'. This article discusses a particular issue that is arising repeatedly, whereby hotels around Leith Links seek - and usually successfully gain - permission to double their capacity.

#### Current planning applications

The Council – and indeed the Scottish Government – have announced a 'Housing Emergency'. So how many new homes are actually to be built in our area? Within 'our' relatively small geographical area, following the completion of the large Ropeworks development off Salamander Place, very little space now remains for large-scale new developments. No recent planning applications have been for actual homes. Proposals for the Salamander Street Dalton's scrapyards site to become predominantly student accommodation have provoked much discussion.

Much of our patch sits within the Leith Conservation Area, which contains many listed buildings. Most of the recent planning proposals concern changes to existing buildings – especially those used as hotels/guest houses/HMOs (Houses in Multiple Occupation) – where there is a clear trend for the owner to seek to increase their capacity. This is not, however, being driven by the tourist £.

#### What's going on?

Having hotels in our area is an established characteristic. Quite a few of the larger Georgian and Victorian houses around Leith Links originally built as family homes have been used as hotels and guest houses for a long time. In the past, these premises were run as independent family enterprises, meeting demand in the main from commercial visitors to Leith. So, this is an area with a proportion of the housing already converted to hotel and guest house use over a long period of time.

But in recent years there has been a big change – and there is a trend of expansion significantly changing the 'mix' of population in the area. A series of applications have come forward for hotel/guest house premises around Leith Links to greatly expand their capacity – potentially doubling in capacity – through extensions to the premises.

For example, between 2015 and 2019 two of the hotels on Hermitage Place – in a terrace of only 13 properties, half of which are family homes – have been given permission to double in size: one through an extension block of rooms at the rear in Burns Street, currently nearing completion,<sup>i</sup> and one by knocking through into a former residential property next door, representing a loss of residential accommodation and change of use of a whole residential house to hotel use.<sup>ii</sup> One of these properties is now seeking an HMO licence, so it will no longer operate as a hotel<sup>iii</sup>.

A Georgian building on Constitution Street was originally given permission for a 25-bedroom hotel, plus some studio flats, but this was later changed to 32 bedrooms.<sup>iv</sup> The Council also recently approved an

extension to another hotel on Constitution Street, so it now has permission to extend to the rear along Mitchell Street providing 13 extra rooms across 3 storeys. The hotel presently has 9 rooms so this will more than double its capacity.<sup>v</sup>

At another premises on John's Place, a listed Georgian property with an HMO licence, the owner applied to construct an extension to the rear which would increase the number of rooms from 13 to 45. The Council has just refused this application and also refused Listed Building Consent to construct a walkway between the old Georgian building and the rear extension. However, the owner is appealing against this refusal so there is a risk that the owner could get permission to create a massive HMO off John's Place.<sup>vi</sup>

Some other owners are also expanding. An established hotel on Links Gardens is carrying out internal restructuring to turn into an unstaffed 'Apart-hotel'.<sup>vii</sup> A new owner on Johns Place of what was an office building is trying to obtain planning permission for something similar.<sup>viii</sup>

*NB. References for the planning documents referring to specific properties can be found at the end of this article.*

### **What's all this about?**

So – several hotel premises around Leith Links recently doubling or trying to double in size. Is it just being 'NIMBY' for locals to object? After all, Edinburgh is a tourist city, and Leith is a great place, so Leith should welcome more visitors to spend money in the local bars and restaurants.

But looking closer, these proposals are mostly not driven by tourist demand or tourist money. The local hotels and guest houses that have sought expansion in recent years are operating in the City of Edinburgh Council's created market of supplying so-called 'bed and breakfast' or (unsatisfactory) temporary accommodation for homeless people. Many of the rooms proposed in the new extensions are tiny 'cells', with few facilities, rather than attractive holiday stays.

### **We need homes, not 'hotel' rooms**

We have heard a great deal about the 'housing emergency'; Edinburgh does indeed face serious challenges of supply and affordability of housing. But the only things that seem to be increasing in supply are purpose-built student accommodation blocks and hotels of various kinds. Our city needs homes not hotel rooms.

In February, questions to the Council revealed that there were almost 5,000 households in the city regarded as homeless and in need of temporary housing. Such housing ranges from privately leased flats to hotels and guest houses, the latter being regarded as unsatisfactory, especially for families. The Council said that of the c.5,000 homeless households, 1,203 households were being put up in bed and breakfast accommodation across the city. But at the same time, it also had more than 1,500 Council owned properties sitting empty – so-called 'voids' – needing some repairs to bring them back into use.<sup>ix</sup>

So, properties owned by the Council are empty, whilst the Council is paying literally millions of pounds to owners of bed and breakfasts/hotels to accommodate quite a small number of households, some including children. The average period of time a household stays in temporary accommodation, including hotels, is two years. Is this good housing management – to own empty properties but pay for hotel rooms?

Other figures also published by the Council in February revealed that the average cost of providing temporary accommodation was £12,416 per annum per household which, if multiplied by 4920 households, is £61 million per annum. Much of this might be being spent on hotels. Is it surprising if a hotelier who specialises in providing accommodation to the Council wants an even bigger slice of this pie, when they can earn at least £12k per annum for a room in one of their guest houses for someone who might, on average, stay 2 years? It is also a pie that has not been subject to proper competitive tendering as each year Councillors approve 'waivers' from the obligation to tender for accommodation<sup>x</sup>. The 'hotel' proprietors are laughing all the way to the bank.

## **A bad situation**

This situation is bad for the people being housed by the Council in unsatisfactory temporary accommodation for far too long. It's bad for everyone who needs help with housing, especially social housing, as too many properties in this city lie empty and too much money is being spent on hotels and unsatisfactory accommodation.

It's bad for council tax payers who would prefer to see more than £60m per annum spent much more effectively.

And it's bad for the Leith Links area, where we are seeing a slow but steady creep of expansion of hotels and guest houses – including taking some formerly residential premises – that are entirely aimed at providing unsatisfactory accommodation for homeless people, the businesses making millions from the misfortune of others.

The Council's housing practice is feeding a business model that should not be growing, and Council planners are, most of the time, approving the expansion.

The majority of premises that have been expanding/trying to expand around Leith Links are in common or familial/connected ownership and one owner who has filed accounts with Companies House shows property assets valued at £40m, pre-tax profits approaching 40% with year-round occupancy rates around 97%.<sup>xi</sup>

The investment in growth locally suggests the operators of these facilities, who know a lot about their business, have very limited confidence that the Council's declaration of a housing emergency, with promises to speed up bringing its 1,500 void properties back into use, will actually come to anything.

If only the Housing Committee and the Planning Dept. talked to each other, and really looked at some of these planning applications, the penny might drop.

## **How is the Leith Links area affected?**

Leith Links Community Council (LLCC) has for many years been lodging objections to this 'intensification' of hotels in the area surrounding the Links and expressing concern about the growth in size of premises being used for people who are homeless.

It's not NIMBYism aimed at homeless people, but concern - because such accommodation is often very unsatisfactory, especially for women and children, and often also poorly managed. Responsible citizens would rather see long term homes provided, across the city.

There are also concerns about changes to the overall character and population balance of this area. In former times the Council had an explicit policy which limited the percentage of commercial accommodation in any single area, but since this was removed from planning policies it is rare for the Community Council, or any local people who express views, to 'land' their objections and make any difference to the constant creep of commercial use for hotels/guest houses.

To the Council planning team these are just small hotels and perhaps they pale into insignificance compared to the large-scale proposals for city centre hotels, but their number and nature make a relatively big impact on the small area around Leith Links.

The LLCC has tried to engage the Planning department to look at these proposals in the context of the area they sit in and to appreciate the impact that the accumulation of individual decisions have in an area, but it's always an uphill struggle. Some elected Councillors are curious and some are concerned, but the whole issue needs much more transparency and visibility because it is not going away.

## REFERENCES

- <sup>i</sup> Merith hotel rear extension block [19/00653/FUL | Erect new 2 storey building on land at rear of hotel as ancillary accommodation for the hotel. | 2 - 3 Hermitage Place Edinburgh EH6 8AF |](#)
- <sup>ii</sup> Culane Hotel change a house from residential use and knock through two listed buildings. [15/00672/FUL | Change of use of No 8 Hermitage Place Edinburgh from residential dwelling to form extension/addition to existing guest house at No 9 Hermitage Place Edinburgh. | 8 Hermitage Place Edinburgh EH6 8AF and 16/05988/LBC | Remove party wall in basement between No 8 Hermitage Place and No 9 Hermitage Place to form enlarged bedroom. Form access way in main entrance area between No 8 Hermitage Place and No 9 Hermitage Place to allow free access between both properties. Close some doorways to existing bathrooms and form new doorways to existing and new bathrooms to allow direct access to bathrooms from bedrooms. \(as amended\) | 8 Hermitage Place Edinburgh EH6 8AF](#)
- <sup>iii</sup> The Merith Hotel has applied to become a 17 room HMO June 2024
- <sup>iv</sup> 130 Constitution Street hotel [16/00682/FUL | Alteration and change of use of existing office and warehouse to form 25 room boutique hotel and flatted development. | 130 Constitution Street Edinburgh EH6 6AJ and 18/01445/FUL | Amendment to Planning Permission 16/00682/FUL to remove car parking and increase bedrooms from 25 to 32 within the hotel element \(retaining nine private flats as previously approved\) | 130 Constitution Street Edinburgh EH6 6AJ and 21/06434/FUL | Extend and alter hotel to form additional rooms. | 130 Constitution Street Edinburgh EH6 6AJ](#)
- <sup>v</sup> GPO Hotel extension [22/06169/FUL | Extension to hotel. | 49 Mitchell Street Edinburgh EH6 7BD](#)
- <sup>vi</sup> [23/02622/FUL | Alter an existing guest house at 9 John's Place, change the use of and extend adjacent buildings at 15, 16 and 17 John's Lane from disused garage to guest house an interconnect with 9 John's Place. | 9 John's Place & 15, 16 & 17 John's Lane Edinburgh EH6 7EL](#)
- <sup>vii</sup> Former McNair Hotel [23/02721/LBC | Internal alterations and new vents through the roof and to the rear and front elevation. | Mcnair Hotel 6 Links Gardens Edinburgh EH6 7JH](#)
- <sup>viii</sup> 3 Johns Place [24/00021/FUL | Change of use from Class 4 offices to Class 7 hotel \(as amended\). | 3 John's Place Edinburgh EH6 7EL](#)
- <sup>ix</sup> Questions and Answers to City of Edinburgh Council 8 February 2024 – see Qs 12, 14 and 32 ([Public Pack](#))[Questions and Answers Agenda Supplement for City of Edinburgh Council, 08/02/2024 10:05](#)
- <sup>x</sup> City of Edinburgh Council Finance and Resources Committee 14 March 2024 – approved a decision to waive normal contract standing orders (tendering) to amongst other matters extend 41 current contracts for the provision of temporary accommodation on a spot contract basis for the period 1 April 2024 – 31 March 2025. The additional cost would be up to a maximum of £24,219,973 (see Appendix 2 B Agenda); [Item 8.3 - Homelessness Services - Use of Temporary Accommodation.pdf \(edinburgh.gov.uk\)](#)
- <sup>xi</sup> K and S Mir Limited SC541041 Accounts to end March 2023 Companies House [application-pdf](#)