

# Airbnb response to consultation on a registration scheme for short-term lets in England

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### **Executive Summary**

- At Airbnb, we are proud of the role that we play helping people in England take part in and benefit from the visitor economy by welcoming visitors into their homes. Airbnb Hosts are facilitating tourism across England's best-loved destinations and hidden gems, bringing hundreds of millions of pounds per annum into local and regional economies and helping Hosts supplement their income during the most significant cost-of-living crisis in decades.<sup>1</sup>
- Airbnb fully supports the principle of new rules and has long advocated for proportionate and effective regulation, including through our 2021 White Paper on how a registration scheme for short-term lets (STLs) should work in practice. We agree with the decision to introduce a registration scheme following the Government's call for evidence last year.
- We were surprised that the wider visitor economy was not included in the registration scheme as originally planned by DCMS. There are significant benefits to having a complete picture that a registration scheme covering all overnight visitor accommodation would bring, including the ability of VisitEngland and local destination marketing organisations (DMOs) to understand tourism flows across the entire country and make decisions for investment on local and tourism infrastructure. If the Government opts not to introduce a broader tourism accommodation registration scheme, then a more targeted registration system for short-term lets should focus specifically on capturing only entire properties.
- Hosting is an economic lifeline for many families. While registration should give local
  authorities visibility of short-term letting activity and help promote high standards and
  awareness of health and safety obligations, it is essential that any new system protects the
  benefits that hosting brings to communities in England and does not present an obstacle
  for those wishing to participate in the visitor economy.
- Any registration scheme should be (i) comprehensive in its scope and consistent in its
  application to ensure that it is fair and provides reliable data for robust decision-making,
  and (ii) proportionate in its design and operation, to ensure it does not create unnecessary
  barriers to participation, impose undue burdens on any parties or incentivise
  non-compliance. Our comments below are based on these foundational principles.
- Accordingly, any registration scheme must be nationwide and apply to all local authorities in England, rather than being a voluntary or opt-in scheme. It should be run by VisitEngland, which must be properly supported, resourced and provided with the necessary technical expertise to run an online, simple and accessible register.
- The property (not the operator) should be registered, although the scheme should also capture the operator's details. There should only be a fee for those operating dedicated STLs (we propose that dedicated STLs are defined as those with an occupancy of 105 nights or more per year). Please refer to our responses to questions 16 and 17 for more details on how this would work in practice.

<sup>&</sup>lt;sup>1</sup> BiGGAR Economics Report "England short-term let Economic Analysis" (Sep 2022) commissioned by Airbnb using using internal Airbnb data from Jan 2021 - Jan 2022

- To ensure that any new system is efficient, and that it is not overly bureaucratic, the design
  of the scheme should be based on international best practice where hosts attest or
  self-certify that they comply with all applicable regulations; the grant of a registration
  number should be automatic, non-discretionary and should only be conditional on the host
  certifying that they comply with applicable laws and regulations during the registration
  process.
- In addition to our concerns about the impact of restricting the scheme to STLs only, not including annual occupancy data sharing by booking intermediaries will also seriously undermine the utility of the data collected through the scheme. For registration to provide a clear and accurate picture of STL activity in local communities, booking intermediaries and operators who take bookings directly should also provide annual data on the number of occupied nights associated with a registration number.



### Which high-level approach to the registration scheme do you prefer?

c) A mandatory national scheme, administered by one of: the English Tourist Board (VisitEngland), local authorities, or another competent authority.

We believe that for registration to be fair and effective, it must be a mandatory national scheme which is administered by the English Tourist Board (VisitEngland), or another qualified and properly resourced central authority.

We fully support the Government's ambition that any registration scheme should be simple and light-touch for hosts, and should not create additional or unnecessary obligations for businesses. However, a model where local authorities can voluntarily opt-in would create complexity and inconsistency rather than simplicity. It could lead to a situation where hosts in some communities would have to register because their council opts-in, but other hosts living in nearby areas but across a local authority boundary would not. Enabling councils to opt-in at any point after the law is passed would create ongoing uncertainty for residents about whether registration might at some point be required by their local council. It would also create a piecemeal and incomplete picture of STL activity across the country and thereby fail to provide a robust evidence base for regulatory decision-making, undermining the policy objective behind the registration scheme. Alongside the proposals outlined in DLUHC's consultation on new planning use classes, an opt-in scheme would result in a patchwork of local schemes where some short-term let hosts could be required to register, while others need only to secure planning permission, some might be required to complete both registration and planning processes and yet some could be subject to no registration or planning requirements at all.

In contrast, a national registration scheme would ensure a single set of clear registration rules and an implementation timeline that would apply to all communities in England. A national registration scheme would create a proper evidence base through which all local councils could assess whether short-term lets are contributing to local issues in a way that requires the use of an Article 4 direction, as part of the new planning use class system proposed by DLUHC. Data from a national registration scheme would also help identify the overwhelming majority of communities in England where short-term lets are not contributing to housing pressures, and therefore where no Article 4 direction is needed. Assuming that booking intermediaries will share occupancy data with the scheme, a national system would not only provide councils and other public bodies with a complete picture of STL activity in their areas, it would also help the Government to have a more holistic view of the number and type of STLs across the country. It would give DCMS and DMOs some understanding of tourist flows, and help inform the development of national and local tourism strategies - although the scheme will only provide a full picture of tourism flows if it captures all overnight visitor accommodation, as was originally planned.

A mandatory, national scheme would act as a mechanism through which all hosts could learn about their existing obligations around health and safety and other regulatory requirements, for example through targeted educational campaigns and self-attestation to compliance with these requirements, with a central registration authority being able to direct them to the relevant gov.uk resources. Assuming that a national scheme allowed enforcement bodies to access individualised

data when necessary, it would also provide important information about STL activity and the location of listings to the police, fire and safety and rescue, giving them the information they need to help manage those rare cases of anti-social behaviour or non-compliance with health and safety regulations. It could also facilitate identifying problematic operators and premises, and help prevent bad actors from avoiding practical enforcement by moving between booking intermediaries. However, an opt-in or non-national model would mean authorities would not have access to this data in areas where councils chose not to participate and would restrict the overarching view of STL activity that a mandatory and nationwide registration scheme could provide.

We do not support an opt-in model with a scheduled review period. In addition to the issues with an opt-in model discussed above, the Government has already introduced, or is planning to introduce, a large number of interventions around STLs. These include changes to business rates eligibility thresholds, powers for local authorities to increase council tax on second homes also being used as short-term lets and the introduction of new planning use classes. A scheduled review period (in which a voluntary opt-in registration scheme operated for a period of time, after which it could be amended to become a national scheme or an entirely different framework) would be unlikely to give sufficient time for any register and the new planning rules to demonstrate that they are working before they are opened up for review. This type of model would therefore create additional uncertainty for hosts about the future regulatory environment in which they would have to operate. It would be better to get the registration scheme right and make it a national system from the beginning, rather than introducing one and then revisiting the arrangements again in a few years' time.

Planning interventions restrict people's use of their own property and should therefore only be made on the basis of evidence. Provided the registration scheme is mandatory, nationwide and includes annual occupancy data shared by booking intermediaries, it will provide a reliable picture of STL activity in England that could be used by the Government to determine which planning interventions would be proportionate.

We would also like to emphasise the importance of ensuring that the register is up and running before any other changes are introduced, including the ability of local councils to introduce Article 4 directions and remove short-term letting activity from permitted development rights. This is because the register will gather data that is pivotally important to ensure that any further changes are demonstrably necessary and proportionate.

It will take the registration scheme up to a year to gather and publish the registration data needed to understand the scope and volume of STL activity actually taking place, particularly if booking intermediaries share occupancy data on an annual basis. This means it will not be possible to draw informed conclusions about the level and location of activity actually taking place until the first year of registering and reporting has been completed. A one year period of consolidation and consistency, will offer predictability and reassurance to hosts and businesses that the rules will not change again soon, while also giving authorities the chance to review a reliable set of data prior to introducing further regulations.

### Who should be responsible for administering the registration scheme?

### b) The English Tourist Board (VisitEngland)

The registration scheme should be administered by a single, central authority, rather than requiring local authorities to maintain their own separate registers. A key lesson from Scotland's licensing system for short-term lets is that requiring councils to design and maintain their own schemes leads to extra cost and administrative burdens for both hosts and local government, as well as introducing regulatory fragmentation and systemic complexity as each council may interpret the rules differently or add on their own requirements. Registration for STLs works best when rules are consistent and the requirement is set at the national level. For example, both Greece and Portugal introduced registration schemes that are low friction for hosts and allow for the immediate granting of a registration number. The decision by both countries to implement national-level registration has enabled them to avoid a proliferation of local registration schemes with varying host obligations and both schemes have been particularly successful.

The best option is for VisitEngland to be responsible for administering the registration scheme. VisitEngland already holds and publishes data from the International Passenger Survey and detailed information on the numbers and types of visits by people travelling to and from the UK. Holding data on STL activity would fit well with these existing activities and has the added benefit of giving VisitEngland a more complete picture of tourism activity in England, to map tourism flows and assist in its objective of driving the dispersal of tourism value.

It is important that, in carrying out this function, VisitEngland or any other central body should be properly resourced to maintain the register, and provide support and guidance to Hosts and other stakeholders. This includes being given the technical knowledge and expertise to run a digital system that is simple, secure and able to provide reliable data on STL activity in each local authority area. VisitEngland should also be responsible for informing local authorities and hosts about the implementation of the register, timelines for registration and how the scheme will work in practice. We recommend that, following this consultation, DCMS and VisitEngland launch a technical call for evidence with platforms and other stakeholders on the details of how a digital registration scheme should be designed and operated in practice, covering issues such as user experience, data sharing and notice and action mechanisms.

The register should be online, simple and at minimal cost for hosts (and free for those operating non-dedicated STLs, defined as those with an occupancy of under 105 nights a year). It should be modelled on best practices followed by schemes where applications are made online and determined immediately, with no waiting time before receiving a registration number to operate, such as Rent Smart Wales and the landlord register for assured tenancies in Scotland, (as opposed to the burdensome licensing scheme for short-term lets in Scotland). This simplified online model is also used successfully in many other countries. For example, in Hamburg and North Rhine-Westphalia in Germany, a quick, digital and non-discretionary system enables a host to register in real-time and receive a registration number immediately upon submitting a limited set of data (e.g., name, address and number of days they plan to let). Many other jurisdictions provide a

registration number in real-time upon application, including in Greece, France, the Netherlands and Andalusia in Spain.

We do not see how it would be proportionate for a registration scheme to be run by individual local authorities. There should be a centrally designed and administered single online portal for all hosts, regardless of which local authority area they live in. Requiring local authorities to administer their own registration schemes would be disproportionately costly, administratively difficult and require significant local government resources at a time when council budgets are under pressure. In contrast, an online national registration scheme run by a central authority should not require any local government resource or expenditure.

We do not support a model that is run locally in accordance with a framework that is set nationally (i.e., a voluntary, opt-in registration scheme for local authorities). However, should the Government choose this option then we strongly recommend that there is still a central operator for the registration system that local authorities could opt into, rather than having each council maintain its own register.



Dorset

### **Question 3**

Should there be an analogue version of the registration scheme which would run in parallel with the digital one?

b) No

The registration scheme should be a 'digital first' model. An online system with applications through a single portal would be consistent with the ambitions set out in the UK Government's Digital Transformation Strategy, which recognises the benefits of significant cost savings that come from providing services at the national level digitally.

While we understand the importance of addressing the digital skills gap and ensuring provision for those who are digitally excluded, the nature of STL activity is such that most hosts should be in a position to navigate a simple online registration system provided that it is designed to be simple and as frictionless for applicants as possible. For those who need support, accessibility options could be made available to them, such as submitting paper registration forms for upload via the central administration team.

Maintaining a paper, analogue version of the register would be costly, require regular re-printing and updating and would perpetually be out-of-date. It is also not clear what the purpose of an analogue version of the register would be, or what benefits it would add for local authorities and other stakeholders.

### **Question 4**

Should the platforms require a valid registration number in order to list a short-term let?

### b) No

All online and offline booking intermediaries should require operators to provide a registration number for each listing. Intermediaries should then display that number on the listing. This model is consistent with other jurisdictions, particularly in many European destinations such as France and the Netherlands.

The Government has signalled its commitment to upholding in UK law the provisions relating to prohibitions against imposing general monitoring obligations set out in the eCommerce Directive. Therefore, the obligation on booking intermediaries should be limited to requiring that their customers enter a registration number, and to displaying that number on a single, consistent place in any online listing (for properties only offered via offline channels, the registration number could be displayed in the property itself or in marketing materials). Booking intermediaries should have no additional obligations in relation to registration numbers, such as checking that the registration number is current or valid, or that the operator is compliant with the scheme or with any other applicable regulatory requirements as such obligations would be disproportionate and, in any event, the intermediaries would not have access to the data needed to carry out these checks. However, booking intermediaries could use automated technical measures to ensure that registration numbers entered by hosts into their systems have to follow a certain format, which could be consistent with the format used for the registration scheme. We suggest that DCMS explore this in a technical consultation with booking intermediaries on how the scheme should work in practice.

<sup>&</sup>lt;sup>2</sup> https://www.gov.uk/guidance/the-ecommerce-directive-and-the-uk

In order for the registration scheme to be effective there should be a requirement for all entire property STL listings to be registered, each having its own registration number. Requiring all entire property listings to be registered will help give local authorities an accurate picture of which properties are being used for STL activity, along with information on occupancy, provided through data sharing by booking intermediaries and hosts who let their properties directly, showing the frequency of use associated with each registration number. Once the registration scheme has been established and is operational, there should be a grace period of 12 months for hosts to register and to notify platforms of their registration number.

DCMS should also enter into discussions, through a technical consultation with platforms and other stakeholders about a consistent mechanism used by the central body managing any registration system (i.e., VisitEngland) to notify platforms of registration numbers that are incorrect, false or otherwise not valid. Hosts can then be given the opportunity to correct the issue within a certain timeframe, and failing that the local authority or central body can notify the platform to remove the listing.

If there are multiple listings within a property which can also be booked in its entirety (i.e., it can be let out as an entire property, or a range of individual units with full facilities), the technical design of the scheme should facilitate the ability for such multiple listings to be linked with the same registration number.

### **Question 5**

# Should the registration number be displayed in any advertisement or listing of a short-term let?

### a) Yes

Yes. However, responsibility for inputting a correct registration number should rest with the operator. The registration guidance should make clear that platforms and intermediaries only need to display a registration in one consistent place. This should be on the main page of any online listing.

As per our answer to question 4, DCMS should launch a separate, technical consultation with online platforms and other booking intermediaries about the establishment of simple, clear and consistent procedures so that listings with incorrect or false registration numbers can be flagged for action.

For such online systems to work, proper notice and adjudication procedures for takedown and reactivation decisions must be agreed prior to any statutory scheme coming into effect, and any obligations placed on platforms must be in accordance with other legal obligations and established regulations such as the Platform to Business Regulation and account for the prohibition on general monitoring. There should also be a point of contact at VisitEngland for host communications on appeals, resolutions and reactivation.

### What should the 'unit' of registration be?

### d) Other (please specify)

The unit of registration should be individual, entire property premises that are used as short-term let accommodation.

Information about the owner and/or manager of a unit can be provided as part of the registration process for each listing. The purpose of the registration scheme is to obtain information about how properties are used for short-term letting, the number of properties used in this way and their location. Therefore, it is most logical - and most useful for local authorities and other public bodies - that the properties are the main units of registration, while details of the person or entity who is operating the listing (i.e. the registrant) should be captured so they can be made aware of their health and safety and other regulatory obligations. In circumstances where there are self-contained units within the same building, each of which have complete living facilities (i.e,. toilet, kitchen), this should be considered a separate property for the purposes of registration. In circumstances where a bedroom within a property is being let, this should be outside the scope of the registration scheme. The registration should attach to the property, rather than the host or registrant.

### **Question 7**

How should the following types of accommodation be treated in respect of the registration scheme?

**Exclude the following:** 

Caravans on sites or any site which accepts motorhomes or campervans or any other vehicle providing accommodation

**Treehouses** 

**Mountain bothies** 

Shepherd's huts

Cars

**Motorhomes** 

Glamping

Yurts

Boats inc. houseboats, canal boats

House swaps

The consultation states that the purpose of the register is to understand what, if any, impact STL activity has on a local community's housing stock. Therefore the register should only have within its scope properties that would be used as someone's permanent home. Therefore, the registration scheme should include within its scope all entire property listings, including primary homes that are used for STL activity.

However, spare rooms, annexes and other non-entire property listings should be exempt from registration. Likewise, other types of accommodation such as treehouses, mountain bothies or shepherd's huts, cars, motorhomes, yurts and boats should not be included.



Cornwall

### **Question 8**

Do you agree with this list of exemptions?

a) Yes

Yes, although as per our answer to question 6 we believe that only entire property STLs should be included from the register.

### **Question 9**

Are there any other types of short-term accommodation that you think should be exempt from a requirement to register? If so, please specify.

Yes. The list of exemptions should be expanded to include spare rooms, annexes, tree houses, yurts and other non-entire property listings, as set out in our answers to questions 7 and 8.

### **Question 10**

How long should registration be valid for?

 There should only be a one off registration, with providers able to remove themselves if they no longer provide the STL(s)

Registration should be a one-time process with no need to re-register on a yearly or other regular basis. Once registration has been granted, it should last indefinitely until the property is de-registered, either by the registrant or as the result of a series of persistent and unresolved serious breaches of rules, as set out in our responses to questions 4, 14 and 15.

Requiring regular re-registration is unnecessary and would create an additional bureaucratic requirement on hosts, particularly in cases where there is no suggestion that an existing host has not met registration criteria and in cases where hosts have been operating without incident or complaint. Re-registration would require additional resources and capacity from those responsible for administering the registration scheme to ensure that hundreds of thousands of hosts across England are re-registering their properties in good time in any given year. This would be highly costly and a significant administrative burden on VisitEngland (or any other central registration authority). Requiring regular re-registration would also create uncertainty for businesses and hosts, as they would not have the predictability or reassurance that they could continue operating or accept future bookings.

If the Government decides to implement periodic renewal periods, then registration should auto-renew, with an automated notice 30 days prior, unless a property has been found to be in serious breach and has not cured the breach in a reasonable period of time. Moreover, the registration number should not be changed as part of any renewal process.

Booking intermediaries are in a position to provide annual data about the occupancy rates associated with a registration number. If the Government decides to include occupancy data provided by booking intermediaries (please refer to our response to question 11 below) this would be a preferable means of achieving the objective of generating reliable and up-to-date data about properties that have been registered. For a mandatory national scheme that aims to represent the full scope of STL activity, data sharing by booking intermediaries appears to us to be the only clear and workable route to ensuring authorities have access to an accurate record of actual hosting activity, without creating unnecessary burdens for individual hosts. We would encourage DCMS to launch a technical consultation on how the registration scheme will work in practice, which should examine how occupancy data sharing could work, amongst other issues.

### **Question 11**

What information should be collected? (Please tick all that apply).

To be collected at registration:

- a) Address of the premises/dwelling(s)
- b) Name of premises/dwelling owner
- c) Address and contact details of premises/dwelling owner
- d) Address and contact details of operator/manager, if different
- f) Self-certification of adherence to relevant regulations (see question 12)

- h) Detail about the accommodation unit(s) (eg. number of units, number of bedspaces, accessibility)
- i) If relevant, confirmation that in any rental, lease or other agreement that the responsible person is entitled to use the premises for short-term letting purposes
- a): The registration scheme should capture the address of the registered property.
- b), c), d): In many cases property owners will hire a management company or professional operator to assist them with offering short-term letting activity. In this situation, the owner may have no direct contact with guests, may not be present at the property during a stay or will not be involved in running day to day operations. The register should therefore collect information about the operator or manager of the property being used for STL activity, rather than specifically gathering data relating to the property owner (the land registry already captures this). Where the registrant is also the owner, then it would be the owner whose details are captured; where they use a company or service provider, they could decide between themselves whether the owner or the company (or a representative) would be listed as the registrant. Contact details for the registrant (whether the owner or a service provider they engage) would be required to enable local authorities or the central registration body to communicate with them directly (e.g. to flag issues or provide updates). For privacy and security reasons there is no need to publish the address of the owner, or the home address of the operator -- any address requirements should be limited to the property being registered.
- e): We do not believe that spare rooms or individual spaces within a property should be subject to registration. Only entire properties should require registration. Please refer to our answers to questions 6 and 7 for more detail on this point.
- g): The best model would be for registrants to self-certify that they meet all applicable requirements. This would allow for a frictionless registration process in which hosts are able to operate immediately upon completing their registration. This would be a more streamlined and proportionate approach than, for instance, that taken in Scotland where such documents are provided as part of the application process and then reviewed before a decision is taken, resulting in a significant workload for the registration scheme operators and delayed processing times for registrants. Our proposed model is similar to that which is being considered in Wales, and is already in use in many registration schemes internationally, including locations in Spain, France, Greece, Germany and the Netherlands (please refer to our answer to question 2 for more detail on this). In contrast, jurisdictions such as Brussels, which require the need to submit documents before being issued a reference number, have issues around compliance and a lack of transparency for public authorities, as well as creating friction for hosts.
- h) We believe it is appropriate that when registering, hosts should input basic details about the property including number of bed spaces, but should not have to provide a full list of all amenities provided as these may change over time and are best provided in the property advertisement or listing.

i): For the same reasons as above for g), it is sufficient that the registrant should self-attest that they have the necessary permissions, without having to upload any leases, rental agreements or other agreements made under private law.

j), k): It is essential that any registration scheme capture the number of nights actually stayed at a property on an annual basis. Such data will be needed to understand the scale of STL activity and whether such activity happens all year round or only on an occasional basis. The most effective way of gathering this data would be for booking intermediaries (whether online or offline) to share the number of nights booked at each property associated with a registration number annually. This would be a more effective system as it would remove the need for hosts to maintain these records and file these reports manually, removing scope for error or fraud. It would also mean that platforms, local authorities and the registration authority would not need to dedicate resources and capacity to reminding and chasing hosts to provide this information, thereby reducing the need for compliance or enforcement action when hosts fail to report. In cases where a host accepts bookings directly, without the use of any intermediary or booking platform, then the registration scheme should provide the option for them to self-report these nights on an annual basis.

m): For the same reasons as above for g), registrants should self-attest that they hold the necessary planning approvals.

The register should be designed with the capacity for hosts to update their entry if they change operators. The Government should clarify what would happen to registration accounts when properties being used for STL activity change hands (e.g. through sale), and whether the re-registration of a property under a new owner or operator would duplicate or cancel an existing registration at that address. Our proposal is that the registration attaches to the property, rather than the host/registrant. It should be possible to transfer the registration account to a new person or entity upon circumstantial changes, such as a property sale or engaging a new property management provider. In such a case, the registrant should be able to update the register to display the new operator's name and contact details.

### **Question 12**

Which regulations should be satisfied in order for a property to be registered? Please tick all that apply.

All of the following:

- a) Gas safety
- b) Boiler safety
- c) Fire safety
- d) Electrical safety
- e) Furniture safety
- f) Planning [where relevant, subject to DLUHC planning use class consultation]
- g) Food safety
- h) Equality Act

We agree with the list outlined above. The registration scheme or administering body should provide access to informational resources on each of these areas of regulation, including links to the relevant gov.uk websites so hosts can research and learn about their obligations.

As part of the registration process, hosts should self-attest that they hold the necessary approvals and have carried out the required checks, rather than having to manually upload documents as part of the registration process. To ensure that registration is simple and quick, if the Government determines that documents need to be validated or reviewed to confirm that they are up to date or correct, then this should be done after a registration number has been issued, ideally on a spot check basis to account for the scale of the registration scheme.

f): There should be a voluntary permit field where a host can choose to enter the relevant planning application number, if they have one.



Kent

### **Question 13**

In the context of compliance and enforcement, what should be the starting point of the registration scheme? Please tick all that apply.

a) An entirely self-certifying process with no element of ongoing physical inspection of documentation or of the short-term let.

Registration should be an entirely self-certifying process with no element of ongoing physical inspection or document checks. The burden introduced by a registration scheme which requires

physical inspection of documents or properties as a condition of obtaining a registration number would be entirely disproportionate to the level of risk that might be faced by guests in this context. It would create significant uncertainty for businesses and could lead to extremely long waiting times while documentation is validated or properties inspected. These acute issues are currently being faced in Scotland, where the checking of documents is required before short-term letting licences are granted has led to estimated waiting times of between 9-12 months before new hosts can even begin to operate. It would also create unnecessary regulatory overlap as there are existing regulatory regimes, including enforcement mechanisms and authorities, which provide for oversight of compliance with the relevant standards.

Hosts should be asked in the registration flow to attest that they hold the necessary approvals and meet all relevant regulatory safeguards. This is essential to creating a simple, accessible, proportionate and light-touch scheme that is as frictionless as possible for hosts, and as outlined in our answer to question 2 is consistent with the approach taken successfully in many other jurisdictions. This model of registration is commensurate with the level of risk to guests. Furthermore, as with many platforms in the sharing economy, the guest rating system reinforces high-quality standards, since premises that fail to perform their responsibilities will receive negative reviews, disincentivising other guests to book, and may ultimately result in their removal. Further, the obligations owed by homeowners under existing health and safety, planning and equalities legislation will continue to apply to them and the applicable enforcement mechanisms will continue to deter and sanction non-compliance.

If light-touch inspections of documentation and premises are required, this should take place after registration has been completed, and should be based either at random on the basis of a limited percentage of applications (i.e. spot checks), or based only on intelligence or complaints (i.e. targeting suspected bad actors).

### **Question 14**

What issues do you think should incur a penalty? Please tick all that apply.

- a) Short-term let owners/providers operating without registering
- d) Failure to comply with registration requirements (for example, failure to pay the relevant fee or charge within the specified period)
- e) Falsification of registration documentation

If penalties for non-compliance are introduced, these should be used only when there has been a clear and deliberate attempt on the part of the host to circumvent the registration process, where they have refused to cooperate with reasonably justifiable investigations into a suspected breach, or where they have deliberately or knowingly operated without registration and failed to remedy non-compliance within a reasonable period. In other words, penalties should be introduced only in the most extreme cases.

c): Registration should be a one-off event that lasts indefinitely until a host chooses to remove their listing from the register, or it is removed for enforcement purposes, so there should be no penalties for not renewing registration.

f): This standard is far too low for a right to enter premises. We would expect to see some evidentiary burden on authorities for them to have the right to enter premises against a host's wishes.

### **Question 15**

What penalties do you think would be appropriate? Please tick all that apply.

- Fines, which could vary according to the severity and duration of a violation.
- Notices requiring a short-term let owner/provider to rectify a violation could be issued
  in some circumstances before registration is revoked. If the owner/provider fails to
  take the necessary action within a specified timeframe, then the registration would be
  revoked.

Any liability or penalty for non-compliance with registration requirements should sit with the operator of the accommodation (i.e. the registrant), since they are responsible for managing the property and providing the service, rather than the platform or intermediary.

To ensure consistency, reduce complexity and allow for greater awareness of the rules, any penalties and accompanying sanctions should be set and communicated by the body which is responsible for running the registration scheme. Penalties should be set out clearly in advance, but applied on a sliding scale proportionate to the offence, with lower penalties where a breach is administrative or is a result of honest error (for example, starting with a warning letter, and escalating, depending on deliberate, repeat or more serious offences to fines and ultimately, in cases of persistent or repeated serious breaches, deregistration of the property or registrant, as relevant, for a set period of time; permanent bans would only be appropriate in the most serious cases where there has been particularly egregious non-compliance).

### **Question 16**

Should there be a flat fee per owner, or a sliding scale attendant with the number of units being let? (See also question 6 on unit of registration)

### e) Other (please specify)

Hosts operating non-dedicated STLs (which we would define as those entire property STLs with occupancy of fewer than 105 nights per year) should be able to register cost-free, while the Government should consider reasonable nominal fees for other operators, to the extent that these are proportionate to the activity at hand, and meet the policy objective of offsetting the cost of the registration scheme. Where someone registers for free as they intend to host for less than 105 nights a year, but they subsequently host for more than that in a subsequent calendar year, then this would be identified through occupancy data (as per our answer to 11) and the host would then be liable to pay the full registration fee.

Should there be an annual fee to be in the registration scheme, regardless of the frequency of renewal asked in question 10?

b) No

No. Operators should only have to register once, therefore ensuring ongoing costs are minimal.



### **Question 18**

Should the platforms and/or other areas of industry contribute to the set up and running costs of the scheme?

b) No

We would be willing to discuss this with DCMS to understand more about how they envisage this could be achieved in practice. We are also happy to offer our expertise on the digital design of a scheme and to support any local pilots or soft testing ahead of its formal launch.

### **Question 19**

Do you think that any of the data captured should be shared at all beyond the competent authority administering the scheme, as determined in Question 2?

a) Yes

Data captured by the scheme should be shared with the public bodies listed in our answer to question 20, to the extent that it is necessary for their scope and mandate. Data from the registration scheme should only be shared with these public bodies upon request and when such

data is needed for the proper exercising of their public functions. Where data is provided to government bodies or DMOs for the purpose of supporting policy or strategic development, such data should be anonymised and aggregated to protect the privacy of data subjects.

The scheme should be set up in accordance with privacy by design, including the principles of data minimisation and necessity. We would welcome further consultation on the matter, but would propose that access to the data should be permitted only where appropriate and only to the extent necessary to enable the statutory purpose or function to be fulfilled. Access to the database should be designed to permit search capability which is relevant to the statutory purpose or function, for example the ability to search by property address or postcode/postcode area, as opposed to by booking intermediary. For the purposes of privacy and security, data from the registration scheme (such as a list of addresses of properties or identifying information about registrants) should not be listed on a public forum (i.e., a website accessible to members of the public).

### **Question 20**

If you answered 'Yes', which types of organisations should have access to the data collated by the registration scheme? Please tick all that apply.

- i. Local authorities / local planning authorities
- ii. Enforcement agencies
- iii. English Tourist Board

Data from the registration scheme should be made available to local authorities and planning authorities for the purpose of understanding the scale of STL activity, the location of specific listings and whether letting activity takes place in a dedicated rental or on an occasional basis.

We noted with surprise that the proposal does not contemplate the use of data from the registration scheme by local authorities in deciding whether to introduce Article 4 directions to remove permitted development rights for STLs. This is a major oversight in the Government's proposals. When deciding whether to introduce an Article 4 direction, it is essential that data from the registration scheme be considered by local authorities as part of the evidence base to establish a clear and demonstrable issue in a specific geographic area. Without such an evidentiary requirement, the registration scheme loses one of its primary purposes, to provide a robust evidence base for planning interventions.

Detailed or individualised data from the registration scheme should also be supplied to enforcement agencies (such as the police or fire service) upon request when this is needed for the purpose of carrying out their functions or ensuring public safety. In other cases, it may only be necessary for such agencies to have access to aggregated or anonymised data from the scheme. In addition, data could be provided in aggregated or anonymised format on request to DMOs to help them map tourism flows and develop relevant local tourism promotion, investment and management strategies.

We do not believe data should be provided to commercial organisations - there is the possibility of the data being misused, and it would open up the risk of vulnerability to fraud or scams. Nor should it be provided to the much wider list of organisations suggested in option iv) as this would be excessive with no indication of why this data sharing is required to support public bodies in engaging their statutory functions.

While we believe that booking intermediaries should provide occupancy data for each property associated with an active registration number, access to that data should be restricted and only available to specific teams or functions within local authorities who need it for the purpose of reviewing and determining whether the evidence provides justification for an Article 4 direction.

Notwithstanding our support of occupancy data sharing by booking intermediaries, this data is both proprietary to the intermediary and commercially sensitive and therefore robust safeguards would need to be put in place to ensure that it is dissociated / anonymised on receipt and only stored by the central body by reference to the registration number and not linked with the reporting intermediary. The details of any such data sharing could be refined through a technical consultation on how the registration scheme will be set up.

### **Question 21**

Should there be a de minimis below which a property can be let for without the requirement to register?

b) no - all short-term let accommodation should be a requirement to register.

The register should capture all short-letting activity in entire property listings, regardless of the number of nights of occupation. This will give local authorities a better picture of the STL landscape and help them understand the scale of STL activity actually taking place.

To allow local authorities to understand the scope and scale of STL activity in their area, the impact on local housing supply and whether particular properties are being used as dedicated rentals or for occasional short-term letting activity, it is important that booking intermediaries (whether online or offline) share the number of nights stayed at each property with a registration number over the last year. This is important since it will help local authorities identify where properties are being used as dedicated STLs with significant occupancy all year round, and locations in which letting activity is more limited, for example taking place in a home that is otherwise lived in by the owners for part of the year. Without this information, data from the registration scheme could result in a significantly exaggerated picture of STL activity, as any address which appears on the register could be taken as operating a dedicated short-term rental that could otherwise be used for permanent accommodation, while the actual occupancy data says otherwise.

### **Question 22**

Are there any other issues that you think the government should be considering as part of its work to develop a short-term let registration scheme?

We would reiterate here that we strongly support the introduction of a light-touch registration scheme for short-term lets, but that it is important that such a scheme be effective and provide a comprehensive and robust evidence base to inform any future planning interventions by local

authorities. Registration will only be effective if there is a requirement on councils to properly consider data from the scheme when determining whether there is a clear local issue which is specifically caused by STLs that justifies the introduction of an Article 4 direction. For data to be comprehensive, booking intermediaries should provide the number of nights stayed annually at each property with a registration number. It would give DCMS and DMOs some understanding of tourist flows, and help inform the development of national and local tourism strategies - although the scheme will only provide a full picture of tourism flows if it captures all overnight visitor accommodation, as was originally planned. Further, a register that simply provides a list of addresses will risk significantly exaggerating the scale of actual STL activity, as local authorities could easily misinterpret the data as suggesting that all listed properties are dedicated short-term rentals which could otherwise be used for permanent accommodation. Data sharing by booking intermediaries, and requiring councils to demonstrate that they have utilised evidence from the scheme in assessing planning interventions, will reduce the likelihood of local authorities introducing Article 4 directions where they are not needed, avoiding the creation of additional bureaucracy and complexity.

We would also emphasise here that DCMS should follow the examples of international best practice in the design of the register - which must be national and apply to all local authorities in England, apply only to entire property listings, and have consistent procedures for flagging unregistered properties that are agreed with platforms and which enable local councils to manage enforcement. Prior to the register being formally launched, DCMS should provide a simple and clear English, publicly available set of guidance documents for hosts explaining which STL properties are in scope, a clear definition of what is considered a short-term let for the purposes of the scheme, and what steps are needed to register a property.

### **Question 23**

Do you have any comments about the potential positive and/or negative impacts that the options outlined in this consultation may have on individuals with a protected characteristic under the Equality Act 2010?

### a) Yes

The short-term letting community in England is incredibly diverse, with women making up almost two-thirds of UK Airbnb Hosts.<sup>3</sup> 20% of UK Hosts are over the age of 60, and the overwhelming majority of Hosts share just one property, often their own home.<sup>4</sup> One in five UK Hosts on Airbnb work in either education, healthcare or hospitality.<sup>5</sup>

Over 40% of UK Hosts on Airbnb say the additional income helps them afford their home and 15% rely on it to save for their retirement.<sup>6</sup> It is therefore essential that any new regulations or restrictions are carefully assessed to ensure that they do not disproportionately and adversely affect the diverse host community.

<sup>&</sup>lt;sup>3</sup> Airbnb self reported statistic

<sup>&</sup>lt;sup>4</sup> https://news.airbnb.com/en-uk/third-of-hosts-use-airbnb-income-to-afford-rising-living-costs/

<sup>5</sup> Ibic

<sup>&</sup>lt;sup>6</sup> https://news.airbnb.com/wp-content/uploads/sites/4/2021/05/Airbnb 2019 Economic Impact Report.pdf

In your view, is there anything that could be done to mitigate any negative impacts?

### a) Yes

Any negative impacts from the introduction of a register could best be mitigated by ensuring that the registration scheme is online, non-discretionary, simple and easy to use for hosts; is national in scope; and that any future planning restrictions are based on data from the registration scheme and limited only to what is needed to address any specific and local issues stemming demonstrably from STL activity.