

Introduction

CIH is pleased to have the opportunity to respond to the consultation on a registration scheme for short term lets in England. We responded to the government's earlier call for evidence (our response can be found <u>here).</u> In that response we recommended that government investigate the impact of short term lets, as this varies across the country, and more data and information is required to enable effective strategies to be put in place. This is clear from research undertaken by the Scottish government in 2019 (<u>short term lets: impact on communities research</u>). This found a three-fold growth in short term lets in Scotland in only three years, with differences in geographical concentrations, types/ duration of lettings, and impacts for local communities.

Summary

CIH proposes that there should be a suite of measures to tackle the worst impacts from short term lets, and to manage the sector more effectively in future. We have responded to DLUHC's consultation on planning and use class, as that also has a role to play, particularly in enabling local authorities to manage the scale and location of growth. Introducing planning measures, alongside registration, and consideration of taxation (increased council tax and/ or variation of business rates to fund the increased use of local services, and/ or to contribute to the development of social housing) will enable local authorities to achieve a better balance between support for local economies through tourism, and the needs of local communities for housing, and to maintain a decent environment for permanent residents and visitors alike. Our response to the consultation on planning and class use can be found <u>here</u>.

Fundamentally, short terms lets should not be prioritised over the availability of decent, affordable housing for local communities, particularly as employment in the tourism industry is often lower paid and insecure, due to the seasonal nature of the industry, thus making it more difficult for people to access affordable housing. There must be a better strategic balance achieved between support for local tourist economies, and access to decent affordable homes for local people.

Where short term lets are having the most serious impact, local communities are seeing a significant loss of private rented accommodation as landlords find short term lettings more lucrative. This in turn pushes up rental levels in the remaining smaller PRS sector, and there is the ongoing critical shortage of social housing to provide an affordable alternative. There can also be significant impacts for local services and neighbourhoods, where there is a high volume of churn in visitors, and additional pressure for waste and other local services, and problems of noise and anti-social behaviour from visitors, notably in some areas that have seen short term lets used for party houses (Short term rentals in Manchester: Time to act, 2021).

Given the pressing nature of the impact of short term lets in some areas, government should consider the most effective and quickest vehicle to introduce measures to tackle the problem, and to ensure that these work with and do not undermine the welcome security for long term renters being introduced through the Renters Reform Bill.



For both registration and planning measures to be effective, these must be enforceable. In both planning and environment health teams, local authorities have seen significant cuts to funding and their capacity to introduce the additional measures proposed.

Research by the RTPI in 2022 highlighted that local authority planning teams face significant funding, recruitment, skills and performance challenges. This report demonstrated that local authority net expenditure on planning has fallen by over 40 per cent from 2009/2010 to 2020/2021. Local housing enforcement teams have had their funding reduced by 25 percent over 10 years, according to the outcome of freedom of information requests by NRLA (See CIEH, 2019). To ask local authority planning and enforcement teams continually to do more with less is unsustainable.

Our more detailed responses to specific questions are below.

Question 1: Which high-level approach to the registration scheme do you prefer?

- a) An opt-in scheme for local authorities, with the framework set nationally.
- b) An opt-in scheme for local authorities with the framework set nationally, and a review point to determine whether to expand the scheme to mandatory.
- c) A mandatory national scheme, administered by one of: the English Tourist Board (VisitEngland), local authorities, or another competent authority.

C- administered by local authorities

Currently it can be difficult for local authorities to understand fully the scale and impact of short-term lettings on local communities until it has become quite severe, particularly due to the shortage of affordable homes. A registration scheme would help to harness better information and data. A mandatory scheme is preferable, given that an opt in scheme would not provide the full information, and risks moving the negative problems arising from short term lets across local boundaries. A mandatory scheme would also enable visitors to be assured about receiving consistent standards, particularly of health, safety and decency, in such accommodation.

Armed with the evidence and data from a registration scheme, local authorities will be best placed to work with local communities to understand and address the impact of short term lets. For some areas it will be important to achieve the right balance between supporting local tourism through choice and availability of different types of holiday accommodation, and the long-term impacts for permanent inhabitants of the area. That includes the availability and affordability of homes for people working in the tourist industry - which is often less secure and lower paid, exacerbating people's difficulty in finding permanent homes - and the impact on wider public services that maintain a good quality of environment for residents and tourists (provision of amenities, waste collection, noise and anti-social behaviour enforcement, etc.).

Although the scheme should be administered by local authorities (because they are best placed to enforce standards and manage impacts locally), it needs to link to a national database of shared information which is also available to people wanting to rent the properties. This should require the platforms advertising properties to share information as well. To work effectively, it must be properly resourced to enable local authorities to establish and maintain it, and to enforce conditions attached to it, particularly around health, safety and decency of the accommodation to be let.

Question 2: Who should be responsible for administering the registration scheme?

- a) Local authorities
- b) The English Tourist Board (VisitEngland)
- c) Another national body (please specify this could be an existing body or a new one)

A, with the ability to share information through a national database.

Whichever body is responsible must be adequately resourced to enable them to ensure landlords comply with requirements such as, but not restricted to, health and safety measures. There should be a national database and ability to exchange information to enable local authorities to identify any problematic landlords across different local areas. This data will be valuable both to local authorities for planning and enforcement, and for national bodies such as VisitEngland to enable strategic planning and support for both the tourism industry and local communities working in it.

Question 3: Should there be an analogue version of the registration scheme which would run in parallel with the digital one?

- a) Yes please suggest what form this could take?
- b) **No**

A Yes

To ensure accessibility of information, there should be the facility for people to access digitally and in accessible easy read formats, and availability in other languages. This is where platforms could usefully support local authorities in ensuring this is available, and working with local tourist information centres.

Question 4: Should the platforms require a valid registration number in order to list a short-term let?

a) Yes

b) No

A - yes

Chartered

Institute of



There should be penalties for the platforms where they allow listings that do not have a valid registration number, or where they have failed to check that it is current and valid.

Question 5: Should the registration number be displayed in any advertisement or listing of a short-term let?

- a) Yes
- b) No

We would be interested in views on alternatives to either of the above mechanisms.

A - yes.

There should be a national database of information shared across the platforms, local authorities and VisitEngland, and open for people to check themselves that the properties are registered so that they can have assurance about the standards they can expect.

Question 6: What should the 'unit' of registration be?

- a) Owners
- b) Premises/dwellings or part of a dwelling
- c) Individual accommodation units within a premises/dwelling
- d) Other (please specify)

D - other

The registration unit should be the dwelling or part of dwelling, but it should also be possible to connect it with the owner. This would enable local authorities and platforms to notify the owner of any problems with the individual property, and enforce action to remedy it particularly where there are issues of health and safety risk within the accommodation.

Question 7: How should the following types of accommodation be treated in respect of the registration scheme?

Accommodation should be prioritised for registration where:

- It removes the potential for a long term residential property
- It has adverse impacts on other local residents or environmental standards
- It poses risks in terms of health and safety to occupants or where the use as a short term let removes it from other regulation to enforce health and safety standards.

Question 8: Do you agree with this list of exemptions?

- a) Yes
- b) No



Please explain your answer.

A - Yes.

Short term accommodation to support homeless people, survivors of domestic abuse, or other people requiring care and support both at crisis, and to enable them to live independently, should be covered by other schemes (such as houses in multiple occupation, or the proposed licensing scheme for supported exempt accommodation). Where a short term let becomes used for such other purposes, it should be required to inform the local authority, with an agreed set timescale to de-register and, if required, register for the alternative scheme that applies for the change of use.

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.

NA

Question 10: How long should registration be valid for?

- a) One year
- b) Two years
- c) Three years
- d) Four years
- e) Five years
- f) The length of registration should depend on the length/validity of relevant documentation
- g) There should only be a one off registration, with providers able to remove themselves if they no longer provide the STL(s)

Please give the reasons for your answer.

B/C - 2-3 years

Registration every year is likely to be too onerous for those letting properties, and for local authorities to gear up to enforce the system. However, given the extreme pressures that some areas are already experiencing, it is important that the system can be reviewed within a relatively short time, to understand the impacts that it is having on local areas and populations, and to ensure that the standard of rental properties is adequate, particularly on issues of health, safety and decency.

Local authorities should have some flexibility to vary the timescales for registration depending on the scale of the sector in their area and its impacts. Where it causes significant problems in shortage of affordable housing, the local authorities should be supported to introduce measures to address this, which may include introducing a licensing system to reduce the number of short-term lets in an area, and the prioritisation of social housing development in local housing strategies and Local Plans.

Question 11: What information should be collected? (Please tick all that apply).



	To be collected at registration	To be collected annually	Should not be collected
a) Address of the premises/dwelling(s)	yes		
b) Name of premises/dwelling owner	yes		
c) Address and contact details of premises/dwelling owner	yes		
d) Address and contact details of operator/manager, if different	yes		
e) Whether the premises/dwelling to be let is an dwelling or part of a dwelling, such as a room or outbuilding	yes		
f) Self-certification of adherence to relevant regulations (see question 12)	yes		
g) Proof (eg. a photograph or electronic upload) of adherence to regulations	yes		
h) Detail about the accommodation unit(s) (eg. number of units, number of bedspaces, accessibility)	yes		
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	yes		
j) Number of nights per year the premises is available to let	yes		



	To be collected at registration	To be collected annually	Should not be collected
k) Number of night the premises was let out for in the last year		yes	
m) Whether planning permission has been granted or is not required	yes		

n) Other - please specify

Please give the reasons for your answer.

The range of information required above is necessary to achieve two key aims:

- To ensure that all such accommodation meets health and safety measures and is decent and appropriate for use
- To enable local authorities (and VisitEngland) to understand the nature of this market, its benefits for tourism and local economies, and the negative impacts that it may involve so that local authorities can take action to manage, reduce or expand such accommodation as appropriate for their local areas and communities.

Platforms should also be required to provide information to local authorities, for example, on numbers and lengths of lettings made, as well as being required to ensure all listings are matched with a current and valid registration.

Question 12: Which regulations should be satisfied in order for a property to be registered? Please tick all that apply.

- 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
- i) Other please specify

Please give the reasons for your answers.

I -other



All of these should be required (with the exception of food safety, as these will usually be let as self-catering, although there should be assurance of the safety of facilities to do so).

CIH has responded to the DLUHC's consultation on planning measures to address short terms lettings. We think that there should be consideration of a change of use class for this type of accommodation, coupled with a requirement for planning permission to change between residential and short term let use (C3 to C5). This will enable planning measures to be part of a range of tools to manage short terms lets and balance the benefits for the local economy with long term affordable housing for permanent residents. On registration landlords must be able to demonstrate compliance with this requirement, as well as all health and safety measures as listed.

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.
- b) Light touch inspections of documentation uploaded as part of the registration process based on a % of all properties to be spot checked at random on an ongoing basis.
- c) Light touch physical inspections of short-term lets based on a % to be spot checked at random on an ongoing basis.
- d) Light touch physical inspections of short-term lets based on an intelligence or risk-based approach on an ongoing basis.

Please give the reasons for your answer.

C/D

Local authorities should be able to ensure compliance through physical checks based on a random sample and/ or risk-based approach, including checks in response to concerns raised by visitors, residents or the lettings platforms.

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
- b) Failure to provide valid documentation or information
- c) Failure to renew registration if applicable
- 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
- f) Failure to grant access to the short-term let to the scheme administrator or relevant authority, if deemed appropriate
- g) Other (please specify).



G - other

All of the above should incur some action but local authorities should be able to apply notices, fines or other penalties (the final measure being deregistration) depending on the nature, impact and occasions of non-compliance with requirements set out in registration. There should also be penalties for issues of health and safety, failure to obtain planning permissions, and recurring problems that impact on other local residents.

Question 15: What penalties do you think would be appropriate? Please tick all that apply.

- a) Fines, which could vary according to the severity and duration of a violation.
- b) Revocation of registration, for a period of time or permanently.
- c) 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.
- d) Other please specify.

D -other

All of these penalties would be appropriate depending on the nature of violation, and local authorities should have flexibility in how these will be used. Part of the establishment of the registration scheme should include a clear policy on what measures will be applied and when, so that landlords/ lettings agencies are aware of their responsibilities and advise visitors accordingly. Where fines are applied, these should be retained by the local authority to strengthen their enforcement role, and/ or to address any negative outcomes for local communities.

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)

- a) Flat fee per owner
- b) Flat fee per property or part of a property
- c) Sliding scale based on number of units owned
- d) Sliding scale based on size of a unit (eg. number of bedrooms)
- e) Other (please specify)

Ε

There should be a sliding fee based both on number and size of units.

Question 17: Should there be an annual fee to be in the registration scheme, regardless of the frequency of renewal asked in question 10?

- a) Yes
- b) No

Please give reasons for your answer.



A - yes.

An annual fee to maintain the register and local checks would be appropriate, particularly if a longer timeframe is decided for regular renewals.

Question 18: Should the platforms and/or other areas of industry contribute to the set up and running costs of the scheme?

- a) Yes
- b) No

Please give reasons for your answer.

A - Yes.

Platforms involved in lettings should support the set up and maintenance of the registration system, given the financial and reputational benefits they would accrue from a well-regulated and high-quality sector.

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
- b) No please give reasons for your answer.
- A yes.

The full level of data should be able to be shared between local authorities and VisitEngland and/or DLUHC for the purposes of monitoring and enforcement of regulatory requirements, and developing robust strategies for tourism. Data at a higher aggregate level (without revealing personal data) would be useful to other interested parties such as academics and organisations involved in tourism development (potentially for a fee depending on the purpose).

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.

Please see Q19 above.

Question 21: Should there be a de minimis below which a property can be let for without the requirement to register?

- a) yes (if so what should the minimum threshold be please specify)
- b) no all short-term let accommodation should be a requirement to register
- c) Don't know

What are the reasons for your answer?

B - No

We note the <u>evidence</u> from London Councils that the current threshold of 90 days maximum short term let of any property is not enforceable, as the number of different platforms enable owners to evade scrutiny and let for longer without penalty. Therefore, any property being used for short terms lets should be required to register. The length of time proposed should be a consideration for local authorities in any monitoring/ inspection process, as part of a risk-based approach.

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?

A registration scheme as considered in this consultation would enable local authorities to ensure that such properties meet standards of health, safety and decency for visitors. It would also provide local authorities with data and information about the sector and its growth that they currently lack, but which would be valuable to shape local strategic responses - such as planning for services, evidence for housing strategies and Local Plans.

However, to control the number, extent and impact of short term lets will require a suite of tools including:

- Planning control, for example, by means of a separate use class and requirement for planning permission to change from residential to short term let (C3 to C5 as proposed in the <u>consultation</u> on use class from DLUHC).
- Moving to a licensing scheme enabling a limit on the number of licenses in a given area, where there is greatest impact from over supply and loss of long-term residential homes for local communities (building on evidence from the registration scheme).
- Additional resourcing to manage impacts for permanent residents (e.g. waste management, additional services, enforcement, contribution to development of social housing etc.) through local council tax or business rates applied to short term lets.

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
- b) No

If you answered 'yes', please explain what you think these impacts (both positive and/or negative) would be.

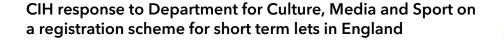
A yes

As short term lets are offering a service they should comply with requirements to comply with equality law and good practice, and access to information included on the register should also be accessible.

Question 24: In your view, is there anything that could be done to mitigate any negative impacts?

Chartered

Institute of





- a) Yes
- b) No

If you answered 'yes', please specify what you think could be done to mitigate the negative impacts.

See question 23.

About CIH

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple - to provide housing professionals and their organisations with the advice, support, and knowledge they need. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in twenty countries on five continents across the world.

Further information is available at: www.cih.org

CIH contact:

Sarah Davis, Senior policy and practice officer

www.cih.org