



More BnB?

Short-term Lets in London's Housing Crisis



January 2018 · Tom Copley AM

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Executive Summary

There is no doubt that short-term lettings platforms are here to stay. Many Londoners use platforms like Airbnb when travelling abroad, and there are undoubted economic benefits in terms of tourism. However, what was designed as a way for people to rent out a room, or their home while they are on holiday, is being abused by some who have started to use it to turn their homes into hotels without planning permission.

Accounting for around 1 per cent of London's total housing stock, some might argue that short-term lets are a marginal issue. However, this London average masks a concentration of short-term lettings in central London boroughs. Around 6 per cent of Westminster's housing stock is advertised on Airbnb. Other boroughs with high concentrations are Kensington & Chelsea (5 per cent), Tower Hamlets (5 per cent) and Camden (4 per cent). The danger is that without more effectively enforced regulation, much needed long-term housing stock will be lost to a growing professionalised short-term lettings sector.

In 2015, the Government's Ministry of Housing, Communities & Local Government changed the law around short-term lets when it limited short-term letting of whole residential premises in London to a maximum of 90 days in a calendar year.

However, London boroughs have never had immediate access to any information that confirms a property is being used for short-term lettings and there is no requirement to notify a borough of such an intention of use. Instead, the impetus is on

boroughs to prove that a home is not only available for 90 nights a year but has been booked and occupied for that time.

Without accurate data on the number of nights booked, boroughs are only alerted through reports from local residents, requiring pro-active evidence gathering by the local authority. Without access to data, it is impossible to investigate and effectively enforce against breaches in short-term lettings.

From 1st January 2017, Airbnb chose to voluntarily enforce the 90-day limit, but so-far other platforms have been slow to follow suit.

This report seeks to find effective solutions which will allow legitimate homesharing to continue while clamping down on the growing professionalised sector who seek to abuse the system. It also looks at regulation in other cities, and asks what we can learn from them. It should be welcomed by both hosting platforms and local authorities.

Recommendations

1. The Mayor of London should continue to put pressure on platforms to voluntarily share their data with local authorities to assist with enforcement activity. If voluntary measures are not effective then the Mayor should campaign for the government to change legislation to force websites to hand over the details of property owners suspected of for breaking the 90 day year limit on short-term lets.
2. The Mayor should encourage home-sharing platforms to follow Airbnb's lead by voluntarily enforcing the 90-day limit.
3. The Mayor should lobby the government to hand over to the Mayor of London the power to determine applications from boroughs to ban the renting out of whole properties for short-term lets using Article 4 directions.
4. The Mayor should lobby the government to legislate that short-term lettings hosts must register with their local authority. This should be a simple and free process.
5. The Mayor should write to local authorities asking them to ensure their leasehold agreements require that the property be used as a permanent residence and write to all their leaseholders informing them of this.
6. The Mayor should write to Housing Associations and ask them to write to their shared ownership leaseholders reminding them that they must not sub-let their home, including on a short-term basis.
7. The Mayor should write to short-term lettings management companies asking them to advise homeowners of their legal obligations, and to refuse to let a property for more than 90 days without planning permission.
8. Home-sharing platforms should consider creating an ombudsman paid for by the industry to prevent homesharing fraud, help with enforcement, solve resolution disputes, investigate complaints, and help redistribute the responsibility for enforcement away from cash-strapped councils. The Mayor should facilitate a discussion with home-sharing platforms on this.

The current situation

Homesharing and the Sharing Economy

In recent years, service industries in many global cities have felt the disruptive impact of the sharing economy - new services and emerging markets created by digital technology. These platforms, from Uber to Deliveroo, have rapidly created a new economy, complete with a new politics in London and elsewhere. This is particularly clear in the UK's rapid transformation and ongoing legal interpretation of employment relations within the 'Gig Economy'.

Sharing platforms which offer accommodation, are also 'disrupting' London's housing market as internet platforms, led by Airbnb, enable short-term lettings. These 'homesharing' services have opened up a completely new tourist experience for visitors to London, providing direct income to host households. And of course, many Londoners use these platforms when seeking accommodation in other cities.

While the explosive growth of homesharing has been enabled by platforms that operate across the globe, the impact of this phenomenon on 'global cities' has been shaped by characteristics of these cities themselves. Compared to other European cities, London has been slow to adapt to the new politics of homesharing and its consequences, which include an acute impact on London communities and the supply of affordable housing.

London's Housing Crisis

London remains the UK's most desirable city for tourists, with 73 per cent of guests arriving from overseas and 27 per cent of guests arriving from across the UK. Last year Airbnb estimated that approximately two million guests stayed at London's 64,000 active listings spread across the

capital. As we will outline below this is having an impact upon London's housing supply, particularly in central London boroughs.

London's housing crisis is fundamentally the result of a protracted historical period of demand outstripping supply: a failure to build enough homes. This is being exacerbated by a growing professionalised sector which removes longer-term properties from London's private rental sector (PRS), creating acute issues on a local scale and across London.

London has already seen private rents rise at almost exponential rates in the twenty-first century, with rents in central London rising by 50 per cent alone between 2001 and 2011.

The London Borough of Camden and Westminster City Council, local authorities at the heart of the concentration of short-term letting in London, both estimate there is currently a 300 per cent differential between PRS and short-term lets within their borough.

As a result, there is an almost irresistible financial incentive for landlords to place units permanently on the short-term market enabled by internet platforms. The capital has also seen the phenomenon of commercial lettings, where one or more multiple properties are let solely for the purpose of subletting as short-term lets. This practice has the immediate impact of removing homes from the private rental sector, reducing supply and so adding to cost increase pressures.

Short-term lettings also raise considerable amenity issues for neighbours and local authorities, placing pressures on communities and public budgets. In recognition of this, central government has sought to limit the short-term letting of entire homes to 90 days a calendar year.

This 'deregulation' followed growth. The 2012 London Olympics revealed the new popularity of short-term lettings in London and that legislation was woefully out of date. However, it is clear to many in London's local authorities that the Ministry of Housing, Communities & Local Government's 2015 update to the legislation, deregulating the

Greater London Council era legislation, has proved to be of little effect for Councils interested in managing rental market and preventing amenity issues arising from a concentration of short-term lettings.

February 2017 Roundtable

As the Housing Spokesperson for the Labour Group on the London Assembly, I have raised the issue of short-term lettings over the last few years, including via Mayoral Questions to the former Mayor Boris Johnson and Mayor Sadiq Khan.

In February 2017, I held a roundtable discussion at City Hall bringing together representatives from local authorities, community groups, the online platforms and research organisations to discuss the impacts, issues and potential next steps raised by short-term platforms. Speakers included representatives from:

- Airbnb UK/Europe
- Greater London Authority (GLA)
- London Borough of Camden
- Westminster City Council
- House of Commons
- Covent Garden Community Association
- Institute for Public Policy Research.
- London Borough of Waltham Forest
- British Hospitality Association

Following the roundtable, the Mayor of London, Sadiq Khan, wrote to most platforms requesting they voluntarily comply with legislation. I have also met with several platforms since the event and it is clear to me that platform compliance is not being applied across a range of business models.

Short-term Lets: the Regulatory Landscape

Former Greater London Council-era Regulation

Online homesharing platforms, such as Airbnb, have disrupted the London housing market and have swiftly posed new political challenges in every other city they operate in. In London, short-term lettings platforms enabled people to break Greater London Council-era legislation. Section 25 of the Greater London Council (General Powers) Act 1973, functionally prohibited any Londoner renting out their home for periods of less than 90 nights per year and for those seeking to do so, planning permission was first required. By the time of the 2012 London Olympics, it was clear this was being ignored by hosts and that London boroughs were not pursuing planning enforcement. As a result it was recognised that there was a clear need to update existing legislation in light of the increasing growth of internet platforms into London's niche short-term lettings market.

2015 deregulation reforms

In 2015, the Ministry of Housing, Communities & Local Government, sought to reform the accompanying guidance for the Deregulation Act 2015, described as “a bureaucratic and disproportionate process for all concerned”¹ to “boost the sharing economy in London”.² This was in recognition of the sector's ongoing rapid growth and its potential benefits to tourism and property owners. The legislation also explicitly sought to bring London back into policy symmetry with the rest of the UK.³

Nonetheless, the reforms did not abolish all limitations. Central government recognised,

through issues raised by local authorities in consultation, that the permanent short-term letting of a property amounted to a change of use, effectively removing housing stock from either the rental or sales market, and should require planning permission. The policy guidance notes:

“In order to address the issues raised and ensure appropriate safeguards, the Government intends to restrict short-term letting of residential premises to a maximum of 90 days in a calendar year. Restricting short-term use to no more than 90 days a year means that properties cannot be used as temporary sleeping accommodation on a permanent basis throughout the year, and any impact on local amenity is kept within acceptable limits.”⁴

However, this applies only to the renting of entire homes, rather than individual bedrooms. Furthermore, despite central government's efforts to bring the rest of England in line with regulation in London, the 90 day rule is only applicable in London. This was only achieved through concerted lobbying by London boroughs and the recognition of the incentive rent differentials provided.

As a planning issue, Ministry of Housing, Communities & Local Government was clear that enforcement remained the responsibility of local authorities.

An impossible role for local authorities

The 2015 deregulation reforms did nothing to improve the ease of enforcement for local authorities around short-term lettings. London boroughs have never had immediate access to any information that would confirm a property is being used for short-term lettings. Under the Government's reforms there is no requirement to notify a borough of such an intention or use. Instead, the impetus is on boroughs to prove that a home is not only available for 90 nights a year, but has been booked and occupied.

As was pointed out at our February 2017 roundtable, a property does not have to be rented out for over 90 days to have been removed from the private rental sector, and indeed any property that was available for a reasonable amount such as three continuous months would suggest it is no longer functioning as private rental stock.

Nonetheless, without accurate data on the number of nights booked, boroughs are only alerted through reports from local residents, usually out of amenity issues, requiring pro-active evidence gathering by the local authority. During the roundtable, a representative of a local authority stated that without access to this data, it was impossible to investigate and effectively enforce against short-term lettings.⁵

Borough representatives at the same discussion emphasised the extensive cost of investigation and planning enforcement against short-term lettings. Westminster revealed they had 6 Full Time Equivalent (FTE) planning officers investigating 1300 properties within the borough to a cost in the "hundreds of thousands, when local authorities have better things to spend it on".⁶ It is important to remember boroughs are being tasked with expensive pro-active work against a background of austerity.

Homesharing Exemption Zones

The Deregulation Act 2015 did contain;

"Provision for local authorities to request that the Secretary of State agrees to targeted localised exemptions from the new flexibility, where there is a strong amenity case to do so. This should ensure this provision is only used where clearly justified."⁷

In practice, this would mean a reversion to the older GLC-era requirements. This would operate akin to an Article 4 Direction over permitted development in re-establishing the requirement for planning permission from the outset.

No London Borough has applied for this. Those present at the February Roundtable stated they did not wish to see a zone based mechanism that would penalise residents who homeshare legitimately, viewing this as an unnecessarily crude solution.

However, it may be possible for a local authority to apply for a more specific exemption which would only apply to those who wish to rent out on a short-term basis a property which is not their main residence.

Unfortunately, even if such an exemption was granted, the lack of data available to local authorities means that enforcement would still be extremely difficult.

Platform self-regulation

It should be noted that the more responsible platforms are aware of these concerns and are in direct contact and ongoing discussions with the most concerned local authorities. Ahead of the roundtable discussion, Airbnb announced that it would go beyond informing hosts and block accounts after 90 nights within a calendar year until proof of planning permission was provided,

effective from January 1 2017. A recent report by Airbnb found that in the year since the enforcement was introduced properties booked for more than 90 nights had dropped from 21 per cent of the total to 7 per cent.⁸

Airbnb's move was welcomed by Deputy Mayor James Murray, London boroughs and myself as an effective "enforcement at source",⁹ with almost all speakers calling for other platforms to follow suit. The Mayor subsequently wrote to all platforms operating in London reiterating this request that platforms take a pro-active role in ensuring hosts are complying with the law.

However, other platforms have since told us that while they remind hosts of their responsibilities, due to differing business models and technology within the industry, not all platforms are aware when a host has reached the 90 day limit. This raises issues that are discussed further later in this report.

Short-Term Letting in Social and Affordable Housing Stock

To fully examine the impact of current legislation, it is important to note local authorities have asymmetric information and powers between Council and other tenancies and owner-occupiers.

Subletting council property is a criminal offence, as is subletting in the majority of housing association tenancies. This is to protect stock and allocate it effectively to those who qualify for social housing. In this case, the 90 day limit is superseded by the clauses of the lease. Where councils are the landlord, enforcement is often eviction. Local authorities at the roundtable confirmed their willingness to evict subletting tenants, and action has been taken in several boroughs in such situations. Housing associations whose leases contain clauses against subletting can evict host-tenants. The majority of tenancies in the PRS, assured shorthold tenancies, usually explicitly ban subletting without permission.

Beyond the social, affordable and private rented sectors, leaseholders can face more stringent constraints through covenants. Former council property now in the private sector through Right to Buy legislation may be affected by covenants on the lease prohibiting subletting. For example, Southwark's leases prohibit "the flat to be used for any purpose other than as a private dwellinghouse"¹⁰ and "not to do or permit or suffer to be done any act or thing which may be or become a nuisance or annoyance to the council or to the lessees, owners or occupiers of adjoining or neighbouring property".¹¹ Shared or full ownership leases with housing associations also often contain such clauses. As a result, leaseholders may face the risk of damages or even forfeiture.

In contrast, freeholders face only planning enforcement measures, namely a £20,000 fine. As a result, regulation around short-term lettings is widely asymmetric in its potential impacts on the differing types of occupier/host.

Recommendation One: The Mayor of London should continue to put pressure on platforms to voluntarily share their data with local authorities to assist with enforcement activity. If voluntary measures are not effective then the Mayor should campaign for the government to change legislation to force websites to hand over the details of property owners suspected of for breaking the 90 day year limit on short-term lets.

Recommendation Two: The Mayor should encourage home-sharing platforms to follow Airbnb's lead by voluntarily enforcing the 90-day limit.

Short-term lettings management companies: A new opportunity?

A topic of discussion at the roundtable was the emergence of secondary businesses around internet homesharing platforms, mainly offering management and hosting services. Some boroughs attending expressed their frustration at the leafleting of their council tenants touting for business, risking tenants unknowingly breaching their leases and the subsequent consequences. Advertising for these services are also visible upon London Underground. The concerns of some local authorities were to such a degree that boroughs had leafletted the same properties to remind tenants of their obligations, a reluctant expense they believed was necessary.

While leafleting households ineligible to sublet is a bad practice, these management services offer a new opportunity to compel responsible hosting where subletting is permitted. Management services can and should, as ethical practice, not only advise homeowners of their legal obligations,

but refuse to sublet a property for over 90 days a year without planning permission. It is of course against the commercial interests of such properties to do so, but the potential for management services to assist in solving the problems associated with subletting should be considered as an opportunity. This is discussed in more detail in the scenarios section.

Reccommendation Three: The Mayor should lobby the government to hand over to the Mayor of London the power to determine applications from boroughs to ban the renting out of whole properties for short-term lets using Article 4 directions.

Reccommendation Four: The Mayor should lobby the government to legislate that short-term lettings hosts must register with their local authority. This should be a simple and free process.

Short-term Lets: impacts on London and its neighbourhoods

The roundtable discussion confirmed the impact of short-term lettings on London's rental market and amenity was fundamentally a question of scale. This is not surprising given the geographic concentration of short-term lettings in Inner London and the highly localised nature of London's housing market(s). A range of data sources are brought together to confirm this, along with verbal evidence of amenity impacts presented at the roundtable. For further discussion of data and methodology surrounding short-term lettings platforms, including 'scraping', please see Appendix 1.

Impact on wider London

The most thorough research into the impact of short-term lettings on London as a whole, is the December 2016 report by the Institute for Public Policy Research (IPPR), commissioned by and using Airbnb's data on entire home lets.¹² At a Londonwide scale, the report argued that under 1 per cent of London's total housing stock had been rented out, resulting in a likely 'negligible' impact on London housing supply. However, the data also found a rapid annual average growth rate of 187 per cent between 2011 and 2015 and that, of this stock, 23 per cent had been booked for more than 90 per cent of the year. IPPR stated that these commercial bookings were growing at a significantly slower pace than the average of all entire home lettings.¹³

The GLA has since found that Airbnb rentals grew by 50 per cent between 2016 and 2017.¹⁴

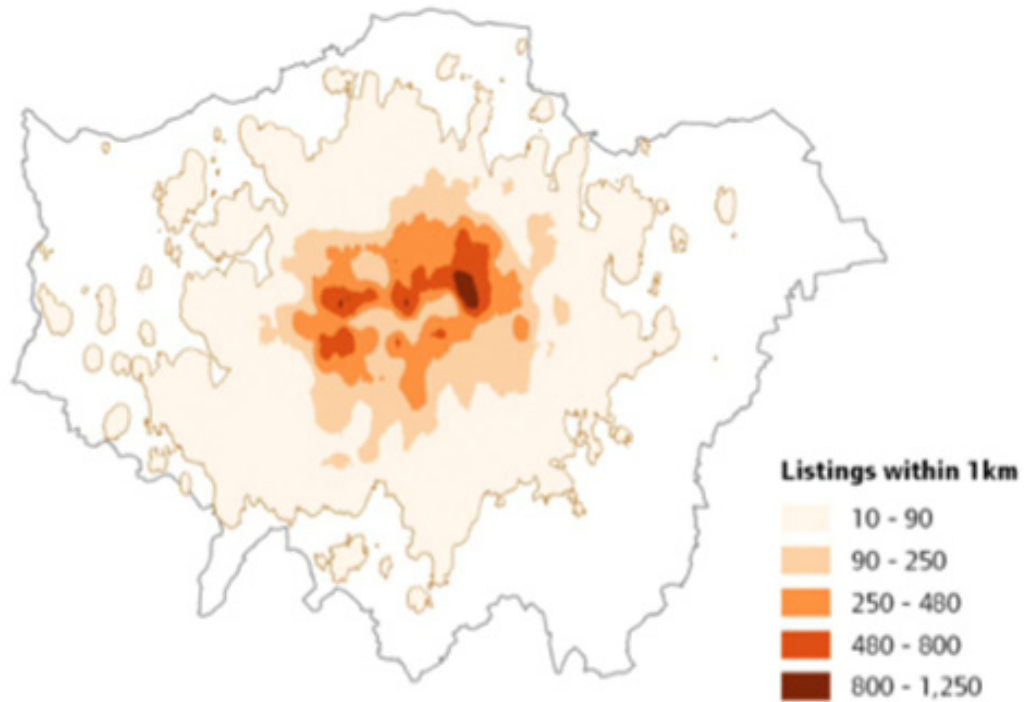
It is arguable that on the Londonwide scale, given the 'negligible' impact on housing supply - thus rents - and the highly local nature of amenity impacts, short-term lettings represent a net benefit to the city, given their economic value to hosts and London's tourism.

However, evidence from other cities is that the short-term lettings sector could expand to a much larger proportion of London's housing stock. This reinforces the need to urgently address the regulatory framework, rather than waiting for it to expand further.

Impact on inner London boroughs

As IPPR acknowledge, the uneven geography of short-term lettings and their growth has led to acutely affected "high pressure boroughs",¹⁵ namely the Inner London boroughs of Camden, Westminster, Islington, Hackney, Kensington & Chelsea and Tower Hamlets, which have been at the forefront of managing and lobbying around short-term lets. The GLA assesses 80 per cent of Airbnb listings to be within Inner London, with an acutely concentrated corridor particularly visible around Shoreditch (Hackney and Tower Hamlets).¹⁶

Distribution of Airbnb listings in London as of October 2016



Source: GLA Housing & Land

As a result, the IPPR report acknowledges these London boroughs will soon be “at risk of seeing an impact on supply of housing if homesharing continues at its recent pace”.¹⁷

The acute concentration of short-term rentals was confirmed at the roundtable, a representative of the Covent Garden Community Association (CGCA) asserted that over 10 per cent of UK Airbnb listings were located within Westminster.

Camden Council had previously commissioned a report using ‘scraped’ data which noted more than 1,400 over the 18,436 London listings were within the borough boundaries, roughly 7.6 per cent.¹⁸ The effects on rents are being felt, according to community groups such as the CGCA and private tenants groups.

At this scale, it is important to note the characteristics of these boroughs in recent years. Inner London has relatively high population densities in London, with significant population and housing supply growth in recent years.

The most recent official estimate of the average number of residents per hectare in inner London’s is 110, compared to just 42 residents per hectare in outer London.¹⁹

These boroughs experience high levels of social housing need. Overcrowding is also prevalent. The 2011 census identified that approximately 14 per cent of Inner London households were overcrowded, compared to 10 per cent of outer London households.²⁰ Inner London boroughs also have relatively high levels of short-term accommodation, including tourist beds and student accommodation, although this is usually concentrated in particular neighbourhoods, as discussed below.

As a London borough reported at the roundtable, pressures are being felt on the borough-wide scale. The high population density and churn as a result of short-term accommodation are contributing to amenity pressures, such as rubbish collection, noise enforcement and anti-social behaviour. All of this adds to already stretched local government finances, which have faced some of the largest budget cuts under the Government’s austerity agenda.

Impact on the London neighbourhoods

As the GLA's map reveals, short-term lets in London are "highly clustered"²¹ in certain neighbourhoods, generally the more central parts London; such as Bloomsbury and Covent Garden in southern Camden, Soho in Westminster, and around Hoxton-Aldgate and Earl's Court.

At the February 2017 Roundtable, a representative of the Covent Garden Community Association gave a presentation outlining the density and impacts of short-term lettings within central London's "villages" based on the Association's thorough research. The Association estimated that 20 per cent of private residential property had been lost to the short-term market together in Covent Garden (Camden) and Soho (Westminster). Clearly, this level of reduction in supply, assuming it has all immediately left the private rental sector, places significant inflationary pressures on private rents in these communities.

A London MP described short-term lettings as a relatively new phenomenon in their constituency and estimated 5 per cent of properties to be leased in this way. However, they also outlined the risks not only in terms of the potential loss of acutely needed social housing stock, but also the impact on people's sense of their own neighbourhood, as she described a "dislocation of place".²²

The emotional impact on residents' sense of their own community has been further examined in a LSE report published in April 2017. The report surveyed 150 residents of Westminster, Camden, Islington and Kensington & Chelsea and found that 50 per cent of residents had negative perceptions of short-term lettings.²³

Impact on urban density

At the roundtable, a representative of the Covent Garden Community Association detailed research from Soho residents associations, estimating 10 of the 54 residential properties on Shaftesbury Avenue

were now short-term lets and argued a density of 20-30 per cent properties on one street was not unusual in certain parts of central London. On this scale, amenity issues of noise, rubbish collections and other nuisances can be acute.

As the LSE report noted, this is a particular problem where short-term lets are found in areas where there is historically a high concentration of short-term residences, such as B&Bs. In London boroughs where short-term lets were "newer and more diffuse"²⁴ namely Islington, the survey illustrated lower animosity of opinion towards short-term lets.

Impact on residents' security

The impact on amenities are an undeniable consequence of short-term lets in blocks of apartments or flats. Research compiled by the Covent Garden Community Association in 2015 illustrates instances where three of fourteen units in a building were exclusively holiday lets.

For those sharing communal areas, the impact is not only upon one's sense of community, at this scale short-term lettings can feel like a threat to personal security. The impact on amenities on shared communal areas can be severe, from the noise of coming and going and increased wear and tear to excessive levels of poorly disposed of rubbish attracting pests. Particular concerns were raised about problems caused by overcrowding, as hosts often had no idea of how many people were actually staying in a short-term let, exacerbating amenity issues.

Concerns around breaches of security, especially around door codes or the inconvenience of these frequently changing were matched by anecdotes of extreme problems for neighbours, including confrontations with guests, units being used for parties or even brothels. Given these immediate impacts on neighbours, it is unsurprising London's most affected local authorities are so concerned about the amenity issues raised by short-term lets.

The Commercial Perspective

In considering the holistic impact of homesharing platforms, it is important to consider the perspective of the commercial tourism sector.

Ufi Ibrahim, Chief Executive of the British Hospitality Association (BHA) explained commercial short-term lettings operations were “hotels in all but name”.²⁵ The comparison with private sector rents obscures the competitive rates homesharing in Inner London provides to tourists. While their visits remain of benefit to many tourist sectors, these competitive accommodation rates result from a huge asymmetry of taxation and regulatory costs with the commercial sector, much of which is small scale and often family run. The BHA is lobbying for a ‘level playing field’ limiting the supply of homesharing competing with the commercial sector by effectively enforcing the 90 day limit.

Recommendation Five: The Mayor should write to local authorities asking them to ensure their leasehold agreements require that the property be used as a permanent residence and write to all their leaseholders informing them of this.

Recommendation Six: The Mayor should write to Housing Associations and ask them to write to their shared ownership leaseholders reminding them that they must not sub-let their home, including on a short-term basis.

Recommendation Seven: The Mayor should write to short-term lettings management companies asking them to advise homeowners of their legal obligations, and to refuse to let a property for more than 90 days without planning permission.

Recommendation 8: Home-sharing platforms should consider creating an ombudsman paid for by the industry to prevent homesharing fraud, help with enforcement, solve resolution disputes, investigate complaints, and help redistribute the responsibility for enforcement away from cash-strapped councils. The Mayor should facilitate a discussion with home-sharing platforms on this.

International case studies

PARIS

Paris is one of Airbnb's most popular destinations, with some 55,000 listings as of March 2017

Under French law, short-term rentals of more than 120 days a year require specific authorisation.

In March 2016, the French government passed a law which means those renting out a property will need to register with the City Council, making it harder for them to exceed the 120 days a year legal limit. The City Council will be able to track which properties are being rented out at which time.

Anyone wishing to rent out their property for longer than 120 days — or any residential space they do not live in — must register it as a commercial property, which is expensive. Breaking the rules can result in a fine of up to €25,000.

AMSTERDAM

Amsterdam City Council is also taking on short-term lets by slashing the number of days people can rent out their homes through holiday rental platforms like Airbnb from 60 to 30 days from 2019.

Residents who own their own home or who have permission from their landlord can currently rent their home out for 60 nights a year.

BERLIN

Zweckentfremdungsverbot, also known as the Berlin Airbnb Law – or even “Anti-Airbnb Law”, passed in 2014 came into force in 2016 after a two-year transition. The law targets people who let more than 50 per cent of their apartment on a short-term basis without a permit from the city, at risk of a fine of €100,000 (£78,000).

More recently in 2016 the city's administrative court upheld the ban on short-term rentals, explaining that ‘the availability of affordable housing is severely threatened in the entire city of Berlin and the regulation therefore justified.’²⁶

The City's authority also set up a website where users can give anonymous tipoffs about Airbnb usage, and officials from popular districts such as Mitte have announced they will reject 95% of permit requests.

Conclusion

The exponential growth in the sharing economy has radically transformed the short-term rental market in London and across the world. Airbnb, which is widely regarded as the market leader, was only founded in 2008 and a decade later lists over a million properties in many different cities across the world.

Proponents of these platforms argue that there are many benefits to this sharing economy. Unfortunately, local and national governments have been slow to adapt. As a result, Airbnb has seen itself become embroiled in bitter political battles on issues such as lack of housing supply and increasing pressures on local communities. However, just as it is clear that these sharing platforms are not the primary cause of these long-standing issues, it is also clear that short-term letting platforms are here to stay. It is vital that homesharing platforms continue to engage with local communities and city authorities, rather than working as opponents. They should be looking to work with national and local government, to help lay the right regulatory

framework to build cohesive communities and a modern economy.

The recommendations that follow strike a balance between continuing to allow people to enjoy the extra income gained from renting a room, or their home while they're on holiday, and the need to protect housing supply and community cohesion. The issue that came up time and time again throughout this investigation was that the boroughs tasked with enforcing the 90-day limit didn't have the resources or data to do so. Therefore, many of the recommendations relate to data sharing, which will help boroughs crack down on abusers of the system.

There is also a clear need for more devolution of powers to London government. Given that the rules governing Airbnb in the capital differ from the rest of the country it seems only right that London government has more power to shape them.

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Appendices

Appendix 1

Borough	Total no of homes	Active Airbnb rentals	Airbnb %	Annual Airbnb growth (%)
Westminster	122,020	7,074	5.80%	105
Wandsworth	141,580	2,405	1.70%	96
Waltham Forest	101,280	864	0.85%	93
Tower Hamlets	113,190	5,829	5.15%	96
Sutton	81,630	134	0.16%	120
Southwark	129,740	3,213	2.48%	81
Richmond upon Thames	84,290	788	0.93%	64
Redbridge	102,710	480	0.47%	88
Newham	110,250	1,377	1.25%	113
Merton	83,220	802	0.96%	99
LONDON	3,484,880	55,439	1.59%	91
Lewisham	124,360	1,426	1.15%	99
Lambeth	137,610	3,036	2.21%	79
Kingston upon Thames	66,650	309	0.46%	116
Kensington and Chelsea	86,920	4,402	5.06%	89
Islington	101,780	2,976	2.92%	81
Hounslow	99,270	686	0.69%	105
Hillingdon	108,170	300	0.28%	148
Havering	101,270	119	0.12%	157
Harrow	89,320	296	0.33%	129
Haringey	106,880	1,254	1.17%	84
Hammersmith and Fulham	85,640	2,916	3.40%	86
Hackney	107,570	3,563	3.31%	72
Greenwich	108,600	1,057	0.97%	100
Enfield	124,470	396	0.32%	114
Ealing	131,250	1,065	0.81%	110
Croydon	154,560	620	0.40%	121
City of London	6,310	380	6.02%	92
Camden	102,620	4,097	3.99%	89
Bromley	137,560	385	0.28%	95
Brent	116,650	1,711	1.47%	94
Bexley	96,860	163	0.17%	110
Barnet	146,730	996	0.68%	119
Barking and Dagenham	73,910	155	0.21%	216

Source: AirDNA

