

## **M61 Written Statement from Just Space 2718 Visitor Infrastructure**

*Is Policy E10 justified and consistent with national policy and would it be effective in ensuring that the need for accommodation and other infrastructure for visitors can be met in appropriate locations? In particular:*

*a) Is development of accommodation and other visitor infrastructure a matter of strategic importance to London, or a detailed matter that would be more appropriately dealt with through local plans or neighbourhood plans?*

*b) Would Policy E10D support the “strategic functions” of the CAZ (paragraph 2.4.4) and “locally orientated uses” in the CAZ (paragraph 2.4.5)?*

### **Just Space**

Policy E10 as drafted is presently not consistent with national policy as it does not ensure short-term lets (STL) do not compromise the availability of permanent housing stock and with it boroughs’ ability to meet housing need in line with national planning policy. Point F states that ‘short-term lettings should be supported whilst ensuring they do not compromise housing provision’. However, the only mechanism proposed to ensure this is for boroughs to address ‘impacts on local amenity caused by short-term lettings’ through their development plan documents.

Taking AirBnB as indicative of the short-term lettings market overall, the available data from InsideAirBnB suggests ‘many properties are being used exclusively for the purposes of STL’ (Holman *et al* 2017 p25)<sup>1</sup>. Local planning officers interviewed by Holman *et al* (2017) for their research describe the difficulties in monitoring and enforcing the use of STL beyond the 90 days permissible without change of use through the planning system, being reliant only on residents’ reports. As in other cities (e.g. New York (see Schneiderman 2014<sup>2</sup>)), short-term letting has been strongly taken up by commercial and property companies such as AirBnB which have been aggressively marketing to secure additional properties to let.

While the policy intended to enable homeowners to participate in London’s success as a tourism destination through the sharing economy, in fact it is benefiting commercial and property companies who are able to let out properties at much higher rates than would be possible through traditional lettings. Evidence from Islington and RB Kensington & Chelsea shows that short-term lets command twice or three times the rent of standard lets (Holman *et al* 2017 p24), creating a substantial rent gap which is driving the significant expansion of AirBnB and other such firms in London. The number of properties listed on AirBnB has risen in all four boroughs included in the Holman *et al* (2017) study (Westminster, Camden, Kensington & Chelsea and Islington), as shown in the graph below (2017 p41).

There is therefore now significant evidence to show that short-term lets are significantly eroding the permanent housing stock available for traditional lettings or home ownership in London, impacting on boroughs’ ability to plan for and to meet housing need. Policy E10 is presently unsound in this regard. Changes are needed to equip local authorities to monitor and where necessary enforce short-term lettings, for example requiring householders to complete a register marking the number of days their property is rented out over a calendar year, and to restrict the significant expansion in short-term lettings by commercial property companies rather than individual householders. The Mayor should consider following the example of Paris, which banned multiple property listings by a single ‘host’.

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<sup>1</sup> Holman, N., A. Mossa and E. Pani. 2017. Planning, value(s) and the market: An analytic for “What comes next?” *Environment and Planning A*. E-print available via LSE at <http://eprints.lse.ac.uk/85767/>.

<sup>2</sup> Schneiderman E, 2014, “AirBnB in the City”, New York State Attorney General, <https://ag.ny.gov/pdfs/AIRBNB%20REPORT.pdf>