

Department for Culture, Media and Sport

Consultation on a registration scheme for short-term lets in England

Response from Propertymark

June 2023

Background

1. Propertymark is the UK's leading professional body of property agents, with over 17,000 members representing over 12,800 branches. We are member-led with an executive Board of practicing agents who we work closely with to ensure that we uphold high-standards of professionalism and are able to advocate for legislative change on behalf of the sector.

Overview

2. Between June and September 2022, the Department for Culture, Media and Sport (DCMS) consulted on proposals for a tourist accommodation registration scheme in England. Overall, analyses of the responses indicated that 60% of respondents supported further intervention, although only 18% of respondents favoured a more interventionist approach which included issuing a licensing scheme. In response to broad support for intervention, DCMS has set out six potential approaches to take, from doing nothing to a licencing scheme with physical checks of short-term lets. The following questions have been set out to establish the specific design of a registration scheme, if one should be established at all, and its scope.

Summary

3. Propertymark welcomes the opportunity to respond to the Department for Culture, Media and Sport's consultation on the registration scheme for short-term lets in England. This is a growing area of concern for many property agents across the country, as evidence from Propertymark members in 2022 suggested that the number of short-term lets was rising which was impacting the availability of property to rent and buy¹. Due to this evidence, Propertymark supports a registration scheme that balances the economic interests and identity of a local area with the need to ensure that an abundance of short-term lets does not negatively impact the supply of long-term housing options. Fundamentally, the issue is complex and very localised, therefore, we

¹ [The impact of short-term/holiday lets on UK housing | Propertymark](#)

call for a registration scheme based on a national framework that is able to respond directly to local issues rather than a scheme that takes a one-size-fits-all approach.

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

4. Out of the options laid out by the UK Government, Propertymark favours the approach of an opt-in scheme for local authorities, with a national framework. This would enable resources to be prioritised in areas where local authorities have identified failing health and safety standards in short-term lets and or if the short-term lettings industry is negatively affecting the supply of long-term housing. We envision that a framework would include guidelines on when a registration scheme would be recommended, such as a percentage of short-term lets that are failing to meet minimum standards and the requirement for evidence that the proliferation of short-term lets is having a negative impact on the availability of places to live. By ensuring that evidence is provided, licensing schemes can be prioritised where they are needed and not introduced in areas where the scheme would have a detrimental affect on local residents and the economy.

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

5. Local authorities should be responsible for administering the registration scheme for three main reasons:
 - Firstly, local authorities are best placed to understand and manage the interests of their local communities when compared to a national scheme or The English Tourist Board. This will ensure that decisions made are better aligned with the interests of the public and local economic factors while ensuring a continued supply of long-term housing. Our concern is that if another national body administered the scheme, they may prioritise the short-term economic gains of increased tourism over the wellbeing of local communities, which would decline without sufficient long-term housing.
 - Secondly, local authorities have experience issuing registration schemes, with many delivering selective and additional licenses within the private rented sector. This gives the local authority the expertise necessary to run the registration scheme, as long as they can justify why a scheme is necessary.
 - Thirdly, there is evidence of local authorities administering the registration scheme as the short-term lets registration scheme in Scotland is ran by local authorities.

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

6. Yes. While we encourage the use of a digital platform to reduce costs and increase the speed in which applications can be processed, a paper or telephone-based version would help to ensure the registration scheme does not place barriers on people who struggle to use digital platforms.

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

7. Yes, we agree that a valid registration number should be required in order to list a short-term let within areas that had a registration scheme. This would enable the short-term letting platforms to self-enforce the registration scheme by requiring valid registration numbers in order to sign up to the platform. This will reduce the potential strain on local authority resources while making it more difficult for homeowners to let their properties without being registered.

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

8. Yes, we agree that the registration number should be displayed in any short-term let advertisement or listing. While we expect short-term letting platforms to remove most if not all listings which do not have a valid registration number, the requirement that the registration number be displayed in any advertisement or listing has two additional benefits:
- Firstly, potential renters would be able to see if a property is registered and therefore meeting standards.
 - Secondly, it ensures that landlords cannot get away with using alternative websites, or other means of advertising or listing short-term lets, which do not actively enforce valid registration requirements.

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)

9. Other. We would suggest that the named owner register and their properties (premises/dwelling) are also registered. This would ensure that those staying in a short term let have confidence that the owner is registered, and that each property has been inspected and approved. Doing this ensures that no properties are left unregistered, and that the registration scheme can establish standards of both the owner and their individual properties. Properties can then be linked to owners more effectively. Details of individual accommodation units within premises/dwelling should form part of registration process but as a sub-section to capture additional information.

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

10. Our main concern is with the reduction of supply in long-term accommodation and the quality of homes offered for short-term lets. Therefore, we believe all following types of accommodation should be excluded from the registration scheme as they either require specialist health and safety guidance or have less of an impact the long-term housing market:

- 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

Question 8: Do you agree with the following list of exemptions:

- a) licenced hotels and B&Bs and self-catering properties on their premises,**
- b) women's refuges,**
- c) homeless hostels and other temporary accommodation for homeless people,**
- d) accommodation for asylum seekers,**
- e) child or adult care homes and other council premises,**
- f) student halls of residence (whether used by students or others),**

- g) hospitals,
- h) prisons, and
- i) supported housing

11. Yes. We agree with the list of exemptions.

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.

12. We are happy with the current list of exemptions.

Question 10: How long should registration be valid for?

13. We would encourage that local authorities set their own renewal requirements, allowing for local authorities to base how long registrations are valid on the needs of their area. However, we would suggest that five years is an appropriate renewal length. This would provide sufficient time for local authorities to register owners, especially when the registration scheme is set up for the first time. A sufficiently long scheme will be less of a burden to license holders and enable local authorities to focus on enforcement rather than registration.

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

14. We have provided our answer in the table below:

	To be collected at registration	To be collected annually	Should not be collected
Address of the premises/dwellings	X		
Name of premises/dwelling owner	X		
Address and contact details of premises/dwelling owner	X		
Whether the premises/dwelling to be let is an dwelling or part of a dwelling, such as a room or outbuilding	X		

Self-certification of adherence to relevant regulations (see question 12)		X	
Proof (e.g. a photograph or electronic upload) of adherence to regulations		X	
Detail about the accommodation unit(s) (e.g. number of units, number of bedspaces, accessibility)	X		
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	X		
Number of nights per year the premises is available to let	X		
Number of nights the premises was let out for in the last year		X	
Whether planning permission has been granted or is not required	X		
Other – Potentially a record of non-compliance, penalties or how records of misconduct were resolved.		X	

15. Alongside the information within the table, the name and contact details should be collected on the organisation or agent who is managing the short term let, such as AirBnB or a letting agent. We would also suggest that the location of where the property is advertised should be collected. This would improve enforcement and allow for the regulatory body to review property listings.

16. Additionally, within the data on the owner and property registration, homeowners should be expected to specify if the entire or part of property is let and to state the number of rooms which are available. Alongside this, the maximum number of people that can stay at the property when let should be include as well as car parking at the property. This would enable local authorities and regulators to understand the impact letting the property will have on the local area.

17. We would also suggest that those on the register should update all information provided as soon as it changes, rather than annually. This will ensure that all relevant information is up to date. Enforcing that information is collected at registration, and updated only when required, reduces

the administrative burden on local authorities and owners of short-term lets. The only exceptions would be for adherence to relevant regulations to ensure that properties are maintained to a high standard or when information specifically refers to “in the last year”.

Question 13: In the context of compliance and enforcement, what should be the starting point of the registration scheme?

18. We would encourage light touch physical inspections of short-term lets based on an intelligence or risk-based approach on an ongoing basis. We would recommend that those using short term lets are encouraged to report any potential breaches to the local authority who could investigate properties based on the number of complaints. This would sit alongside a regular inspection regime, which would help uncover breaches that users would not necessarily know were breaches. Combining regular inspections with a risk-based approach ensures resources are set aside for the most urgent cases while ensuring regular inspections can still take place.

Question 14: What issues do you think should incur a penalty?

- 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**

19. We agree that all of the above should incur a penalty in extreme cases. In addition, we would include a penalty for letting a home on a short-term basis for longer than is allowed under the registration scheme. This would prevent private landlords from switching to short-term lets for financial gain at the expense of housing supply within the local market.

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.**
- **Revocation of registration, for a period of time or permanently.**

- 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.
- Other - please specify

20. We believe that fines, revocation of registration and notices to the short term let owner of provider would all be appropriate penalties.

Question 16: Should there be a flat fee per owner, or a sliding scale attendant with the number of units being let?

21. We believe that there should be a flat fee per owner and per property let that is reduced should the owner be only letting out a room in their home. The registration requirements outlined in question 2 and the registration process working with the advertising platforms will then need to cross reference against these requirements with local authorities for enforcement and compliance purposes.

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

22. No. We believe that the only fee should be for owners to renew their registration, either by the end of the specific period (for example a period set by the local authority or five years) or if they are reapplying to the register. An annual fee risks penalising compliance, which may only lead to owners flying under the radar of the scheme. Instead, penalties for repeated non-compliance should be used as an opportunity to recover the costs of the scheme. That way, non-compliance is punished, and compliance isn't discouraged.

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

23. If all homeowners (regardless of the number of days their property is let) have to register and pay a fee, then the scheme should be self-funding. Rather than asking for set up costs, the UK Government should ensure that the platforms work in sync with the new platform and can assist with enforcing the rules and compliance.

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?

24. Yes, data will need to be shared between the lead UK Government department administering the scheme, other UK Government departments and authorities that will interact with the scheme, the advertising platforms and local authorities administering the scheme.

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.

25. Out of those listed, enforcement authorities should have access to individualised and detailed data but only when necessary to carry out an investigation. Additionally, UK Government departments and academics should have access to aggregated and anonymised data for research and future policy making purposes.

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

26. Yes. We would consider that a property can be let for less than a calendar month in a year without the requirement to register. Additionally, we would consider letting to family members to be exempt from the scheme. This is so that resources spent administering the scheme can be focused on properties that are more likely to have a larger impact on the supply of long-term accommodation.

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?

27. While local authorities are best placed to deliver a registration scheme, they must be sufficiently resourced to enforce regulations. If they are under-resourced, we could see a situation similar to the way selective and additional licenses have been introduced.² Currently many private landlords

² Local authorities in England and Wales have had discretion to apply these schemes since April 2006 under the Housing Act 2004. Where selective licensing is in force, all private landlords operating within a designated area must obtain a local authority licence. Penalties apply if landlords operate without a licence in these areas. In England, since April 2015 the Secretary of State's permission must be sought for any selective licensing scheme

and property agents are frustrated with the way local licensing has been implemented, with fees not leading to the improvements in the standard of homes that was promised. In order to effectively implement the short-term lets registration scheme, we would urge DCMS to investigate licensing schemes that have been successful and those which are unpopular to understand how to design a scheme that leads to good outcomes and a healthy housing market.

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?

28. Propertymark is insufficiently qualified to respond to this question. We hope that the UK Government will consider the responses from organisations with experience in supporting individuals with protected characteristics.

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

29. Not applicable.

covering more than 20% of the authority's geographical area or where it affects more than 20% of privately rented homes in the area.