Short-term lets analysis – Jan 2022

**Political interest in topic of short-term lets:**

* Recent report ‘Towns and cities: local power is the path to recovery’, published by the House of Lords COVID-19 Committee stated: ‘Too many towns and cities are being hollowed-out by increasing numbers of holiday and short-term lets, leaving residents without an adequate supply of housing’. The committee wants to see a licencing scheme which will enable better controls to limit to the number of holiday and short-term lets that can be in one location and the number of days in which they can be available for this purpose.
* Recent debate in commons ‘Westminster Hall debate on Affordable Housing: Planning Reform - Dec 7’ brought forward by Derek Thomas MP (St. Ives) (https://www.parliamenttoday.com/members/viewnews.html?id=133779). ‘It is not a new situation; I recall having a meeting with the current Health Secretary when he was the Housing Secretary, some years ago now, asking him to intervene in the housing situation on Scilly by allowing the council to have powers to address the rate of second home ownership on the islands.’... ‘My Cornish colleagues and I have regularly raised the difficulty faced by residents to acquire affordable housing since we were elected. More recently, we have raised this directly with the Prime Minister in meeting of Cornish MPs. I secured a debate in 2018 asking the Government to address the difficulties that second home ownership and the holiday let industry place on families who need affordable homes so that they can both work and raise their families locally.’ Derek Thomas MP.
* Tim Farron debate 06/01/22: Farron called for seven changes to law and policy in order to tackle the growth in short term lets in rural areas, including:
* Making second homes and short term lets a separate use class in planning terms (Guernsey already has a similar system)
* Giving councils and national parks the power to ensure that, at least in some cases, 100% of new builds are genuinely affordable, and provide funding to pump prime those developments, possibly in part via the proceeds of a second homes council tax supplement.
* The Housing Minister Christopher Pincher responded and was opposed to the idea of a separate use class, but didn’t rule out further planning reforms to address the issue

**Analysis**:

**All England short-term lets**

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Year | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Short-term let listings (September) | **0** | **0** | **13,304** | **44,285(+233%)** | **101,671(+130%)** | **140,399 (+38%)** | **180,781(+29%)** | **142,359(-21%)**  | **148,009 (+4%)** |



* Data from September 2015, 2016, 2017, 2018, 2019, 2020, 2021. All England data from September in each of these years shows an increasing trend in the number of short-term lets.
* A small decline in the number of STLs was seen between 2019 and 2020, likely due to restrictions imposed on travelling due to the coronavirus pandemic. However, data from 2020 to 2021 shows that there has been some recovery from this decline.

**Suffolk (comprising LA data from Babergh, Mid Suffolk, Ipswich, West Suffolk and East Suffolk)**

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Year | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Short-term let listings (September) | **0** | **0** | **0** | **286** | **1,381** | **2,569** | **3,167** | **2,356** | **2,884** |
| Private rented properties | **58,526** | **60,525** | **62,529** | **63,193** | **62,512** | **62,263** | **61,284** | **n/a** | **n/a** |
| Social housing completed | **78** | **148** | **23** | **15** | **36** | **0** | **10** | **87** | **n/a** |
| Social housing wait list | **13795** | **12533** | **10977** | **10957** | **10598** | **16668** | **10676** | **9977** | **n/a** |

Suffolk data shows that:

* Between September 2016 and September 2021 there was a 908% increase in the number of short-term let listings
* However, between the years 2016 and 2019 (no data beyond this date available) there was a –3% decline in the number of private rented properties on the market
* In 2020 there were 9977 households on social housing wait lists, but only 87 social houses were completed

**Northumberland**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Year** | **2013** | **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** |
| **Short-term let listings (September)** | **0** | **0** | **0** | **78** | **498** | **1036** | **1752** | **1606** | **1829** |
| **Private rented properties** | **25,992** | **26,836** | **27,784** | **28,156** | **27,945** | **27,774** | **27,405** | **n/a** | **n/a** |
| **Social housing completed** | 127 | **198** | **25** | **22** | **8** | **6** | **9** | **5** | **n/a** |
| **Social housing wait list** | 9608 | 7744 | 8814 | 8367 | 8977 | 9196 | 8561 | 8967 | **n/a** |

Data for Northumberland shows:

* There has been a 2245% increase in the number of short-term listings advertised between September 2016 and September 2021
* Whereas, there has been a –3% decline in the number of privately rented properties coming forward on the market
* In 2020 there was 8967 households on the social housing wait list, a 5% increase on the year before
* However, only 5 social houses were completed in 2020, a further decline from the 9 social houses built the year before.

**Scarborough**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Year | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Short-term let listings (September) | **0** | **0** | **0** | **20** | **220** | **467** | **729** | **586** | **764** |
| Private rented properties | **13,027** | **13,403** | **13,733** | **13,810** | **13,618** | **13,448** | **13,275** | **n/a** | **n/a** |
| Social housing completed | **24** | **66** | **4** | **0** | **5** | **0** | **4** | **7** | **n/a** |
| Social housing wait list | **4148** | **2033** | **2100** | **2250** | **1873** | **2169** | **1748** | **1676** | **n/a** |

**Data for Scarborough shows:**

* Between September 2016 and September 2021 there has been a 3,720% increase in the number of ‘entire place’ short-term let listings
* But there was a -4% decline in the number of privately rented properties on the market
* In 2020 there were 1676 households on the social housing wait list, but only 7 social houses were completed

**South Lakeland**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Year | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Short-term let listings (September) | **0** | **0** | **0** | **138** | **802** | **1335** | **2454** | **1890** | **1837** |
| Private rented properties | **9,782** | **10,077** | **10,366** | **10,465** | **10,325** | **10,199** | **9,944** | **n/a** | **n/a** |
| Social housing completed | **16** | **29** | **0** | **0** | **0** | **0** | **0** | **3** | **n/a** |
| Social housing wait list | **3200** | **3470** | **2596** | **2974** | **3015** | **3225** | **3453** | **4028** | **n/a** |

**Data for South Lakeland shows:**

* Between September 2016 and September 2021, there was a 1,231% increase in the number of short-term listings
* Between 2016 and 2020 there was a -5% decline in the number of privately rent properties on the market
* There were only 3 social housing completions last year, the first completions since 2015.
* Whilst the social housing wait list has grown by 35% in the time since 2015.

**Brighton and Hove**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Year | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Short-term let listings (September) | **0** | **0** | **0** | **1215** | **1901** | **2312** | **1747** | **1961** | **2105** |
| Private rented properties | **38,838** | **40,011** | **40,831** | **40,913** | **40,170** | **39,473** | **39,357** | **n/a** | **n/a** |
| Social housing completed | **58** | **7** | **0** | **17** | **2** | **10** | **12** | **4** | **n/a** |
| Social housing wait list | **16,249** | **19,071** | **22,182** | **23,698** | **24,392** | **14,785** | **8637** | **8967** | **n/a** |

**Brighton and Hove data:**

* Between September 2016 and September 2021, there was a 73% increase in the number of short-term listings
* Between 2016 and 2020 there was a -4% decline in the number of privately rent properties on the market
* In 2020, only 4 social houses were built, whereas 214 new entire place listings came forward as short term lets
* The B&H area has seen a 60% increase in the median house price for a semi-detached house since 2010, with median house price now at 425,000, up from 265,000 in Dec 2010.

**Cornwall**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Year | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Short-term let listings (September) | **0** | **0** | **0** | **1998** | **10684** | **13956** | **17067** | **13576** | **15213** |
| Private rented properties |

|  |
| --- |
| **53,844** |

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|  |
| --- |
| **55,639** |

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|  |
| --- |
| **57,331** |

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|  |
| --- |
| **57,941** |

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|  |
| --- |
| **57,372** |

 | **57,194** | **56,456** | **n/a** | **n/a** |
| Social housing completed | **12** | **13** | **6** | **30** | **47** | **22** | **60** | **10** | **n/a** |
| Social housing wait list | **26,994** | **27,806** | **30,077** | **18,814** | **18,184** | **11,005** | **11,929** | **15,502** | **n/a** |

**Data for Cornwall shows:**

* Between September 2016 and September 2021, there was a 661% increase in the number of short-term listings
* Between 2016 and 2020 there was a -3% decline in the number of privately rent properties on the market
* Meanwhile, there was a 30% increase in the number of households on the social housing waiting list between 2019 and 2020
* Between 2018 and 2019, there was a 22% increase in the number of ‘entire place’ short term lets coming forward on the market

**Cumbria and wider Lake District (Comprising: Eden, South Lakeland, Copeland, Allerdale, Barrow-in-Furness and Carlise)**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Year | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Short-term let listings (September) | **0** | **0** | **0** | **649** | **2475** | **3631** | **6565** | **5138** | **5453** |
| Private rented properties | **39,204** | **40,472** | **41,744** | **42,323** | **41,860** | **41,460** | **40,517** | **n/a** | **n/a** |
| Social housing completed | **123** | **109** | **59** | **60** | **29** | **44** | **19** | **28** | **n/a** |
| Social housing wait list | **12,243** | **15,193** | **15,652** | **13,462** | **9262** | **10,769** | **12,464** | **15,351** | **n/a** |

**Data for Cumbria:**

* Between September 2016 and September 2021, there was a 740% increase in the number of short-term listings
* Between 2016 and 2019 there was a -4% decline in the number of privately rent properties on the market
* This coincides with a 14% increase in the number of households on the social housing wait list between 2016 and 2020.
* During the same period only 180 social houses were built, whilst 4,489 short-term lets came forward for rental

**Devon (Comprising data from: West Devon, East Devon, Exeter, Mid Devon, Plymouth, South Hams, Teignbridge, Torbay, Torridge and North Devon)**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Year | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Short-term let listings (September) | **0** | **0** | **0** | **1219** | **6022** | **9099** | **12073** | **9865** | **11160** |
| Private rented properties | **112,480** | **116,462** | **120,048** | **121,337** | **119,871** | **119,077** | **117,681** | **n/a** | **n/a** |
| Social housing completed | **433** | **266** | **190** | **141** | **178** | **215** | **285** | **156** | **n/a** |
| Social housing wait list | **35,363** | **31,963** | **32,546** | **33,321** | **27,097** | **25,702** | **29,044** | **24,205** | **n/a** |

**Data for Devon:**

* Between September 2016 and September 2021, there was an 816% increase in the number of short-term listings
* Between 2016 and 2019 there was a -3% decline in the number of privately rented properties on the market
* Devon is one location that we’ve analysed which has had consistently very high numbers of people on their social housing wait list. Short-term lets may just be adding pressure to a problem that already existed as 2019 saw a spike in the number of households on the list, coinciding with a sharp increase in the number of short term lets added between 2016 and 2019.

**Recommendations:**

* We support calls from Cornwall County Council, Devon County Council and advice from the Select Committee on Covid-19 to introduce tighter controls on second home ownership, including higher council tax on second homes and the requirement for short term lets to have planning permission.
* We continue to call for an investment of £12.8 billion per year for ten years to provide 145,000 affordable homes each year, 90,000 of which should be for social rent.
* National planning policy needs to be changed so that the size, type and amount of affordable housing built much more closely reflects local need than at present (as per the recommendations of the 2018 Letwin review)
* Change the definition of ‘affordable’ in national planning policy to ensure that affordable housing is genuinely affordable, with rents being tied to local incomes rather than market prices.

**Methods**:

* Data collected by AirDNA starting in April 2015 using servers to collect reservation data for every listing on Airbnb and Vrbo, accounting for properties that may be listed on both websites (more information on AirDNA data here: [AirDNA | How Our Data Works](https://www.airdna.co/airdna-data-how-it-works). With ‘Available Listings’, defined as any short-term let that registered at least one day booked or available during the month.
* Our short-term lets figures are based on the number of ‘entire place’ available listings on Airbnb and Vrbo available in September 2015, 2016, 2017, 2018, 2019, 2020 and 2021. These are standalone figures for that month in each year, in that particular area.
* Social housing waiting lists and social housing completions information gathered from government data live tables, April 2013/14 to March 2020/21. Live Table 600 and Live Table 1006 (DLUHC, 2021).
* Figures on the quantities of privately rented properties in each district obtained from the ONS data set ‘Subnational estimates of dwellings by tenure, England. 2012-2019', available here: https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/subnationaldwellingstockbytenureestimates.