



AIRBNB SUBMISSION: DRAFT LONDON PLAN

PART 1: HOUSING

A RESPONSIBLE PARTNER FOR LONDON

- 1.1. Airbnb is a trusted community marketplace for people to list, discover, and book unique accommodation around the world. Travellers (who we call “guests”) and providers of accommodation (who we refer to as “hosts”) can meet, connect and transact directly with one another. Our platform was first established in San Francisco in 2008 and is now worldwide – with listings on Airbnb hosting guests in 191 countries.
- 1.2. In London, Airbnb has 75,000 host listings, attracting more than 2 million guests over the past year. This has generated typical annual earnings of around £3,000 per host (typical of 40 nights hosting per year), an estimated £1.28bn in guest spending and a combined £1.62bn in combined guest and host economic activity in London alone.
- 1.3. Airbnb is committed to being a good partner in London, engaging with policy makers to ensure that we continue to grow sustainably and responsibly.
- 1.4. In 2016, we provided the Institute of Public Policy Research (IPPR) with Airbnb data as part of a research project exploring the impact of home sharing on London. IPPR stated the current impact of home sharing on London’s housing supply was ‘negligible’, however, recommended action to ensure sharing of entire homes does not contribute to the housing crisis in future. Which is why just over a year ago, Airbnb took the proactive step of introducing our automated system to limit entire home listings to 90 nights per year. As a result, hosts on Airbnb remain responsible ambassadors for their community, whilst spreading the benefits of tourism to the local economy across London.
- 1.5. The action that Airbnb has taken has meant that since introducing limits in January 2017, the number of hosts in London exceeding 90 nights has dropped on our platform by two thirds. Of the entire-home listings that took bookings in 2017, only 7 percent were booked for 90 nights or more on a short-term rental basis. The 7 percent includes hosts who have confirmed they have the relevant permission to share their entire home for over 90 nights (such as serviced apartments), and those who accepted over 90 nights of bookings before the introduction of Airbnb’s automated limits.
- 1.6. At the same time, people listing their space occasionally on Airbnb in London has continued to grow. The capital now has over 75,000 listings on the platform. Empowering Londoners with a tool to make life more affordable, Airbnb is generating extra income for families whilst also increasing visitor spending for the local economy.
- 1.7. We are calling on other short-term accommodation providers to follow our lead. We believe the 90 night limit in London is proportionate and fair, but to date, Airbnb is the only platform that is voluntarily working with London to ensure homes are shared responsibly. New data shows that there are at least 40,000 listings on other platforms in the city. In addition, Booking.com saw a 50% increase in short term rental listings between December 2016 and January 2017 in London, immediately after we announced our intention to introduce night limits in London.



- 1.8. The Draft London Plan states that *'homes should not be used as short-term holiday rented accommodation for a cumulative period of more than 90 days a year without seeking planning permission'*. As we continue Airbnb's voluntary limits in London, we want to work with the Mayor, local authorities and other short-term accommodation providers to make sure that all parts of the industry are upholding the cap, both to the letter and the spirit of the 90-night limit. Specifically, we are working with local authorities across London to determine how a planning permission verification process could be established and championing action towards a sector-wide commitment to 90 nights in London through the Short-Term Accommodation Association (STAA).

HOME SHARING ON AIRBNB: A TOOL THAT MAKES LIFE MORE AFFORDABLE

- 2.1. A typical host on Airbnb in London makes, on average, £3,000 a year from sharing their home.
- 2.2. In our recent submission to the Mayor's Housing Strategy Consultation, Airbnb identified two specific policies that will help the Mayor and our industry support home sharing and the value it brings to London. The first, set out above, towards an industry-wide commitment to the 90-night short-term letting regulations. Second, to explore how home sharing can form part of a 'London Model' in a new deal for private renters, landlords and mortgagors.

To that end, Airbnb commissioned market research agency Opinium to undertake a survey with the purpose of growing the evidence base upon which future policy and regulation will need to have regard. The survey (3,631 UK adults, nationally representative sample, Oct. 2017) finds:

- 2.3. **London is the most likely region in the UK to home share.** One in five Londoners (19%) say that they currently are or have home shared in the past and a further fifth (22%) say they would consider it.

Home-sharing supports home ownership and rental income. One in four (24%) use the money they earn from home sharing to pay for their mortgage or rent (UK-wide finding);

The vast majority of Londoners surveyed (86%) believe that home sharing should be a standard offer included in mortgages, leases and tenancy agreements. In addition, 52% of renters in London said that landlords and mortgage providers who cater for home sharing were just catching up with the reality of how people use their homes.

The ability to home share is more important to London millennials - new to the housing market¹ - than any other group. 80% would opt for a mortgage agreement which included home sharing over one that did not, 7% higher than the national average. In addition, 26% of first-time buyers in London currently not home sharing said they would likely do so in their first home.

Almost nine in ten (89%) UK millennials new to the property market have tried to negotiate home sharing with their mortgage provider. 70% were successful in their attempt to alter their agreement to allow for home sharing.

¹ Millennials new to the housing market are defined as 18-34 age bracket, who have either bought their first home in the last three years or plan to buy their first home within the next three years



The ability to home share is also important to London renters as two thirds (66%) said they would opt for a tenancy agreement which allows home sharing. Similarly, 69% of mortgagors across London would opt for the mortgage agreement that allowed for home sharing.

In addition, almost half (49%) of Londoners said that the ability to home share was an important factor when searching for their mortgage. This is more than nine times the number of mortgagors in the East of England and Wales who agreed with this statement (5%).

2.4. In the Foreword to the Draft London Plan, the Mayor states that *'For too many Londoners, the thought of buying somewhere to call home is out of reach'*. Home sharing is an important part of the current housing market in London and, as these survey findings suggest, will continue to be. We agree that for too many people, home ownership is out of reach. Home sharing has an important role to play in overcoming this public policy challenge. Airbnb will be working closely with the Mayor and local authorities to promote policy, regulation and initiatives that will unlock home ownership opportunities for more people in London. For the purposes of the London Plan, the Mayor has an opportunity to set out commitments to promoting changes to mortgage agreements and tenancy agreements that support home ownership.

2.5. At the heart of the Draft London Plan is the demand for new housing. Airbnb's experience in the U.S. provides guidance for how London can better utilise home sharing as part of the solution to the housing crisis.

In the US, our Friendly Building Programme has been warmly received by Build to Rent developers. This is a way for landlords, property managers, and homeowners' associations to let people in their building to host on Airbnb. Through this programme, Airbnb collaborates with hosts and building owners to create specific hosting rules that work for everyone; update leases and other agreements to allow residents to host; help landlords, residents, and Homeowners Associations to share portions of the reservation income. Building owners can define home sharing terms for participating residents—like blackout dates and pet policies—in their building rules. They can then use the dashboard to monitor the hosting activity of participating hosts. The London Plan provides an opportunity for a similar programme to be considered here in London.

2.6. Home sharing is also providing income that is helping people who struggle with rent and mortgages to remain in their current homes, as testimony from two of our host community in London demonstrates.

Lana, a host in Camden said: *'I was struggling to pay the rent on my flat and began receiving housing benefit. But, preferring to pay my own rent, I decided to move into my living room so that I could host in my bedroom. It helps me to pay for my rent and bills.'*

Florence, another Airbnb host in Westminster, said: *'I started hosting eighteen months ago after I was made redundant. Hosting allowed me to keep my home and pay my mortgage while I was out of work. I now work part time running a small charity and host in my spare time.'*

2.7. 37 percent of people said that mortgage providers that specifically cater for home sharing were just catching up with the reality of how people are using their home. Forward-thinking



mortgage providers - such as Lloyds TSB and Metro Bank² - have already endorsed home sharing with responsible limits.

- 2.8. As well as supporting growth in home ownership, home sharing is providing security for Londoners to remain in their own homes. Empowering regular people with a tool to make life more affordable, home sharing provides a 21st Century approach to the modern housing market.

PART 2: TOURISM

SPREADING TOURISM ACROSS ALL OF LONDON

- 3.1. Here at Airbnb, we believe that cultural tourism is about connecting people, values and culture to build authentic travel experiences. As an official signatory to the Mayor's London's Tourism Vision, we are very proud to play an active role in the continued success of London as the UK's premier tourism destination.
- 3.2. As outlined in our [UK Insights Report](#), London is the most popular destination for guests on Airbnb in the UK. Over two million inbound guests were welcomed to London over a year long period through Airbnb, a 49 percent increase over this period. Our research also found that:
- **London welcomed the highest percentage of international visitors across all UK regions.** 73 percent of guest arrivals to London were international visitors and 27 percent were guests from elsewhere in the UK.
 - **Londoners are increasingly using the platform to accommodate visiting friends or family, or explore a new neighbourhood.** 10 percent of the domestic guest arrivals were Londoners booking in London.
 - **The variety of listings available on the platform helps travellers visit London by offering flexibility in destination, accommodation and costs.** Families are increasingly using the platform to travel round the city - 15 percent of guest arrivals were families in the past year. In addition, 32 percent of guests say they would not have come to the UK, or stayed as long, if they had not used Airbnb.

Airbnb is just a different way of traveling. It's more sociable than hotels, especially when it comes to travelling with friends or relatives. We can share a space in any place in the world and it could feel like ours.

Louis, Airbnb Guest, London

- 3.3. In 2016, we launched [a report](#) in partnership with the Greater London Authority which showed that use of Airbnb is growing at a significant rate in the outer boroughs of London. It also highlighted that 76 percent of our listings are outside of the city's main hotel districts, supporting the spread of tourism across London. We are looking to build on our offer for outer and central London local authorities by sharing borough level data later this year. This

² [Telegraph](#), 19.09.2017



will detail information on guest spending and total economic impact, number of listings and inbound guest arrivals. We look forward to sharing this with the Mayor and London Councils.

- 3.4. Our vision of end-to-end travel, encompassing where you stay, what you do and who you meet, has helped almost a million travelers globally better get to know destinations through Experiences, travel activities crafted and led by expert locals. Experiences help spread tourism across London – encouraging foot traffic often centred around traditional tourist sites to move into new areas, such as Hammersmith, Bromley and Brent. This, in turn, provides alternatives to the usual tourist experiences and activities, helping to support the local businesses in neighbourhoods outside of the city centre.
- 3.5. Experiences are also building knowledge about what every destination has to offer, from local cuisine and arts to music and outdoor adventures. In February 2018, we launched a raft of new categories for Experiences, including Airbnb Concerts - intimate shows in unique spaces like treehouses, recording studios and art galleries. We look forward working with the Mayor's office and Little Concerts, curating and executing female led live music experiences across for the Mayor's Sounds Like London music festival in June 2018 through the Airbnb Concerts platform.
- 3.6. At Airbnb, we believe we have a responsibility to promote and preserve cultural tourism. Our Community Tourism Programme supports innovative projects in local communities, that encourage and empower locals to both shape and benefit from more sustainable tourism. We believe this will result in stronger communities and empowered citizens whilst to preserving and promoting local culture.
- 3.7. We are delighted to announce that Airbnb will support the 2019 and 2020 London Boroughs of Culture. We partnered with Waltham Forest to support their bid, and are proud to be the official accommodation provider for Borough of Culture 2019. Working with the GLA, Waltham Forest and Brent, we also look forward to promoting the GLA's 'Listen Local' campaign, in partnership with Visit London.
- 3.8. Hosts on Airbnb are ambassadors for their neighbourhood, helping to promote the very best of what London has to offer. The average host on Airbnb has lived in their hometown for 22 years, and with that comes decades of local knowledge that enhances the guest experience. We have recently worked with hosts, businesses and local authorities to help create Cultural Tourism Maps, filled with their personal recommendations of what guests can eat, see and do when they come and visit. We have recently produced guides in two London boroughs - Southwark and Waltham Forest. We look forward to connecting our community ambassadors with the GLA as we support the London Borough of Culture programme.
- 3.9. Airbnb is, at its core, an open community dedicated to bringing the world closer together by fostering meaningful, shared experiences amongst people from all parts of the world. It is an incredibly diverse community, drawing together individuals of different cultures, values, and norms. Our shared commitment to these principles enables every member of our community to feel welcome on the Airbnb platform. We are very proud to play a part in the continued success of the Mayor's #LondonIsOpen campaign - and believe part of this is showcasing a community where people from every background feel welcome and respected, no matter how far they have travelled from home.
- 3.10. With our recent acquisition of Accomable - a platform that makes it easier for travellers to find accessible accommodation in more than 60 countries across the world - we hope that conversations about inclusivity and diversity on the platform will be even more fruitful. We're



looking forward to implementing quicker and easier ways for hosts to update their homes' accessibility information, and hope to increase guests' confidence that these homes will fit their needs. We would welcome the opportunity to meet with the Mayor to discuss our work to promote inclusivity and diversity in our community.

- 3.11. Through our position on the Tourism Industry Council, we represent home sharing at the table among key tourism players, to help build on the strength of the visitor economy for the future. We look forward to working together with the Mayor to promote London tourism to the UK Government and would welcome further opportunities to continue to champion London's unique tourism offer.