

BRIGHTON & HOVE CITY COUNCIL
SCRUTINY PANEL ON PARTY HOUSES
2.30pm 13 FEBRUARY 2014
COMMITTEE ROOM 1, HOVE TOWN HALL
MINUTES

Present: Councillors Bowden (Chair) and Robins

Apologies: Councillor Bennett

PART ONE

3. CHAIR'S INTRODUCTION AND FEEDBACK FROM PREVIOUS MEETING

- 3.1 The Chair of the panel welcomed everyone to the meeting. He mentioned that the term 'party houses' had caused some upset to some of the people involved in the panel. Whilst it was a convenient shorthand for some people, Councillor Bowden felt that another term ought to be used; an operator suggested 'large group private holiday lets' which was agreed.
- 3.2 Cllr Robins also commented that there seemed to be a defensive attitude by some attendees, the scrutiny panel hadn't made any decisions yet and would hear evidence from everyone before making recommendations. They were not saying what was right or wrong.

4. JOHN CARMICHAEL, VISIT BRIGHTON & HOWARD BARDEN, HEAD OF TOURISM AND VENUES

- 4.1 John Carmichael, Visit Brighton and Howard Barden, Head of Tourism and Venues for Brighton & Hove City Council advised the panel about Visit Brighton's approach to these type of properties.

Mr Carmichael said that the self catering market was a very important part of the accommodation offer in Brighton & Hove. 8% of overnight visitors stayed in non-serviced accommodation. Almost 10% of international overnight visitors stayed in non-serviced accommodation.

- 4.2 Visit Brighton has a partnership approach with accommodation providers in the city; there are 17 self catering partners involved. This includes three major agencies - Crown Gardens, Brighton and Hove Cottages and Palm's Properties.

Partners pay an annual fee which is re-invested in the city.

- 4.3 There is also a 'grey market' in self catering accommodation which is a lot harder to regulate, as accommodation can pop up overnight, on websites like Air B&B (although there is a cross over and some of the accommodation on Air B&B is also on Visit Brighton's books). Mr Carmichael searched Air B&B yesterday and found 413 properties on offer in Brighton. Of these, 65 slept 6 people, a further 20 slept 10 people and 8 slept 16 people.

The overall market size for 'large group private holiday lets' is a moot point, but Mr Carmichael would say it's in the low hundreds.

- 4.4 Visit Brighton are very careful in their marketing, they don't use the terms 'party' or 'hedonistic' though they do promote the night time economy as well as the cultural/ eating/ drinking. This is key; on average an overnight visitor will spend £125-£150 in 24 hours, whilst a day visitor will spend £35-40.

They will direct visitors to the approved premises but cannot stop people from choosing alternative providers.

- 4.5 Air B&B is part of a huge growth market in sharing economy, it's a worldwide company. Part of the problem is that some of the properties are not regulated or may just be used on a short term basis so agencies might not know about them. There is potentially an issue where the properties are not fulfilling the health and safety aspects needed, although Air B&B tells providers that they must comply with regulations. Users can feed back like on Tripadvisor etc

- 4.6 The panel queried whether there should be a register for approved providers of 'large group accommodation short term holiday lets' but there would be issues about who would regulate it or what the criteria would be?

5. BRIGHTON AND HOVE HOTELIER'S ASSOCIATION

- 5.1 Mark Jones spoke to the panel. He said that he was speaking wearing three different hats: resident, business owner, and as an executive member and recent chair of Brighton and Hove Hotels Association. He has a stake in the overall management of tourism in the city.
- 5.2 As a resident, Mr Jones said that he identified closely with the speakers from last week. He had experienced problems living close to 'short term holiday lets' and noise, mess, and lack of responsibility can blight the lives of people who live in and love their neighbourhoods.
- 5.3 Mr Jones said he also runs businesses operating two guest houses, with 22 rooms between them, sleeping a maximum of 39 visitors who are all affected by the trouble caused by 'short term holiday lets' and this can be an issue weekend after weekend.
- 5.4 Some guest houses will accommodate groups of hens or stags and wedding parties but Mr Jones felt that there was a differentiation between the short term holiday lets and existing guest houses. In an established B&B there will be someone on the premises

who will advise guests about acceptable behaviour and who can intervene if needed. Their reputation depends on every guest enjoying their stay.

Mr Jones said that 'short term holiday lets' were very different; they tended not to have management on site, and guests were crammed in to shared rooms. Every guest they accommodated meant one less guest for the established B&B trade.

Mr Jones felt that the playing field for guesthouses and 'short term holiday lets' was not level. He cannot change the use of a building from a B&B to a private house without jumping through hoops with the Planning department. The proliferation of short term holiday lets has been driven by websites which offer the private accommodation, on the same third party websites as established businesses. To a potential guest, there would be no difference. It is represented as a legitimate accommodation choice.

5.5 Mr Jones felt that a large proportion of the private let properties were breaching legislation including planning regulations, domestic insurance policies and probably domestic mortgage agreements. There are also public liability insurance implications and potential fire regulation breaches. Guest houses have had to adhere to fire regulations, often at considerable expense. This may not be the case for private short term holiday lets, and he questioned whether the fire service knew where all of the holiday lets were.

5.6 For the hospitality sector to work well in a city, the capacity of available accommodation should be very carefully controlled. Get the supply and demand equation right, and businesses remain viable, earnings are enough to support business owners and their families, to retain the quality of the accommodation offering, and to support the jobs the businesses create. Visitors, by and large and most of the time, find accommodation which suits their needs whilst providing the businesses with robust occupancy and profitable rates. Brighton and Hove, until recently, had just about got this supply & demand equation right. Mr Jones said that Blackpool, Rhyl and Margate had got the balance wrong.

Additional rooms and bedspaces which simply create more slices in the same pie dilute the potential of all existing businesses to remain viable. Unregulated pop-ups and party houses are infringing on the livelihoods of bona fide guesthouses and genuine holiday lets. Over 400 properties, offering well over 1000 bedspaces equates to a 33% increase in available capacity. The sustainability of the legitimate industry is under threat. And if that is so, the City Plan, the Tourism Strategy, and the entire Planning Environment will need very swift review.

5.7 Mr Jones said that, in his third role, he has spent many years involved with the Hotel Association, working closely with Visit Brighton to create a visitor destination which maintains Brighton and Hove's status as a top city break choice. The quality and range of Hotel and B&B accommodation is by and large way ahead of what it was back in the 90s. Boutique Hotels and 5 star properties sit alongside value for money guest accommodation providing a hospitality offering which appeals to our key markets.

Mr Jones said that he does not believe that Brighton residents and business owners want to see hordes of hens and stags staggering around the streets, no matter what

they allegedly bring to the local economy. Other guests have already commented on it, and may decide not to return to Brighton.

- 5.8 Many guest house owners took the decision over the past decade that they didn't spend hundreds of thousands of pounds on creating a quality business to have it trashed by groups of hens or stags. So they wanted to come, but their accommodation options were limited. Consequently the number of such groups has been pretty contained and the visitor balance preserved. Party Houses threaten to upset that balance. Where once we might have seen three or four groups of hens and stags on a weekend, we are now seeing twenty or more. It is easy money for the people who let those houses out and the third party companies that manage the supply and demand. But just because the demand is there does not mean it should be met in an unfettered and unregulated environment, or even met at all. Otherwise we will wake up one morning and we will be Blackpool.
- 5.9 Mr Jones referred to Westminster City Council, who have banned the practice of short term lets of private accommodation in response to the pop-up phenomenon. The panel might wish to investigate if that is the case, and how that worked. For eighteen months now, the Hotel Association has been asking Visit Brighton to take similar steps, he was delighted to have this opportunity to speak to the scrutiny panel.

6. SIMON COURT, SENIOR LAWYER, HOUSING AND LITIGATION

- 6.1 Simon Court, Senior Lawyer, Housing and Litigation spoke to the panel. About five years ago, a lot of work was done on short term party lets, as there were significant complaints. Mr Court was surprised that the issue of 'party houses' has raised its head again as he was not aware of any complaints now.
- 6.2 The panel said that this might be because people have lost faith with the council being able to help.

Mr Court said that this could be the case. It was possible to make a private prosecution but it would still need independent evidence so it is not a simple process. It's a similar situation if Environmental Health gets involved; an independent witness needs to observe the noise nuisance in order to take any action. It's hard to prosecute against a houseful of guests as you cannot prove who is making the noise; you cannot collectively prosecute unless you can prove everyone is responsible.

- 6.3 The panel asked Mr Court about the role of the police. He said that police are street focussed; they can move people out of areas but it is much harder to take action inside a private property. Resource management was also an issue for the police; particularly at weekends police will be tied up dealing with city centre issues.
- 6.4 A third option is to use Closure orders which apply against a property rather than a group of individuals.
- 6.5 It would be easier to tackle any problems from the outset eg through planning legislation changes. Planning legislation calls for a change of use, from a residential property to

non-residential. You need a change of use but the trouble is the usual classifications do not apply so it is classified as 'sui generis' (outside designation).

7. HOLIDAY LET OPERATORS - BRIGHTONHOLIDAYHOMES.COM

7.1 Catherine, Brightonholidays.com spoke to the panel as she is unable to come to the next meeting where the majority of operators are speaking. She operates one 'large group private holiday let' in Charles St. It has 8 bedrooms and usually accommodates 16-20 people.

There is a huge demand for the accommodation; she's booked until September 2014. Catherine said that there was a change in market demand: people want group accommodation rather than B&Bs. It is not a matter of short term holiday lets being cheaper to rent, chain hotels are cheaper to rent than her accommodation. Catherine said that she accommodates higher-end guests. She doesn't consciously choose not to let to stag/ hen parties but she can pick and choose due to demand for her accommodation.

7.2 Catherine said that she is a member of Visit Brighton. She knows that other holiday let operators take it seriously, they run professional businesses. They do not want to antagonise neighbours.

7.3 Catherine has installed CCTV cameras and microphones outside her property; guests are not allowed to gather outside. She will keep the deposit if there are complaints; this has happened once in the year that the property has been operating; it was not a stag or hen group.

7.4 Neighbours have an emergency contact number which is permanently manned, and she encourages people to call as early as possible to report any problems. Catherine has carried out work in neighbouring properties with sound equipment, to see where the noise weaknesses are. She is putting in a secondary wall in one property where needed. Catherine commented that you can assume that noise complaints will come due to music but often its living noise, talking etc which can be the problem.

7.5 The location of the 'large group private holiday let' is critical; it does not make sense to have these properties in a residential location.

It would be useful for the council to issue guidance in terms of quality standards for 'large group private holiday lets'. Catherine got this from Visit Brighton.

8. ANY OTHER BUSINESS

8.1 A resident who wasn't able to make the previous meeting, spoke to the panel. He said that he found stag groups were a particular problem as groups of men are not allowed into clubs, so stags end up walking the street throughout the night.

He had complained to the police about the noise caused. The police asked the resident to log calls; he did so for two years and was then told he was a vexatious complainant and the implication made that he ought to move if he did not like the noise.

- 8.2 Dexter Allen, East Sussex Fire and Rescue, spoke in response to the points raised by Mr Jones on behalf of the hotel association. Mr Allen said that he has worked with larger providers of large group private holiday lets to inspect their fire safety. 15 out of 16 have already been inspected. A number of responsible providers and operators work closely with the fire service, and also pass on information about those properties that might fly under the radar.

The meeting concluded at 4.30pm

Signed

Chair

Dated this

day of