

BRIGHTON & HOVE CITY COUNCIL
SCRUTINY PANEL ON PARTY HOUSES
2.30pm 18 FEBRUARY 2014
COUNCIL CHAMBER, HOVE TOWN HALL
MINUTES

Present: Councillors Bowden (Chair) Bennett and Robins

PART ONE

9. CHAIR'S INTRODUCTION AND FEEDBACK FROM PREVIOUS MEETINGS

9.1 The Chair welcomed all of the speakers; the focus of today's meeting was to hear from operators and agents.

10. NEIL STONEHILL, BRIGHTON HOLIDAY HOMES

10.1 Neil Stonehill, Brighton Holiday Homes (BHH) spoke first.

Mr Stonehill said that he had attended the first meeting, where residents had told the panel about the problems they had had with short term holiday lets. Mr Stonehill said that none of the properties that had been mentioned were BHH properties but he sympathised with what those residents had reported. However Mr Stonehill felt that there was a disproportionate response in the context of the whole holiday let industry in Brighton which could destroy a sector which is a significant economic contributor to the town. He felt that the large majority of operators were considerate and were making every effort to act responsibly.

Mr Stonehill said that in the last year, Environmental Health had received 1862 noise complaints in total from general domestic houses and apartments in the Brighton area; only 8 of this related to holiday lets, of any size or any website. Over a three year period there were 30 complaints relating to all types of holiday lets.

Mr Stonehill also felt that the number of holiday lets in Brighton & Hove used as accommodation for hen and stag groups had been greatly exaggerated. There are 78 sole agency properties and 28 multi agency properties that are active (which can accommodate 10 or more people). BHH manage over a third of that total.

10.2 Mr Stonehill said that it had been implied that people tended not to report noise to the council if it was from a holiday let, but felt that this did not make sense. The three cases highlighted in the first meeting made complaints to the council and the 1862 people with residential noise complaints managed to complain to the council so why were there so few holiday let complaints?

10.3 Mr Stonehill said that the scrutiny panel had been encouraging people to come forward with complaints as part of the evidence gathering but that this did not produce high numbers of people reporting problems, which you might expect if there were large numbers of people suffering in silence. Some of the people who spoke at the first meeting had had issues in the past rather than new cases of people who are raising current concerns, for example a property in Ovingdean which stopped being used as a holiday let over three years ago but is still mooted as an example.

10.4 Mr Stonehill said that BHH has run its own noise patrol for the last five years out of choice, not because they were asked to do so. Neighbours have the contact details and can call throughout the night if there is any disturbance. The average response time is less than 10 minutes.

The noise patrol moves between their properties on a rotational basis all night long, attending the larger houses every 35 minutes throughout this time. It has a GPS tracker so they can check which properties have been visited. The patrol will speak to the guests if they do hear anything untoward regardless of whether they have been contacted by a neighbour or not. BHH feels that this is why no complaints were made to Environmental Health about them last year.

Mr Stonehill said that a significant proportion of the calls turn out to be regarding noise that is actually coming from a nearby student house or domestic dwelling rather than from one of our houses. The patrol keeps logs of any other significant noise in the local vicinity, for example if there is a student house having a party or a pub which is being particularly noisy. This helps to protect BHH from being blamed for noise in a street when actually we know the guests are out and the lights are off.

10.5 BHH tells its guests before they book, on their confirmation and in the property itself that it is not a party house and that considerate behaviour towards local residents is a condition of their booking. Parties are not permitted in the house. In the extremely rare event that a party is taking place in a property it can be stopped very quickly and guests are told that they will be ejected from the property and lose their deposit for failure to comply.

The noise patrol tends to receive calls about low level issues, especially when put into the context of their locations where there are already pubs or clubs nearby with people outside smoking, or off the seafront where there is already a heavy footfall of night time economy pedestrians.

10.6 Mr Stonehill said that his noise patrol responds more quickly and to reports of lower level issues than the council's noise patrol would. He said that if a long term tenant is causing noise nuisance, the council has its own procedures for addressing them beginning with mediation, keeping noise diaries and gathering evidence for a very long period and so on. Short term holiday lets can respond much more quickly to complaints. They have authority to tell people politely but firmly to keep the noise down or risk the loss of their deposit; they can also be evicted immediately.

10.7 In terms of finance, BHH's figures show that every summer weekend, £300,000 goes back into the local economy from the spend from their residents. This can be extended to extra income throughout the year.

Mr Stonehill said that his staff wages bill for last year was well in excess of £250,000 and will be higher this year. He feels a sense of pride that BHH is in a position to create really good jobs with good salaries. There is also considerable income for the cleaning company, who have a full time staff of 16, and extra people in summer. In addition there are handymen, plumbers etc who all benefit from BHH's business.

Mr Stonehill said that if people feel that they are being turned away from Brighton, it will have huge effects on jobs in the private tourism sector and will inevitably trickle down to the public sector and will cost jobs there as well. Brighton & Hove cannot afford to be a dying seaside resort.

If planning and over regulation take effect the agencies with well managed properties will disappear. Those less concerned with the law will doubtless find ways to operate with no regard for noise issues or safety.

Hotels will not accept stag/ hen groups in any kind of numbers; they would divert to other towns and take their spending power with them. Tourism is vital to Brighton and Hove and good quality, well managed holiday lets are a vital part of that tourism industry as they are all over the country. Removing short term holiday lets from the offer will have an impact on the whole industry and entire city.

- 10.8 The purpose of the scrutiny panel is to come up with a gold standard of practice for operating large group houses to minimise the negative impact on local residents whilst acknowledging that properly managed 'party houses' can bring financial benefit to the city contributing to the visitor economy. Mr Stonehill feels strongly that BHH, together with the other members of the Brighton Holiday Rentals Association, is already operating to a gold standard in this regard as well as in other areas such as fire safety.
- 10.9 Responding to questions from the panel, Mr Stonehill said that he regularly turned down properties that were offered to him as holiday lets; for example if they had a garden or in a non city centre location, he would not accept them onto BHH's books. He had taken on some more houses in the last year, but also lost a few, so the numbers were fairly steady.
- All of BHH's properties have had fire assessments and all of the necessary steps put in place.
- 10.10 Mr Stonehill said that he would consider putting contact details for his noise patrol onto all of BHH's properties so that everyone was aware of the contact details at all times. He clarified that the patrol operates every weekend and on Sunday evenings on bank holiday weekends too.
- 10.11 Mr Stonehill commented that the problems that had existed in Roedean had arisen when the industry was very new and they were not aware of all of the problems that might arise. He did not think that it would happen again, as operators and owners have learnt from all of their shared experience over the last few years.

11. MICHELLE STONEHILL, BRIGHTON HOLIDAY HOMES

11.1 Michelle Stonehill, a partner of Brighton Holiday Homes, spoke next. She Ms Stonehill outlined what kind of people stay in the large group houses. The vast majority of group bookings are for hen parties rather than stag parties. National statistics show that nearly 3 times as many hens come to Brighton as stags. Brighton is the second most popular destination for hen parties nationally.

Groups are typically in their late twenties, with a huge variety of jobs. They are not all out of control, drunk and arrested in the street.

BHH staff build relationships with the people coming, micromanaging their weekend so they can virtually know where they are and what they're doing at any time.

Brighton has always had a reputation as a party town. It is true that you will see drunk people in the streets but the vast proportion will be locals, with the ones causing most trouble tending to be local males up to the age of 23.

When the hen groups are in Brighton, they are out spending money on a huge range of activities, eating out in restaurants and going to bars and clubs. They are booked into pubs who want hen parties, which means groups are not wandering aimlessly around trying to find a bar or club that will take them.

11.2 Ms Stonehill confirmed that, as a company, BHH doesn't accept any house as a large group house. They look at the area and the road and consider the night time pedestrian footfall and noise in the local area before. They actively discourage potential landlords with a property in an area which they think would cause a problem to neighbours, telling them that they face fines from the Council and could face a criminal record and they will be closed down so not to waste their money going down that route.

Hens prefer to stay in a holiday let rather than a hotel, because they want to be all together. Hotels will accept hen and stag groups but they want to appeal to a wide market so they will only have a limited allocation for groups from hen and stag companies each weekend. For the vast proportion of B&Bs the couples market is the very important tourism market they are aiming for at weekends. Holiday lets are not in competition with those B&Bs.

In conclusion, it should be recognised that well managed group holiday lets are a popular and important form of accommodation for hens coming to Brighton. Embracing hen tourism is very valuable to Brighton. It's wrong to say that hen groups are not quality tourism.

Ms Stonehill showed the panel members photos that some of her hen party guests had sent in showing the range of activities that they took part in, as well as the range of women attending for the weekend.

11.3 Panel members commented that BHH seemed a very well run organisation. Ms Stonehill said that she and fellow operators wanted all holiday let landlords to follow the principles of the newly formed Brighton and Hove Holiday Rental Association. There would be more information about their aims later in this session. Every new landlord

who may have a holiday let will make contact with one of the existing Association members, even if just for guidance, so it should be relatively straightforward to promote the agreed standards.

12. DEBBIE MULLAN, CROWN GARDENS

12.1 Debbie Mullan from Crown Gardens spoke about fire safety. All the major agencies and operators have been meeting over the past 2 years with East Sussex Fire and Rescue Service and implementing the required fire safety standards to meet current legislation. This is an on-going task and one which the agencies and landlords take very seriously. Every property requires a written fire risk assessment, annual landlord gas safety certificate, electrical Periodical Inspection Reports every 5 years & annual PAT testing etc. Ms Mullan detailed some of the fire regulations that apply. She said that she has attended nine fire audits on behalf of Crown Gardens, and whilst some upgrades are required to the properties none have warranted closure.

12.2 In the 66 years combined operations of the 5 agencies present today, there has never been a fire incident or malicious use of fire extinguishers. Ms Mullan said that they were all committed to maintaining these statistics.

12.3 In response to a query about the number of complaints that Crown Gardens had received, Ms Mullan said that they had had three over a twelve month period although not for properties that they had booked themselves. Some of their properties are co-marketed, for example, Southdown Mews. The properties have details of the security company displayed outside in case neighbours need to make contact with them.

13 JULIA HARDING, CROWN GARDENS

13.1 Ms Harding is the owner of Crown Gardens. She set her business up as she was unable to find a way of renting out her property for less than a week at a time. Nine years on, she advertises 120 properties, although not all of these are large holiday lets, and some are multi-agency.

13.2 She said that the major agencies have found working together on the Brighton and Hove Holiday Rental Association (BHRA) very positive. BHRA aims to provide operational guidelines for independent landlords.

They have all learnt from one another's mistakes, and complaints regarding the location of short term holiday lets are largely historical complaints. Crown Gardens declines a quarter of properties that it is offered.

14 STEPHEN STONE, CITY PAD

14.1 Stephen Stone of City Pad talked to the panel about the number of larger holiday lets in the city. They consider properties that sleep 10 or more to be larger lets; their investigations have shown there to be 106 of these (this figure was reached by cross referencing all websites and adverts).

A significant proportion of the complaints that have been heard by the panel are historic ones or relate to the same properties. Mr Stone and other providers are very

sympathetic to the problems that have been experienced but he is concerned that responsible operators and providers are being tarred negatively.

Providers and operators have made a Freedom of Information request to Environmental Health about numbers of noise complaints. Out of over 3000 complaints received, only 10 were about holiday rentals, and they might be complaints about any size of rental property. The focus on larger short term lets felt like an over reaction to a relatively small problem, although he appreciated that it did not feel like a small problem to the neighbours who had been affected.

- 14.2 Mr Stone said that good management of properties is a very effective way of addressing the potential problems and providing high quality accommodation. The holiday rental sector can complement the existing guest house provision as they largely accommodate different types of guests.

The operators have now formed a trade association – Brighton and Hove Holiday Rental Association (BHRA) to share ways of working together and agreeing best practice for the sector. Mr Stone said that BHRA had been focussing on good practice guidelines because of the scrutiny panel work, and had been a welcome opportunity for providers to work together. There was already an unwritten agreed standard of accommodation but this was a chance to share learning and best practice.

It was very early days but there will be a website and publicity material as soon as possible. BHRA will work with Visit Brighton and other bodies to promote their businesses and encourage visitors to stay in responsibly managed accommodation.

BHRA will be a self-regulating body with a Board overseeing it. If you follow the guidance set out by BHRA, your holiday rental properties should not cause any problems for neighbours. As the panel has heard already, problems tend to be caused by the rogue properties rather than responsible operators.

The Chair of the panel commented that he had been saying for some time that this was a sector looking for a strong trade body and he was very glad to see that it had been established.

- 14.3 Debbie Mullan of Crown Gardens commented that, in hindsight, they would not take on some of the accommodation that they now have. As the panel heard, operators tend to turn down a large number of the properties that they are offered now, due to unsuitable location or set-up.

If a property is turned down by operators, the owners can advertise it privately on websites such as Air BnB. If the property is not being managed properly, however, there are still a number of routes that can be taken, such as through noise complaints or East Sussex Fire and Rescue. As heard however, these are not quick routes.

15 GILES WIGODER, OPERATOR

- 15.1 Mr Wigoder owns three houses in Kempton, all bought in order to run a holiday rental business. He had two noise complaints in 2008 and now has a policy of taking £1000 noise deposit. He has also changed his procedures so he no longer takes one-night

bookings and only accepts over 30s stag groups. They are a high spend group of guests, he believes that £500,000 has passed through his homes into the local economy.

If people did not have accommodation in Brighton, they would take their hen/ stag party business elsewhere and the city would lose out completely.

- 15.2 Mr Widoger said that it was the rogue landlords that were causing problems for everyone. He felt that it would be relatively easy to identify the properties in question through some rigorous website searches and cross referencing. He thought that it would be possible to put pressure on those providers who did not want to join BHRA to either join the association or move away from the business, by promoting BHRA businesses as the responsible choice to make.

16 JAMES WATTS, BEATNIK BREAKS

- 16.1 Mr Watts from Beatnik Mews said that he was in an unusual position as he owned some of the short term lets, as well as being an operator. He focussed on larger properties of 20+ beds, but his accommodation was situated in appropriate commercial areas. The location is critical. Mr Watts has closed down one of his properties in a mews, which had caused problems for neighbours – they were affected by people smoking outside. He agreed that it was not in an appropriate location and closed it down. He makes every effort to deal with any complaints including noise; it is his sole business and income.

Mr Watts welcomed the chance to speak and thanked the panel for changing their terminology from ‘party house’ to ‘short term rentals’. His properties are aimed at the higher end of the rental market and are marketed accordingly.

- 16.2 Problems are often caused by the 25% of properties that are not managed by one of the responsible operators – how do we manage these? Mr Watts would suggest that as soon as Environmental Health gets a complaint, they should assume that it is not on an agency’s books and might not have appropriate fire safety in place. Mr Watts believes that by involving East Sussex Fire and Rescue, it would convince irresponsible operators that it is too expensive to comply with regulations and they would close down. If this was an automatic referral on, it could help to deal with the non-regulated properties quickly.

Mr Watts thinks that the council should let BHRA regulate the properties in the association, but that the council should deal with the problem properties using the tools that it can. If the council introduced new regulation for all short term holiday lets, this would be too large a response to a relatively small scale problem. There are very few complaints received about the well run responsibly managed properties – this should be taken into account when considering the panel’s response.

You cannot stop the proliferation of websites such as Air BnB. There has been a suggestion to change planning classification categories to give neighbours an opportunity to oppose changes, but this would not apply to temporary lets such as those that might be advertised on Air BnB and so would not address the problems.

Mr Watts feels that if the council decides to introduce more regulation, it will encourage a boom in non-regulated under the radar accommodation. If you over-regulate, it will not change the demand for large group accommodation, but it will force the positive market operators to contract the operations in order to comply with the regulations and force visitors to unregulated accommodation.

17 OTHER OPERATORS

17.1 **Richard Harris, Best of Brighton and Sussex Cottages** also spoke to the panel. He has been in the industry for 21 years, and manages 65 cottages in Brighton and Hove, plus another 20 in Eastbourne. They work closely with the council, Visit Brighton and Visit England. They are assessed yearly and have very stringent standards. Their properties usually sleep fewer than 10 people and they have very few complaints.

18 DEXTER ALLEN, EAST SUSSEX FIRE AND RESCUE SERVICE

18.1 Dexter Allen said that his team's approach was all about stopping fire risks, and stopping bad things happening to people through fire. They can take appropriate action as quickly as needed and aim to provide a consistent and supportive approach to all businesses. Fire authorities don't have a 'too difficult' box – people's lives are too important. They work with hotels, shops, clubs and marquees as well as holiday lets. In terms of holiday lets, they look at premises that sleep six or more people. They have started with the larger properties, so have started with Mr Watts' properties.

Mr Allen said that complaints came to a head three years ago, and councillors worked then to bring all the parties together. There has been learning on all sides and a mutual understanding of one another's positions. It is key to have a consistent approach for owners. Responsible operators have taken the time to engage with ESFRS.

There is also the 'grey market' that has been spoken about already at these meetings. However, if and when they advertise their properties, ESFRS will find out about them and visit them. They are able to close properties immediately through serving a prohibition order; this has happened twice. More proactively, ESFRS works with operators to audit their fire safety provision. Each property has a notice of works which need to be completed.

Protecting Brighton's brand is key; one fire would affect the entire tourism market.

18.2 Mr Allen backed Mr Watts's comments that if we change planning regulations, it has the potential to drive the business underground. He would not like to see this happen. He feels that working together could be a better way of moving forward.

19 ROUND TABLE DISCUSSION

19.1 There was little time for additional discussion but other points raised included:

- There were plans to turn old offices opposite in the Laines into holiday accommodation. This was felt to be an appropriate location.
- There needs to be a commonsense approach in order to minimise the risk of less responsible businesses growing
- Council resources should be concentrated on those landlords who are not in BHRA

- Councillors encouraged BHRA to work with neighbours to minimise disruption.
- The panel would like to see BHRA's work becoming a national approach to holiday lets.

The meeting concluded at 4.50

Signed

Chair

Dated this

day of