



SCRUTINY COMMITTEE

16:30 to 17:10

28 June 2018

Present: Councillors Wright (chair), Fullman (vice chair) Carlo, Coleshill, Fulton-McAlister (M), Hampton, Manning, Raby, Sands (M) (substitute for Sands (S)) Smith, Stewart, Thomas (Va) and Thomas (Vi)

Apologies: Councillor Sands (S)

1. Public questions/petitions

There were no public questions or petitions

2. Declarations of interest

There were no declarations of interest.

3. Minutes

RESOLVED to approve the accuracy of the minutes of the meeting held on 24 May 2018

4. Scrutiny committee work programme 2018-19

The chair informed the committee that the report on good quality jobs-digital and emerging economies would not be ready to be considered at the October meeting of the scrutiny committee and would instead be moved to the March 2019 meeting.

The October meeting would be used as a second meeting to consider the impact of Operation Gravity.

RESOLVED to;

- (1) Move consideration of the good quality jobs- the digital and emerging economy report to 21 March 2019 meeting; and
- (2) Consider the impact of Operation gravity report at both the September and October meeting.

5. The growth of short term letting of homes in Norwich

(The chair agreed to take this item first)

The chair welcomed Andrew Shorthose (operations manager at the Maids Head Hotel) David Parkin (area development manager, Norwich City Council) and Michelle Hurren (Tourism development manager, Norwich City Council) to the meeting.

The director of business services presented the report. He highlighted that a number of cities and local authorities had looked at ways to regulate short terms lets.

In response to a question, the area development manager said that if a property designated for residential use seemed to be let out to unrelated individuals (for example, different people arriving at weekends and cleaners being used) then there may be a need to look at a change of use as this would fall outside of usual planning usage.

Andrew Shorthose said that in general, more rooms coming into the market would reduce occupancy across hotels. Larger hotel chains would not be excessively concerned by this.

Independent hoteliers were being put in a more threatening position. A lot of work was put into quality, and insurance and employment standards which was a cost that Airbnb properties did not have. He said that the hotel did not receive the full cost that the customer paid for the night. Other overheads such as tax, insurance and empty rooms could reduce the revenue per night by over fifty percent. Chain hotels had a greater economy of scale with these costs compared to independent hotels.

In response to a question, Andrew Shorthose said that regulations for short term lets regarding health and safety and fire regulations would be welcome; however, he did not think that anything 'Norwich specific' could be enforceable. Financial penalties may be difficult to enforce as owners of short term lets were not easy to trace.

The tourism manager said that tourism in Norwich was mostly dependant on domestic travel. International marketing campaigns were expensive. However, a passenger survey of international visitors to England (VisitBritain International Passenger Survey 2016) revealed that the number of overseas trips to Norwich was up by 3 percent.

Members discussed the regulatory aspect of short term lets and the lack of regulations regarding fire safety and general health and safety. The chair made the committee aware of the Short and Holiday-Let Accommodation (Notification of Local Authorities) Bill 2017-19 which was awaiting a second reading in the House of Commons.

In response to a member's question, the director of business services said that he was unsure whether Airbnb owners would be covered by the same legislation as private landlords but would circulate information on this to the committee.

Discussion ensued around the idea of a small 'tourist tax' being implemented in Norwich to easily enable short term let properties to be identified. Andy Shorthose

commented that the cost of collecting a small tax could be off putting to hoteliers looking to invest in Norwich hotels.

In response to a member's question, the director of communications and culture said that periodically, campaigns were run to bring overseas tourists to Norwich, but the cost of these was high for the return. The council worked regionally with other local authorities and tourism bodies such as Visit East Anglia, NALEP and Visit Norfolk, to collaborate on marketing campaigns; for example, visitors to Cambridge were encouraged to visit Norwich.

Members discussed forming a select committee to continue research into the impact of short term lets and proposed that the remit of the committee would be research based, liaising with Trading Standards and looking at other UK cities response to this issue to formulate some further recommendations. Local hotel groups could also feed into the work.

RESOLVED to;

- (1) Ask cabinet to promote a way for people to report sub-standard short term let properties to the Council
- (2) Endorse the Short and Holiday-Let Accommodation (Notification of Local Authorities) Bill 2017-19 by asking the chair of scrutiny to write to the appropriate Minister
- (3) Ask the chair of scrutiny to write to the head of the Health and Safety Executive to ask what actions are being taken around short term lets
- (4) Set up a select committee to look at the growth of short term letting of homes in Norwich; and
- (5) Ask the Independent Hoteliers Group to feed into this select committee investigation

The chair thanked Andy Shorthose, Michelle Hurren and David Parkin for attending the meeting.

6. Response to the Communities and Local Government report on effectiveness of local authority overview and scrutiny committees

The director of business services presented the report.

In response to a member's question, the chair suggested that the member meet with the scrutiny liaison officer to suggest an item for the work programme on the role of the New Anglia LEP.

RESOLVED to:-

- (1) note the report; and
- (2) recognise that there is no further action to be taken as a result of the report.

CHAIR