



## Introduction to Airbnb in Scotland

*Airbnb is a trusted community marketplace for people to list, discover and book unique accommodation around the world. Founded in 2008, Airbnb is a global platform with listings in over 191 countries.*

This briefing aims to respond to the issues raised in the recent parliamentary motion ([S5M-08370: Homes First](#)) tabled by Andy Wightman MSP, to be debated in a Members' Business Debate on Wednesday 8th November 2017.

### Airbnb in Scotland

Scotland is one of the most celebrated and sought-after visitor destinations in the world. Since Scottish hosts first welcomed guests into their homes in 2009, Airbnb has worked in partnership with Scotland's thriving tourism industry. Over the last year, hosts on Airbnb in Scotland welcomed one million guests into their homes, making Scotland the highest internal domestic traveller destination in the UK. Below are some key facts about our community:

- Hosts and guests on Airbnb generated almost **£500m** of economic activity in Scotland in the past year<sup>1</sup>
- Guests help empower local businesses, spending an estimated **£1m** per day in Scotland<sup>2</sup>
- This spending also leads to new incomes for households, with a typical host earning **£3,600**
- Airbnb helps cities accommodate increased tourism demand for major cultural events. During the **Edinburgh Fringe Festival in 2016, more than 70,000** visitors stayed in local homes on Airbnb<sup>3</sup>. We were also the official accommodation partner for the Edinburgh Fringe Festival in 2015.

We are committed to spreading the economic and social benefits of home sharing across the nation which helps hosts, families and individual households generate a little extra income to help make ends meet. Therefore, before responding to the specific points raised in the parliamentary motion, it is important to set appropriate parameters for discussion:

- Hosts on Airbnb can take advantage of the platform in several ways sharing their spare rooms whilst at home and also their entire homes when otherwise might be left empty. Across the UK, 55% of hosts share their entire home, 44% share their spare room and 1% offer shared rooms.
- Scottish hosts are not running businesses as anyone would recognise the term, nor are they property investors sharing their space for an average **38 nights a year**<sup>4</sup> (lower than the UK average of 50 nights a year). The vast majority of hosts in Scotland also share their primary residence.
- Hosts have told us that income from home sharing typically helps contribute to their household costs, to passions and interests, and to support themselves and their families - **41% of hosts in Scotland rely on Airbnb to make ends meet**<sup>5</sup>.
- Scottish hosts are largely members of their community who rent their homes on an occasional basis and have typically lived in the town they list in for, on average, 22 years.

However, we are mindful of the challenges short-term rentals may present to communities who have not traditionally experienced tourism footfall and to busy urban centres where rental prices are already high and pressure on housing stock is growing. As such, we have outlined below some of the work we are doing across Scotland and the rest of the UK to ensure we continue to be a good partner to our communities.

### Committed to community responsibility

- Airbnb is committed to working to ensure hosts on Airbnb are made aware of local rules and we regularly contact hosts on Airbnb to remind them of local regulations. We encourage hosts to think carefully about their responsibilities to through a [Responsible Hosting Page](#) which outlines in detail what is expected of a host.

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<sup>1</sup> Between July 2016 and July 2017 [UK Insights Report](#), September 2017

<sup>2</sup> Between July 2016 and July 2017 [UK Insights Report](#), September 2017

<sup>3</sup> Scottish Expert Advisory Panel for the Collaborative Economy: Submission by Airbnb, [March 2017](#)

<sup>4</sup> Between July 2016 and July 2017 [UK Insights Report](#), September 2017

<sup>5</sup> Overview of the Airbnb Community in Scotland, [March 2017](#)



- Our Neighbourhood Tool allows anyone to share specific concerns with us they may have about a listing in their community. Airbnb have held discussions with Scottish local authorities and MSPs to discuss how we can best share this tool with local and national government.
- We also developed a Responsible Neighbour Guide in London - a simple guide that hosts can print out and fill in for their guests, to aid in understanding important rules or information about their area.
- We have discussed producing a similar guide for Edinburgh in partnership with Edinburgh City Council, however, we would like to discuss what a similar partnership across Scotland would look like.
- In 2016, Airbnb proposed a 'three strikes' policy barring use of the platform if hosts are cited by police for violating home sharing rules or other restrictions that are intended to preserve neighbours' quality of life. Under this policy, hosts who repeatedly receive complaints from local authorities will either be suspended or banned from using the site. We are keen to explore the feasibility of implementing this policy in Scotland.

### **Working in partnership with governments to ensure responsible tourism growth**

- We want to work constructively with Scottish policy makers to find proportionate and evidence-based solutions to ensure that home sharing grows responsibly and sustainably. We welcome the opportunity to engage with politicians at a local and national level.
- Since April 2017, we have been assisting Scottish Government's Expert Advisory Panel on the Collaborative Economy. The purpose of the Panel is to provide advice, expertise and experience for policy development on the collaborative economy and to make recommendations to Scottish Ministers on how Scotland can position itself to take advantage of the opportunities of the collaborative economy and overcome any regulatory, economic and social challenges.
- As Scottish Government has recognised, regulations need to be based on accurate data. We are aware of a number of attempts to analyse Airbnb in Scotland by extrapolating or tabulating figures "scraped" from our website. This often leads to inaccurate conclusions about the nature and impact of our community in Scotland. We believe it is essential to rely on proper accurate sources of data rather than unreliable third party websites who draw misleading conclusions based on inaccurate assumptions.
- Where we have contributed data to research reports across the US and Europe, there is greater clarity around the impact of short-term lets on the housing market. One such example is the 2016 report from the Institute of Public Policy Research, which concluded that the impact of home sharing on London's housing supply was "negligible".
- In places where home sharing rules have been clarified, Airbnb has agreed to work in partnership with governments to help hosts to understand and follow those rules. For example, in Amsterdam and London, Airbnb has introduced automated systems which limit hosts with entire homes to the night limits established in the underlying legislation. Where the relevant permissions have been granted by a local authority, or in cases where hosts are exempt from those rules (for instance, if they are hosting in a self-contained space that still forms part of their home), they have routes to notify Airbnb so it can allow them to continue hosting.
- More information on how we have partnered with governments across the globe to establish clear rules for home sharing can be found in our Policy Tool Chest.

### **Conclusion**

- Airbnb is committed to being a good partner to cities and the communities in which we operate to ensure that home sharing continues to work for all. We are willing to partner with local authorities to assist them with information dissemination to hosts and guests on Airbnb about neighbourhood issues.
- We continue to engage with the Scottish Government on the Expert Advisory Panel on the Collaborative Economy, making recommendations to policymakers on how Scotland can position itself to take advantage of the many opportunities of the collaborative economy.
- Tourism is one of Scotland's most important industries and responsible home sharing is a valuable asset to the Scottish tourist economy. Airbnb provides crucial flexible accommodation that enables cities to deal with the demands of increased tourism capacity. This will ultimately help to achieve the Tourism Scotland 2020 vision of an annual visitor spend of £6.5bn by 2020.
- Traditional industry regulation has been effective because the regulated actors are typically businesses. When attempting to regulate individuals, the challenge becomes harder. In our experience, simple, clear and easily understandable frameworks are much more likely to drive higher levels of compliance. Proportionality clarity and fairness are crucial when considering approaching new rules for home sharing.
- We recognise that our brand recognition makes us a natural focus of attention, but the short-term rental sector is a large industry and whatever regulatory changes are introduced need to be equally relevant for the rest of the sector.