

The [Scottish Tourism Alliance \(STA\)](#) response to six supplementary questions posed by Scottish Expert Advisory Panel for the Collaborative Economy over and above the online consultation response in advance to the meeting 21/06/17.

Background Introduction

The Scottish Tourism Alliance (STA) is an independent membership body and is recognised by the industry, the Scottish Government, its agencies and many other stakeholders as the overarching industry leadership trade body for all sectors of tourism in Scotland. The STA was formed in 2012, having evolved from the Scottish Tourism Forum which was established in 1998 to act as the 'voice of the tourism industry in Scotland'.

The STA has c260 direct members comprising of the primary tourism industry associations such as the British Hospitality Association, Association of Scottish Visitor Attractions, Association of Scotland's Self Caterers, The Caravan and Motorhome Club, The Scottish Bed and Breakfast Association, The Scottish Licenced Trade Association to name a few. In addition many destination management and marketing organisations (DMO), Local Authorities, education establishments and private business both small and large are also members. The STA directly and indirectly connects and represents upwards of 12,000 tourism businesses on national matters affecting tourism growth. Where issues are specific to a particular part of the tourism industry, or where a common and united voice right across the sector may be difficult, the STA encourages those organisations most affected to express their views independently.

The STA is also the guardian and coordinator of Scotland's national tourism strategy "[Tourism Scotland 2020](#)". A key objective of the national strategy is for Scottish tourism to become more competitive as a national and international tourism destination, by growing UK and international visitation through responding to consumer behaviour and market trends.

1. What data or evidence can you provide on the social, environmental and economic impacts of the peer to peer accommodation market in Scotland?

The STA itself has not commissioned any research to gather specific evidence on the areas outlined in the question above. We are however aware of the research and reports done by both the ASSC and Airbnb who will be presenting evidence directly to the panel.

We are also being advised anecdotally by an increasing number of hoteliers and other business owners operating in rural Scotland, that there is a shortage of accommodation available to the seasonal workforce due to property owners who would normally provide short to mid-term seasonal rents switching to short-term let for visitors through house-sharing platforms.

"Our Vision is that by 2020, Scotland is a destination of 1st choice for a high quality, value for money and memorable customer experience delivered by skilled and passionate people."

2. How can we ensure that both hosts and guests are suitably protected, such as knowing where to turn if something goes wrong and that health and safety standards are adhered to? Where do we see best practice globally?

In Scotland there is no compulsory register of tourism accommodation providers ie anyone can promote themselves and trade as an accommodation provider. Until such time there is compulsory registration introduced it will be difficult to see how this can be policed.

Suggested way forward: organisations choosing to promote properties of this type on their platforms should as part of their own T&Cs seek evidence of an inspection having been made that in turn satisfies their position as responsible liable 3rd party in the event of an accident happening. All property owners wishing to promote on any platform should be bound to an agreed minimum of Health and Safety regulatory standard with certification. Equally an insurance company should be asking for evidence of this prior to issuing a policy that covers such use of purpose of the property. The reference number of the policy should be made visible and accessible on the booking platforms for a potential booker to access and view should they wish to do so prior to booking.

Challenge

This will be difficult due to financial cost of ensuring compliance by local Fire or Environmental Health Officers and determining what should be the minimum standards required depending on size of property and volume of lets per year. To create a level and safe playing field, health and safety compliance at very least for professional landlords operating in the sector should be bound to comply in line with other operators who trade in the accommodation sector.

I am aware that some who operate in this sector, such as Airbnb, are being proactive in their approach of informing hosts of their obligation to health and safety and have in some areas worked closely with local fire authorities.

3. What are your suggestions for mitigating any unintended consequences of the short term accommodation rental market and how they might be balanced with existing priorities and policies such as Tourism Scotland 2020?

The short term accommodation rental market does not go against existing priorities and strategies, including Tourism Scotland 2020.

From a policy and priority perspective, the accommodation sector fits with:

- *Providing a quality experience*
- *Providing an experience which offers value for money.*
- *Providing authentic, memorable visitor experiences.*
- *Provides increased capacity during periods of high demand, such as events and festivals and during peak season. E.g. hotel occupancy rates in Edinburgh during four summer months were over 90% and an average of 81% across the year (2015). Yet in the period January to March 2016, occupancy was as low as 60% (STR Global)¹.*
- *Broadens the range of accommodation available to visitors (variety of locations, types, quality and price-points)*

¹ (<http://www.scotsman.com/news/opinion/richard-mayne-hard-to-put-a-finger-on-edinburgh-s-digital-profile-1-4475552>)

“Our Vision is that by 2020, Scotland is a destination of 1st choice for a high quality, value for money and memorable customer experience delivered by skilled and passionate people.”

- *Encourages dispersal of visitors to neighbourhoods outwith traditional city centres and hotspots*

The Challenges

- *Ensuring visitors are safe where they stay, and that they receive a quality experience which lives up to expectations and ambitions of the national tourism strategy. A negative experience impacts on Scotland as a whole, not just the individual business.*
- *Recognising that accommodation in the collaborative economy is part of the tourism industry (and tourism strategy) and therefore need to capture its impact as contributing to the overall growth ambitions.*
- *How do you influence the individuals selling rooms via collaborative economy? Owners must recognise their responsibility to their guests in providing a safe and good quality experience.*

Note these challenges are not unique to the collaborative economy.

Suggestions for mitigating any unintended consequences

- *Dialogue is essential if any unintended consequences are to be mitigated.*
- *Providing a level playing field for all accommodation providers/*
- *Clarity on regulations, requirements and responsibilities for individuals choosing to rent their rooms/properties.*
- *Appropriate enforcement of regulations and requirements*

4. What solutions are there to ensuring that the relevant taxes are identified and collected and that regulations are adhered to?

With there being no compulsory registration I am unaware of any alternative solution being in place other than that of the declaration of any incomes by the owner of the property or business that trades in this sector being submitted via standard HMRC self-assessment.

5. How can we ensure that any regulations are proportionate, taking account of the range of hosts on platforms - occasional use individuals, professional landlords, estate agents and hotels, whilst ensuring that there is no competitive advantage between platforms and traditional business models?

In order to create a transparent, fair and level-playing field, one possible solution is the creation of an independent commission who, through consultation with industry and other experts, would determine the scale of minimum regulation and compliance. This should be proportionate to size of business and the changing environment.

6. What are your suggestions for any amendments to existing regulations or new regulations?

Answers to this question have been covered in all the above.

*“Our **Vision** is that by 2020, Scotland is a destination of 1st choice for a high quality, value for money and memorable customer experience delivered by skilled and passionate people.”*