

Review of responses to consultation on tourism legislation

August 2018

# 1. Introduction

In December 2017 the Department for Enterprise published a consultation document entitled "Review of tourism legislation: a consultation".

The object of the consultation was to review the existing legislation relating to tourism on the Isle of Man and seek views on possible changes to that legislation, with a view to providing an up-to-date code which will encourage and support the tourist industry as part of the modern economy of the Island.

The main piece of tourism legislation, the Tourist Act 1975, is mainly concerned with the compulsory registration and grading of visitor accommodation and the consultation reflects that focus.

### 2. Executive Summary

The consultation was open for 8 weeks, from 4 December 2017 to 26 January 2018, and 79 responses were received.

This document provides a summary of the responses made to each question raised in the consultation, together with a sample of the comments and suggestions made by respondents.

The consultation paper proposed that:

- the existing functions of the Department in relation to tourism should be slightly simplified, and powers to provide financial assistance to promote tourism should be retained; and
- a statutory system of registration and grading of visitor accommodation, run by the Department as at present, should be retained.

It also sought views on whether:

- there should be some form of temporary registration for visitor accommodation; and
- the Department should have powers to obtain data and statistical information on visitor accommodation.

By and large a majority of consultees are in favour of the Department's proposals, though a significant minority of the responses (about a quarter) make the case for a deregulated approach to the tourist industry, and argue that mandatory registration and grading of tourist accommodation is no longer necessary. Those responses make the point that visitors can now rely on feedback from the internet when choosing accommodation.

On some of the major issues:

- 73% of responses are in favour of the retention of compulsory registration of visitor accommodation;
- 67% of responses are in favour of the retention of a compulsory grading system for visitor accommodation;
- 62% of responses are in favour of some form of temporary licence system to cover Homestay, Air Bnb etc;

- 57% of responses support the Department continuing to be responsible for grading; and
- 59% of responses support the Department having powers to obtain statistical information from visitor accommodation providers.

### 3. Next steps

The Department will use the feedback from the responses to draft new legislation.

In particular the Department will further consider whether the present system of statutory, mandatory registration and grading for visitor accommodation should be retained, including analysis of the costs of maintaining the present system.

The legislation will be subject to further public consultation prior to any introduction to the Branches of Tynwald. The Department aims to introduce the legislation to Branches in the latter half of the legislative session 2018-19.

### 4. Summary of responses

49 of the 79 responses were made by individuals. 30 were sent on behalf of an organisation including Government Departments and local authorities as well businesses within the sector.

A summary of the responses made to each question raised in the consultation is set out below. In each case sample comments are also included to illustrate the nature of the responses.

### Question 1

# Should changes be made to the Department's general powers to promote tourism?

The consultation document listed the current powers in relation to the promotion of tourism set in Schedule 1 of the 1975 Act.

### Breakdown of responses to Q1

Yes	No	No answer
56 (71%)	18 (23%)	5 (6%)

### Sample of responses

Not in favour:

• "Not if it involves more expense and red tape."

In favour:

- "The powers as described in the Act need to be brought up to date and any irrelevant or outdated sections removed."
- "Consolidation and simplification needs to be completed Acts should be in plain English which is easy for everyone to understand and therefore comply with."
- "It needs to have one Department responsible for all tourism matters. Rather than several groups not knowing what each is doing or opposing another group principal."
- "Overall it seems fine, but probably needs to be updated to bring it into line with more up to date legislation and terminology."

### **Commentary**

In response to one of the comments above, it is not envisaged that any changes to the Department's general powers to promote tourism will involve more expense and red tape. Rather the Department intends to remove powers that are no longer required, which will, as another response suggests, simplify the legislation. It is likely that the Department will seek to remove most of the powers to promote tourism, though retain powers similar to those contained in paragraphs 1, 2 and 3.

# Question 2

Is a scheme of compulsory registration of visitor accommodation still necessary?

Breakdown of responses to Q2

Yes	No	No answer
58 (73%)	18 (23%)	3 (4%)

#### Sample of responses

Not in favour:

- "Such a scheme of compulsory legislation and inspection belongs in the previous century and has little role in a dynamic, interesting and varied accommodation sector."
- "It should be voluntary. Visitors these days are fully aware of various rating systems direct (if grading obtained) and Trip Advisor by anyone."
- "Websites such as AirBnB are self-regulating. Whatever your outdated opinion of 'market forces' is."
- "Unnecessary interference from Government Departments."
- "Daunting and onerous."

### In favour:

- "Yes to ensure compliance with a number of areas of legislation and to provide quality assurance for users. In addition, it may be useful to think about whether the registration and grading side of Tourism's functions should be separate from the promotion side. The regulation side may be better place within a Department with other regulation powers."
- "Yes, to maintain standards and facilitate a 'level playing field'."
- "It is essential in my opinion to have compulsory registration. Without a framework the provision becomes disjointed, wide varying standards develop which ultimately leads to visitors being disappointed. If adequate, poor accommodation has a detrimental effect on this provision and as usual attracts negative publicity which we need to avoid if possible. Registration assists in the continuance and development of a set of standards which is essential in maintaining quality provision of accommodation."
- "Reduces likelihood of visitors receiving substandard accommodation."

#### Commentary

73% of the responses to the consultation support the proposal that compulsory registration is still necessary.

Though in the minority, a significant number of the responses (23%) make the case for scrapping the requirement for visitor accommodation to be registered. It is therefore worth setting out the case for retaining registration.

Some of the responses point out that there is no requirement for registration of tourist premises in the UK and that people can now use online facilities such as Trip Advisor and AirBnb to provide feedback and assess the quality of accommodation. However the Department considers that given the relatively small size of the Isle of Man, visitors' experience of poor accommodation in the Island may have a particularly negative effect on how it is viewed as a visitor destination. A system of registration (as one of the comments in favour states) reduces the likelihood that accommodation will be substandard. This, it could be argued, is particularly important now that online companies such as AirBnb are making it easier for people to market accommodation to visitors. It should be noted that while visitor accommodation in England, Scotland and Wales need not be registered Northern Ireland still retains the requirement.

The Department will therefore consider further the scheme of compulsory registration of visitor accommodation, including informal consultation with other Government Agencies and analysis of the costs and funding of registration and grading of properties.

We also note the comment that suggests the registration scheme is daunting and onerous. Over the last few years the system has been streamlined and we do not consider it to be onerous. However we believe that new legislation will simplify the system and provide the Department with greater flexibility to change the system in the future.

# Question 3

Should the responsibility for registration of tourist premises remain with the Department or be vested in a separate body?

### Breakdown of responses to Q3

Yes ("remain with Dept")	No ("vested in separate body")	No answer
59 (75%)	12 (15%)	8 (10%)

### Sample of responses

Not in favour:

- "Transfer it to a separate body using the people who are already in the accommodation business, after all they have the experience of knowing exactly what visitors want when they stay."
- "There should be no registration scheme."
- "I do not believe registration should be mandatory. I was not able to find any actual legislation regarding England and wonder why IOM Government wants to hang on to the past it could be a much needed cost saving effort."

In favour:

- "Registration should remain in the Department."
- "I think it is important for this to be part of Government's standard regulation, and there are close ties with Environmental Health and Housing standards. Having it part of Government is the only real way of ensuring its operation is objective."
- "I cannot see any advantage in transferring the registration function and indeed the Department has the experience and relationships with industry and other stakeholders necessary to carry out the task."

• "We support the Department's view that the advantages of keeping the registration process within Government outweigh any possible benefit of vesting the function in a separate body."

# **Commentary**

The proposal to transfer to a Statutory Board the powers of the Department to register premises was developed twenty years ago in a very different time. The Department believes that, given the size of the Isle of Man and the recent restructuring of the Tourism Division of the Department into an Agency, there is no case to transfer responsibility for registration to another body. The responsibility for registration should therefore remain with the Department, if the system of registration is retained. It should be noted that the Department would still be able to outsource the registration function if it wished to do so.

### Question 4

Do you agree that the scope of the registration scheme be simplified and made more flexible?

### Breakdown of responses to Q4

Yes	No	No answer
69 (87%)	5 (6%)	5 (6%)

### Sample of responses

Not in favour:

- "Abolish it it's a bureaucracy gone mad"
- "Get rid of it entirely. This industry will self-regulate."

### In favour:

- "In this rapidly changing world it is essential to have flexible legislation and terminology that allows such."
- "Anything that simplifies the scheme is beneficial."
- "Category one [ "Any premises used for the lodging for reward of tourists or visitors"] covers all"
- Yes, we support the Department's view so that ALL types of emerging visitor accommodation can be brought under the same regulation.

### **Commentary**

The Tourist Act 1975 lists 16 different categories of visitor accommodation that should be registered. The Department considers that these categories should be replaced with one definition, though there should be a power to extend registration by subordinate legislation if necessary.

# Question 5

Do you have any views on what measures should be taken to avoid duplication or overlap with other statutory controls?

Of the 79 respondents 55 responded to this open question.

### Sample of responses

- "I think the current system works well: each agency has different responsibilities and it is not unlike Building Regulation and planning policies they both apply to development for different reasons."
- "Streamline and simplify the registration system and the statutory controls to eliminate the overlaps without narrowing the options."
- "Reduce and minimise controls."
- "As part of (first) registration copy of planning, licence of local authority, fire approval etc and with the annual registration copy of insurance certificated should be included."
   "Although other legislation can appear to control similar matters, sometimes the purpose of those controls is different.......There is a strong case for keeping the various different controls as they perform different functions or the same function for different reasons... Houses in multiple occupation (HMOs) which potentially could have previously operated as tourist premises fall outside the remit of tourism legislation."

### Commentary

It is important that the conditions for registration of visitor accommodation neither duplicate nor conflict with other agencies. Any new tourism legislation will have to take account of the controls applying to such accommodation. In particular the Department will liaise with DEFA in relation to HMOs, and with other bodies in relation to their controls.

#### Question 6

Should the present classification of visitor accommodation, for registration purposes, be changed?

#### Breakdown of responses to Q6

Yes	No	No answer
21 (27%)	49 (62%)	9 (11%)

#### Sample of responses

Not in favour(those who stated they wanted to keep the present classification):

- "Current registration is clear and transparent to all visitors"
- "Change only if UK change"
- "Needs to be international understood and changing this does not help"
- "It is a clear system, easy for visitors to understand."
- "If it is working and people know what to expect within each classification then it should be left as it is."

•

In favour (those who stated yes changes should be made):

- "If it increases diversity and flexibility then that will be a good thing."
- "Change the classification, visitor accommodation is visitor accommodation regardless of what type or how large or small."
- "Simplify it"
- "As a majority of visitors is and will be from the UK, it is in our opinion, for the benefit of the guest's expectations, to keep the classification in line with the UK. It might be beneficial for the IOM to be able to expand to this and include new types of accommodation without waiting for the UK to do so."
- "The same classification should be used for registration and for grading."
- "Any change to a new system of classification will need to take account of transitional issues and what allowances may be heard for historic properties. However, it is also important to have a system of classification, with clear definitions, that is simple, understandable and consistent across Government."

### **Commentary**

As stated the Department has used the Common Standards grading system in use across the UK since 2007. It is clear that most respondents wish to retain this system, should a system of grading be retained. The Department considers that classifications should be kept in line with those established by the Common Standards, but would like to have an element of flexibility to introduce and new standards and classifications in an efficient manner within any new legislation.

#### Question 7

Should the Department's regulation-making powers include express power to lay down minimum standards for visitor accommodation?

#### Breakdown of responses to Q7

Yes	No	No answer
55 (75%)	16 (20%)	4 (5%)

#### Sample of responses

Not in favour:

- "Let market providers like hotel brands, AirBnB etc lay down minimum standards for the accommodation they market."
- "The industry will self-regulate."
- "This sounds way too over regulated. An accurate description of the accommodation is fine. Jumping through hoops by the sounds of it which is why I never registered for my house even if I could have rented it our while away on TT week."
- "Government should not be involved."

In favour:

- "We have a vibrant business and holiday destination which if we need to expand must have minimum standards of visitor accommodation. Having regulations to govern this will only enhance the visitors experience it will encourage positive feedback on the Island as a destination."
- "For permanent visitor accommodation only."
- "This is most important for the reputation of the Island's tourist industry."
- "Standards are important to reputation."
- "If we are to achieve consistency in standards it is essential that such powers are awarded."
- "Part of the value in compulsory registration is not only in ensuring the accommodation is safe, but also it meets the minimum standard expected by the guest."

### **Commentary**

Question 7 is a technical one, as the Department's legal advice has indicated that, though Regulations have been made to specify minimum standards for registration, the Act itself is considered to provide inadequate powers to prescribe standards. The Department considers that, if mandatory registration by the Department is retained, it should be made clear that regulations may prescribe minimum standards for accommodation of any category as a condition of registration.

### Question 8

How should a review process for refusal of or cancellation of registration work?

Of the 79 respondents, 68 respondents provided comments.

#### Sample of responses

- "Greater flexibility"
- "6 months' notice with a review after 3 months, 3 month summary with 1 month review, 1 month review and cancellation notice issued if not completed by month end."
- "If you are making registration compulsory then a period of notice is obvious unless you want to reduce the amount of accommodation available for tourists."
- "On a case by case basis"
- "Written appeals from applicant within 28 days of decision. Department to review decision and reply within 28 days explaining their position, or setting out changes required to application. Further ability to appeal allowed for."
- "Failure to meet the minimum standards and requirements would warrant refusal. It is
  my understanding that as a part of the current mandatory grading process any owner will
  have more than reasonable notice of requirement to improve and therefore if this
  continues a premises should only have their registration cancelled as a result of failing to
  meet these requirements or as a result of failing to adhere to current fire of health and
  safety standards. I do agree the Department should have more flexibility provided there
  are measures in place to ensure fairness and consistency in the process."
- "Provision of greater flexibility as outlined above by the Department."

#### Commentary

The Department considers that the processes for both refusal and cancellation of registration could be amended to allow for greater flexibility. For example, in the case of cancellation, the legislation could provide for a period of notice before cancellation occurs to allow the applicant to make suitable changes to allow for continued registration. The feedback provided by consultees will be taken on board in drafting the new legislation.

# Question 9

Should the Department's regulation-making powers include express power to require (a) thirdparty insurance, and (b) compliance with a code of conduct?

### Breakdown of responses to Q9

Require both	Third party insurance only	Require compliance with code of conduct		No answer
52 (66%)	7 (9%)	5 (6%)	10 (13%)	5 (6%)

### Sample of responses

Not in favour:

- "Government should not be involved."
- "Puts people off"
- "Perhaps insurance could be brought into general trading regulations/guidelines so there is no additional bureaucratic requirement for a government tourism body to oversee it."

In favour (of both (a) and (b)):

- "Both are essential in ensuring visitor safety and comfort which is vital for the protection of the Isle of Man brand as a destination. It is just as important that where continued breaches of such items are not rectified, the Department has the powers and responsibility to fine/prosecute."
- "Certain standards have to be maintained."
- "Yes both but please consult the industry and do not impose. A code of conduct by property type may be required."
- "We need to keep our guests covered and safe so both are a good idea"

#### **Commentary**

Two thirds of the respondents clearly agree that express powers to require third party insurance and compliance with a code of conduct should be included in any new legislation.

### Question 10

Should the Department be able to issue temporary licences to meet demand?

#### Breakdown of responses to Q10

Yes	No	No answer
49 (62%)	20 (25%)	10 (13%)

### Sample of responses

Not in favour:

- "Absolutely not! The current problematic issues from opportunistic providers and those unregistered properties diluting the quality of the Manx tourism offering would only be exacerbated."
- "We would strongly oppose this proposal. Whilst this proposal may offer an attractive quick 'fix' by regularising a growing problem, it has the potential to seriously undermine the industry. We do not see how this could possibly run alongside continuing compulsory registration."
- "Who would monitor the extent of use? And how?"
- "A waste of time unless the Department can 'police' the scheme which in my opinion it is unable to do. What would be the penalty for refusing? Currently there is a maximum fine of £5,000. I have not seen details of any prosecutions."

### In favour:

- "Allow registration to be voluntary. The market will dictate if it is necessary or not. Cost of registering will put people off if they only wish to host on an ad hoc basis."
- "Yes but the home owners should have and pay for their own insurance and fire compliance."
- "As long as it is of a high standard and complies with the regulations other establishments have who do it all year around. For fairness and safety."
- "Very sensible idea. Only fair if everybody complies though."
- "With internet and increasing bookings of AirBnB we should move with the times."
- "As long as regulations are complied with."
- "Excellent idea and fair for all concerned."

### **Commentary**

Though a majority of consultees are in favour of the proposal the comments raise some legitimate difficulties, for example around how a temporary permit system would be enforced. The Department will explore the proposal further, including liaison with Planning, Fire and Building Control and Treasury to ascertain whether such a system is viable.

#### Question 11

Is a statutory grading system for visitor accommodation needed?

#### Breakdown of responses to Q11

Yes	No	No answer
53 (67%)	19 (24%)	7 (9%)

#### Sample of responses

Not in favour:

- "Visitors have an idea of the standard of accommodation"
- "A voluntary system is best the consumer will decide."

In favour:

- "This is important to maintain standards that off-island visitors will have confidence in."
- "It is important on so many levels but very necessary for visitors, it provides assurance and confidence of accommodation standards. It offers a framework to all parties and assists in continually improving standards."
- "Am often amazed that other jurisdictions do not have a national standard."
- "A clear grading system is essential in helping visitors understand what they can expect prior to travel and booking."
- "I think so yes. Firstly it ensures standards are being met and accommodation is of good quality. It gives customers peace of mind and also encourages maintenance and development by the accommodation owner."
- "The grading system should be statutory and should apply to all categories in order to ensure same standards are applied by all registered accommodation providers."
- "We take the view that the Department should retain and use the power to prosecute those who operate unregistered accommodation. To do this successfully the provisions relating to Registers and a Certificate that is admissible evidence may well be required and need to be retained. We strongly support the retention of a statutory grading system."

# **Commentary**

The Department considers that the Common Standard grading system has served the Island well and that a reliable grading system may play a significant part in attracting visitors to the Island. However as with the questions relating to the registration system, a significant minority of a quarter respondents do not believe that a mandatory grading system is necessary. As made clear above the Department will therefore give further consideration to whether the Common Standards should continue to be used as part of a registration and grading system.

# Question 12

To what categories of visitor accommodation should any grading system apply?

55 (70%) respondents agreed that a grading system should apply to "Any premises used for the lodging for reward of tourists or visitors"

# **Commentary**

The Department is of the opinion that if a grading system is to be used it makes sense to apply this across the board and that all categories of visitor accommodation should have a grading system applied. The system would therefore be simplified which would allow greater flexibility of new developments in the accommodation sector.

# Question 13

Should it be mandatory for all registered accommodation within a given category to be graded?

# Breakdown of responses to Q13

Yes	No	No answer
55 (70%)	20 (25%)	4 (5%)

### Sample of responses

Not in favour:

- "There should be no mandatory grading. Leave it up to the proprietors to decide for themselves."
- "Too complex"
- "Social media/Trip Advisor etc. Save the expense of paying some locally to do this."
- "Just leave it to the market"

### In favour:

- "A common grading will help all visitors, compare and evaluate accommodation options."
- "It would be the fairest way"
- "Standards in accommodation have increase and need to be maintained if the Isle of Man is to be a quality destination."
- "All places used as accommodation for tourism needs to be classified to encourage quality of service a must in the attraction of the people visiting and spending their hard earned cash."
- "It's a win/win situation for everyone. Customers know what to expect, providers know what they have to offer and the Government knows that tourists should have a good experience whilst on the Island."

### Commentary

The Department agrees that (if it is mandatory for accommodation to be registered and graded) it should be mandatory for all registered accommodation within a given category to be graded.

### Question 14

Should the Department continue to be responsible for the grading of tourist premises?

#### Breakdown of responses to Q14

Yes	No	No answer
57 (72%)	15 (19%)	4 (9%)

### Sample of responses

Not in favour:

- "Private sector accommodation marketing bodies general and MNH with specific regard to truly authentic Manx accommodation"
- "None too resource intensive with limited benefit that the internet review system doesn't already provide for free"
- "Trade body"
- "Government should not be involved. Market forces (such as Trip Advisor, social media will take this role over without Government intervention."
- "All statutory boards should be abolished, a trade body with expertise not only to critique but to suggest improvement"

In favour:

- "It goes hand in hand with registration and standards"
- "The Department should be responsible, but contract out the actual grading assessments, so it can act as an independent arbitration body."
- "Trade bodies are often in my experience just money making entity's entirely focused on making it simple to join for a fee of course!!! Rarely do they focus on the needs of the end users so a well-run honest government department is the only one to implement a good and reliant service."
- "The Department should retain responsibility for grading of visitor accommodation."
- "From our experience, it works well."

# **Commentary**

From the responses the Department concludes that, should mandatory grading be determined to be necessary, the grading should continue to be its responsibility. It should be noted however that at present the grading is outsourced to independent assessors and that this function will remain outsourced under the current system to enable bench marking with other jurisdictions and thus ensuring that the quality of the accommodation is in line with consumer expectations.

### Question 15

### How should standards for the grading of visitor accommodation be set?

This was an open text comment-only question with 65 responses.

### Sample of responses

- "Based on the standards set by Visit Britain."
- "Use UK standards."
- "If there is no formal set of common standards to follo0w, then there is a danger of subjective views leading to confusion and anomalies in grading."
- "No strong views but a "star" grading system is well understood & in common use generally."
- "Same standards as applied in the UK."
- "If you utilise grading then you have to have details published on how this grading is to be assessed in order to avoid arbitrary or overly subjective judgements. The UK star system is well established and widely understood assessment and there is no reason to change."
- "Should be in line with UK so visitors are looking at like for like."
- "Is it really necessary? Market forces seem to work well for most aspects of life."

#### **Commentary**

The Department will use the feedback from the consultation to look at simpler ways of setting and revising standards for the grading of accommodation.

### Question 16

Should any changes be made to the system of appeals to the Tourist Premises Appeal Tribunal in relation to registration?

#### Breakdown of responses to Q16

Yes	No	No answer
31 (39%)	34 (43%)	14 (18%)

#### Sample of responses

Not in favour (remain as is):

- "As there have been no appeals in the last 10 years, it does not seem to merit any change or time wasted on considering a change."
- "Still need to retain this, however underutilised."
- "No. Even if little used, provided that the mechanism remains in place the Department can always deal with any cases that arise in the future. We are very doubtful that 'an independent person with the Department' would be perceived as truly independent."
- "An appeal should never be by one person. The Island is too small and most people know each other, the only fair way is by a panel and what you have in place sounds very reasonable."

In favour (of changes being made):

- "It isn't used why go to the bother of changing it"
- "The tribunal should go. You don't need that many people and Chang of use is for Planning Tribunal. If a property has been refused, then they can either try to get it up to standard or withdraw. The grading staff should be the people who decide and be fair."
- "Use an independent body to inspect properties and the Department to act as an independent appeal body."
- "Changes should reflect the infrequent nature of appeals and replace the Tribunal with a simplified procedure to appeal a decision made by the Department. To ensure fairness this should be an independent senior officer."

#### **Commentary**

Though the Department proposed that some other method of review be established rather than a Tribunal, consultees raised some legitimate objections, such as "It isn't used why go to the bother of changing it". However there are two reasons why it might need to be changed. Firstly, the fact that the appeal system hasn't been used might indicate the system in some way put off those who might otherwise potentially appeal. The second is that, though the tribunal has not been used in at least 10 years, there may be costs associated with the Tribunal, e.g. around recruitment exercises for Tribunal members. The Department will explore options for a form of review other than a Tribunal.

### Question 17

Should any changes be made to the system of appeals in relation to grading?

#### Breakdown of responses to Q17

Yes	No	No answer
26 (33%)	38 (48%)	15 (19%)

### Sample of responses

Not in favour (leave it as is):

- "As with appeals against refusal of registration, grading appeals should be referred to a person or body outside the Department."
- "Changes may not be necessary as long as a system is in place to make an Appeal."
- "If the grading is fair, why change it. Property owners can rectify what is required and ask to be re-graded."
- "Appeal system should be in place but simple process."

In favour (making changes):

- "Scrap the process"
- "Government should no longer involve itself in accommodation grading, unless it is required by EU legislation."
- "Yes if providers felt they have been unfairly graded, they should get a quick response and the chance to be looked at again within a season"
- "Make it simple to understand"

### **Commentary**

The Department is of the opinion that some form of appeals process should remain. However the Department should look at possible alternatives that will look to streamline the system.

#### Question 18

Should the Tourist Premises (Provision and Improvement) Act 1977 be repealed?

### Breakdown of responses to Q18

Yes	No	No answer
52 (66%)	14 (18%)	13 (16%)

#### Sample of responses

Not in favour:

- "It shouldn't be removed completely."
- "It just needs to be adjusted to include all accommodation providers and visitor attractions."

#### In favour:

- "We need to update the Legislation and if it no longer meets needs abolish it"
- "Needs to be brought up to date"
- "It seems to have been replaced which is fine.2
- "Why keep it if it is now obsolete"

The Department is in agreement that this Act should be repealed.

### Question 19

Should any changes be made to Government assistance to the visitor economy?

#### Breakdown of responses to Q19

Yes	No	No answer
61 (77%)	8 (10%)	10 (13%)

### Sample of responses

Not in favour:

- "Recent changes very helpful so keep up the good work!"
- "It should not need to be subsidised"

### In favour:

- "Improve financial help to small operators."
- "Grants are very important in developing higher standards but more emphasis on encouraging disability access should be made to encourage greater accessibility to accommodation which may involve higher capital costs. Where a voluntary organisation provides specific tourist accommodation grants should be available."
- "Grants or loans to help create accommodation. Not grants where the work has to be completed before the grant is paid. Rather defeats the object."
- "The eligibility of self-catering accommodation should be reconsidered. In my view visitor accommodation should be ineligible on the basis of type but considered in terms of scale, uniqueness, location, facilities and value to the visitor economy."
- "I think assistance should be available to the voluntary sector if they are contributing to the visitor economy. In terms of assistance to business, there may be scope to review whether this is actually required to sustain the market or whether this simply creates a displacement effect."
- "Assistance should be available to anyone who provides or maintains visitor attractions. People won't be inclined to use business accommodation if there are no attractions left on the Island."

### **Commentary**

The Department should explore further financial assistance for the sector with the Enterprise Act 2008 and consult with the sector on specific requirements. This consultation will also include Treasury.

### Question 20

Should the Tourist Premises (Compensation for Tenants' Improvements) Act 1970 remain in force?

#### Breakdown of responses to Q20

Yes	No	No answer
22 (28%)	37 (47%)	20 (25%)

#### Sample of responses

Not in favour:

- "No. We can see no reason why premises that are the subject of a Business Tenancy should be treated differently, just because they are used for tourist accommodation. Surely this is a matter between the individual Landlord and Tenant."
- "Why are tenants receiving support but not owners? Is this fair?"
- "Amalgamated into DfE Enterprise Scheme."

#### In favour:

- "Tenant should be able to apply for assistance, with consent from the landlord, and if tenancy finishes, tenant should compensate landlord for difference that could be owed to Government"
- "Only if the 'improvements' are agreed by both parties. Not sure about this due to differing circumstances."

#### Commentary

The majority of respondents support the proposal that the Act should be repealed. The Department therefore sees no reason to retain the Act.

#### Question 21

Should the Hotel-Keepers' Liability Act 1964 be amended or replaced to take account of changes in the past half-century?

#### Breakdown of responses to Q21

Yes	No	No answer
57 (72%)	10 (13%)	12 (15%)

#### Sample of responses

Not in favour:

- "Already covered by house insurance"
- "Risk of false claims if amount increased."

#### In favour:

- "The current limit makes it pointless. Bring in new limit and link to inflation."
- "We have no view on this, other than to encourage modernisation generally."

The Department considers that this Act should remain in operation as it is still in operation in the UK and the 1962 Convention still applies.

### Question 22

Should the Department have the powers to obtain data and statistical information to inform future policy?

### Breakdown of responses to Q22

Yes	No	No answer
47 (59%)	24 (30%)	8 (10%)

#### Sample of responses

Not in favour:

- "We have enough work to do without being forced to do more paperwork. It is now voluntary scheme to provide this information and it should remain voluntary."
- "Should not be a legal requirement. Most providers would give the information voluntarily"
- "More overload"
- "Seems a bit draconian"
- "I can see it would be useful but, having taken part in the occupancy survey; it takes a long time, which I don't have when I am busy. If there was an easier system it would encourage us to take part more easily."
- "This would be a burden on businesses. The purpose of Government is not to give itself the power to demand that private organisations provide Government with confidential data under threat of force."

### In favour:

- "Fully agree that without operational control of gathering data then the trust of that data comes into question. From previous experience I would ask that a more comprehensive and transparent way of collecting data and analysing it is taken on board. I would also ask that surveys are carried out to establish what visitor spend is per head rather than a person in Treasury plucking it from some random survey. Ask those who are in the Industry!"
- "Without this data there is no way to measure success or otherwise of the tourist industry."
- "Should encourage this initially on a voluntary basis and if this does not work then make it a statutory requirement. At the end of a calendar year the Department could forward a basic letter requesting this information."
- "And for tax purposes. I am sure we used to send numbers to the Government."
- "Would seem necessary to be able to carry out most effective analysis and marketing."
- "Accommodation providers should be made to hand over any data on the number of visitors or how long they have stayed."
- "Essential."

Though a majority of the respondents agreed that there should be specific powers in the tourism legislation to require information to be provided to Government, those objecting have raised entirely reasonable objections that such powers appear "draconian" and that providing information can take a long time and be a "burden on businesses". The Department will explore options such as including specific powers to require data collection but approach voluntarily initially and only enact powers in specific circumstances.

# 5. Further comments

The consultation also gave respondents the opportunity to make any further comments that they thought might be relevant.

Many of the comments reiterated previous points (e.g. that registration of premises should be scrapped).

A sample of some of the comments dealing with issues that have not been raised already follows:

# <u>Caravans</u>

- "the exclusion of caravans on the island was a huge mistake"
- "Mention of caravan parks is laughable when we don't have any. Legislation needs to be reviewed again to encourage this huge sector to the Island."
- "More needs to be done to welcome campervans and caravans to the Island. These are increasingly popular."

### Commentary

It should be noted that caravans are not "excluded" from the Isle of Man. However towed caravans do require a permit, and may only visit for the TT, Southern 100, or Isle of Man Festival of Motorcycling (Manx Grand Prix/Classic TT) period. The Department will take on board the feedback on caravans in determining future policy in consultation with Department of Infrastructure.

### Consumer protection

"Needs to cover both tour operators and customer financial protection."

### **Commentary**

This comment appears to relate to consumer protection in relation to package holidays. It should be noted that the EU regulation on package holidays, while it technically does not apply to the Isle of Man, should apply to holiday makers travelling to the Isle of Man from EU countries (including the UK). Changes to the protection regime will apply to EU countries from I July 2018. In any case, given the uncertainty over the UK's exit from the EU, and the effects that this will have in relation to Crown Dependencies such as the Isle of Man, the Department considers that it is not the best time to determine policy on this matter.

#### Travel to Isle of Man

"The age old problem on how to extend season and cost/availability of getting to the IOM? Better flights from less airports, etc."

While the Department recognises that extending the season for holidaymakers and making it easier for visitors to travel to the Island are important issues in encouraging growth of the visitor economy, it is considered that these are outwith the scope of the present exercise, which seeks to streamline the Department's statutory powers in relation to promotion and regulation of the tourist industry.

### Maximum amount of time guests may stay

"Increase the maximum number of days allowed for any guest stay to accommodate the medium and longer stay visitor which is a growing market recognised in other parts of the world. This would also cover the 'winter let'."

### **Commentary**

The tourist legislation for which the Department is responsible contains no stipulations as to a maximum amount of time visitors are allowed to stay in accommodation. This is something that the Planning and Building Control Division of the Department for the Environment, Food and Agriculture has requested is clarified within our legislation so further consultation with other Departments will be undertaken as part of the process.