



**Isle of Man
Government**

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Review of tourism legislation: a consultation document

ISSUED BY THE DEPARTMENT OF ECONOMIC DEVELOPMENT

December 2017

Introduction

1. The object of this consultation is to review the existing legislation relating to tourism in the Isle of Man and to 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.
2. It is worth noting that one of the commitments set out in the Programme for Government 2016 is to grow the visitor economy in the Isle of Man. In addition the Department in 2016 launched a new strategy to promote the Isle of Man as a visitor destination, the Isle of Man Destination Management Plan 2016 – 2020. The strategic aim of the plan is :

“...to grow the tourism and visitor economy sector consistently in a sustainable manner, thereby increasing its contribution to the livelihoods and quality of life of residents.

The Destination Management Plan will be accomplished by working in partnership with tourism and visitor economy businesses, transport carriers and across government to increase the contribution of the sector to the Isle of Man economy by 20% in real terms of value by 2020.”

The Plan’s objectives are:

- Strengthening collaboration and partnership working;
 - Promoting the Isle of Man’s image and distinctive strengths to target markets;
 - Creating an exceptional visitor experience;
 - Championing new investment and product development; and
 - Creating and maintaining a programme of market intelligence to direct strategy and measure achievement.
3. These objectives will in part be facilitated by ensuring that tourism legislation is up to date and in line with the needs of a modern visitor economy. The main Act that sets out the Department’s powers in relation to the visitor economy, the Tourist Act 1975, is 42 years old, and the provisions of the Act are no longer suitable for the modern age: the terminology of the Act is outdated; it contains powers for the

Department which have since been superseded by other legislation; and some of its provisions have been found to be inadequate, for example in relation to resolution of disputes in relation to registration of visitor accommodation, or the requirement that registration takes place on a specific date every year. The Department considers that new legislation will help the Department to achieve the objectives set out above.

Consultation process

4. Any comments or questions should be submitted in writing to:

Department of Economic Development

St George's Court

Upper Church Street

Douglas

IM1 1EX

Or by email to:

angela.byrne@gov.im

If by reason of a disability you are unable to respond or get in touch in writing please telephone 01624 687083

The closing date for the receipt of comments is 26 January 2018

When submitting your views please indicate if you are responding on behalf of an organisation.

5. To ensure that the process is transparent and consistent with the Government's Code of Conduct on Consultation¹ responses can only be accepted if you provide your name with your response.
6. The purpose of the consultation is not to be a referendum but an exercise to gather information, views and evidence as a result of which informed decisions

¹ See www.gov.im/media/622991/code-of-practice-on-consultation-2008.pdf

may be taken. In any consultation exercise the responses received do not guarantee changes will be made to what has been proposed.

7. A summary of the responses will be published after the consultation has closed. Unless specifically requested otherwise, any responses received may be published either in part or in their entirety along with the name of the person or body that has submitted the response. Please mark your response clearly if you wish your response and/or your name to be kept confidential. Confidential responses will be included in any statistical summary and numbers of comments received.
8. A list of bodies that this consultation has been sent to is available in the Annex to this document.

Background

The role of Government

9. Government involvement in the visitor economy in the Isle of Man formally began in 1897 with the establishment of an Advertising Committee, subsequently reincarnated as the Board of Advertising (1904), Isle of Man Publicity Board (1931) and Isle of Man Tourist Board (1952). With the introduction of ministerial government in 1986-87 the Tourist Board's responsibilities devolved upon the Department of Tourism and Transport (later renamed the Department of Tourism and Leisure), and since 2010 have been vested in the Department of Economic Development ("the Department").
10. The principal functions of the Department in this field are —
 - promoting the attractions of the Island, particularly by advertising in the United Kingdom media and on the internet;
 - providing visitor information;
 - regulating visitor accommodation.
11. In this document the more up to date term "visitor accommodation" is used. It can be taken to mean the same as "tourist premises", which is the term used in the legislation.

The present legislation

12. The legislation relating to the tourist industry in the Isle of Man comprises the following Acts, together with the subordinate legislation made under them.

TOURIST ACT 1975

13. This Act ("the 1975 Act") is the principal measure relating to the tourist industry, and gives the Department various powers to promote tourism, including wide powers to provide funding to support tourism. However, it is mainly concerned with the maintenance of official registers of tourist premises of specified classes. The use of accommodation as tourist premises is prohibited unless it is registered under the 1975 Act, which also enables premises to be graded. The responsibility for registration and grading is placed on the Department. The decisions of the Department in relation to registration and grading may be reviewed by the independent Tourist Premises Appeal Tribunal.

TOURIST PREMISES (PROVISION AND IMPROVEMENT) ACT 1977

14. Part I of this Act ("the 1977 Act") enables the Department to make schemes, subject to Tynwald approval, under which financial assistance by way of grant or loan may be given for the provision or improvement of tourist premises. Part II enables the Treasury to guarantee loans made by third parties for those purposes.
15. The 1977 Act is however obsolete. Financial assistance to a tourist business may now be provided by the Department under the Enterprise Act 2008.

TOURIST PREMISES (COMPENSATION FOR TENANTS IMPROVEMENTS) ACT 1970

16. This Act ("the 1970 Act") entitles the tenant of tourist premises, on termination of the tenancy, to compensation from the landlord for works of improvement carried out by the tenant with the consent of the landlord or of the High Court. If the Court gives its consent, the landlord may opt to carry out works, and may then apply to the Court for an increase in rent.

TOURISM (REGISTRATION AND GRADING) ACT 1996

17. This Act ("the 1996 Act") provided for the establishment of a Statutory Board by the name of the Tourism Registration and Grading Commission, which was to assume the functions of the then Department of Tourism and Leisure under the 1975 Act. However owing to a change in policy the Act was never brought into force and responsibility for registration and grading remained with the Department for Tourism and Leisure and, subsequently, the Department for Economic Development.

HOTEL-KEEPERS' LIABILITY ACT 1964

18. This Act ("the 1964 Act") limits the liability of a hotel-keeper for loss of or damage to the property of guests. It embodies in Manx law a Council of Europe Convention, subject to permitted modifications. So long as a prescribed notice is displayed, liability is limited to £65 for any one article or £130 in total, unless the property is deposited with the hotel-keeper.

Possible changes to legislation

Promotion of tourism

19. Schedule 1 to the 1975 Act sets out the Department's powers in relation to the promotion of tourism:
 1. *To provide or assist financially (by way of grant, loan, guarantee or indemnity) or in any other manner competitions, exhibitions, services, sports, races, amusements, carnivals, attractions, entertainments and other facilities relating to tourism.*
 2. *To assist, financially or otherwise, in the provision, extension or improvement of facilities or amenities (including transport arrangements) likely to encourage or develop tourism.*
 3. *To engage in any kind of publicity in connection with tourism.*
 4. *To facilitate travelling and provide for tourists and travellers, and to promote the provision of conveniences of all kinds in the way of through tickets, circular tickets, sleeping cars or berths, reserved places, hotel and lodging accommodation, guides, tours, inquiry bureaux, baggage transport or otherwise.*

- 5. To prepare and publish guide books, maps, accommodation lists, itineraries, timetables and other publications for the benefit or assistance of tourists, and to make reasonable charges in respect of such publications.*
- 6. To accept advertisements for publication in such guides or lists, to make reasonable charges for such advertisements, to impose terms and conditions upon advertisers and to refuse to accept or publish any advertisement or information without assigning any reason for such refusal.*
- 7. To provide or assist financially or otherwise in the provision of schemes for the training of persons in relation to tourist traffic.*
- 8. To make representations relative to wireless telegraphy, postal or telephonic facilities or other forms of communication of public interest.*
- 9. To enter into any arrangements with the Government or any local authority which may be conducive to the objects of the Department or any of them, to obtain from the Government or any local authority any rights, privileges or concessions which the Department might think it advisable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.*
- 10. Notwithstanding anything to the contrary contained in any enactment or rule of law, to institute proceedings in the High Court on behalf of any tourist, where it appears to the Department that there has been a breach of contract by the proprietor of any tourist premises with that tourist, and to pay the costs of any such proceedings.*
- 11. To do all such other things as are instrumental or conducive to the attainment of the objects of the Department.*
- 12. In this Schedule, "Government" includes a [Department] and a Statutory Board.*

20. This list appears to the Department to cover all the areas where Government involvement in the promotion of tourism might be desirable, although the terminology in some cases could be updated.
21. However there is a considerable overlap between paragraphs 1 and 2 and the Department's general powers under the Enterprise Act 2008, and those paragraphs are now mainly redundant. It should be noted, though, that the 2008 Act's powers are limited to businesses, so cannot be used to assist voluntary

organisations and other groups. The powers under the 1975 Act to provide financial assistance are not used extensively; however the Department does rely on these powers to provide assistance through the Tourist Event Development Scheme.

22. Further, paragraphs 8 and 9 seem more appropriate to a trade pressure group than to a Department of Government. It is difficult to envisage circumstances in which those powers would be necessary today.

Q1. What changes, if any, should be made to the Department's general powers to promote tourism?

Purpose of registration

23. The traditional purpose of registration of visitor accommodation has been to preserve and improve the Island's reputation as a tourist destination by ensuring, so far as practicable, that accommodation offered to visitors is of a reasonable standard. The bad publicity generated by a few cases of sub-standard accommodation is likely to frustrate the effort which goes into the provision of many good-quality premises. For this reason market forces are not considered sufficient to achieve that purpose, and the scheme of registration and inspection has been made compulsory. Accordingly legislation provides for the use of unregistered tourist premises without the Department's approval to be an offence, punishable by a fine of up to £5,000 on summary conviction².
24. During the TT races and the Isle of Man Festival of Motorcycling there are insufficient registered premises for the number of visitors, and private residences may be used as bed-and-breakfast accommodation or let as self-catering accommodation with the approval of the Department under the Homestay scheme.
25. During the registration process officers of the Department visit premises, provide support and advice, and ensure that the accommodation complies with the minimum requirements of the relevant regulations under the Tourist Act 1975.

² 1975 Act ss.6 and 18(1)

They also seek to ensure that it conforms to any relevant planning and building control regulations, fire safety advice and environmental health regulations. Officers require evidence of public liability insurance cover.

26. The Department is of the opinion that, in the interests of the Island's reputation, there is still a need for compulsory registration and inspection of visitor accommodation, but would welcome views.

Q2. Is a scheme of compulsory registration of visitor accommodation still necessary?

Responsibility for registration

27. The function of registering visitor accommodation has been vested in a Department of Government since the ministerial system was set up in 1986-87. A proposal to transfer it to a separate Statutory Board was embodied in legislation in 1996, but was never brought into force (see paragraph 17).
28. The Department can see no advantage in hiving off the registration function to a separate body, and considerable benefit in keeping it under same roof as financial assistance to the tourist industry under the Enterprise Act 2008 (see paragraph 21), but invites views.

Q3. Should the responsibility for registration of tourist premises remain with the Department or be vested in a separate body?

Scope of registration

29. The premises subject to compulsory registration under the 1975 Act are listed in Schedule 4 to the Act, as follows —
1. *Any premises used for the lodging for reward of tourists or visitors.*
 2. *Residential hotels.*
 3. *Holiday hotels.*
 4. *Private hotels.*
 5. *Tourist inns.*
 6. *Motor inns.*

7. *Road houses.*
8. *Guest houses.*
9. *Boarding houses.*
10. *Lodging houses.*
11. *Flats, flatlets or other rented accommodation used or intended to be used for accommodating tourists.*
12. *Holiday hostels.*
13. *Holiday camps.*
14. *Holiday villages.*
15. *Camping sites.*
16. *Caravan sites.*

30. None of categories 2 to 16 are defined in the 1975 Act, and while some of the terms used have a normal and accepted meaning (eg. 9, 15), others have fallen out of use and their present-day meaning is uncertain (eg. 5, 7, 12). In any case, it is probable that all of those categories fall within category 1, and that they are consequently unnecessary. As pointed out in paragraph 37, a different system of classification is used for registration purposes.
31. On the other hand, the categories of registrable premises are fixed, subject to the Department's power by regulations to exempt premises or a category of premises from registration³. Accordingly there is no scope for regulating new types of visitor accommodation which may appear (eg. a container hotel, or a "floating hotel" moored in a harbour, which might not count as "premises"). Furthermore, the Common Standard has been extended in the United Kingdom to cover types of accommodation to which the current Manx legislation does not apply, eg. "alternative accommodation" (which includes wigwams, yurts, pods, railway carriages, tree-houses, Romany caravans and camper vans).
32. The Department considers that the scope of the premises subject to registration should be simplified and that it should have power to extend registration by subordinate legislation if necessary.

³ 1975 Act s.19(1), Sch.3 para.3.

Q4. Do you agree that the scope of the registration scheme be simplified and made more flexible?

Overlap with other controls

33. Other statutory controls apply to certain categories of visitor accommodation, e.g.
- planning and building control approval is required for a change of use to visitor accommodation in certain cases⁴;
 - use as a hotel or boarding house is a "designated use" under the Fire Precautions Act 1975, and such premises accordingly require a fire certificate.
34. It is important that the conditions for registration of visitor accommodation neither duplicate nor conflict with those controls.
35. However, there are certain statutory controls which overlap the registration scheme, e.g. the placing or erection on land of "any tent, van, shed, or similar structure used, or intended to be used, for human habitation" requires a licence of the local authority, which may be refused on public health grounds⁵. It may be considered that this control has been superseded by the registration scheme and should be excluded in the case of a registered camping site.
36. Another example is the regulation of houses in multiple occupation (HMOs). Any new tourism legislation will have to take account of the controls applying to such accommodation.

Q5. Do you have any views on what measures should be taken to avoid duplication or overlap with other statutory controls?

Classification of premises

37. The 1975 Act requires the Department to maintain "such registers as may be prescribed for the purpose of registering tourist premises according to their

⁴ Note certain exceptions under the Town and Country Planning (Permitted Development) Order 2012 (SD 0254/12) Schedule 3.

⁵ Local Government Amendment Act 1929 ss.3-6.

classification", and to classify all tourist premises for that purpose⁶. These classes are different from the categories of tourist premises in Schedule 4 to the same Act (see paragraph 29), and are prescribed by regulations⁷ as follows:

- serviced accommodation, divided into (a) hotels, (b) guest accommodation; (c) serviced apartments;
- self-service (i.e. self-catering) accommodation;
- holiday hostels;
- camping sites;
- travel accommodation (i.e. motels).

38. The purpose of classification is to enable minimum standards to be laid down, as a condition of registration, for each type of accommodation.

39. As made clear below the Department has used the Common Standards grading system in use across the UK since 2007. It is likely that the Isle of Man will wish to keep classifications in line with those established by the Common Standards, but would welcome views.

Q6. Should the present classification of visitor accommodation, for registration purposes, be changed?

Criteria for registration

40. An application for registration of visitor accommodation may be made by the owner or occupier of the premises⁸. The Department may refuse the application, subject to appeal, on the ground that the premises are "not, for any reason, eligible for registration under [the] Act as tourist premises"⁹. The criterion of

⁶ 1975 Act ss.4 and 5.

⁷ Tourist (General) Regulations 1991 (GC 377/91). The Regulations have been amended from time to time, most recently in 2008.

⁸ 1975 Act s.7

⁹ 1975 Act s.9(1)

"eligibility" is not explained specifically, but the Department may¹⁰ make regulations prescribing —

"... the general character of the land, the type of accommodation or other services, or both, to be provided therein and other matters incidental thereto which shall be required for the purpose of classifying the land as tourist premises of a prescribed classification and of qualifying it as eligible for registration in a prescribed register."

41. This has been taken as enabling regulations to be made specifying, not merely the type of accommodation and/or services to be provided, but also the standards with which premises of a prescribed class must comply in order to be registered. The Department considers that it should be made clear that regulations may prescribe minimum standards for accommodation of any category as a condition of registration.

Q7. Should the Department's regulation-making powers include express power to lay down minimum standards for visitor accommodation?

Refusal and cancellation of registration

42. The 1975 Act sets out processes for refusal of registration and cancellation of registration. The refusal of registration process makes a requirement that the Department gives the applicant an opportunity of being heard "either in person or by his advocate" before refusing to register the land. The cancellation process sets out a number of circumstances in which registrations may be cancelled such as at the request of the applicant or if the Department is satisfied that the land has ceased to be eligible for registration as tourist premises under the Act.
43. 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

¹⁰ 1975 Act s.19(1), Sch.3 para.2

cancellation occurs to allow the applicant to make suitable changes to allow for continued registration.

Q8. Do you have any views as to how a review process for refusal of or cancellation of registration should work?

Duration of registration

44. The 1975 Act provides that registrations continue in force until 11th February on each year and are thereafter "terminated" unless they are renewed before the end of the month. This requires that all visitor accommodation registrations must be renewed at the same time every year. The Department considers that any new legislation should provide for a system which allows properties to be registered and renewed on a "rolling" basis, dependent on the date of registration.
45. The current regulations also include requirements that the proprietor of visitor accommodation maintains third-party insurance of an amount approved by the Treasury, and undertakes to comply with a code of conduct set out in the regulations. It is doubtful whether the powers conferred by the 1975 Act allow such provision to be included in the regulations.

Q9. Should the Department's regulation-making powers include express power to require (a) third-party insurance, and (b) compliance with a code of conduct?

Provision for casual home rental

46. As in other territories the Department notes that there has been a growth in the use of facilities such as Airbnb. In the Isle of Man many of those who are advertising their properties are unaware of the obligation to register a property if it is to be used as tourist premises, though the Department takes action to remind owners of their responsibilities where it is brought to its attention. In order to deal with situations where individuals may wish to rent out rooms in their private property on a limited basis the Department wishes to explore whether provision for a temporary or limited registration or licence might be useful, perhaps for a combined maximum period of 90 days in any 12 month period. The advantages of

a permit scheme are similar to those of the Homestay Scheme registration which offers benefits to both the visitor and the homeowner including: public liability cover; confirmation that the property meets fire safety guidelines and quality standards; marketing of property; and in addition the opportunity for tax savings on the income generated during the TT. A similar scheme would give visitors confidence that they were staying in a compliant and comfortable property.

47. Such a mechanism for a temporary registration with fewer obligations to comply with, for example, planning regulations could also be applied to properties in the Homestay scheme.

Q10. Should the Department be able to issue temporary licences to meet this demand?

Custody of registers and proof of contents

48. Section 12 of the 1975 Act deals with custody of registers and proof of contents, providing that registers shall be deemed to be in "proper custody when in the custody of the Department or of an officer of the Department authorised in that behalf by the Department" and admissible in evidence.
49. It further provides that a certificate produced by the Department stating that premises are not registered will be considered as conclusive evidence. The Department considers that these provisions, if they ever were, are no longer required.

Grading of tourist premises

50. Whereas the Department is under a duty to maintain registers of visitor accommodation, it may, but need not, grade such premises¹¹, i.e. rate them according to the quality of accommodation and facilities provided.

¹¹ 1975 Act ss.4 and 13

51. The object of any grading system is to indicate to potential visitors the standard of comfort or luxury offered at visitor accommodation. Traditionally this information is conveyed by a number of stars or similar symbols, usually from one to five.
52. The current compulsory grading system operated in the Isle of Man provides the Department with a robust form of quality assurance for every type of visitor accommodation on the Island. It also allows the Department to monitor quality trends and support the visitor economy industry in the quest for continuous quality improvement.
53. As noted in the recent Destination Audit carried out in 2012, the Island's compulsory registration and grading of visitor accommodation has resulted in an evidenced decline in the number of 1 and 2 Star properties and an increase in 3, 4 and 5 star properties over the years. There has been a notable reduction in total bed spaces (2.6% from 2008 – 2016) which has been driven by this decline in lower-end accommodation; however, 5 Star Guest Accommodation bed spaces have increased by 25% over the same period, and 5 star self-catering accommodation by 54% (102 self-catering bed spaces in 2008, and 157 in 2016).
54. Since 2007 the Isle of Man has operated a grading scheme based on the Common Standard in use in the UK. Premises are inspected annually by an independent assessor, which also carries out quality inspections for other jurisdictions. The premises are then graded and given a star rating according to the Common Standard.
55. The Department considers that the Common Standard has served the Island well and that a reliable grading system plays a significant part in attracting visitors to the Island, but would welcome views on —
- whether it should be a statutory or a voluntary scheme,
 - whether it should apply to all categories, or some categories only, of tourist premises, and
 - if a statutory scheme, whether all registered premises should be obliged to take part in it.

Q11. Is a statutory grading system for visitor accommodation needed?

Q12. To what categories of visitor accommodation should any grading system apply?

Q13. Should it be mandatory for all registered accommodation within a given category to be graded?

Responsibility for grading

56. The power to grade visitor accommodation is vested in the Department, but as mentioned in paragraph 17 above, legislation was passed in 1996 to transfer the function to a Statutory Board, although it was never brought into force.
57. The grading of premises under the present system is contracted-out by the Department to an independent company.
58. The Department considers that there may be a case for enabling the grading of premises to be handed over to a trade body or some other entity in the private or voluntary sector, rather than being contracted out by the Department, particularly if it is decided that a statutory scheme is no longer required.

Q14. Should the Department continue to be responsible for the grading of tourist premises, and if not, what body should take it over?

Setting of grading standards

59. Under the present law¹² the Department "may from time to time grade, in such manner as it thinks proper, any tourist premises", i.e. the standards by which premises are to be rated are in the Department's discretion.
60. In 1991 Regulations were published which set out in detail the standards for grading of accommodation. In 2007 the Isle of Man adopted the Common Standard used to grade accommodation in the UK while the Regulations were amended to simply set out the minimum standards which must be met in order for accommodation to be registered by the Department.

¹² 1975 Act s.13(1).

61. The Department considers that, while regulations have the advantage of ensuring publicity and legal certainty, they are a cumbersome method of defining standards, which must necessarily go into great detail. It therefore wishes to set up simpler machinery for this purpose.

Q15. Do you have any views on the way in which standards for the grading of visitor accommodation are set?

Registration appeals

62. An appeal lies to a Tourist Premises Appeal Tribunal against a refusal by the Department to register premises¹³. The Tribunal consists of a chairman and four other members, two of whom are appointed after consultation with a body representative of the tourist industry¹⁴.
63. Detailed procedural rules are set out in the 1975 Act. It is considered that these should be replaced by rules made by the Council of Ministers¹⁵.
64. The Department understands that no appeals have been made in at least the last ten years. Given that fact, the Department considers that some other form of appeal process should be set up instead of a Tribunal, for example an appeal to an independent person within the Department.
65. The Department seeks views on the operation of the appeal system in relation to the registration of visitor accommodation.

Q16. Should any changes be made to the system of appeals to the Tourist Premises Appeal Tribunal in relation to registration?

Grading appeals

66. A similar system of appeals applies to decisions on "the grading, regrading, classification or reclassification of any tourist premises"¹⁶. If a statutory grading

¹³ 1975 Act s.15(2)(a).

¹⁴ 1975 Act Sch.2 para.1.

¹⁵ Tribunals Act 2006 s.8

¹⁶ 1975 Act s.15(2)(c).

system is retained, such a system will continue to be required, but this may not necessarily be so in the case of a voluntary system.

67. As in the case of registration, the Department understands that no appeals have been made in at least the last ten years.

68. The Department would welcome views on the operation of the appeal system in relation to the grading of visitor accommodation.

Q17. Should any changes be made to the system of appeals in relation to grading?

Assistance to the visitor economy

69. The Tourist Premises (Provision and Improvement) Act 1977 (see paragraphs 14 and 15) is still on the statute book, but the Department no longer provides assistance under it, as it has wider powers under the Enterprise Act 2008.

Q18. Should the Tourist Premises (Provision and Improvement) Act 1977 be repealed?

70. The Enterprise Act 2008 enables the Department to provide financial or technical assistance to an "eligible business", established or proposed, which satisfies prescribed criteria¹⁷. The Department operates a Financial Assistance Scheme, under which grants may be made to businesses in the visitor economy, eg. towards capital expenditure on visitor accommodation (excluding self-catering and Bed and Breakfast accommodation)¹⁸.

71. The Department asks for views on the scope and operation of Government assistance to the visitor economy, in particular under the Enterprise Act 2008. For example, should assistance be limited to businesses, or should it also be available to voluntary organisations which provide or maintain visitor attractions?

¹⁷ See Enterprise Act 2008 (Eligible Businesses) Regulations 2009 (SD 212/09).

¹⁸ See Financial Assistance Scheme Guidelines.

It should be noted that the amounts and levels of financial assistance are outside the scope of this consultation document.

Q19. Should any changes be made to Government assistance to the visitor economy?

Tenants' improvements

72. The object of the 1970 Act (see paragraph 16) is to encourage improvements to visitor accommodation operated by tenants, either by enabling the tenant to recoup some or all of the cost from the landlord at the end of the tenancy, or, if improvements are carried out by the landlord, by enabling him to increase the rent.
73. It is not known whether or to what extent the 1970 Act succeeds in its object, or even whether its provisions have been used in recent years. The Department seeks views on its continued usefulness.

Q20. Should the Tourist Premises (Compensation for Tenants Improvements) Act 1970 remain in force?

Hotel-keepers' liability

74. The 1964 Act has two objects: (i) to limit the common-law liability of "innkeepers" for the property of their guests, and (ii) to give effect to a Council of Europe Convention on the liability of hotel-keepers for their guests' property¹⁹ (the text of which is set out in the Act and is incorporated in Manx law, subject to modifications). The 1962 Convention has been extended to the Isle of Man, which is therefore obliged by international law to embody its provisions in domestic law. The Act was partly based on the United Kingdom Hotel Proprietors Act 1956, which pre-dated the Convention (and has not been amended to embody it).
75. The effect of the 1964 Act is as follows:
- a hotel-keeper is liable for loss of or damage to a guest's property brought to the hotel (except vehicles, property left in a vehicle and animals), but limited

¹⁹ Convention on the liability of hotel-keepers concerning the property of their guests (Paris, 17 Dec 1962)

to £65 in respect of any one article or £130 in total [the corresponding amounts in the UK are £50 and £100];

- the benefit of the above limits cannot be claimed if a prescribed notice is not displayed at the reception desk or (if there is no reception desk) at or near the main entrance, or if the loss or damage is caused by the act or negligence of the hotel-keeper or his staff;
- the above limits can be altered by order of the Treasury if they fall below amounts fixed by reference to "gold francs" (an obsolete international unit of account, replaced in 2003 by IMF special drawing rights);
- a hotel-keeper has unlimited liability for a guest's property deposited with him (or which he ought to have received but has refused);
- the hotel-keeper's liability does not cover loss or damage caused by the guest, by Act of God or war or the nature of the property, but cannot be excluded by agreement or notice.

76. The Act could be more clearly drafted, and is plainly out of date in that the monetary limits have not been increased in line with inflation (£65 in 1964 is equivalent to £1,208 at 2016 values). On the other hand, the limits in the United Kingdom have not been raised since 1956, nor have those under the Convention, and a case would need to be made for significantly increasing the potential liabilities of hotel-keepers in the Island above those of their UK competitors. Furthermore, guests' property is more likely today than in 1964 to be covered by their own household contents insurance or travel insurance.
77. The Department would welcome views on the amendment or replacement of the 1964 Act.

Q21. Should the Hotel-Keepers' Liability Act 1964 be amended or replaced to take account of changes in the past half-century?

Securing sufficient data for marketing and policy purposes

78. Though the Department obtains information about the number of visitor accommodation properties and number of bed spaces available through the registration and grading process, it does not systematically receive information about number of spaces filled. Such information would be enormously beneficial to the Department in accurately determining visitor numbers and therefore considering future policy proposals in relation to the visitor economy. The Department is minded to include specific powers to require owners of visitor

accommodation to release information on such matters as their numbers of visitors and duration of stays.

Q22. Should the Department have the powers to obtain data and statistical information to inform future policy?

SUMMARY OF QUESTIONS

Q1. What changes, if any, should be made to the Department's general powers to promote tourism?

Q2. Is a scheme of compulsory registration of visitor accommodation still necessary?

Q3. Should the responsibility for registration of tourist premises remain with the Department or be vested in a separate body?

Q4. Do you agree that the scope of the registration scheme be simplified and made more flexible?

Q5. Do you have any views on what measures should be taken to avoid duplication or overlap with other statutory controls?

Q6. Should the present classification of visitor accommodation, for registration purposes, be changed?

Q7. Should the Department's regulation-making powers include express power to lay down minimum standards for visitor accommodation?

Q8. Do you have any views as to how a review process for refusal of or cancellation of registration should work?

Q9. Should the Department's regulation-making powers include express power to require (a) third-party insurance, and (b) compliance with a code of conduct?

Q10. Should the Department be able to issue temporary licences to meet this demand?

Q11. Is a statutory grading system for visitor accommodation needed?

Q12. To what categories of visitor accommodation should any grading system apply?

Q13. Should it be mandatory for all registered accommodation within a given category to be graded?

Q14. Should the Department continue to be responsible for the grading of tourist premises, and if not, what body should take it over?

Q15. Do you have any views on the way in which standards for the grading of visitor accommodation are set?

Q16. Should any changes be made to the system of appeals to the Tourist Premises Appeal Tribunal in relation to registration?

Q17. Should any changes be made to the system of appeals in relation to grading?

Q18. Should the Tourist Premises (Provision and Improvement) Act 1977 be repealed?

Q19. Should any changes be made to Government assistance to the visitor economy?

Q20. Should the Tourist Premises (Compensation for Tenants Improvements) Act 1970 remain in force?

Q21. Should the Hotel-Keepers' Liability Act 1964 be amended or replaced to take account of changes in the past half-century?

Q22. Should the Department have the powers to obtain data and statistical information to inform future policy?



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