

Précis of findings - Impact of Harmonisation Scheme on Serviced and Self Catering Accommodation in Wales

(The report on Hostels and Hostel type Accommodation is sufficiently brief that it does not require a précis).

Introduction

The following has been produced by Visit Wales after conducting an on-line survey of grading scheme participants. Issues covered in the questionnaires included asking about the benefits of grading, the frequency of inspections, the provision of disability access statements, the lead-in time given to prepare for the harmonised grading scheme, the principle of having a grading scheme that was harmonised across Britain and operators' feelings about it once their business had received an official Star rating under the new scheme, environmental good practice issues & the new scheme, an invitation to list what they would like to see changed about the scheme and finally, Visit Wales asked about operators intentions regarding participation in the grading scheme for the foreseeable future. Questions in addition to these were asked of Serviced Accommodation following concerns raised earlier by this sector.

SERVICED SUMMARY

This report is split into two parts – Hotels and Guest Accommodation

Hotels

The response rate from graded hotels was disappointing, with only 16% (38) of them participating.

On Grading and harmonisation

- Having the hotel graded is a business benefit and the majority say that the main benefit is being able to access marketing (77%)
- The harmonised scheme is endorsed as good thing and 66% of responders intend to remain in grading
- Lead in time to prepare for the harmonised scheme was considered adequate in order to make any necessary adjustments. Responders are happy with the frequency of inspections (75%) and almost all have a disability Access Statement.

- The majority got the grades they anticipated (73%) and overall they are satisfied or very satisfied with the rating achieved (40%) A further 30% are neither unhappy nor satisfied.

On Issues of concern about the harmonised scheme

- Using Stars for all types of serviced accommodation was the correct decision taken as a consequence of harmonisation but that not all types of serviced accommodation is currently inspected under the most appropriate section of the harmonised serviced scheme.
- Just over half say that Small hotels are correctly allocated to the Hotel standards for their grading
- The hoteliers' views on Designators indicate that their value lays in their usefulness to the consumer so the Designator "Guest Accommodation" in their opinion, does not add that value.
- The majority of hoteliers think that Restaurants with Rooms and Inns need to be moved from the Guest Accommodation scheme and graded according to Hotel standards;
- While negotiating terms on harmonisation with other Tourist Boards, the then Wales Tourist Board argued to retain its stance that establishments with "Hotel" in their trading name should be graded as such since to do otherwise would mislead the public and if they were not agreeable to this, they would need to drop the word from their business name in order to be assessed as Guest Accommodation. The majority of hoteliers here ratify that approach, agreeing that they should not have the "best of both worlds".
- Over half however feel that serviced accommodation operators should be able to choose the designator that gets their business the highest Star rating.
- Other issues that concerned hoteliers were the need to prioritise them on web searches above Guest Accommodation and that there should be policing of businesses that misrepresent themselves to the public.

On Environmental good practice

- Most (30) consider this an important issue in terms of business practice and 14 thought the harmonised scheme took insufficient notice of this. More however said that they did not know (16).
- So few comments were received when asked to suggest changes to the scheme, Visit Wales is given no steer on this issue.

On Future participation in grading

- The majority (66%) intend to remain in the grading scheme for the next two to three years
- Those who say they intend to leave cite the following reasons for their decision: Grading scheme is unfair to hotels; customers look more at prices than ratings; the AA has a higher profile in the market place; unhappy that Stars are the symbol used for all serviced accommodation; no bookings from Visit Wales; percentage score achieved not being published alongside rating and finally, low Star rating gives the public a mixed message.

Guest Accommodation

The response rate to the survey from Guest Accommodation was 20 % (224).

On Grading and harmonisation

- Having the business graded is of benefit to 174 (78%) survey participants and the main benefit is being able to access marketing opportunities (81%)
- The Harmonised scheme is endorsed by the majority as a good thing for the consumer and for the trade with 164 intending to remain in the scheme.
- The majority (151) believe enough notice was given by Visit Wales to prepare for the scheme's introduction and they are also happy with the frequency of inspections (177). Almost all -211, say they have prepared a disability Access Statement.

On Issues of concern about the harmonised scheme

- Using Stars for all types of serviced accommodation was the correct decision taken as a consequence of harmonisation (89%- 197) but that not all types of serviced accommodation are currently inspected under the most appropriate section of the harmonised serviced scheme.
- Unlike the hoteliers, Guest Accommodation operators do not feel that Small Hotels are correctly allocated to the Hotel standards for their grading. Presumably they identify with the fact that Small Hotels are owner run like their own business.
- The GA operators' views on Designators indicate that their value lays in their usefulness to the consumer so for 157(72%) the Designator "Guest Accommodation", in their opinion, does not add that value.

- The majority- 144 (65%) of Guest Accommodation operators think that Restaurants with Rooms and Inns need to be moved from the Guest Accommodation scheme and graded according to Hotel standards; 3 out of the 5 with “Restaurant with Rooms” in this survey disagreed with a move from Guest Accommodation and the same response exactly was received from the 5 with “Inn” as a designator.
- With an almost even split amongst GA operators on being able to choose the designator that allows businesses to get the highest Star rating, they have provided Visit Wales with no clear lead on this issue.
- Guest Accommodation operators are also split on the decision agreed under harmonisation that accommodation with “Hotel” in its trading name should be graded under Hotel standards, (this reflects the response to the applicability of “Small Hotel” designator).

On Environmental good practice

- The issue is important to 203 (91%) of Guest Accommodation responders. 72 (32%) said that the harmonised scheme did not take sufficient notice of environmentally good practice but 103 (46%) said they did not know. Only 49 (22%) said that it did so. As with responses from the hotel sector, this does not give Visit Wales a clear steer on how best to address this issue.

On Future participation in grading

- The majority of responders intend to remain in the scheme for the foreseeable future -164 (73%)
- The 58 (27%) that say they will leave cite the following main reasons - lack of bookings from Visit Wales website; the cost of grading; will choose the AA as their sole grading body; and finally issues with VW Quality Assessors.

Suggested course of action by Visit Wales:

- Share the results with the Small Hotels Sector Forum (SHSF) and other key stakeholders, and provide an online summary to all businesses.
- Seek key stakeholders views on the survey and support for a review with Visit Britain, Visit Scotland and the AA focusing mainly on -
- Responses to “Issues of concern about harmonisation”

- The best approach to take to address environmental good practice issues

SELF CATERING SUMMARY

Some 20% (236) of independent operators responded. Response was received from agents representing 60 % (1464) of agency properties.

On the matter of grading and harmonisation

Even though the response rate from independents (20%) and agents could have been higher, it is nevertheless encouraging that the majority of those who have participated report:

- Having the property graded is a business benefit and the main benefit is being able to access marketing opportunities only available to those in grading (53%);
- The harmonised scheme is endorsed as a good thing for the consumer and that operators are intending to remain in the grading scheme (72%);
- They also believe that Visit Wales gave the industry adequate time to make adjustments (76%) and they are also happy with the frequency of inspections;
Most have prepared a disability Access Statement (88%);
- The grades achieved under the harmonised scheme were as anticipated or higher (78%) and overall, they are satisfied or very satisfied (67%);

On Environmental good practice

- This issue is very or quite important to the vast majority (86%) but between agents and independents over 800 businesses believe that harmonised scheme is not taking enough notice of environmental good practice.
- The three main issues that need addressing are: the requirement for bath and shower in main bathroom as a 5 Star qualifier, dishwasher for 5 Stars and that recycling facilities should be introduced as a basic requirement. These comments are all made by independent operators.

On *Other* changes to the harmonised scheme

- The overall theme of Independent operators' (72 -30%) comments relate to assessors needing to use their discretion and give dispensations when its obvious that room size does not allow for certain requirements. Bath and shower for 5 Stars is particularly mentioned here.
- Remove the requirement for large freezer at 5 Stars. 10 said this between Environmental issues (7) and Other changes -3
- However, a higher number of people answering on *this* section said that either there was no aspect of the scheme that they would like see change or answered that they did not know. Together these represent 70% (164) of independent responders *not* actively seeking scheme changes.

On Future Intentions

- The majority of responders (72% - 169 independents and 6 out of 7 agents) intend to remain in the grading scheme for the foreseeable future. 20 independent operators said in this section that they are staying in grading solely to access marketing benefits available only because of the "graded only" policy, otherwise, they would leave the scheme.
- Those intending to leave -58 (25%) independents- cite a variety of reasons but only 5 operators said it was because of downgrading under the harmonised scheme. Other reasons given cannot be attributed directly to the change to the harmonised scheme. 1 agent with 100 properties points to assessors' approach for his/her decision.

Suggested course of action by Visit Wales:

- Share the results and fully discuss with key stakeholders and seek support for a review of the scheme with Visit Britain and Visit Scotland focusing on
 - on the necessity of having both a bath and shower in the main bathroom for 5 Stars in light of responses received, although the pan Britain consumer research done in 2004 to assist the harmonisation process reported that both bath and shower are expected.
 - The requirement at 5 Stars for a Dishwasher in light of comments received, and because the 2004 consumer survey said that it was not seen as critical requirement as many people eat out.

- The freezer capacity required at 5 Stars, - the 2004 consumer survey found that freezer just needed to be “one third of the size of the fridge with no need for large chest freezer”.
- introducing sustainability best practice so as to incorporate the suggestions made by survey responders
- Where environmental good practice is found to be at odds with current criteria, consider reviewing the requirement for those particular criteria with Visit Britain and Visit Scotland.