

GOVERNMENT RESPONSE TO TOURISM CONSUMER GROUP REPORT

1. We thank the Tourism Consumer Group for its report and welcome the broad thrust of the report's recommendations.
2. We are particularly pleased that the tourism and hospitality industry has responded in such a positive manner to the initiative launched by the Government and the British Hospitality Association. The Group has addressed important issues in need of serious examination. The industry, public sector and Consumers' Association representatives on the Group have worked quickly and in a spirit of co-operation. This was a new, streamlined, way of working which has produced excellent and ground-breaking results.
3. The report recognises it is in the best interests of the tourism and hospitality industry, of the industry's customers, and of this country's image - both at home and abroad - for tourists to receive the clearest pricing information possible. This accords with the message of the Government's tourism strategy, "*Tomorrow's Tourism*", that the key to the industry's future success lies in delivering high quality and value-for-money services to the customer, and with the thrust of the consumer white paper "*Modern Markets: Confident Consumers*".
4. Many of the Group's recommendations are addressed to the ETC, the BTA, or the industry itself. The Government welcomes these recommendations and looks forward to a positive response from the bodies concerned and to early action. We accept the recommendations addressed to Government itself, and will undertake public consultation about implementation where appropriate. Comments on specific recommendations are set out below.

Group's Recommendations	Government response
<p>On <u>hotel telephone charges</u>, the Tourism Consumer Group recommends:</p> <p>C To the English Tourism Council, AA and RAC, that their hotel classification and grading scheme's requirement on the display of bedroom information on telephone charges be expanded so that the rate card must provide at least five samples of the cost of calls, at least four of which should be based on five minutes' duration. There should be at least one sample of a call to a destination in the United States of America at off-peak rates; one to France at peak rates; one long-distance (over 100 miles) UK call at peak rates; and one local UK off-peak call. The fifth and any subsequent samples would be at the hotelier's choice. The rate card should state the date at which the information was gathered, and the times of day at which peak and off-peak rates apply. (Para. 13.1)</p> <p>C To the British Hospitality Association and the National Council of Hotel Associations, that they include in their Codes of Conduct a requirement for members who are not in the ETC/AA/RAC scheme to give the same information on a rate card as is indicated in para. 13.1 above. (Para. 13.2)</p> <p>C To DCMS and DTI Ministers that they support and acknowledge this transparency initiative, and give it appropriate publicity to draw it to the public's attention. (Para. 13.4)</p> <p>C To the British Tourist Authority, that they publicise the existence of this initiative overseas, and that they advise foreign tourists thinking of visiting Britain that they will be able to gain an indication of the cost of telephone calls from hotel bedrooms via the new, standardised rate card. (Para. 13.5)</p>	<p>Accept. The Government welcomes this initiative. The Government will discuss with these bodies how best we can help to support and publicise the initiative.</p>

Group's Recommendations	Government response
<p>On single room supplements, the group was unable in discussion to find an answer that would satisfy the single traveller without reducing the hoteliers' income or causing him to switch the costs on to multiple occupancy guests. (Para. 17)</p>	<p>The Government recognises the difficulty the Group faced in dealing with the issue of single room supplements. Nevertheless, it is disappointing that the Group was unable to find a solution. With the trend for more people to live alone, it is important that single travellers, like all tourists, get the best value for their money. This is a commercial challenge for the industry. The growth in budget hotels suggests one way to meet that challenge. The Government will consider whether further steps are necessary; meanwhile we are open to further views on this subject.</p>
<p>On the handling of complaints by hotels, the Tourism Consumer Group recommends:</p> <p>C To the English Tourism Council and Regional Tourist Boards, that they look again at the content of their Welcome Host training programme to ensure that it contains appropriate advice on handling complaints, in particular on facilitating immediate responses by the members of staff receiving complaints so that guests' concerns are dealt with as swiftly as possible. (Para. 21.1)</p> <p>C To the British Hospitality Association and the National Council of Hotel Associations, that they include in their Codes of Conduct a requirement for members to have written procedures for the prompt handling of complaints and that the associations attempt to create a set of minimum standards in this area. (Para. 21.2)</p>	<p>The Government welcomes these recommendations</p>

Group's Recommendations	Government response
<p>On cancellation charges, the Tourism Consumer Group recommends:</p> <p>C To hoteliers, that they should always make their cancellation policy clear to guests at the time of booking. This includes telephone, fax and e-mail communication, as well as in brochures. (Para. 26.1)</p> <p>C To the British Hospitality Association and the National Council of Hotel Associations, that they should advise their members of the above recommendation, and provide them with updated advice on cancellations, including those covered by credit card guarantee arrangements. (Para. 26.2)</p> <p>C To the Regional Tourist Boards, that they should also advise their members of the above recommendation and provide them with updated advice on cancellations. (Para. 26.3)</p> <p>C To DCMS and DTI Ministers, that they support these recommendations. (Para. 26.4)</p>	<p>Accept. The Government is pleased that, in the limited time available, the Group was able to look at the additional issue of cancellation charges. The Government endorses and will support these recommendations</p>

Group's Recommendations	Government response
<p data-bbox="162 118 628 203">On the <u>Tourism (Sleeping Accommodation Price Display) Order 1977</u> the Tourism Consumer Group recommends:</p> <p data-bbox="162 230 662 898"> C That the 1977 Order should be amended to require the following information to be displayed in reception area: <ul style="list-style-type: none"> <li data-bbox="236 338 646 398">C current prices of cheapest and most expensive single room <li data-bbox="236 398 646 479">C current prices of cheapest and most expensive twin or double room <li data-bbox="236 479 662 645">C current prices of cheapest and most expensive family room, i.e a room for more than 2 people, specifying number of people who can be accommodated in each <li data-bbox="236 645 646 705">C prices may be displayed either "per room" or "per person" <li data-bbox="236 705 646 815">C prices must be displayed inclusive of VAT (this would remove the current option of showing VAT separately) <li data-bbox="236 815 646 898">C where a single supplement applies, this must be indicated (Para. 33.1) </p> <p data-bbox="162 925 646 1290"> C Customers enquiring about prices, or making a booking, by 'remote' means should be told the current prices of cheapest and most expensive rooms of whichever category (i.e. single, twin/double, or family) or categories of room they are considering. This will mean that accommodation businesses will have a new duty to give pricing information to people making enquiries or bookings by telephone or e-mail, or confirming bookings by letter. (Para. 33.2)</p> <p data-bbox="162 1317 662 1543"> C The existing eight bed/four bedroom exemption should be abolished. It is fair and reasonable that customers booking accommodation at smaller establishment should have clear information on prices information in the same way as those using larger hotels. (Para. 33.3)</p> <p data-bbox="162 1570 662 1711"> C The existing exclusions for bed-spaces normally in the same occupation for more than 21 nights, for bona fide members' clubs, and for establishments where accommodation is provided along</p>	<p data-bbox="694 230 1184 566">Accept. The Government recognises the need to update the 1977 Price Display Order. The implications of the proposals to change legislation must be carefully assessed and will be subject to Parliamentary approval. The DCMS will consult more widely on these proposals later this year. This will include a regulatory impact assessment. The Government believes that accommodation businesses and enforcers will need to be as clear as possible about the interpretation of any new or revised Order.</p>

Group's Recommendations	Government response
<p data-bbox="164 118 660 342">C To help customers and businesses understand new requirements of this type, and to help accommodation businesses implement them, the Government should consider drafting an explanatory note, and perhaps also best practice guidance, to accompany a revised Order. (Para. 33.5)</p> <p data-bbox="164 376 660 685">! To help smooth the introduction of a revised Order, the Government should also consider transitional arrangements to ease the burdens on business which it would create. For example, a new or revised Order could include a provision delaying the date on which the new arrangements were due to take effect. It could also specify that the new provisions would not apply to court cases already in progress. (Para. 33.6)</p> <p data-bbox="164 712 624 792"><u>In respect of Scotland, Wales and Northern Ireland</u> the Tourism Consumer Group recommends:</p> <p data-bbox="164 819 660 1043">! To DCMS Ministers that they consider drawing the Group's work to the attention of their opposite numbers in Scotland, Wales and Northern Ireland, and that they do so particularly in relation to our recommendation (in para. 13.1). on telephone charge display (Para. 34.1)</p>	<p data-bbox="694 819 775 846"><i>Accept</i></p>