Introduction

Bed and breakfasts (B&Bs) provide overnight accommodation at the proprietor’s home, usually including either a full or continental breakfast. B&Bs typically accommodate fewer than six guests and specialise in providing a personal, good value, homely service. They differ from hotels and guest houses in that they do not provide communal reception rooms, a bar or meals at other times of the day.

B&Bs are subject to a considerable amount of legislation relating to food safety, data protection, discrimination, fire safety, planning consent, health and safety and waste disposal.

This profile provides information about starting up and running a B&B. It describes the skills required, the training available, the current market trends and some of the key trading issues. It also identifies some of the main legislation that must be complied with and provides sources of further information.

What qualifications and skills are required?

While there are no mandatory qualifications required to run this type of business, a B&B proprietor requires up-to-date knowledge of food hygiene and safety, skills in handling and cooking food, customer care skills and general business training.

A variety of courses provide an overview of the main issues involved in running a B&B. Examples of training providers include:

- The Bed and Breakfast Academy, which runs a course on setting up, marketing and running a B&B. The two-day classroom-based course takes place at a B&B in Shropshire. It costs £250 (excluding accommodation) and covers researching and marketing the business, quality ratings, finance and legal requirements (www.bedandbreakfastacademy.co.uk).

- Coedllys Country House, which runs a four-day residential course on running and managing a B&B. It is held at St Clears in Carmarthenshire, Wales, and costs from £499 per person for two people sharing a room, or £650 for a single person. The course runs from Monday to Friday and covers business planning, housekeeping and purchasing, taking reservations and avoiding double booking, credit cards, providing evening meals and dealing with difficult guests (http://coedllyscountryhouse.co.uk/b-and-b-course/).

- Welcome to Excellence, which provides a range of one-day customer service courses that are recommended by various tourist organisations. Courses include Welcome Host, which covers customer service and communication. Prices start at £90 (excluding VAT). Go to www.welcometoexcellence.co.uk and www.welcometoexcellenceni.com for information.
Courses teaching specific cookery skills such as bread making are available from the Ashburton Cookery School in Devon from around £165 (www.ashburtoncookeryschool.co.uk/c_61/cooking_classes.html).

The Fire Training Academy runs a one-day course in fire safety for B&Bs, covering topics such as checking guests are accounted for and that all rooms are clear, and ensuring guest safety during an evacuation. Details of course fees are available on request from the Academy (www.firetrainingacademy.co.uk/fire_safety_in_bandbs.htm).

Anyone involved in the preparation and handling of food, such as B&B proprietors preparing and serving breakfast for their guests, must be able to demonstrate appropriate food hygiene knowledge. Although a formal qualification is not mandatory, obtaining a certificate in food hygiene is a good way of demonstrating this knowledge. Suitable courses include:

- The Chartered Institute of Environmental Health (CIEH) accredits the Level 2 Award in Food Safety in Catering. It covers temperature control, refrigeration, food handling and safety and hygiene hazards (www.cieh.org/training/level_2_food_safety.html).

Anyone starting up a B&B will benefit from training in general business and enterprise skills. For example:

- Free webinars provided by HM Revenue & Customs (HMRC) covering topics including business expenses, self assessment online, VAT, self employment and becoming an employer. Go to www.hmrc.gov.uk/webinars/topics.htm for more information.

- The Digital Marketing Institute's online 'Social Media Marketing' course, which costs £349. The course covers the latest trends in social media marketing and using Facebook, Twitter and LinkedIn for business. Go to http://digitalmarketinginstitute.com/uk/courses/social-media-marketing for further information.

Industry awareness and product knowledge

B&B proprietors can keep up to date with news and developments in the tourism and hospitality sector and improve their awareness of trends by attending events and reading trade journals and industry resources, including:

- 'Bed and Breakfast News' (www.bandbnews.co.uk), a monthly publication available exclusively to members of the Bed & Breakfast Association (BBA), covering legal issues, marketing tips and case studies.

- Big Hospitality (www.bighospitality.co.uk), an online publication providing news of developments and trends in the hospitality sector.

- Hospitality Today (www.hospitalitytoday.co.uk), a digital journal featuring industry updates and business and marketing tips for proprietors.

- Sources of information about local attractions, transport links and events provided by the four national tourist authorities that work in partnership with VisitBritain, which promotes the UK to overseas visitors. The four tourist authorities are: VisitEngland (www.visitenland.org), Visit Wales (www.visitwales.com), VisitScotland (www.visitscotland.org) and the Northern Ireland Tourist Board (www.nitb.com). VisitBritain (www.visitbritain.org) also provides statistical information and details of tourism trends and research.
• Accommodation Know How (www.accommodationknowhow.co.uk), an online resource featuring marketing news and tips, industry updates, legal guidance and e-mail alerts.

What are the key market issues and trends?

Some of the key current market issues affecting B&B proprietors are as follows:

• According to VisitEngland’s 2013 Great Britain Tourism Survey (GBTS), around 57 million holiday trips were made in Great Britain in 2013, as well as 44 million trips to visit friends and family, and 18 million trips for business purposes. The survey revealed that the average length of trips made within Great Britain in 2013 was three nights, and the average spend per night was £63. Around 4% of all trips (and 6% of holidays) involved staying in B&B or guest house accommodation. According to the survey, the most popular holiday months were May, June, July and August (www.visitengland.org/insight-statistics/major-tourism-surveys/overnightvisitors/GBTS_2013/Snapshot_2013.aspx).

• Statistics published in August 2014 in the United Kingdom Occupancy Survey revealed that room occupancy rates in B&Bs rose by 6% between August 2012 and August 2014. B&Bs in Wales experienced the highest rise (14%) during this period. Room occupancy rates were highest in cities and large towns (84%), followed by seaside towns (81%), countryside and village locations (75%) and small towns (71%). Scotland had the highest overall occupancy rate in 2014 (76%), followed by England (68%), Wales (59%) and Northern Ireland (54%). The report also reveals that 68% of B&B bedrooms were occupied in August 2014, compared with 73% of bedrooms in guesthouses and 81% of bedrooms in hotels. (www.visitengland.org/bounce.aspx?PG=/Images/August%202014%20UKOS%20newsletter%20%20Newsletter%20%202014(2).pdf).

• The Consumer Holiday Trends Report 2014 published by ABTA indicates that 68% of British people took at least one UK holiday in 2014. Over a quarter (27%) of those surveyed said that they had taken holidays only in the UK in 2014, which is a fall of 4% from 2013. A further 41% said they had taken holidays both in the UK and abroad in 2014, which is a 2% increase from 2013. According to the survey, the majority of UK holidays in 2014 (45%) were booked directly with service providers, while 26% were booked with a booking website such as Booking.com or Expedia (http://abta.com/resource-zone/publication/the-consumer-holiday-trends-report-2014).

• The same ABTA report revealed that survey respondents in the 25-34 age group took the greatest number of UK holidays in the 12 months to July 2014 (around 3.7 on average per person), followed by people in the 16-24 age group, who took around 3.4 holidays. People aged 35-44 took the fewest UK holidays, averaging around three per person. Half of respondents said they had travelled with just their partner, 35% with their immediate family, 20% with an adult-only group of friends, 19% with extended family and 13% on their own.

• According to a survey of 3,000 adults for the Travelodge hotel chain’s 2014 Staycation Report, 74% of UK adults took ‘staycations’ in 2014, which is a record high and more than double the figure of 35% recorded in 2011. The report also revealed that 51% of Britons are now taking short breaks throughout the year rather than one long holiday. The top ten destinations for staycations were London, Cornwall, Edinburgh, the Scottish Highlands, the Lake District, Devon, North Wales, York, Blackpool and Brighton (www.travelodge.co.uk/press_releases/press_release.php?id=548).
• Figures released by the Office for National Statistics (ONS) indicate that almost 33 million overseas visits were made to the UK in 2013, which is an increase of 5.6% from 2012. The number of visits made from North America fell slightly by 0.3% in 2013 compared with 2012, although the number of visits from European countries increased by 5.7% during the same period. Earnings from overseas visits to the UK rose by 12.7%, to reach a record level of £21 billion. Holidays were the main reason for overseas visits, and accounted for 12.7 million visits, which is a rise of 6.4% from 2012. The number of visits for business purposes during this period also rose by 7%, and the number of visits made to see family and friends rose by 4.2% (www.ons.gov.uk/ons/rel/ott/travel-trends/2013/rpt-travel-trends--2013.html).

• Figures published by Visit Britain in September 2013 revealed that almost 30% of trips to Britain by overseas visitors include visits to heritage sites such as castles and stately homes. Almost half (47%) of survey respondents said that ‘interesting built heritage’ was a top holiday attribute associated with Britain (http://media.visitbritain.com/News-Releases/BRITAIN-S-ICONIC-BUILT-HERITAGE-IS-TOP-PRIORITY-FOR-TOURISTS-e636.aspx).

• In a survey carried out by VisitEngland in September 2014, over a fifth (21%) of respondents in the UK said they had cut back on holiday spending. Of the respondents surveyed, 17% said they were holidaying more in the UK and less abroad, and 15% said they were taking more short breaks and fewer long trips (www.visitengland.org/bounce.aspx?PG=/Images/Sept%20Debrief%20FINAL%20131014_for%20website_tcm30-43055.pdf).

• In 2013, a survey carried out by Holiday Cottages UK revealed that 20% of holidaymakers surveyed had taken their dog with them to stay in pet friendly accommodation. This was a rise of 15% when compared to 2012. In addition, the survey revealed that 80% of people would like to take their dog on holiday with them if the accommodation allowed it (http://gouk.about.com/od/travelbyinterest/qt/Survey-Pets-Deserve-A-Vacation-Too.htm).

• In December 2014, there were almost 12,000 bed and breakfasts in the UK listed on Yell.com, indicating the highly competitive nature of the sector.

What are the main trading issues?

Some of the main trading issues faced by B&B proprietors include:

Statutory certification

In England, Wales and Scotland there is no requirement for B&Bs to be registered or licensed as accommodation providers, however, under the Tourism (Northern Ireland) Order 1992, all tourist accommodation in Northern Ireland must have a valid Tourist Accommodation Certificate issued by the Northern Ireland Tourist Board (NITB).

The business proprietor must obtain a fire certificate, environmental health clearance and planning permission before submitting an application. Once an application has been received, a certification officer from the NITB will carry out an inspection of the premises which is repeated every four years. The inspection fee is £20 per bedroom, subject to a minimum of £80 and a maximum of £200.

Once the B&B is certified, its details will be available on the Northern Ireland Tourist Board website www.discovernorthernireland.com and through Northern Ireland's tourist information centres. For more information, go to www.nitb.com/BusinessSupport/TouristAccommodationStartupAdvice.aspx.
Planning permission and business rates

Throughout the UK, anyone intending to use or convert their home into a B&B should contact their local authority at an early stage to check whether or not they need to obtain planning permission. Even if there will not be any alterations to accommodate guests, the business may still require ‘change of use’ planning permission. Go to www.planningportal.gov.uk/permission/commonprojects/changeofuse for more information on change of use planning permission.

Aspiring B&B proprietors should also inform their mortgage company or landlord and check that they are allowed to run a B&B in the property under the terms of their mortgage or tenancy agreement. Landlords and local authorities may be unwilling to grant permission if, for example, there will be nuisance to neighbours such as unreasonable noise or parking problems caused by guests staying at the B&B.

They should also find out whether the property will become liable for business rates. In England and Wales, a B&B will continue to be classed as a domestic property, and therefore subject to council tax rather than business rates, if:

- The business only offers short-stay accommodation to fewer than six people simultaneously.
- The owner occupies part of the property as their main home (or the letting of the rooms is subsidiary to the use of the rest of the house as the owner's home).

Go to www.voa.gov.uk/corporate/Publications/guestHousesandBasicAccommGuide.html for more information.

In Scotland and Northern Ireland, B&Bs are only liable for business rates if they provide accommodation for more than six guests at any one time. For more information on business rates for B&Bs in Scotland, go to www.scotland.gov.uk/Publications/2008/01/guide. For more information on business rates in Northern Ireland, go to www.dfpni.gov.uk/lps/guesthouses_bedbreakfast-2.pdf.

Food business registration

Under EC Regulations 852/2004 and 853/2004, all business premises where food is prepared, cooked and served, including B&Bs, must be registered with the environmental health department of the local authority in the area where the premises are located.

The B&B proprietor must submit an application for registration at least 28 days before they begin trading. There is a guide to food business registration at http://food.gov.uk/business-industry/caterers/startingup.

As part of the registration process, B&B proprietors must produce a written Food Safety Management System (FSMS). The system must be based on Hazard Analysis Critical Control Point (HACCP) principles, which require the B&B proprietor and any staff who handle or serve food to follow procedures that ensure it is safe to consume. Go to www.food.gov.uk/business-industry/caterers/haccp for information.

To make sure the B&B meets the standards for registration, the B&B proprietor may need to improve the existing kitchen facilities. For example, surfaces in contact with food must be easy to clean, there must be adequate facilities for washing hands and equipment, a supply of hot and cold water, somewhere to store food to protect it from contamination, and somewhere to keep waste hygienically. The environmental health department of the local authority where the B&B is located will provide guidance.
Following registration, a local authority environmental health officer will inspect the kitchen facilities and any storage areas where supplies are kept. They will continue to inspect the premises, and any statutory documentation systems, on a regular basis. Go to www.food.gov.uk/business-industry/caterers/food-law-inspections for more information.

The Food Standards Agency (FSA) has published a guide to starting up as a food business operator, which covers topics such as registering premises, managing food safety, and good food hygiene. The guide can be viewed at www.food.gov.uk/sites/default/files/multimedia/pdfs/publication/starting-up-booklet.pdf.

Local environmental health authority departments can be contacted for advice and guidance about registration requirements and processes.

**Food safety**

B&B proprietors must also comply with strict rules regarding food safety, set out by EC Regulation 178/2002 (the General Food Law Regulation) enforced under the Food Safety and Hygiene (England) Regulations 2013 in England and, in Wales, Scotland and Northern Ireland, under the General Food Regulations 2004 and Food Hygiene Regulations 2006. Go to http://food.gov.uk/enforcement/regulation/foodlaw for more information about how food law is enforced in the UK.

To comply with the rules, B&B proprietors must keep detailed records of supplies, including both ready-to-cook products and ingredients. Traceability records should include, as a minimum, the name and address of the supplier, the nature of the supplies and, where one is provided, batch number, the order quantity or volume, and the date of the supply. FSA guidance for start ups involved in food preparation, which includes information about traceability (Chapter 2), can be downloaded from www.food.gov.uk/sites/default/files/multimedia/pdfs/publication/starting-up-booklet.pdf.

**Food labelling**

EC Regulation 1169/2011 (the Food Information for Consumers Regulation or FIC) sets out requirements for labelling and describing food. The FIC is enforced under the Food Information Regulations 2014 (FIR) in England, and equivalent legislation in Wales, Scotland and Northern Ireland.

B&B proprietors must ensure they provide information about allergens present in any food they serve. This information must include the names of any of the fourteen allergens listed in the FIC, such as nuts and gluten contained in breakfast cereals.

For food such as freshly-prepared cooked breakfasts, B&B proprietors must ensure that allergen information is provided on menus or guests are ‘signposted’ to where they can find it. For example, a B&B proprietor can display a sign in the dining room that states ‘food allergies and intolerances: before ordering please speak to staff about your requirements’; or make sure guests are asked about any food allergies when ordering breakfasts. Go to www.food.gov.uk/sites/default/files/multimedia/pdfs/publication/loosefoodsleaflet.pdf for more information on providing allergen information.

B&Bs proprietors must ensure that any pre-packed food items they provide, such as wrapped biscuits in guest's rooms, has information about allergens on the packaging along with an ingredients list and best before or use by date.
Local authority trading standards officers in the area where the B&B is located enforce the food information and labelling regulations and can be contacted for guidance about compliance.

**Accreditation, assessment and award schemes**

The UK's various tourist authorities run accreditation, assessment and award schemes to help B&Bs meet minimum quality standards and promote their services.

All four tourist authorities in the UK provide quality assessments. To apply for assessment, go to:


B&Bs that apply to join a quality assessment scheme are visited by an assessor and awarded a rating of between one and five stars. Benefits of joining a scheme include promotional material displaying the B&B’s rating and listings in accommodation guides and directories.

Before a B&B can qualify for a star rating, it must meet a set of minimum requirements relating to the service and facilities offered to guests.

The AA also assesses UK accommodation providers and awards them a rating of between one and five stars, in line with the system used by the tourist authority quality assessment schemes.

A B&B that has been given a rating is permitted to display it on promotional literature. The B&B will also be included in the AA's directory of guest accommodation. Apply at [www.theaa.com/hotel/hotel-services-accommodation-schemes.html](http://www.theaa.com/hotel/hotel-services-accommodation-schemes.html).

Other accreditation schemes for B&Bs include:

- **Welcome Schemes**, including Cyclists Welcome, Walkers Welcome, Families Welcome and Welcome Pets! B&Bs throughout the UK can join some of these schemes (for example Walkers Welcome), although other schemes such as Welcome Pets! are only open to applications from B&Bs in England. Go to [www.qualityintourism.com/types-of-schemes/welcome-schemes](http://www.qualityintourism.com/types-of-schemes/welcome-schemes) for more information.

- **The National Accessible Scheme**. This rates the accessibility of tourist accommodation in England, Scotland and Wales for wheelchair users, blind or visually impaired people and deaf or hearing impaired people. For further details go to [www.visitengland.org/busdev/accreditation/nas/index.aspx](http://www.visitengland.org/busdev/accreditation/nas/index.aspx), [www.visitscotland.com/accommodation/accessible](http://www.visitscotland.com/accommodation/accessible) and [http://wales.gov.uk/topics/tourism/gradingl1/access/?lang=en](http://wales.gov.uk/topics/tourism/gradingl1/access/?lang=en).

- **The Green Tourism Business Scheme (GTBS, [www.green-business.co.uk](http://www.green-business.co.uk))** is a sustainable tourism certification scheme for accommodation providers across the UK, which is validated by VisitBritain. A B&B must have undergone a quality assessment by one of the national tourist authorities or the AA before it can become a member of the GTBS.

There are also various award schemes that B&Bs can enter, including:

- **VisitEngland Silver Awards** are granted to B&Bs that meet specified standards of quality, comfort and cleanliness in bedrooms and bathrooms and have very good levels of customer
care and food provision. Gold Awards are granted to B&Bs that demonstrate exceptional levels of quality, comfort and cleanliness in bedrooms and bathrooms, and outstanding levels of customer care and food. Gold Awards are also granted by Visit Wales, and VisitScotland. Go to www.visitbritain.com/fi/Accommodation/Quality-assessment-scheme for more information.

- VisitEngland Breakfast Awards are granted to B&Bs that provide a choice of breakfast and service and hospitality that exceeds levels expected for a property with their star rating. Go to www.visitengland.org/busdev/accreditation/gascheme/breakfastaward.aspx for more information.

**Guest facilities and equipment**

To qualify for a star rating under the quality assessment schemes run by the various national tourist authorities and the AA, the B&B must meet minimum requirements regarding the quality and comfort of furniture and facilities provided in each room. The quality and variety of facilities such as televisions, kettles and hairdryers is also taken into account when awarding ratings.

B&Bs need an identifiable reception area, which could be a table or reception desk (from £80).

Suppliers of B&B equipment, such as wall-mounted hairdryers, welcome trays and other accessories include:

- Out of Eden (www.outofeden.co.uk).
- UK Hotel Supplies (www.ukhotelsupplies.co.uk).
- MBS Wholesale (www.mbswholesale.co.uk).
- Guestroom Suppliers (www.guestroomsupplies.com).
- The Hotel Supplies Company (www.thehotelsuppliescompany.co.uk).

**Cleaning and maintenance of the B&B**

Tourist authority star ratings stipulate required levels of cleanliness of B&B premises, including the requirement to vacuum daily and carry out deep cleaning of carpets.

Bedrooms will require cleaning and bed linen washing on a daily basis and, while this is often carried out by the B&B proprietor, many employ part-time staff or a cleaning contractor to assist with cleaning.

There are specialist firms that provide carpet and oven cleaning services, which offer packages of support specifically designed for B&B proprietors. Go to www.ovenking.co.uk/expanding-portfolio-clients-bed-breakfasts as an example.

**Disabled guest access**

Under the Disability Discrimination Act (DDA) 1995 (as amended by the Equality Act 2010) it is unlawful for any service provider in the UK, including B&B proprietors, to refuse to provide a service to someone due to their disability, offer a lower standard of service or provide a service on less favourable terms. As well as prohibiting B&B proprietors from refusing to accommodate disabled guests, the DDA stipulates they cannot make additional charges for a reason related
to a guest’s disability. For example, they cannot charge for the extra space needed to store a wheelchair.

B&B proprietors must also make reasonable adjustments to the way they provide their services for disabled people. For example, bathrooms should be fitted with rails, and guest information must be provided in an accessible format for people with impaired vision.

Under the DDA, proprietors of B&Bs in the UK must provide accommodation for any guest with a guide dog or an assistance dog, and must not charge extra for accommodating the dog. However, a B&B proprietor can apply for exemption from this requirement if, for example, they are allergic to dogs.


**Pricing, payment and VAT**

The prices set by a B&B proprietor very much depend on factors including the location of the B&B, the type of room and the facilities provided.

A double room is typically charged from around £40 to £90 including breakfast for two people, up to around £130 in popular locations such as London and Brighton. According to VisitBritain, single rooms are usually charged out at between 20% and 50% more per person than double rooms.

Some B&B proprietors charge peak rates during busy seasons, such as the summer and Easter school holidays, and often require guests to book for at least three nights. Guests are sometimes required to pay a non-refundable deposit when booking, which is deducted from their final bill.

Cancellation fees are usually charged on a sliding scale; the closer the cancellation is to the date of arrival, the higher the fee.

Accommodation is standard rated for VAT, as is food supplied at breakfast as part of the package, and B&B proprietors must register for VAT once their turnover reaches the mandatory threshold. Go to www.gov.uk/rates-of-vat-on-different-goods-and-services for more information on VAT rates.

**Taking payment**

A safe (from around £50) can be used to keep small amounts of cash secure up to the limits of insurance cover for cash held on the premises. Typical policies provide cover for £1,000 kept in a safe and a further £500 out of the safe. Cash should be banked regularly to keep the amount on site to a minimum. For examples of suppliers of safes go to www.securesafe.co.uk and www.acesafes.co.uk.

A Chip and PIN machine will be required to process credit and debit card payments. Examples of providers include www.lloydsbankcardnet.com, www.streamline.com and www.chipandpinksolutions.com. Alternatively, they can be leased from banks. Equipment rental costs between £15 and £35 a month, plus per-transaction charges of around 2%.
It will be necessary to apply for an Internet merchant account to process online payments. Examples include PayPal (www.paypal.co.uk), WorldPay (www.worldpay.com), PayPoint (www.paypoint.net) and Nochex (www.nochex.com).

B&Bs that take bookings online are able to join online payment security schemes such as MasterCard SecureCode (www.mastercard.com/uk/merchant/en/security/what_can_do/SecureCode/index.html) and Verified by Visa (www.visaeurope.com/making-payments/verified-by-visa) run by providers of merchant accounts.

Advertising standards

B&B proprietors must comply with the Consumer Protection from Unfair Trading Regulations 2008 and the Consumer Protection (Amendment) Regulations 2014 and must not make any misleading statements relating to their accommodation and facilities.

The UK Code of Non-broadcast Advertising, Sales Promotion and Direct Marketing (CAP) Code relates to the rules in the UK governing standards of ‘non-broadcast’ advertisements including newspaper adverts, marketing via websites, and promotions via social media.

In general adverts should be legal, decent, honest and truthful. For example, adverts for the B&B must not include inaccurate or misleading descriptions about the property’s location, condition or size of rooms.

Section three of the CAP Code covers misleading advertising, and requires that adverts should not include exaggerated claims, or omit information that could be key influence on a consumer’s decision to book a room at the B&B.

Consumer protection regulations

Under the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (CCRs), which were introduced in the UK in June 2014, B&B proprietors are required to provide specific pre-contractual information before accepting bookings. This requirement applies regardless of how the booking is taken.

The pre-contractual information required includes:

- Clear details about the main aspects and facilities of the B&B, including its location, distance from local amenities, number and type of rooms and the accommodation’s official star rating.
- Details of the B&B’s trading name, address and telephone number.
- The total price for the accommodation and breakfast and any additional charges, for example charges that will be made for using a credit card or amending a booking.
- Arrangements for payment and details of any deposits required (which are typically non-refundable and charged at between 10% and 25% of the total accommodation price).
- Details of guests’ cancellation rights. Contracts for the booking of accommodation on specified dates are exempt from the right to cancel, provided this has been made clear in the B&B’s terms and conditions (Ts and Cs) of booking.
B&B proprietors are able to determine their own cancellation policy and terms, allowing, for example, bookings to be cancelled free of charge up to a specified number of days before the date of the reservation.

If the B&B enables consumers to place orders online, they must also ensure their ordering process meets the requirements of the Electronic Commerce (EC Directive) Regulations 2002. This includes providing clear information about the technical steps to follow to conclude the contract, and how the consumer can identify any input errors before confirming their booking.

**Booking Ts and Cs**

As best practice the pre-contractual information required under the CCRs should be included in the B&B’s standard Ts and Cs of booking and these must be made available to the guest before they confirm their booking. The Ts and Cs will form a legally binding contract once accepted and, as best practice, should also include information about any other specific booking policies and procedures. Examples include:

- Arrival and checkout times.
- A clause explaining whether or not pets are accepted, and if so, how many.
- If pets are welcomed, a requirement that the guests declare at the time of booking that they intend to bring a pet and inform the B&B if it is a very young animal such as a puppy.
- The B&B’s smoking policy.
- A warranty that the guests report any damage or breakages to the B&B’s property, such as spillages in rooms, before they leave and, if required to do so, pay any reasonable repair or replacement costs.

It can be worthwhile having a solicitor examine the Ts and Cs of booking to ensure they comply with consumer protection law.

For examples of Ts and Cs for B&Bs go to [www.carraw.co.uk/terms.html](http://www.carraw.co.uk/terms.html) and [www.underleighhouse.co.uk/terms_conditions.html](http://www.underleighhouse.co.uk/terms_conditions.html).

The CCRs are enforced by local authority Trading Standards officers who can be contacted for advice and guidance about complying with the CCRs and other consumer protection legislation.

**Booking agencies**

As an alternative to handling bookings directly, many B&B proprietors use a specialist booking agency to promote their accommodation and take bookings on their behalf.

B&B proprietors who engage a booking agency should ensure that the agency also includes in their booking conditions for guests all the necessary, clear, pre-contractual information that is statutorily required under the CCRs.

Agencies collect payment from guests and charge B&B proprietors commission on each booking made through the service, which is typically between 15% and 30% of the booking fee. They may also charge the guests a separate booking fee. Most agencies pass payments (minus their commission and fees) to B&B proprietors at regular intervals, for example at the end of every month.
A booking agency will act as an agent for the B&B proprietor only. This means contracts entered into by guests via a booking agency will be between the guest and the B&B, rather than between the guest and the agency, and most agencies make it clear in their Ts and Cs that they only act as agents for the B&B and are not contractually liable to guests in relation to anything other than the booking services they have provided.

B&B proprietors will usually be required to comply with booking agents’ standard Ts and Cs, which sometimes stipulate that proprietors must engage them as sole agents in connection with the marketing and booking of the B&B. Some Ts and Cs also require B&B proprietors to:

- Confirm that the property, fixtures and fittings are in good working order and will be maintained and upgraded regularly.
- Hold occupiers’ and public liability insurance to a minimum value of at least £2 million.
- Accept responsibility for any claims or complaints made by guests, for example in relation to the quality or condition of the property and its fixtures and fittings, and to pay any agreed refunds to the person who made the booking after investigation of complaints.

Examples of leading booking agencies include:

- Booking.com (www.booking.com).
- LateRooms.com (www.laterooms.com).
- BookDirectRooms.com (www.bookdirectrooms.com).
- The London Bed & Breakfast Agency (www.londonbb.com).
- Bed and Breakfast Nationwide (www.bedandbreakfastnationwide.com).

For an example of a booking agency’s Ts and Cs, go to www.laterooms.com/en/p1301/pvGR1360ukdmDVCC/AddYourHotel/Terms.mvc.

Booking management software

B&B proprietors often use specialist booking management software, which can usually be integrated with their website, enabling guests to check availability and book online. Other typical features include facilities to manage bookings, record guest details and prepare invoices.

Examples of software packages include EasyBook ‘Adapt’ Booking and Guest Management Software (www.easybookonline.com/easybook-adapt-booking-management-software.html), which costs from £150 for an annual licence, Angelfish (www.angelfishsoftware.co.uk), which costs from £250 for an annual licence and GuestList (www.guestlisthq.co.uk), which is a web-based system that costs from £10 per month.

Guest registration and data protection

Under the Immigration (Hotel Records) Order 1972, all accommodation providers including B&B proprietors, have a legal duty to record the details of guests aged 16 and over, including the date of their arrival and departure, and their full name and nationality.

However, while the order is not currently being enforced by the Home Office as part of a Government campaign to reduce the regulatory burden on business, it remains a legal requirement until it is formally repealed.
If a guest is not a British, Irish or Commonwealth citizen, the B&B proprietor must also record their passport number, place of issue and next destination. This information must be kept for at least 12 months. Many B&B proprietors ask guests to complete a registration form on arrival.

To comply with the Data Protection Act 1998 (DPA), any personal guest details or information that the B&B proprietor holds should be stored securely, either manually or electronically, fairly and lawfully processed, and used only for their clearly intended purpose. The Information Commissioner’s Office (ICO) provides a guide to complying with the DPA at https://ico.org.uk/for-organisations/business/.

**Fire safety and regulation**

B&B proprietors must take responsibility for fire safety and carry out a fire risk assessment (FRA). They should also comply with minimum requirements for fire exits and escape routes, which vary according to the number and size of the rooms in the B&B.

In England and Wales, under the Regulatory Reform (Fire Safety) Order 2005, it is a legal requirement for B&B proprietors to install appropriate fire detection and prevention equipment on their premises. This typically includes an automatic fire detection system, with manual break-glass points (costing from around £300), as well as portable fire extinguishers (costing from around £30 each). Similar requirements apply in Scotland and Northern Ireland.

Fire safety equipment suppliers include ADT (www.adt.co.uk/business/fire-life-safety), and Fire Safety Equipment (www.firesafetyequipment.co.uk).


Upholstered furniture and furnishings must comply with the Furniture and Furnishings (Fire) (Safety) Regulations 1988, which stipulate minimum fire resistance standards. Go to www.fira.co.uk/document/fira-flammability-guide-october-2011pdf.pdf for more information.

**Smoking restrictions**

B&B proprietors that have two or more guest bedrooms must comply with UK no-smoking laws and ensure that smoking is not allowed in guests’ rooms or in any communal area. However, they can designate smoking rooms for guests who want to smoke, as long as they do not ventilate into other parts of the premises and are clearly marked as rooms where smoking is permitted.

**Health and safety**

Under the Management of Health and Safety at Work Regulations 1999, all employers, including those who are self employed, are required to undertake a workplace risk assessment and provide employees with adequate health and safety training. Potential risks in B&Bs include tripping and slipping, as well as hazards such as the use of hot fat when cooking fried breakfasts for guests. The Health and Safety Executive (HSE) has guidance on carrying out a risk assessment at www.hse.gov.uk/risk/controlling-risks.htm.
Under the Electricity at Work Regulations 1989, B&B owners are responsible for ensuring the safety of portable electrical equipment, such as hairdryers and kettles supplied to guests in bedrooms, and must test the appliances regularly through Portable Appliance Testing (PAT). Go to www.hse.gov.uk/pubns/books/hsg107.htm for more information on maintaining portable electric equipment.

**Waste disposal**

Under the Environmental Protection Act 1990 and the Controlled Waste (Duty of Care) Regulations (Northern Ireland), B&B proprietors have a duty of care to ensure that any trade waste they produce in the course of their business is properly and safely disposed of.

Some local authorities provide collection services for general trade waste produced by B&Bs. Alternatively, a licensed waste carrier can be contracted directly to do this. The Environment Agency has a register of licensed waste carriers at http://epr.environment-agency.gov.uk/ePRInternet/SearchRegisters.aspx.

**Signage**

B&Bs often use outdoor signs to identify the premises and advertise room availability. The Town and Country Planning (Control of Advertisements) Regulations 1992 control the display of outdoor signage and, in certain circumstances, require accommodation providers to obtain permission from their local authority planning department before displaying outdoor signage.

B&Bs may find it difficult to gain permission to display a sign outside their premises if they are situated in ‘special control areas’, which are designated as having particular scenic, historical, architectural or cultural value. Go to www.gov.uk/government/uploads/system/uploads/attachment_data/file/11499/326679.pdf for further information.

Traffic signage, such as brown tourist road signs, is subject to local authority bylaws and permission must be gained before erecting signs. A B&B must qualify as a tourist facility before the authority will consider putting up a brown road sign on local roads. Go to www.gov.uk/apply-for-brown-tourist-signs-on-roads-the-highways-agency-manage for details on applying for brown road signage.

**Music and TV licences**

Most B&B proprietors are not required to apply for a music licence as long as:

- Their premises have three or fewer guest bedrooms.
- The B&B is the only holiday accommodation business run by the proprietors and is otherwise their home.
- The premises are not licensed for the sale of alcohol.
- The facilities are only available for the use of resident guests.

Go to www.prsformusic.com/users/businessesandliveevents/Pages/PRSforMusicchargingpolicies.aspx for more information.

B&B proprietors whose premises do not meet these exemption criteria may be required to apply for licences from PRS for Music and the Phonographic Performance Limited (PPL) if they play background music in communal areas, for example in a dining room or reception area.
area. PRS licences cost from around £125 for rooms that seat up to 30 guests at the standard rate. Go to www.prsformusic.com/users/businessesandliveevents/musicforbusinesses/hotelsandguesthouses/Pages/hotelsguesthouses.aspx for more information. PPL licences cost from around £60. Go to www.ppluk.com/I-Play-Music/Businesses/How-much-does-a-licence-cost/Business-type-1111112/ for more information.

B&B proprietors may also need a television licence. A licence to cover the entire premises including guest rooms costs around £145 (www.tvlicensing.co.uk/check-if-you-need-one/business-and-organisations/hotels-hostels-mobile-units-and-campsites-aud13/).

**Trade associations**

Membership of a trade association can provide a wide range of individual and business benefits. Relevant associations include:

- The Bed & Breakfast Association (BBA) represents B&B proprietors in the UK. Membership benefits include subscriptions to 'Bed & Breakfast News' and 'Hospitality Today', booklets on food hygiene and fire regulations and preferential card processing fees. Annual membership costs £60 per year (£55 if fees are paid by PayPal or Direct Debit). Go to www.bandbassociation.org for more information.
- The British Hospitality Association (BHA) represents the UK hospitality industry. Membership benefits include a BHA certificate, plaque, window sticker and membership card, advice about food hygiene and fire safety and preferential card processing fees. Annual membership costs around £250 (excluding VAT). Go to www.bha.org.uk for details.

**Promotion**

Opportunities for promoting a B&B include:

- Listing in specialist online directories such as:
  - The B & B Directory (www.thebandbdirectory.co.uk), which charges £49 for an annual listing.
  - The Bed and Breakfast Map (www.bedandbreakfastmap.net), which charges a one-off listing fee of £40.
  - Bed and Breakfast Searcher (www.bedandbreakfastsearcher.co.uk), which provides a free basic listing.
  - The Bed & Breakfast Directory (www.bnb-directory.com), which provides a free basic listing.
  - BNB Select (www.bnbselect.com), which provides packages starting from around £3 per month.
  - Around About Britain (www.aroundaboutbritain.co.uk), which charges £50 for an annual listing.
  - BedandBreakfasts.co.uk (www.bedandbreakfasts.co.uk), which bases its charges on how many times a guest clicks on the B&B’s entry in its directory. Charges start from £10.
  - Bed and Breakfasts UK (www.bedandbreakfasts-uk.co.uk), which provides a free listing for two months followed by an annual charge of £49 for the first year’s advertising.
• Listing in niche directories such as Away with the Kids (www.awaywiththekids.co.uk) and Smokers United (www.smokers-united.com), which provide advertising costs on request.

• Listing in specialist 'late booking' accommodation websites such as Late Rooms (www.laterooms.com), Booking.com (www.booking.com) and Last Minute (www.lastminute.com).

• Providing local tourist information centres (TICs) with information about the B&B and advertising in local tourist guides that are often published by TICs.

• Networking and building contacts with potential referrers such as local hotels or wedding venues, which may need additional sources of accommodation for guests attending special events.

• Contacting local employers who may need temporary accommodation for visiting staff or guests.

• Cross-promoting the B&B with local tourist venues such as museums, art galleries and theme parks, and with local restaurants and cafés.

• Creating a Facebook business page to encourage guest referrals. Facebook pages can be customised with the B&B's name, logo, and other information, and regularly updated with photos, guest testimonials, special offers and local news.

• Emphasising the use of local food produce, such as home produced eggs and locally reared pork, for breakfast. Go to www.sawdays.co.uk/special-places/britain/england/oxfordshire/south-newington-house and www.ferncottagebedandbreakfast.co.uk/food.aspx for examples of B&B proprietors doing this.

**Insurance**

A B&B proprietor requires a number of insurance policies, including:

• Public liability insurance, which covers a business against claims from guests, suppliers and members of the public injured or adversely affected as a result of its activities.

• Employers' liability insurance, which is mandatory as soon as the business employs staff.

• Contract dispute insurance, which covers a business against claims arising from contractual or commercial disputes with suppliers or third parties such as online booking agencies.

• General commercial cover, which will be needed to cover the business's premises, office and IT systems, equipment and food stock against spoilage, accidental damage, fire, flood, theft, and any business interruption arising as a result.

• Cover for guests' belongings or damage caused by guests.

• Cover for use of any vehicles for business purposes, which must include a minimum of third party cover.

Specialist insurance for B&B proprietors is available from insurers and brokers such as Endsleigh (www.endsleigh.co.uk/personal/home-insurance/non-standard-home-insurance) and Insure My B&B (www.insuremybandb.co.uk).
Legislation

This section is intended as a starting point only. It provides an introduction to some of the key legislation that regulates the activities of a B&B. Professional advice about the impact of legislation should always be obtained before making any business decisions. Relevant legislation includes:

- EC Regulation 852/2004 and 853/2004 covers food hygiene, registration of food business premises, cleanliness, provision of equipment and facilities and temperature control. It introduced the concept of Hazard Analysis Critical Control Point (HACCP), which involves documenting food safety management practices.

- The Food Information to Consumers Regulation (EU) 1169/2011(EU FIC) and the Food Information Regulations 2014 place legal obligations on B&Bs in relation to the provision of information about food allergens, for example on breakfast menus.

- The Disability Discrimination Act 1995 (as amended by the Equality Act 2010) stipulates that B&B proprietors must make reasonable adjustments to their premises and the guest information they provide to meet the needs of guests with disabilities.

- The Furniture and Furnishings (Fire) (Safety) Regulations 1988 (as amended) set levels of fire resistance for domestic furnishings.

- The Management of Health and Safety at Work Regulations 1999, which require employers and self-employed people to carry out a risk assessment of the B&B premises and provide adequate health and safety training for employees. In Northern Ireland, the Management of Health and Safety at Work Regulations (Northern Ireland) 2000 apply.

- The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 govern all types of contract between traders and consumers and place particular obligations on a B&B proprietor to provide pre-contractual information to anyone making a booking online or over the phone.

- The Tourism (Northern Ireland) Order 1992 requires all B&B owners providing tourist accommodation in Northern Ireland to have a valid Tourist Accommodation Certificate issued by the Northern Ireland Tourist Board (NITB).

Further information

To access hundreds of practical factsheets, market reports and small business guides, go to:

Website: www.scavenger.net

UK Market Synopsis 66 UK Holidays and Tourism

BOP 78 Touring Caravan Site
BOP 360 Holiday Cottage Rental
BOP 394 Hotel
BOP 408 Guest House
BOP 550 Campsite

Useful contacts

Bed and Breakfast Association