

Data Summary Table

Seconday Questions Response Summary for eThekwini Municipality

<u>Name of Participant/Pseudonym</u>	<u>Question 1: What constitutes Shared Accommodation/SAEs and their Stakeholders</u>	<u>Question 2:The Participants in the SAEs and Value of SAEs</u>	<u>Question 3: Suggestions for managing and regulating SAEs</u>
Gugu	<p><u>Understanding and definition of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • it is regarded as a business if it's below 6 months, those people/accommodation establishments in terms of the definitions of our by-laws, the answer is yes, and also in terms of the Land Use Management by-laws • But if you are an Airbnb, where you are letting people in and out in, then that one, is regarded as an accommodation establishment, which is regulated by us • But then if you are a landlord and tenant in terms of the rental housing act, then we don't regulate those ones. 	<p><u>The Value and benefits of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • These establishments, there are people that are working there from the various communities. There are employment opportunities as they form part of the tourism value chain. They source some of the items they require to operate their businesses from the other stakeholders • So there's definitely value there because when the visitors come to eThekwini, and are staying in those establishments, and are comfortable, they will stay longer and they will also return and also visit other areas as well, including food outlets with eThekwini 	<p><u>Suggestion to manage and regulate:</u></p> <ul style="list-style-type: none"> • That the municipality should step up in regulating those types of businesses and the people that are conducting those types of businesses, especially the private homes. • The conclusion of revising and updating the accommodation bylaw that should address itself to the SAEs to give power to the business licensing inspectors • The municipality should also improve its understanding of the SAEs/SAI to ensure that appropriate measures are developed that will not stifle their growth but will seek to bring balance between existing operators and the new ones

	<p><u>The role players and participants:</u></p> <ul style="list-style-type: none"> • This includes the business community, like the accommodation establishments, the visitors, the tourists, and then provincial and national departments, and then the internal departments within the municipality • Ofcourse the various operators within the segment such as BnBs, Guesthouses, Timeshare, Self catering, hotels, hostels, backpackers, etc 	<p><u>The Challenges of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • Although the municipality is supportive of businesses that adds to the local economy in terms of employment and many other forms, the challenge with SAEs/SAI is that many of them operate illegally and outside the laws of the city • The operators and owners abdicate their responsibilities thus causing tensions within neighbourhoods with their guests causing nuances and other disturbances • The challenge in the lack of compliance with bylaws, zoning codes • The municipality has a challenge with the people that are just starting up, as some people will just start up without even coming for learning about the basics and now without any compliance" • The business community complain that they are competing with the people that are not paying the fees that they're supposed to be paying, they're not paying the rates that is supposed to be paying 	
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<p>Sammy</p>	<p><u>Understanding and definition of SAEs/SAI:</u></p> <ul style="list-style-type: none"> Any lodgings with the exception of the timeshare industry because I think the timeshare is a little bit different because number one, it's owner based and it's people that go for specific time and it's normally about a week. Examples include the traditional hotels, B&B and the guest houses are typical examples that one can give here. And obviously, the new Airbnb scenario where people are already offering Airbnbs from their homes In the definition, timeshares are excluded because people staying in them its owners of the specific time period since they have already paid for it and all they pay is levies <p><u>The role players and participants:</u></p> <ul style="list-style-type: none"> hotel groups and mainly because when people travel typically seek out hotels first because they have the strength in their brands and certainty in the service and offerings 	<p><u>The Value and benefits of SAEs/SAI:</u></p> <ul style="list-style-type: none"> The leisure travelers traveled down to visit the city, and then there's a spin off so often you'll find that the accommodation, side does partner with events and and or facilities They also assist with overflows of guests during major events in the city They also contribute to the overall accommodation offering of eThekweni although the concern on their standards, quality and service remain SAEs also contribute to the overall local economy as their guests patronise various products and spaces <p><u>The Challenges of the SAEs/SAI:</u></p> <ul style="list-style-type: none"> The municipality doesn't seem to have a record of the role players in this segment of the accommodation industry Do the visitors patronising their facilities have any recourse in case of trouble or dissatisfaction? How is their contribution to the local economy measured and the support they can access from the municipality? In the absence of municipality managing or regulating them, 	<p><u>Suggestions for managing and regulation:</u></p> <ul style="list-style-type: none"> So I think, you know, the first thing is when people apply for the licensing and stuff like that, I think it needs to not be harder. But I think it needs to be spelled out what the municipality expects There's complacency and that said no one, you know, is holding the Department of Sanitation accountable for all the the reports of things that are going wrong, it was never a bylaw to have a fat trap because it's a residential building, perhaps now's the time to go to these buildings and say you have to install a fat trap. Because years ago, people didn't cook with ghee and butter. And now they are. So the system wasn't built for that. But nothing has been done So I mean, we're more than happy to work in the space, same spaces as them. But there are certain rules in terms of environmental rules, and I think quality rules that need to apply. And I think that needs to be enforced by the city
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		<p>their expansion which depends on the existing and ageing infrastructure is a risk to all other operators. For example, the drainage network which results in sewerage spills into the beach and parking areas, etc.</p>	
Maria	<p><u>Understanding and definition of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • In my own experience and observation, the concept of shared accommodation involve opening our homes to total strangers and making them feel safe and part of our our society. • The type of accommodation people share depends on people's affordability hence rooms, apartments and entire houses are shared and this include hotels as they also look to secure more business for themselves • People share virtually eveything including sharing a room in your house, sharing the out building, or opening up one room for three or four people to share, wendy houses flats. It all depends on budgets and affordability <p><u>The role players and participants:</u></p> <ul style="list-style-type: none"> • It includes people using their private homes, apartment hotel, 	<p><u>The Value and Benefits of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • Guests get to experience a new home, a new culture and gain lessons and expereinces that they can learn when we do shared accommodation. • Travellers benefit from experiencing a new home, a new culture and gain its lessons and experiences that they can learn when we do shared accommodation • Travellers spend their money in the entire municipality, shopping malls, restuarants, etc • I think Airbnb is fantastic because you're opening the market for the man in the street to earn a living <p><u>The Challenges of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • Is that many operators in this space are not registered and the municipality does very little to restore order. When they do inspections, they focus on the registered ones, who are the 	<p><u>Suggestions to manage and regulate the SAEs/SAI:</u></p> <ul style="list-style-type: none"> • The community tourism organisation and Gueshouse Association constantly present the municipality with a list of illegal BnB operators, with addressed but they do nothing about it. The city is not well managed and that's the majior challenge • The city is falling apart and even the harbour is in a bed shape, ships moving to Maputo and Dar es Salaam slowly with SA and Durban losing • The municipality must ensure that when people apply for the licensing and stuff like that they need to not be harder but it needs to be simplified and the requirments made clear

	<p>property developers supplying stock to the operators</p> <ul style="list-style-type: none"> • Bid business operating self catering, time share facilities • Internet operators who provide the platform to the likes of Airbnb, Booking.com, etc. 	<p>same ones who are licensed and pay the rates and taxes – its unfair</p> <ul style="list-style-type: none"> • The fact that most SAEs operate illegally which is not good from a destination reputation perspective since their standards and quality are unknown 	
Mashudu	<p><u>Understanding and definition of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • They are accommodation establishments but are the ones that provide rented accommodation for short term period, which can be anything from days to weeks to months, but it cannot be more than six months • it is regarded as a business if it's below 6 months, those people/accommodation establishments in terms of the definitions of our by-laws, the answer is yes, and also in terms of the Land Use Management by-laws • But if you are an Airbnb, where you are letting people in and out in, then that one, is regarded as an accommodation establishment, which is regulated by us 	<p><u>The Value and Benefits of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • SAEs and Airbnb type accommodation are very important because its driving many of the developments in the city and the urban renewal programme • People buy these developemnts with the hope of letting them out for some income which they can use to repay their bonds • So there's definitely value there because when the visitors come to eThekwini, and are staying in those establishments, and are comfortable, they will stay longer and they will also return and also visit other areas as well, including food outlets with eThekwini <p><u>The Challenges of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • The municipality is challenged by “the people that are just starting up, as some people will just start up without even coming for 	<p><u>Suggestions to manage and regulate the SAEs/SAI:</u></p> <ul style="list-style-type: none"> • They don't want to be seen to be over regulating/afraid of government overreach • The city bylaws governing accommodation sector has specification indicating the percentage of one's home that can be used for Airbnb purposes and thereafter depending on the number of rooms used, its regarded as a BnB all the way to hotels where different tax rates are charged (its all done through the valuation process as well) • And then ofcourse to address the major issue of rates and taxes – what rates and taxes do municipalities charge SAEs, especially the private homes and standalone properties – the ones outside body corporates and security villages/complexes

	<p><u>The role players and participants:</u></p> <ul style="list-style-type: none"> • Obviously, it includes self catering establishments, time share, BnBs and other small accommodation establishments • Big business does take part from property developers to operators who manage huge blocks of apartments which they rent out to travellers as well as students and residents • The municipality and body corporates are also major role players with SAEs/SAI 	<p>learning about the basics and now without any compliance”</p> <ul style="list-style-type: none"> • From a Town Planning department, since they haven't zoomed into the SAI considering that their idea of SAI is Airbnb type of accommodation, the challenges are likened to the challenges they experience with student accommodation • It includes traffic and parking; noise levels and competition to access to municipal services such as water and electricity 	
Mxolisi	<p><u>Understanding and definition of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • Understands and describes SAI within the context of Student accommodation which is a concept the municipality is familiar with • Their understanding of SAI is student accommodation • Additionally, to demonstrate their understanding of the industry, they equate Airbnb type accommodation to self catering accommodation • There is another understanding of SAEs as self catering kind of accommodation, where we book as a family, and then we get some sort of big house and then we all then stay in a particular house 	<p><u>The Value and benefits of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • So there's definitely value there because when the visitors come to eThekweni, and are staying in those establishments, and are comfortable, they will stay longer and they will also return and also visit other areas as well, including food outlets with eThekweni • They know and see the benefits of supporting SAI as eThekweni believe in promoting tourism. The economic benefits are visible hence they are open minded about embracing the SAI if they can get to understand how it operates and differ from existing accommodation types • The benefit of having SAEs/SAI 	<p><u>Suggestions to manage and regulate the SAEs/SAI:</u></p> <ul style="list-style-type: none"> • Suggestions include some measures including awareness of the SAEs and to encourage them to exist and to comply with established policies and by-laws • To strengthen the existing accommodation bylaw to cover SAEs/SAI and Airbnb • That the city must conclude the development of the Tourism policy/by-law and put into practice to drive compliance • They want to include them in the support they are offering to other operators who are compliant such as marketing support, rate rebates, just like they do for BnBs and guesthouses

	<ul style="list-style-type: none"> • So then that's how I categorize it. It's not a B&B, it's not also a hotel, but it's just a family orientated • But it's not the same as your Airbnb where you'd have one just single room, you have to sort of like get the whole house like you would have like timeshares <p><u>The role players and participants</u></p> <ul style="list-style-type: none"> • Doesn't regard SAI as one of the city's stakeholders in the interim because some of them don't contribute economically, some of them and they might not be economically. Some of them they don't comply with the legislation 	<p>is also that they give the city a competitive advantage over other destination, because they are seen as the cheapest way to go</p> <ul style="list-style-type: none"> • There is also a view that says the municipality is in most cases unable to see SAI value because they are not categorized within the line of commercial, whether it's a property standalone and based/located somewhere in the suburbs. • So they will just be contributing your normal rates instead of the commercial/ business rates and taxes 	
Nomika	<p><u>Understanding and definition of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • SAEs or short term accommodation also defined as any lodgings with the exception of the timeshare industry • Exclude timeshare from short term because timeshare is a little bit different because number one, it's owner based and it's people that go for specific time and it's normally about a week. • There is some kind of shared accommodation everywhere, 	<p><u>The Value and benefits of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • The benefits for operators include flexibility, less organisation, no registration and licensing and membership fees to be paid and operating under the radar of municipalities • Nuisance is a big factor, it's not even so much about making a revenue and you're not paying your dues and taxes <p><u>The Challenges of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • Some of the challenges are to the existing practices which are 	<p><u>Suggestions to manage and regulate SAEs/SAI:</u></p> <ul style="list-style-type: none"> • Municipalities and society needs to know that sometimes for the very reason the SAEs such as Airbnb came up is because they want to be pop-ups, they want to be flexible • To engage with the stakeholders involved including those directly or indirectly, but also to learn from other cities to work on something that is very balanced and not over policed, that gives the right value to the user, to the city, to the owner as well and to those in the industry

	<p>whether in formal and informal settlements</p>	<p>eroded with SAI such as grading and the need for licensing and belonging to industry associations; and how the packaging of travel deals will work</p> <ul style="list-style-type: none"> • Issues around how operators pay their dues to access public/municipal services such as sanitation, water, electricity due to absence of licensing regime with SAI • How to sort our customer complaints, destination reputation, etc • The benefits for operators include flexibility, less organisation, no registration and licensing and membership fees to be paid and operating under the radar of municipalities • Nuisance is a big factor, it's not even so much about making a revenue and you're not paying your dues and taxes 	<ul style="list-style-type: none"> • The policy must add value, it must take away some of the tension points and some of the potential problems. But it must also not detract from why this sharing happens, and how technology works and how people use space. • Municipalities and society needs to know that sometimes for the very reason the SAEs such as Airbnb came up is because they want to be pop-ups, they want to be flexible
Ndabezitha	<p><u>Understanding and definition of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • Most of the SAI type accommodation involve private homes and properties, peoples holiday homes because they can afford to buy them • These properties used to be part of the holiday letting segment of the accommodation industry, 	<p><u>The benefits and Value of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • The Airbnb spread of money tends to be much bigger, because even the local restaurant person knows I'm going to get something, the Spar operator knows the store is going to get something, and the restaurant on • The SAEs/Airbnb have made it 	<p><u>Suggestions to manage and regulate the SAEs/SAI:</u></p> <ul style="list-style-type: none"> • To engage with the stakeholders involved including those directly or indirectly, but also to learn from other cities to work on something that is very balanced and not over policed, that gives the right value to the user, to the city, to the owner as well and to those in the industry

	<p>basically a BnB within Airbnb platform. Airbnb simply introduced an APP to make letting this vast segment more easily accessible to many people</p> <ul style="list-style-type: none"> • SAEs have on the other hand, it has taken business away from the old Holiday Home letting agents <p><u>The role players and participants:</u></p> <ul style="list-style-type: none"> • The industry is quite huge and focusing only on the segment that services the travelling public, the role players include all forms of accommodation providers • These include BnBs, Guesthouses, hotels both large and small, self-catering places and timeshare • It also includes those providing services to the industry such as the syndicated cleaning operators, the travel agents, tour operators and the online travel platforms 	<p>possible for some development to happen. Whereas the hoteliers may have been reluctant to invest in a high-rise building, but private investors in their own capacity may be tempted to do that and therefore you start seeing further and further new developments.</p> <ul style="list-style-type: none"> • The SAEs and Airbnb have also contributed to transformation of the clientele and also of entrepreneurship – the profile has changed with PDIs also getting more involved as customers and operators • SAEs also contribute to increased investment to create jobs, and just to keep your city up to date. <p><u>The Challenges of the SAEs/SAI:</u></p> <ul style="list-style-type: none"> • The fact that the main operators such as Airbnb are faceless with no significant presence in the countries where their business operates • They claim that they are only responsible for providing a platform for people to sell/do business • How do governments and municipalities interface with a faceless operator? • Amongst the SAI challenges is 	<ul style="list-style-type: none"> • A firm suggestion for municipalities to have a clear policy framework around the role of the shared accommodation industry, so that everyone understands its role • And then of course to address the major issue of rates and taxes – what rates and taxes do municipalities charge SAEs, especially the private homes and standalone properties – the ones outside body corporates and security villages/complexes • Most importantly, the need for municipalities to embrace the international developments and the international trends of the accommodation space. And also, then when we get into it, we must be very clear about how we're going to benefit from it • Its after all about how to spread the benefits of travel for everybody in the value chain to get and contribute their fair share while allowing consumers to explore local areas/travel
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		<p>them wanting to make as much profit as possible without having to consider the legislations and compliance that is required for such a business.</p> <ul style="list-style-type: none"> • The business community complain that they are competing with the people that are not paying the fees that they're supposed to be paying, they're not paying the rates that is supposed to be paying • Destination reputation is a major concern with SAEs and recourse for consumers and ofcourse all the other ethical dilemmas in the environment, economy and social sphere 	
Rose	<p><u>Understanding and definition of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • It's a form of accommodation which is let for a shorter period than 3 months is generally classed as holiday letting. Its accommodation let for periods in excess of 3 months, is generally known as permanent accommodation and is not classed as "holiday accommodation" • It includes: B&B's, • Guesthouses, • Small luxury Hotels, • Apartments which are in the main, self-catering and there are 	<p><u>The Value and benefits of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • Travellers spend their money in the entire municipality, shopping malls, restaurants, etc • A submission that Airbnb is fantastic because its opening the market for ordinary people to earn an honest living • The belief that every type of accommodation intended to service the tourism industry/traveller adds value to any municipality's economy 	<p><u>Suggestions to manage and regulate:</u></p> <ul style="list-style-type: none"> • The municipality must simply do their monitoring job well – find these illegal operators and fine them through their enforcement units • Why doesn't the eThekweni municipality learn from other municipalities like Cape Town who are at least making moves in the right direction • The CTO and Guesthouse Association constantly present the municipality with a list of illegal BnB operators, with addressed but they do nothing about it. The city is not well managed and that's the major challenge • The municipality must ensure that when people apply for the licensing

	<p>thousands of these in every coastal city.</p> <ul style="list-style-type: none">• Back Packers accommodation• Student apartments (self-catering) and there are many thousands of these• Time share and these are also many thousands of these• Hotels and Hostels• Entire houses which are let as holiday accommodation via many global letting agencies such as Air BnB• Some of these qualify for municipal assistance and some don't. It varies from Municipality to Municipality and Province to Province.		<p>and stuff like that they need to not be harder but it needs to be simplified and the requirments made clear</p>
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