

Do you want to run a Bed & Breakfast or Guesthouse?

National Accommodation Association of South Africa NAA-SA

South Africa is custom made for the Bed & Breakfast and Guesthouse industry.

Where else in the world do people own houses of such size and splendour, with magnificent views, swimming pools, staff, beautiful gardens and entertainment areas? It provides the perfect recipe for such a business.

Where else will you find the people so friendly, hospitable and willing to please?

So, there you are, everything in place, all the foundations necessary to open up and go. But hang on, life is not that perfect is it? There must be a negative in all this positive talk.

Questions you must ask yourself:

- Am I prepared to abide by the rules, regulations and legislations applicable to the operation of a B&B/Guesthouse?
- Is there a market for my intended business in this area?
- Do I like people and am I tolerant, understanding and sociable?
- Is the venture financially viable for me?
- Am I happy to invite complete strangers into my home?
- Am I prepared to treat guests better than I treat my own family and friends?
- Will I be prepared to give up my social life when necessary?
- Am I able to smile when I'd really rather not?
- Will I be pleased to get up at the crack of dawn, prepare breakfast, wait tables, smile and converse about guests' wellbeing, sympathise over their problems, suggest ideas for entertainment and carry out requests for car hire, tours, etc.?
- Am I capable of wearing 27 hats a day?
- Am I keen to co-operate with others in the same line of work?
- Am I prepared to work all day, every day, and be constantly on call?

Those who already operate businesses in the hospitality industry will read this and smile to themselves as they will identify with all this as they do it every day without even realising it and they do it because they love it.

To summarise. Running a B&B or Guesthouse is a great lifestyle. You are your own boss. You have flexible hours and you get to meet large numbers of lovely and interesting visitors from both near and far but there is a price to pay and your personality must fit the job description as with any successful career move.

First things first

Do some market research of the area in which you would like to operate. How many other such establishments are there in close proximity? Are they busy? Will another business of its kind flourish with the trade available? Will the majority of guests be corporate and are you in a business area where travellers from companies will need overnight accommodation? Is there a hospital close by? The families of patients may need place to stay.

Are you close to a holiday resort or tourist attraction? Try to think of all the possible reasons a person might need what you have to offer and this will assist you to evaluate your chances of potential business as well as providing suggested areas in which to advertise.

Legalities

Does the local council require that you obtain a licence or special consent to operate? If there is a local B&B association ask for their advice or contact the Town Planning and the Licensing Departments of your municipality.

If there are requirements with which you must comply, how long will the process take, what is the procedure and costs involved?

Other Important "Musts"

Join the local B&B association. If there is no association in your area, encourage other establishments around you to join forces and create one to strengthen both your own and their position for negotiation with suppliers and your municipality and tourism bodies.

Many local associations of this kind have joined together to form provincial associations on a similar basis to "Master Builder Associations" and the way in which they give assurance to customers that their members are reputable and reliable is exactly mirrored by the provincial B&B body.

The National Accommodation Association has provincial associations in all the provinces of South Africa and these details can be obtained from the NAA-SA website on <http://www.naa.co.za/>

This provides individual members with a "united voice" as well as an "individual voice" at every level. Contact the NAA by telephoning 0829000309 or info@naa.co.za for the details of the NAA representative in your province or for details of local associations which you may approach for information.

Insurance

Insurance is an extremely important part of your business if you are running a B&B or Guesthouse. Contact insurers that offer customised insurance for the B&B and Guesthouse industry. Make sure that the policy covers your legal liabilities to your guests should they be injured. Loss of revenue following a host of things happening to your establishment can be a very costly experience if not correctly insured. It is important to be certain that the policy you have has no "impossible to follow" requirements for if it does, it is of no use to you at all. It is also extremely important to understand that an ordinary domestic personal home policy very often falls far short in covering what you are about to embark upon if indeed it covers you at all.

TV Licences

Now that you intend to operate a commercial venture you must comply with the rules with regard to publicly displaying TV programmes. MNET and Multichoice will consider you as a business and will charge you as such, as will SABC and you will need a TV licence for every set on your property. It is advisable to declare your intentions to TV programme suppliers and pay the correct fees. To do otherwise could make you liable for penalties and fines.

When you pay for your TV licence at the Post Office state the number of TVs you are paying for and keep the receipt for future reference.

Members of the National Accommodation Association are entitled to discounts in respect of TV licence fees. Contact Multichoice to ask about obtaining a commercial licence to display MNet and DSTv.

Radio/Music Legislation

If you intend playing background music to your guests you will need to apply for a licence to do so from the South African Music Rights Organisation (SAMRO) who can be contacted on 011 489 5000. This is not an expensive licence and keeps you on the right side of the law.

Certificate of Compliance for Food Preparation

This certificate must be obtained from your local Department of Health. Remember if a guest contracts food poisoning you will need the protection of the health inspector. If you apply you will be given six months to put right any wrongs. If however, you are caught operating without a certificate you will be closed down until compliance is achieved.

Tax

Register for tax as a provisional taxpayer. Keep a set of accounts and register for VAT if you need to do so and get yourself an accountant. Remember you are running a business and must be seen to be professional. If you start this way you will reap the benefit, know and understand what is tax deductible and what is not.

Liquor Licence

A liquor licence is required if you intend to serve liquor – even complimentary drinks or an honesty bar.

Smoking Legislation

Signs must be displayed in areas designated for smoking. Nonsmoking signs need to be displayed elsewhere. These signs are available through the NAA-SA.

Labour Acts

Labour laws must be adhered to. You can visit www.labour.gov.za for details of these Acts and the implications.

Government Acts

Visit www.statsonline.co.za to view the various Acts to which the industry must comply. For example, it is law that an accommodation establishment keeps a register of all guests in residence – registers can be purchased from NAA-SA and these include a signature box with disclaimer wording across which the guest signs, email to info@naa.co.za or telephone 031 561 3795 or fax to 0866514335.

Helpful Hints

Allow three sets of linen for each room (bed sets, towels, bathroom mats). A combination of three one night bookings plus bad weather can cause headaches with less.

Style your business in a way that you find works for you. If you are enjoying your day then so will your guests. By all means seek advice from other owners with experience but then adapt their methods to suit you.

Get your price right. Too low and you will attract the wrong kind of business but too high and your customers will be disappointed and have expectations that you will be unable to fulfill.

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Website: www.naa.co.za