

Scottish Expert Advisory Panel on the Collaborative Economy

Proposed panel sessions

Structure

The sessions should provide panel members with a summary of data created from the 'Call for Evidence' alongside some respondents/stakeholders will be invited to present to the panel; possibly three to five at every session. The Chair will provide opening remarks detailing the speakers and the issues that are going to be covered. Following this each of the stakeholders provides a short presentation. After the presentations have concluded there should be time for questions and discussion. Discussion between stakeholders and the panel are key to these information gathering sessions. At the end, the Chair will summarise the key discussion points and agree points for further investigation.

All the information gathered will help inform the panel of the key issues and interdependencies and conflicts between the range of stakeholders. This information should be captured in the report and distilled into recommendations for Ministers.

Panel dates and suggested discussion topics

- 4 May – Glasgow 13:00 – 15:00 - Introductory meeting.
- 21 June – Glasgow 12:00 – 16:00 - Peer to Peer accommodation and Taxation
- 26 July – Edinburgh 12:00 – 16:00 - Workers' rights including Peer to Peer transportation & logistics
- 31 August – Glasgow 12:00 – 16:00 - Collaborative finance including Fintech and balancing competition and regulation
- 27 September – Edinburgh, 12:00 – 16:00 – Participation: consumers, providers & businesses
- 26 October – Edinburgh, 12:00 – 16:00 - Wider implications including public services and social value
- 23 November – Glasgow, 12:00 – 16:00 - Signing off recommendations and discussing draft report

June - Peer to Peer accommodation and Taxation

There has been a high level of Ministerial, private and public scrutiny about the effects short-term lets are having on the housing market in Scotland. The Scottish Government commissioned scoping research to help understand the drivers behind this and gather comparative data about the multiple sources short-term lets are being marketed through. This research will help inform the panel on whether collaborative platforms are effecting Scotland's housing market in comparison to traditional models. It will provide the basis for discussion on whether new regulatory measures should be introduced or existing ones adapted. Another key issue for short term lets is that the relevant taxes are being collected which leads us into the second topic of taxation. HMRC are currently consulting providers to find out how they can support its growth while making it easier for people to meet their tax obligations and access the allowances they are entitled to. The Panel may wish to consider the roles that platforms, government and providers should play. It may also

consider the growth of the collaborative economy into other areas that may pose similar tax and regulatory challenges.

July – Workers’ rights including Peer to Peer transportation & logistics

Individuals provide services or goods within the collaborative economy for a variety of reasons, including the flexible opportunities it provides to people to earn extra income and work flexible working patterns. Many collaborative platform workers are classed as self-employed under UK employment law and, as such, basic employment rights that workers and employees enjoy such as holiday pay, sick pay and the right to the national minimum wage do not apply. A number of recent high-profile cases against collaborative platforms such as Uber or Deliveroo challenge this working model adopted by platforms, arguing that the individuals engaged should be treated as employees or workers, with the range of employment rights which either status confers. In November 2016, the UK Government commissioned Matthew Taylor to conduct a review on modern employment practices. The findings are due to be published in June 2017, Matthew Taylor or a panel member could be invited to present their findings and discuss with the panel how these could be implemented.

August – Collaborative finance including Fintech and balancing competition and regulation

With traditional financial institutions becoming more risk averse, new ways to access capital have been emerging. Collaborative finance is a new development of financial transactions between individuals. The sector is growing and has yet to reach its potential. In Scotland, the eSpark FinTech centre at Gogarburn has been announced and attracted positive press coverage and generated enquiries from companies seeking to locate in or relocate to Scotland. Collaborative finance plays an important role in helping individuals and businesses access capital contributing to inclusive growth. What structures need to be in place to protect participation on both sides and facilitate trust? How should this sector be regulated to ensure that those contribute have suitable protection and trust is facilitated to enable growth. How could the innovation and learning within this sector, be applied to other sectors within the collaborative economy?

Competition is an important function of a healthy economy. So too is regulation: it provides the framework for healthy business, sets standards and ensures only fair advantages are gained in the market place. The regulatory environment should treat all business fairly and must be consistent and proportionate whilst providing protection and allowing the market to grow. Companies shouldn't operate in a regulatory vacuum, neither should they risk degeneration at the hands of rules that are no longer fit for purpose. A key characteristic of the collaborative economy is the speed platforms transform markets. This presents a challenge to governments and regulators when responding and taking account of the speed of legislation and changes to regulations. Global regulatory responses to sectors and their impact could be assessed which could help determine which elements of emerging business models require a regulatory approach and whether different regulatory standards would apply for different types or size of disruptive business models. Any changes to regulation need to be agile so that they can be quickly adapted to the

evolving collaborative economy. What role does self-regulation via ratings systems or the TrustSeal play within the collaborative economy and how should it complement or replace existing regulations?

September – Participation: consumers, providers & businesses

The lines between consumer and provider/business are changing. Traditionally, a business produced a good or service and a consumer purchased the goods. The collaborative economy is changing this with people now acting as consumers as well as a provider, across a variety of platforms. Does existing consumer protection legislation adequately cover these new trends and protect both consumers as well as providers? If not, what changes are required to ensure that there is adequate protection. A key element to all of this is trust and facilitating trust. Another part is liability and redress because if things do go wrong or are unsatisfactory where do you turn and who is responsible?

The collaborative economy offers significant opportunities to grow the Scottish economy. However, there is a need to ensure that Scotland's existing business base is effectively supported to compete and participate and to ensure that the right conditions are created in Scotland to allow emerging business models to be developed. Consideration should be given to what support is currently available and if it is fit for purpose. We need to ensure that existing operators have the necessary skills to digitally transform their businesses to compete in the evolving market place.

October – Wider implications including public services and social value

Not all of the initiatives within the collaborative economy are commercially driven. A number of new social enterprises and mission led businesses are have cropped up that instead focus on growing social value and supporting public service delivery through collaborative platforms. These include new marketplaces for providing care to older people, new ways of providing community transport and skills and resource sharing within communities. These initiatives offer the potential to create a more inclusive economy, regenerate communities and bring more non-state resources to support long-term social challenges. This session will consider how the collaborative economy could contribute towards public service reform as well as addressing social and community impacts as well as social inclusion.

November - signing off recommendations and discussing draft report