

# ESSEX HOTEL FUTURES

December 2009

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## 1. INTRODUCTION

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- The Essex Hotel Futures Study was undertaken by Hotel Solutions between September and December 2008 for the Essex County Council and East of England Tourism.
- The purpose of the study was to make an objective assessment of the potential for the future development of the hotel sector in each part of Essex in terms of both the development, expansion and upgrading of existing hotels and the potential for new hotel development.
- A key part of the research programme that Hotel Solutions undertook was a survey of the managers and owners of existing hotels in the county to gather information on current, recent and projected future performance in terms of occupancy, achieved room rate, market mix, market trends and denied business. A total of 83 hotels and inns (listed at Appendix 1) were interviewed either in person or by telephone. We are grateful to all of the hotel and accommodation managers and owners that took part in the survey.
- The following report has been prepared to provide feedback to the hotels and accommodation businesses that took part in the study. It provides information on:
  - The current supply of hotel accommodation in each part of Essex – and recent changes in supply in terms of new hotels, recent extensions and refurbishment, changes in ownership and closures;
  - Current hotel performance and markets across the county;
  - The prospects for future growth in demand for hotel accommodation;
  - The future market potential for the development of the county's hotel sector.

## 2. ESSEX HOTEL SUPPLY

### 2.1. Current Supply

#### 2.1.1 Current Hotel Supply by Standard and Type of Hotel

- There are currently 137 hotels in the Essex with a total of 7,435 letting bedrooms. Appendix 2 provides a full list of these establishments. The tables overleaf provide an analysis of the county's hotel supply by District/Borough and for the key towns and destinations in the county.

#### ESSEX HOTEL SUPPLY<sup>1</sup> – DECEMBER 2009

Standard of Hotel	Hotels	Rooms	% of Total Hotel Rooms	Average Size of Hotel (Rooms)
4 star	11	1547	20.8	141
3 star	35	1930	26.0	55
2 star	6	136	1.8	23
Budget <sup>2</sup>	38	2731	36.7	72
Non-inspected <sup>3</sup>	47	1091	14.7	23
<b>TOTAL</b>	<b>137</b>	<b>7435</b>	<b>100.0</b>	<b>55</b>

Notes:

1. All star-rated and branded hotels + non-inspected hotels with more than 10 bedrooms
  1. Branded budget hotels (Premier Inn, Travelodge, Ibis, Days Inn, Holiday Inn Express, Formule 1)
  2. Or graded as guest or inn accommodation
- The current supply of hotels in Essex is primarily a mix of budget and 3 star hotels. Essex also has a number of 4 star hotels, primarily in the west of the county, especially at Stansted Airport. There are very few 2 star hotels in Essex. Most parts of the county have a few small non-inspected hotels and inns. Many of these hotels appear to be of a relatively low standard.

ESSEX HOTEL SUPPLY<sup>1</sup> – BY DISTRICT – DECEMBER 2009

District	4 Star		3 Star		2 Star		Budget		Non-Inspected <sup>2</sup>		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Basildon			1	148			6	337			7	485
Braintree			3	128			4	223	4	60	11	411
Brentwood	2	129	1	149			2	167	2	29	7	474
Castle Point									1	40	1	40
Chelmsford	1	39	5	232	2	48	3	252	3	64	14	635
Colchester <sup>3</sup>	1	110	7	318	1	24	1	20	1	13	11	485
Epping Forest <sup>4</sup>	1	162	1	79			4	244	5	99	11	584
Harlow			3	259			2	171	1	40	6	470
Maldon	1	194							4	76	5	270
Rochford			2	56			1	50			3	106
Southend-on-Sea			5	253			3	179			8	432
Tendring			2	27	3	64	4	224	11	219	20	534
Thurrock	1	34	1	97			5	458	6	221	13	810
Uttlesford	4	879	4	184			3	406	9	230	20	1699
<b>TOTAL ESSEX</b>	<b>11</b>	<b>1547</b>	<b>35</b>	<b>1930</b>	<b>6</b>	<b>136</b>	<b>38</b>	<b>2731</b>	<b>47</b>	<b>1091</b>	<b>137</b>	<b>7435</b>

## Notes:

1. All star-rated and branded hotels + non-inspected hotels with more than 10 bedrooms
2. Or graded as guest or inn accommodation
3. The Stoke by Nayland Hotel, Golf & Spa (80 bedrooms) is located just outside Colchester District
4. There are a number of hotels in Cheshunt that are just outside Epping Forest District

ESSEX HOTEL SUPPLY<sup>1</sup> – KEY TOWNS/ DESTINATIONS<sup>2</sup> – DECEMBER 2009

District	4 Star		3 Star		2 Star		Budget		Non-Inspected <sup>3</sup>		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Basildon			2	183			7	387	1	16	10	586
Birchanger/ Bishop's Stortford			2	146			1	60	1	22	4	228
Braintree			1	31			3	184			4	215
Brentwood	2	129	1	149			2	167	2	29	7	474
Burnham on Crouch									2	33	2	33
Canvey Island									1	40	1	40
Chelmsford			5	232			3	252	3	64	12	560
Clacton-on-Sea					1	30	2	119	10	205	13	354
Colchester	1	110	5	291	1	24	2	80	1	13	10	518
Epping			1	79					2	35	3	114
Great Dunmow							1	92	2	55	3	147
Harlow			3	259			2	171	1	40	6	470
Harwich			2	27	1	27	1	45	1	14	5	113
Loughton/ Buckhurst Hill/ Chigwell							2	84			2	84
Maldon									2	43	2	43
Rochford			1	21							1	21
Saffron Walden			2	38							2	38
Southend-on-Sea			5	253			3	179			8	432
Stansted Airport	2	739					1	254	1	22	4	1015
Thurrock	1	34	1	97			5	458	5	205	12	794
Waltham Abbey	1	162					1	99			2	261

## Notes:

1. All star-rated and branded hotels + non-inspected hotels with more than 10 bedrooms
2. This analysis of hotel supply includes the competitive supply of hotels within and immediately surrounding the key towns and destinations in Essex. In some locations hotels are included from two or more Districts/ Boroughs
3. Or graded as guest or inn accommodation

- The county's 3 star hotels are predominantly relatively small, independently operated hotels and of variable quality. While Essex has a number of good quality independent 3 star hotels that have seen recent investment (significant in two cases), the county also has a number of 3 star hotels that appear to offer a poor quality product at present and that have not seen much recent investment, certainly judged on the basis of the guest reviews that some of these hotels have been receiving on Internet booking sites. There are a number of 3 star hotels in Essex that have very old-fashioned chalet style bedroom blocks linked to the main hotel building by a covered walkway.
- In terms of branded 3 star hotels in Essex, Holiday Inn has hotels in Basildon, Brentwood and Colchester, Park Inn has hotels in Harlow and Thurrock and there is a Ramada hotel in Colchester and a recently opened Days Hotel at the Birchanger Green motorway service area on the M11. No other UK 3 star brands are currently represented in the county and Essex has not so far seen the development of 'new generation' 3 star hotels that brands such as Holiday Inn, Hilton Garden Inn, Village and Courtyard by Marriott have been developing elsewhere in the UK.
- Essex has very few branded 4 star hotels – only the Radisson Blu and Hilton at Stansted Airport and the Marriott at Waltham Abbey.
- The county's budget hotel supply is dominated by Premier Inn (20 hotels) and Travelodge (10 hotels). Essex has only one upper-tier budget hotel<sup>1</sup> - the Holiday Inn Express at Stansted Airport. Three former Holiday Inn Express hotels at Braintree, Buckhurst Hill and Rayleigh were converted to Premier Inns in 2008 following their acquisition by Whitbread (the owners of Premier Inn). The only other budget hotel brands represented in Essex are Ibis (at Thurrock), Formule 1 (at Thurrock), Innkeeper's Lodge (at Chigwell and Wickford) and Days Inn (at the Birchanger Green MSA).
- Chelmsford is the only location in Essex that has serviced apartments, with two serviced apartment operations, with a total of 6 serviced apartments. In both cases these are residential apartments that are let out as serviced apartments, primarily to long stay corporate guests.

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<sup>1</sup> Brands such as Express by Holiday Inn, Ramada Encore and Hampton by Hilton that offer a 3 star standard bedroom product but limited hotel facilities and services.

- Essex has not really seen the development of boutique hotels so far. The Pier at Harwich could be described as a boutique hotel. The new North Hill Hotel in Colchester and Maison Renouf Rochford also describe themselves as boutique hotels .
- Essex has a few high quality country house hotels, primarily in the west of the county and in Dedham Vale.

#### ESSEX COUNTRY HOUSE HOTELS – DECEMBER 2009

Hotel	Location	Grade	Rooms
Down Hall	Hatfield Heath	4 star	99
Great Hallingbury Manor	Great Hallingbury	4 star	47
Greenwoods Hotel, Spa & Retreat	Stock	4 star	39
Orsett Hall	Orsett	4 star	34
Maison Talbooth	Dedham	3 star (Red)	12
Milsoms	Dedham	3 star	15
Prested Hall	Feering	n/a	17

- Essex has relatively few golf hotels. The 4 star Five Lakes Hotel, Golf, Country Club & Spa in Maldon is the county's only significant golf resort. Other than this, The Essex Golf & Country Club at East Colne has a 3 star hotel and a number of other golf courses in the west of the county have small hotels.

#### ESSEX GOLF HOTELS – DECEMBER 2009

Hotel	Location	Grade	Rooms
Five Lakes Hotel, Golf , Country Club & Spa	Tolleshunt Knights	4 star	194
The Essex Golf & Country Club	Earls Colne	3 star	42
Langdon Hills Golf Club	Bulphan	n/a	18
Top Meadow Golf Club	North Ockenden	n/a	14
Weald Park Hotel, Golf & Country Club	Brentwood	n/a	14

- The Stoke by Nayland Club Hotel, Golf & Spa (80 bedrooms) and Manor of Groves Hotel, Golf & Country Club (80 bedrooms) at High Wych to the north of Harlow are located just outside Essex.

- Essex has a significant number of wedding venues (historic houses and wedding barns), some of which have bedrooms for wedding parties to stay in.

### ESSEX WEDDING VENUES WITH ACCOMMODATION FOR WEDDING GUESTS

DECEMBER 2009

Venue	Location	Rooms
Braxted Park	Witham	10
Fennes Estate	Bocking, Braintree	5
Friern Manor	Dunton, Brentwood	5
Gosfield Hall	Gosfield	21
Hedingham Castle	Hedingham	10
Leez Priory	Great Leighs	15
Mangapp Manor	Burnham-on-Crouch	n/a
Spains Hall	Finchingfield	2
The Old Rectory	Dunton Wayletts, Brentwood	11
Three Rivers Golf & Country Club	Purleigh	9
Vaulty Manor	Heybridge, Maldon	23

- The following hotels in Essex have spas:
  - Five Lakes, Tolleshunt Kings, Maldon;
  - Orsett Hall;
  - Maison Talbooth, Dedham;
  - Greenwoods, Stock.

#### 2.1.2. Current Hotel Supply by Location

- **Stansted Airport** and the surrounding area (including Birchanger, Stansted Mountfitchet and Great Dunmow) has the most significant supply of hotels in the county, with 8 hotels and a total of 1,243 hotel rooms. The airport has two large branded 4 star hotels (the Radisson Blu and Hilton) and the county's only upper-tier budget hotel (a Holiday Inn Express). There are no budget hotels currently at the airport.
- **Thurrock** has the next largest supply of hotel accommodation in the county (12 hotels/ 794 bedrooms).

- The other main towns in the county (Basildon, Brentwood, Chelmsford, Colchester, Harlow and Southend) all have fairly similar numbers of hotel bedrooms ranging from 432 rooms in Southend-on-Sea to 586 rooms in Basildon:
  - The supply in **Basildon** is dominated by budget hotels. There are only two full-service 3 star hotels serving the town – the Holiday Inn Basildon and The Chichester at Rawreth. There are no 4 star hotels in Basildon. Local companies that require 4 star hotel accommodation use Greenwoods at Stock, De Rougemont Manor and Marygreen Manor at Brentwood, the Marriott at Waltham Abbey and the 4 star hotels at Stansted Airport. There are no hotels in Basildon town centre.
  - **Brentwood** has two 4 star hotels, a 3 star Holiday Inn and a newly opened Premier Inn budget hotel in the town centre. The town is also served by the Travelodge at East Horndon.
  - **Chelmsford** has a mix of independent 3 star and budget hotels in the town centre and around the town. The town is the only location in Essex that has any serviced apartments.
  - The hotel supply in **Colchester** is dominated by 3 star hotels, some of which appear to offer relatively poor quality facilities and service, judging by guest reviews on Internet booking sites. The 4 star Marks Tey Hotel also serves the town. This does not appear to be a highly rated hotel in terms of guest reviews and is currently charging room rates that are well below the rates charged by the 3 star hotels in and around the town. Colchester has a limited stock of budget hotels. There is a limited supply of hotel accommodation in the town centre. Country house and golf hotels in the surrounding area also compete in the Colchester corporate market.
  - **Harlow** has a mix of budget and 3 star hotels located around the town. There are no hotels in the town centre. The standard of the town's 3 star hotels does not appear to be particularly high. The town is also served by the Manor of Groves Hotel, Golf & Country Club at High Wych in Hertfordshire, immediately to the north of Harlow. Companies in Harlow also use Down Hall at Hatfield Heath, the Radisson Blu and Hilton at Stansted Airport and the Marriott hotels at Cheshunt and Waltham Abbey.

- **Southend-on-Sea** has a mix of independent 3 star and budget hotels. The Roslin Beach has recently undergone a £6 million refurbishment and extension programme and may now achieve a 4 star rating. The town's other 3 star hotels are of varying standards.
  
- **Braintree** has a smaller stock of hotel accommodation. The supply here comprises primarily budget hotels. There is only one small coaching inn in the town centre.
  
- **Clacton-on-Sea** only has one 2 star hotel and a newly opened Travelodge budget hotel. The resort has a significant stock of small independent, non-inspected hotels and large guesthouses.
  
- **Harwich** has a small 3 star boutique hotel (The Pier), a Premier Inn budget hotel and 3 small hotels in Dovercourt.
  
- **Maldon District** only has one hotel – the 4 star Five Lakes Hotel, Golf, Country Club & Spa. The District also has a number of small pub accommodation establishments at Maldon and Burnham-on-Crouch, of variable quality.
  
- There are a number of hotels spread across **Epping Forest District**. Waltham Abbey has the most significant stock of hotel accommodation, with a 4 star Marriott and a Premier Inn budget hotel. The District also has budget hotels at Buckhurst Hill, Chigwell and North Weald. Epping has one hotel, a small coaching inn in the town centre and a small motel. These establishments appear to be of a low standard. There are a number of hotels just outside the District at Cheshunt – the Cheshunt Marriott (143 bedrooms), De Vere Venues Theobolds Park (141 bedrooms) and Travelodge Cheshunt (100 bedrooms).
  
- There are only two small hotels serving **Saffron Walden**, only one of which is in the town itself.

## 2.2. Recent Hotel Development and Changes in Supply

### 2.2.1. New Hotels

- Our research has identified the following new hotel openings in Essex since 2005:

#### NEW HOTELS IN ESSEX 2005-2009

Hotel	Location	No. Rooms	Year Opened
<b>4 Star Country House Hotels</b>			
Great Hallingbury Manor	Great Hallingbury	31 <sup>1</sup>	2008
Orsett Hall	Orsett, Thurrock	34	2009
<b>3 Star Hotels</b>			
Days Hotel London Stansted	Birchanger Green MSA	76	2009
<b>Budget Hotels</b>			
Express by Holiday Inn Stansted Airport	Stansted Airport	183 <sup>3</sup>	2008
Premier Inn Harwich	Harwich	45	2005
Travelodge Stansted Great Dunmow	Great Dunmow	63 <sup>2</sup>	2006
Purple Hotel (now Blueberry Hotel)	Braintree	76	2007
Premier Inn Colchester Central	Colchester	20	2008
Travelodge Chelmsford	Chelmsford	81	2008
Premier Inn Brentwood	Brentwood	122	2009
Travelodge Clacton-on-Sea	Clacton-on-Sea	57	2009
<b>Small Hotels/ Inns</b>			
The Kilns	Brentwood	15	2008
Lion Inn	Boreham	15	2008
Channels Lodge	Chelmsford	14	2006

Notes:

1. Expanded to 47 bedrooms in 2009
2. Expanded to 92 bedrooms in 2007
3. Expanded to 254 bedrooms in 2007

- In the areas immediately surrounding Essex the Travelodge Cheshunt opened in 2007 with 100 bedrooms.

## 2.2.2. Hotel Extensions and Refurbishment

- Our research has identified the following changes to the Essex hotel supply since 2005 in terms of extensions to, or upgrading of existing hotels:

### ESSEX HOTELS – EXTENSIONS AND UPGRADES 2005-2009

Hotel	Location	New Bedrooms	Total Bedrooms Now	Upgrading/New Facilities
<b>4 Star Country House</b>				
Great Hallingbury Manor	Great Hallingbury	16	47	Conversion of Hallingbury House to provide 16 additional bedrooms – completed in 2009
<b>4 Star</b>				
Marriott Waltham Abbey	Waltham Abbey		162	£3.5 million refurbishment completed May 2009
Best Western Marks Tey	Marks Tey		110	Refurbishment and upgrading to 4 stars in 2007
<b>3 Star</b>				
County	Chelmsford		54	£770,000 refurbishment of public areas, conference rooms and 16 premium bedrooms
Rose & Crown	Colchester	9	38	Nine bedrooms added in 2005
Park Inn Harlow	Harlow		119	Rebranding from former Moat House Harlow, with some refurbishment – December 2005
Roslin Beach	Southend-on-Sea	9	57	£6 million refurbishment and extension completed in 2009
Saffron	Saffron Walden		16	Full refurbishment and upgrading to 3 stars completed in 2009
<b>Country House Hotels</b>				
Maison Talbooth	Dedham		12	£1.5 million refurbishment and development of new health and leisure facilities
<b>Boutique</b>				
The North Hill	Colchester		13	Refurbishment of the former Peveril Hotel as a boutique style hotel, re-opening in 2008
Maison Renouf	Rochford		21	Reopened in 2006 following complete refurbishment as a boutique hotel

Hotel	Location	New Bedrooms	Total Bedrooms Now	Upgrading/New Facilities
<b>Budget</b>				
Express by Holiday Inn Stansted Airport	Stansted Airport	71	254	Bedroom extension completed July 2007
Travelodge Stansted Great Dunmow	Great Dunmow	29	92	Bedroom extension completed 2007
Premier Inn Harlow	Harlow	20	81	Bedroom extension completed November 2007
Premier Inn Chelmsford Springfield	Chelmsford	33	91	Bedroom extension completed December 2006
Premier Inn Braintree (A120)	Braintree	20	60	Bedroom extension completed 2005

- In the areas immediately surrounding Essex the following major hotel extensions were completed in the last 2 years:
  - De Vere Venues' Theobolds Park in Cheshunt added 41 bedrooms and a new function room in 2008;
  - The Stoke by Nayland Club has completed a £4 million expansion programme that has included 50 additional bedrooms and a new restaurant and lounge.

### 2.2.3. Hotel Closures

- Our research has identified the following recent hotel closures in Essex.

#### ESSEX HOTELS – RECENT CLOSURES

Hotel	Location	Standard	Bedrooms
Beechcroft	Chelmsford	3 star GA	20
Benbridge	Heybridge, Maldon	n/a	14

## 2.2.4. Re-Branding of Hotels

- Our research has identified the following rebranding of hotels in Essex since 2005:

### ESSEX HOTELS – RE-BRANDINGS 2005-2009

Hotel (Current Brand)	Location	Previous Brand	Year Re-branded
Park Inn Harlow	Harlow	Moat House	2005
Park Inn Thurrock	North Stifford	Moat House	2005
Best Western Marks Tey	Marks Tey	None	2007
Premier Inn Basildon Rayleigh	Rayleigh	Express by Holiday Inn	2008
Premier Inn Loughton Buckhurst Hill	Buckhurst Hill	Express by Holiday Inn	2008
Premier Inn Braintree (Freeport Village)	Braintree	Express by Holiday Inn	2008

## 2.2.5. Hotels for Sale

- The following hotels in Essex are currently up for sale:

### ESSEX HOTELS ON THE MARKET – AS AT DECEMBER 2009

Hotel	Location	Standard	Rooms	Agent
Churchgate	Harlow	3 star	85	Christie & Co
Essex County	Southend-on-Sea	3 star	75	Edward Symmons
Rivenhall	Witham	3 star	55	Christie & Co
Greenwoods	Stock	4 star	39	Christie & Co
Saracen's Head	Great Dunmow	n/a	31	Colliers Robert Barry
Maison Renouf	Rochford	3 star	21	Christie & Co
Esplanade	Clacton-on-Sea	2 star	30	Christie & Co

## 2.3. Planned Hotel Development

### 3.3.1. Hotels Under Construction

- The following hotels are currently under construction in Essex:

### ESSEX - NEW HOTELS UNDER CONSTRUCTION – 2009

Hotel	Location	Standard	No. Rooms	Opening Date
Park Inn	Southend-on-Sea	3 star	137	Early 2010
Holiday Inn Express	Colchester	Budget	105	Spring 2010
Thorpe Hall	Thorpe le Soken, Tendring	Spa Hotel	100	November 2010

### 3.3.2. Proposed Hotels

- Our research has identified the following proposed new hotels in Essex.

#### ESSEX – PROPOSED HOTELS (AS AT DECEMBER 2009)

Proposed Hotel/Site	Standard	No. Rooms	Details
<b>Basildon</b>			
Robins Cinema	n/a	125	Permission granted in 2009 for a hotel and associated uses
Four Seasons, Laindon	Budget	43	Permission granted in 2007 for a bedroom block extension to the existing pub
<b>Brentwood</b>			
Mountnessing Roundabout	n/a	130	Development Securities plc renewed its outline planning permission for a 130 bedroom hotel in October 2009
<b>Chelmsford</b>			
Victoria Rd	n/a	150	Planning permission granted for 150 -bedroom hotel in 2009
Marconi	n/a	80	Planning permission granted for hotel as part of a mixed use scheme
Beaulieu Park	n/a	n/a	Hotel use included in outline application for new neighbourhood and employment growth area
<b>Colchester<sup>1</sup></b>			
Greyfriars	Boutique	40	The property was sold to a developer by Essex County Council in 2008 for conversion to a boutique hotel and residential scheme
East Hill House	Restaurant with Rooms	13	Scott Properties has plans to convert the property into a high-class restaurant with accommodation.
Cultural Quarter	Budget	120	Garbe Real Estates' plans for the Cultural Quarter include a proposal for a 120-bedroom budget hotel.
Weston Homes Community Stadium	n/a	n/a	Outline planning permission has been granted for a hotel at the stadium.
Stane Park, Stanway	Budget/ Full Service	236	The plans for the Stane Park business park at Stanway include proposals for an 86-bedroom budget hotel and a 150-bedroom full service hotel, with operator interest reported from Premier Inn and Hilton Garden Inn.

Notes:

1. Information on Colchester hotel development proposals is sourced from the Humberts Leisure report, 'Hotel Market & Sequential Site Appraisal Colchester', June 2009

<b>Harlow</b>			
Holiday Inn Express	Budget	122	Geminex Hotel & Leisure Management has announced plans for a Holiday Inn Express at Crown Gate in Harlow town centre
Town Centre North	3 star	100	Hotel included as part of the Stockland mixed use scheme incorporating residential, leisure and commercial uses
<b>Southend-on-Sea</b>			
Ramada London Southend Airport	3 star	130	Plans announced for a Ramada hotel with conference facilities
Ambassador	n/a	126	Cleared site with permission for a 67-bedroom hotel with spa and associated residential development. Subsequent proposal for a 126 -bedroom hotel
Esplanade	n/a	124	Permission granted for hotel as part of a mixed-use scheme alongside residential, student accommodation and retail.
Dizzyland, Marine Plaza	n/a	100	Permission for a 100-bedroom hotel, casino, leisure, entertainment facilities and residential.
St Johns Quarter	n/a	n/a	Hotel included as an ancillary use in major mixed-use extension to the town centre
Garons Park	4 star	n/a	Proposal for a hotel to be developed alongside the new pool and international diving centre
Fossetts Farm	n/a	114	Proposed football stadium with associated hotel, casino, retail and leisure uses.
<b>Tendring</b>			
Harwich Navyard	n/a	60+	The design brief for the Harwich Navyard includes a proposal for a 60+ bedroom hotel.
<b>Uttlesford</b>			
Premier Inn Stansted Airport	Budget	300	Premier Inn has announced plans for a new hotel at Stansted Airport as part of a joint venture with Arora Hotels to build four airport hotels at Gatwick (2 hotels), Heathrow and Stansted.
Stansted Airport Generation 1 (increasing the capacity of the existing single runway)			The Generation 1 project makes provision for two hotels at South Gate ( one of which would be the Premier Inn that has already been announced)
Stansted Airport Generation 2 (The development of Stansted as a two runway airport)			The Generation 2 project makes provision for a number of further hotels at the airport.

Further afield plans have also been announced for the following hotels in areas surrounding Essex:

- A 130-bedroom Holiday Inn Express at Enfield
- A 150-bedroom hotel as part of Tottenham Hotspur FC's new football stadium at Tottenham

### 2.3.3. Proposed Development of Existing Hotels

Our discussions with hotels in the county have identified the following proposals for the development of existing hotels in Essex.

#### ESSEX HOTELS – PROPOSED DEVELOPMENT OF EXISTING HOTELS

Hotel	Standard	No. Rooms	Proposed Development
<b>Braintree</b>			
Rivenhall, Witham	3 star	55	Planning permission was granted in February 2009 for the development of a new block of 105 bedrooms to replace the existing chalet style bedrooms.
Blueberry	Budget	76	The hotel will be rebranded as a Hampton by Hilton in 2010.
<b>Brentwood</b>			
Marygreen Manor	4 star	56	Planning permission for an additional 8 bedrooms.
<b>Chelmsford</b>			
Best Western Atlantic, Chelmsford	3 star	59	Planning permission granted in December 2008 for a 50-bedroom extension.
Channels Lodge	4 star GA	14	Planning permission has been granted for a further 7 bedrooms

Hotel	Standard	No. Rooms	Proposed Development
<b>Colchester</b>			
Wivenhoe House, Colchester	3 star	46	The University of Essex has plans to transform the hotel into a boutique hotel combined with a world-class hotel school. If the plans proceed the hotel will close in early 2010 for refurbishment and re-open as The Edge Hotel School in Spring 2011.
<b>Epping Forest</b>			
Mulberry House, Ongar	n/a	23	Planning to redevelop existing chalet style bedrooms in 2010 to provide 17 new double bedrooms and an enlarged conference room.
<b>Tendring</b>			
The Royal Hotel, Clacton-on-Sea	3 star	23	The hotel is currently being redeveloped following a long period of dereliction. The plans include the conversion of the building to provide a new 23-bedroom hotel with a large function room (capable of taking up to 300 people) and 13 residential apartments on the top floor. The hotel will feature contemporary design and aims to be the highest quality hotel in the resort. It is due to open in Summer 2010
Comfort Hotel	n/a	61	Planning permission has been granted for the demolition of the hotel and development of a new 61-bedroom hotel with multi-purpose conference and function rooms and a ten-pin bowling alley. The project is currently on hold as the funding for the scheme has been withdrawn following the Credit Crunch.

- A number of other hotels are at various stages of considering plans for possible future expansion and refurbishment and/or the development of new spa, leisure, conference and/or banqueting facilities.

### 3. CURRENT HOTEL PERFORMANCE & MARKETS

#### 3.1. Occupancy and Achieved Room Rates<sup>1</sup>

- The table below sets out our estimates of average annual room occupancies and achieved room rates for Essex hotels for 2007 and 2008 and projected for 2009, based on the information provided to us by the managers and owners of existing hotels.

#### ESSEX HOTELS AVERAGE ANNUAL ROOM OCCUPANCY AND ACHIEVED ROOM RATES 2007-2009

Location/ Standard of Hotel	Average Annual Room Occupancy %			Average Annual Achieved Room Rate <sup>1</sup> £		
	2007	2008	2009 <sup>2</sup>	2007	2008	2009 <sup>2</sup>
UK Provincial 3/4 Star Chain Hotels <sup>3</sup>	71.3	70.2	69.0 <sup>4</sup>	72.28	72.91	68.89 <sup>4</sup>
Essex 3/4 Star Hotels	68.0	64.1	61.3	67.77	68.03	62.30
Essex 4 Star Hotels	69.3	63.3	60.6	74.17	75.64	67.98
Essex 3 Star Hotels <sup>5</sup>	66.7	64.9	62.0	61.60	61.14	59.00
Brentwood 3/4 Star Hotels	76.4	67.1	61.8	74.89	75.95	72.76
Chelmsford 3 star Hotels	69.5	71.1	67.0	66.21	67.40	65.34
Colchester Full Service Hotels <sup>6</sup>	67.6	66.1	n/a	53.80	54.70	n/a
Southend 3 Star Hotels	64.6	62.2	66.7	59.44	58.21	61.57
Stansted Airport Hotels	75.0	69.6	66.0	73.97	75.33	67.12
Essex Budget Hotels <sup>5</sup>	78.5	77.0	70.8	n/a	n/a	n/a
Basildon Budget Hotels	79.2	78.6	73.1	n/a	n/a	n/a
Chelmsford Budget Hotels	n/a	n/a	71.6	n/a	n/a	n/a
Southend Budget Hotels	83.7	83.2	80.7	n/a	n/a	n/a
Thurrock Budget Hotels	n/a	n/a	67.2	n/a	n/a	n/a

Notes:

- The amount of rooms revenue (excluding food and beverage income) that hotels achieve per occupied room net of VAT, breakfast (if included) and discounts and commission charges.
- Based on projected full year figures provided by hotel managers
- Source: TRI Hospitality Consulting Hotstats UK Chain Hotels Market Review
- The 11 months to November 2009
- The samples of participating hotels were only sufficient to allow publication of more local performance data for these locations.
- Source: Colchester Hotel Market & Sequential Site Appraisal, Humberts Leisure, June 2009

<sup>1</sup> The net amount of rooms revenue that hotels achieve per room sold after deduction of VAT, breakfast and any other meals included in the price, discounts and commission charges.

## 3.2. 3/4 Star Hotels

### 3.2.1. Occupancy and Achieved Room Rates

- Average annual room occupancies and achieved room rates for 3/4 star hotels across Essex as a whole are well below the national averages for provincial UK 3/4 star chain hotels. Essex 3/4 star hotel occupancies have been running at 5-7 percentage points below the national average for the last 3 years, while achieved room rates for Essex 3/4 star hotels have been £5-6 below the national average.
- There is very little difference in occupancy performance between 3 and 4 star hotels. Achieved room rates are much higher for 4 star than 3 star hotels, but still below the target levels sought by 4 star hotel operators (£80-90) in most parts of the county. Achieved room rates for 3 star hotels are also below the target levels required by most UK 3 star hotel brands (£70-80), although there are some 3 star operators that have lower achieved room rate targets that are more in line with the levels that 3 star hotels are achieving in some parts of the county.
- In line with the national trend, Essex 3/4 star hotel occupancies and achieved room rates have dropped sharply in 2009 as a result of the recession and the downturn that has resulted in midweek corporate and residential conference business and rates. Weekend occupancies have however generally held up well.
- 3/4 star hotel performance varies significantly across Essex:
  - Locations with stronger 4 star performance (where 4 star hotels achieved an average annual room occupancy of at least 70% and an average annual achieved room rate of at least £80 in 2008) are:
    - Stansted Airport
    - Brentwood
  - Locations with stronger 3 star performance (where 3 star hotels achieved an average annual room occupancy of at least 70% and an average annual achieved room rate of at least £70 in 2008) are:
    - Basildon
    - Brentwood
    - Chelmsford
    - Southend (one hotel, following significant investment)

The other 3 star hotels in Southend do not trade at such levels of occupancy and achieved room.

- Locations of weaker 3 and 4 star performance (where hotels achieved an average annual room occupancy of less than 65%, 3 star hotels achieved an average annual achieved room rate of below £55 and 4 star hotels achieved an average annual room rate of under £75) are:
  - Colchester
  - Epping Forest
  - Harlow
  - Thurrock

The quality of some of the 3 star hotels in these locations could be a factor in their lower performance. There is evidence to suggest that Harlow is currently losing corporate business to 3 and 4 star hotels in the surrounding area due to the standard of the town's existing 3 star hotels and the town's lack of an international 4 star hotel brand. The 3 star hotel market is very competitive in Colchester, with 3 and 4 star country house and golf hotels in the surrounding area also competing strongly for the top end of the corporate market here. Corporate demand is relatively limited in Epping Forest District, with few major companies in this part of Essex.

### 3.2.2. Patterns of Demand

- In terms of **midweek demand**, Tuesday and Wednesday night occupancies are generally strong for 3/4 star hotels across the county, typically running at 90-95%, with hotels in most locations regularly filling on these nights and turning business away. Monday and Thursday night occupancies are not usually as high and can be more variable, generally running at around 70-80%.
- Midweek occupancies are not as strong for 3/4 star hotels in Harlow, Thurrock, Epping Forest, Saffron Walden and Birchanger/ Bishop's Stortford.

- Midweek occupancies have generally dropped in 2009, other than for a few hotels that have seen an increase in their midweek occupancy following significant investment. Most of the county's 3/4 star hotels have still been filling on Tuesday and Wednesday nights but have not been turning away as much business on these nights in 2009. Monday and Thursday occupancies have however dropped. There has also been a trend to more last minute bookings. Midweek occupancies have increased significantly for 3 star hotels in Basildon and Thurrock since October 2009. It is too early to tell however whether this marks the start of a sustained recovery in midweek demand in these locations.
- Midweek occupancies are generally fairly steady throughout the year. They are more seasonal in Colchester and Southend, where midweek occupancies are boosted by leisure demand in the summer. The hotel market is also more seasonal in Clacton-on-Sea, where leisure break and holiday demand increases substantially during the summer and Harwich, where midweek occupancies are boosted by ferry and cruise passenger business between April and October.
- In terms of **weekend demand**, Saturday occupancies are generally high for 3/4 star hotels in Essex, particularly in the summer months, when demand from wedding parties increases. Friday occupancies are lower, generally averaging between 40-60% although can be higher in the summer. Sunday occupancies are usually very low, typically no more than 25-40%. Stansted Airport is the only location in the county where hotels achieve high Sunday night occupancies, as a result of business travellers staying overnight to catch flights on Monday mornings.
- Weekend occupancies vary significantly across the county. They are low for 3/4 star hotels in Basildon, Chelmsford town centre, Brentwood, Harlow, Thurrock, Epping Forest, and Birchanger/ Bishop's Stortford, but reasonably strong for hotels in Southend-on-Sea, Clacton-on-Sea, some hotels in Colchester, rural hotels and hotels at Stansted Airport between April and October, due to increased demand from holidaymakers requiring accommodation the night before they depart from the airport.

### 3.2.3. Key Markets

- The key **midweek market** for 3 and 4 star hotels in Essex is local corporate demand. This is a strong market in Basildon, Brentwood, Chelmsford, Colchester, Harlow, Southend-on-Sea and Thurrock. Corporate demand is not as strong in Braintree, Epping Forest, Birchanger/Bishop's Stortford, Maldon and Harwich and is low at Stansted Airport and Clacton-on-Sea.
- Residential (24 hour) conferences are a secondary midweek market for 4 star hotels and for larger 3 star hotels that have good conference facilities.
- Demand for hotel accommodation at Stansted Airport is very much reliant on the airport, coming primarily from air passengers (for both business and holiday purposes) together with some aircrew demand. 4 star hotels here also attract demand for residential conferences and some local corporate demand
- The key **weekend market** for most Essex 3 and 4 star hotels is people attending weddings and other functions.
- Weekend leisure break demand is limited, other than for hotels in Southend-on-Sea, Clacton-on-Sea and to some extent Colchester. Leisure break demand in Southend-on-Sea is primarily just for Saturday night, although is usually at good rates. Hotel managers and owners in other parts of the county generally see little potential to develop leisure break business other than through very low special offers that they market through Internet booking sites. They generally do not feel that their town or area has enough to attract people to stay for a leisure break. Some of the more rurally located hotels that could have a stronger appeal for weekend breaks are usually fully booked with weddings business, so are frequently blocked out to weekend break stays.
- Some of the larger 3 and 4 star hotels in Essex attract UK and overseas group tours at weekends, primarily using them as a base for visiting London and Colchester and Constable Country (for Colchester hotels). This is generally low-rated business that hotels use to boost off-peak periods or in the absence of other sources of volume business at weekends.

### 3.2.4. Market Trends

- Key market trends in the Essex 3/4 star hotel market have been as follows in 2008 and 2009:
  - Corporate demand has reduced significantly in most parts of the county in 2009 and become more rate aggressive, with companies demanding lower room rates from hotels. The downturn does not appear to have been as sharp in Chelmsford and Southend-on-Sea: although corporate rates have dropped for hotels here, the volume of corporate demand appears to have held up well in 2009. There are some signs of recovery in the corporate market in Basildon and Thurrock since October 2009, although it is too early yet to tell whether this will be sustained.
  - In line with the national trend, the residential conference market for Essex 3 and 4 star hotels has generally been declining for a number of years as companies have cut back on training and meeting budgets and/or developed their own in-house training and meeting facilities. The recession has resulted in a further sharp drop in demand in 2009.
  - Demand from air passengers and aircrew has reduced significantly in 2008 and 2009 for hotels at Stansted Airport and in the surrounding area as a result of reduced passenger numbers through the airport and the collapse in 2008 of two business-class airlines that had been operating services to the US (Eos and Maxjet).
  - The weddings and functions market appears to have been largely stable in 2008 and 2009.
  - Weekend leisure break demand also appears to have remained largely static in the past two years. Some hotels have been able to grow this market through the marketing of special offers and deals through Internet booking sites. It remains a minor weekend market for 3 and 4 star hotels in most parts of the county however.
  - Group tour demand has reduced significantly in 2009 for those hotels in Essex that trade in this market, as group tour operators have been able to secure good rates from hotels in Central London.

### 3.2.5. Denied Business<sup>1</sup>

- 3/4 star hotels in the following locations have regularly been denying business on Tuesday and Wednesday nights in 2009:
  - Basildon
  - Chelmsford
  - Southend
  - Thurrock
- Tuesday and Wednesday night denials have been high for some 3 star hotels in Southend. Hotels here also deny business on Monday and Thursday nights during the summer as a result of additional leisure demand.
- The Humberts Leisure report on the Colchester hotel market indicated that 3/4 star hotels in Colchester were regularly denying business on Tuesday and Wednesday nights in 2008.
- 3/4 star hotels in Brentwood, Waltham Abbey, Saffron Walden and at Stansted Airport occasionally deny business on Tuesday and Wednesday nights but not usually to any significant extent. Midweek denials have reduced substantially for Brentwood hotels since October 2008 as a result of the downturn in corporate demand but have started to increase since October 2009.
- 3 star hotels in Harlow and Birchanger/ Bishop's Stortford rarely deny midweek business.
- Denials on Monday and Thursday nights are generally much less common across the county and at a relatively low level when they do occur.
- 3/4 star hotels in Southend, Colchester, Thurrock, Saffron Walden and around Chelmsford regularly deny business on Saturday nights throughout the year. Saturday denials can be high during the summer.
- The independent hotels in Clacton-on-Sea also frequently deny business on Friday and Saturday nights throughout the year. Weekend denials here can be high if the weather is good.

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<sup>1</sup> Business that hotels turn away because they are fully booked.

- 3/4 star hotels in Brentwood and Waltham Abbey occasionally deny some business on Saturday nights.
- 3 star hotels in Basildon, Chelmsford town centre and Harlow and at Stansted Airport rarely deny business on Saturday nights.
- Friday night denials are much less common across the county and Sunday night denials rarely occur.

### **3.2.6. Prospects for 2010**

- Most 3/4 star hotels in Essex expect occupancies and room rates to remain relatively static in 2010. Some hotels expect occupancies to begin to improve in the second half of the year. Very few hotels expect to see any growth in achieved room rates but few hotels anticipate any further decrease. 3 star hotels in Southend-on-Sea expect occupancies and room rates to drop once the new Park Inn opens here in 2010, while 3/4 star hotels in Colchester anticipate increased pressure on occupancies and achieved room rates once the Holiday Inn Express opens on the A12.

### 3.3. Budget Hotels

#### 3.3.1. Occupancy

- Average annual room occupancies are generally strong (at least 75-80%) for most budget hotels in the following locations:
  - Basildon
  - Chelmsford
  - Colchester
  - Thurrock
  - Southend-on-Sea
  - Stansted Airport
  
- All budget hotels in Basildon and Southend-on-Sea achieved very high occupancies in 2008 and 2009. Budget hotels on the outskirts of Chelmsford did not achieve such high occupancies in 2009 and some budget hotels in Thurrock reported lower occupancies in 2009.
  
- Budget hotel occupancies are lower (around 65%) in the following locations:
  - Braintree
  - Clacton-on-Sea
  - Feering
  - Great Dunmow
  - Harwich
  
- Budget hotel occupancies vary significantly between budget hotels in Epping Forest District. Two hotels achieved high occupancies (in excess of 80%) in 2009. One had been achieving high occupancies until October 2008 but has then seen a sharp drop in occupancies in 2009, although a significant increase since October 2009. The fourth budget hotel in the District looks set to achieve an average annual room occupancy of under 70%.
  
- The new Premier Inn in Brentwood is already attracting strong demand since it opened in September 2009 and looks set to achieve high occupancies once it is fully established in the marketplace here.

### 3.3.2. Patterns of Demand

- **Midweek demand** is strong for budget hotels in most parts of the county. Most budget hotels in Essex consistently fill and turn business away on Tuesday and Wednesday nights throughout the year. Monday and Thursday night occupancies are not quite as strong, typically running at 75-85%, although budget hotels can also fill on these nights, frequently in the case of budget hotels in Basildon, Colchester, Harlow and Southend-on-Sea and one budget hotel in Thurrock. Monday and Thursday night occupancies are generally lower and more variable for some budget hotels in Epping Forest District and Thurrock.
- Midweek occupancies are lower for budget hotels at Braintree, Clacton-on-Sea, Great Dunmow and Harwich although can be high in the summer months for budget hotels in Clacton-on-Sea and Harwich.
- Midweek occupancies have generally reduced for budget hotels across Essex in 2009. They have remained strong for budget hotels in Basildon, Colchester and Southend and for one budget hotel in Thurrock. Midweek occupancies have increased significantly for budget hotels in most parts of the county since October 2009.

- The table below summarises how midweek demand varies for budget hotels across Essex.

**ESSEX BUDGET HOTELS – MIDWEEK DEMAND -2009**

Level of Weekend Room Occupancy	Locations Where Budget Hotels Achieve This Level of Midweek Demand
<p><b>High Tuesday + Wednesday Occupancies</b> (90-100%) all year round – hotels consistently filling and turning business away on most Tuesday and Wednesday nights in the year</p>	<ul style="list-style-type: none"> <li>▪ Basildon</li> <li>▪ Birchanger</li> <li>▪ Brentwood</li> <li>▪ Chelmsford</li> <li>▪ Chigwell</li> <li>▪ Colchester</li> <li>▪ Harlow</li> <li>▪ Southend-on-Sea</li> <li>▪ Stansted Airport</li> <li>▪ Thurrock</li> </ul>
<p><b>High Monday + Thursday Occupancies</b> (80-90%) all year round + hotels sometimes filling and turning business away on Monday and Thursday nights</p>	<ul style="list-style-type: none"> <li>▪ Basildon</li> <li>▪ Chigwell</li> <li>▪ Colchester</li> <li>▪ Harlow</li> <li>▪ Southend-on-Sea</li> <li>▪ Thurrock (one hotel)</li> </ul>
<p><b>Medium Midweek Occupancies</b> (80% on Tuesday and Wednesday nights, 60-70% on Monday and Thursday nights) – hotels only occasionally filling and turning business away midweek</p>	<ul style="list-style-type: none"> <li>▪ Buckhurst Hill</li> <li>▪ Waltham Abbey</li> </ul>
<p><b>Lower Midweek Occupancies</b> (50-60%) – hotels rarely filling and turning business away during the week</p>	<ul style="list-style-type: none"> <li>▪ Braintree</li> <li>▪ Clacton-on-Sea (high midweek occupancies during the peak summer months)</li> <li>▪ Feering</li> <li>▪ Great Dunmow</li> <li>▪ Harwich (higher midweek occupancies in the summer)</li> <li>▪</li> </ul>

- In terms of **weekend demand** budget hotel performance varies across the county. Saturday night occupancies are generally the strongest, with budget hotels in a number of locations consistently filling and turning business away on Saturday nights for most of the year. Friday night occupancies vary significantly across the county: budget hotels in some locations achieve high occupancies on Friday nights (although not quite as high as on Saturday nights), while hotels in other locations achieve relatively low Friday night occupancies, particularly during the winter months. Friday and Saturday demand is generally stronger during the summer months (between April and October). Sunday occupancies are low (25-40%) for budget hotels across the county, other than at Stansted Airport as a result of demand from business travellers staying overnight before departing on Monday morning flights. Weekend occupancies have generally held up well in 2009 for most budget hotels in Essex. A few budget hotels reported a drop in weekend occupancies however.
- The table overleaf summarises how weekend demand varies for budget hotels across Essex.

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**ESSEX BUDGET HOTELS – WEEKEND DEMAND -2009**

Level of Weekend Room Occupancy	Locations Where Budget Hotels Achieve This Level of Weekend Demand
<b>High Saturday Occupancies</b> – hotels consistently filling and turning business away on most Saturday nights in the year	<ul style="list-style-type: none"> <li>▪ Basildon</li> <li>▪ Chelmsford</li> <li>▪ Clacton-on-Sea</li> <li>▪ Colchester</li> <li>▪ Epping Forest District</li> <li>▪ Southend-on-Sea</li> <li>▪ Stansted Airport &amp; surrounding area</li> </ul>
<b>High Friday occupancies (85-100%)</b> – hotels frequently filling and turning business away on Friday nights all year	<ul style="list-style-type: none"> <li>▪ Chelmsford town centre</li> <li>▪ Colchester</li> <li>▪ Southend-on-Sea</li> </ul>
<b>High Saturday Occupancies during the summer months</b> - between April and October	<ul style="list-style-type: none"> <li>▪ Braintree</li> <li>▪ Harwich</li> </ul>
<b>High Friday occupancies during the summer months</b> - between April and October	<ul style="list-style-type: none"> <li>▪ Braintree</li> <li>▪ Harwich</li> <li>▪ Stansted Airport &amp; surrounding area</li> </ul>
<b>Lower Saturday occupancies (50-70%)</b> – higher in the summer months – budget hotels only occasionally filling on Saturday nights	<ul style="list-style-type: none"> <li>▪ Brentwood</li> <li>▪ Harlow</li> <li>▪ Thurrock</li> </ul>
<b>Lower Friday occupancies (30-60%)</b> – higher in the summer months – budget hotels rarely filling on Friday nights	<ul style="list-style-type: none"> <li>▪ Basildon</li> <li>▪ Brentwood</li> <li>▪ Chelmsford outskirts (A12)</li> <li>▪ Epping Forest District</li> <li>▪ Harlow</li> <li>▪ Thurrock</li> </ul>

### 3.3.3. Key Markets

- Budget hotels attract a broader mix of markets than 3/4 star hotels, which often enables them to achieve higher levels of occupancy. Key **midweek markets** are business visitors, travelling sales reps and contractors/workmen. Contractor demand is periodically very high for budget hotels in Basildon and Thurrock as a result of shut downs at the Coryton oil refinery and power station and the Tilbury power station. Budget hotels in Clacton-on-Sea and Southend-on-Sea attract demand for midweek breaks during the summer months (May to September), including demand from families during school holiday periods. Ferry and cruise passengers generate some midweek demand for budget hotel accommodation in Harwich during the summer.

- Key **weekend markets** for budget hotels are people attending weddings and other family occasions and people visiting friends and relatives. Budget hotels in Clacton-on-Sea and Southend-on-Sea also attract weekend break demand from both families and couples, predominantly for Saturday night stays only rather than 2 or 3 night breaks. Cruise and ferry passengers are a significant weekend market for budget hotel accommodation in Harwich. Budget hotels at Basildon's Festival Park and in Chelmsford and Southend-on-Sea town centres attract strong demand from people coming to the clubs and bars in these locations on Friday and Saturday nights and to some extent also on Thursday nights.
- Air travellers, particularly people departing on holiday flights, are the key market for budget hotels at Stansted Airport and in the surrounding area.
- Two larger budget hotels in the county have attracted group tours in previous years, using them as a base for visiting London. Group tour demand for these hotels has reduced substantially in 2009, and virtually disappeared for one hotel, as group tour operators have been able to secure much lower rates from hotels in Central London.

#### 3.3.4. Market Trends

- Demand from business visitors and contractors has reduced in 2009 for most budget hotels across Essex as a result of the recession and the downturn in business and construction activity. While some budget hotels appear to have benefited from business visitors trading down from 3/4 star hotels the length of stay for business visitors has generally reduced, resulting in an overall decline in business demand for most budget hotels. The downturn in business and contractor demand appears to have been least marked for budget hotels in Basildon, Chelmsford, Colchester and Southend-on-Sea and for some budget hotels in Thurrock. Business and contractor demand has increased in Harlow in 2008 and 2009 due to the increased availability of budget hotel accommodation here following the expansion of the Premier Inn in 2007. Demand from contractors has increased sharply since October 2009 in most parts of the county

- Demand from people attending weddings and family parties and visiting friends and relatives has remained fairly constant for budget hotels across the county. Leisure break demand has increased in 2009 in Clacton-on-Sea as a result of the opening of the Travelodge here. Leisure break demand has also increased for budget hotels in Southend-on-Sea. The opening of the Travelodge in Chelmsford town centre has generated new demand from people wanting to stay overnight after a night out in the town's clubs and bars.
- As noted above, group tour business has reduced substantially in 2009 for the two larger budget hotels in the county that have previously catered for this market, with group tour operators opting to stay at Central London hotels due to the lower rates that they have been offering for group tours during the recession.

### **3.3.5. Denied Business**

- Budget hotels in most parts of Essex consistently deny business on Tuesday and Wednesday nights and to some extent also on Monday and Thursday nights.
- Midweek denials are particularly high for budget hotels in Basildon, Birchanger, Chelmsford and Colchester town centres and Southend-on-Sea during the summer. Midweek denials have increased significantly since October 2009 for budget hotels in Basildon, Epping Forest, Harlow, Southend and Thurrock. The new Premier Inn at Brentwood has already started to deny midweek business. Budget hotels in Braintree and Harwich rarely deny business during the week, although one budget hotel in Braintree reported an increase in midweek denials since October 2009. Budget hotels in Clacton-on-Sea deny business during the peak summer months but otherwise rarely deny midweek business.
- Budget hotels in Braintree, Birchanger, Chelmsford, Colchester, Clacton-on-Sea, Harwich and Southend-on-Sea, regularly deny business on Saturday nights and sometimes also on Friday nights, particularly in the summer months. Saturday night denials can be very high for budget hotels in these locations during the summer.
- Budget hotels in Basildon, Epping Forest, Harlow and Thurrock occasionally deny business on Saturday nights but not usually to any significant extent. Saturday night denials have increased significantly for budget hotels in Epping Forest and Thurrock since October 2009.

- The table below summarises how midweek and weekend denials vary for budget hotels across Essex.

**ESSEX BUDGET HOTELS – DENIALS -2009**

Level of Denials	Locations Where Hotels Achieve This Level of Denials
<p><b>High Midweek Denials</b>                      – hotels consistently turning away at least 15-20 rooms on Tuesday and Wednesday nights and frequently denying some business on Monday and Thursday nights</p>	<ul style="list-style-type: none"> <li>▪ Basildon</li> <li>▪ Birchanger</li> <li>▪ Chelmsford</li> <li>▪ Clacton-on-Sea (in the summer)</li> <li>▪ Chigwell</li> <li>▪ Colchester</li> <li>▪ Southend-on-Sea</li> <li>▪ Stansted Airport &amp; surrounding area</li> </ul>
<p><b>Medium Midweek Denials</b>                      – hotels regularly turning away 10-15 rooms on Tuesday and Wednesday nights and occasionally denying business on Monday and Thursday nights</p>	<ul style="list-style-type: none"> <li>▪ Brentwood</li> <li>▪ Thurrock (lower midweek denials for one budget hotel)</li> </ul>
<p><b>Low Midweek Denials</b>                      - hotels only occasionally denying business on Monday to Wednesday nights but not usually more than 5 rooms</p>	<ul style="list-style-type: none"> <li>▪ Braintree</li> <li>▪ Buckhurst Hill</li> <li>▪ Great Dunmow</li> <li>▪ Harwich</li> <li>▪ Waltham Abbey</li> </ul>
<p><b>High Weekend Denials</b>                      - hotels regularly turning away at least 20-30 rooms on Saturday nights and frequently denying business on Friday nights</p>	<ul style="list-style-type: none"> <li>▪ Braintree</li> <li>▪ Buckhurst Hill</li> <li>▪ Chelmsford</li> <li>▪ Chigwell</li> <li>▪ Clacton-on-Sea (in the summer)</li> <li>▪ Colchester</li> <li>▪ Harwich (in the summer)</li> <li>▪ Southend-on-Sea</li> </ul>
<p><b>Low Weekend Denials</b>                      – hotels occasionally denying some business on Saturday nights but rarely on Friday nights</p>	<ul style="list-style-type: none"> <li>▪ Brentwood</li> <li>▪ Great Dunmow</li> <li>▪ Harlow</li> <li>▪ Stansted Airport (higher in the summer)</li> <li>▪ Thurrock (higher for one hotel)</li> <li>▪ Waltham Abbey</li> </ul>

### **3.3.6. Prospects for 2010**

- Budget hotels across the county are generally very positive about their prospects for 2010. Budget hotel demand has increased significantly in most parts of the county since October 2009. Most budget hotel managers expect to either maintain their high occupancies in 2010 or increase their occupancy levels where they have scope for growth. With no new budget hotel openings planned for 2010, levels of denied business are likely to increase at this level of the market.

## **3.4. Country House Hotels**

### **3.4.1. Occupancy and Achieved Room Rates**

- Average annual room occupancies vary significantly (between 50% and 80%) for country house hotels in Essex depending on their location, size, whether they have spas and how well established they are.
- Average annual achieved room rates are reasonably high for the county's country house hotels (ranging between £73 and £85 in 2009) but considerably lower than for country house hotels in counties to the south of London, such as Kent, East Sussex, Surrey and Hampshire, where country house hotels more typically achieve average annual room rates of at least £120-130.

### **3.4.2. Patterns of Demand**

- Weekend occupancies are generally strong for country house hotels in Essex due to strong weddings business.
- Midweek occupancies are generally lower and more variable, depending on residential conference business.

### **3.4.3. Key Markets**

- Weddings and functions are the key weekend market for most of the county's country house hotels, which have strong appeal as wedding venues. Some country house hotels also attract weekend break business, particularly if they have spas. The strength of demand from wedding parties often blocks out smaller country house hotels to weekend break business however. Weddings are much more lucrative and a priority for hotels therefore.

- Residential conferences are the key midweek market for the established country house hotels in the county and a market that the newly opened country house hotels are targeting. These types of hotel have strong appeal to the top end of the residential conference market.
- Country house hotels close to Basildon, Chelmsford, Colchester, Harlow and Thurrock also attract the top end of the corporate market from these towns.

#### **3.4.4. Market Trends**

- Residential conference business has reduced for Essex country house hotels in 2009 as a result of the general downturn in this market during the recession. Local corporate demand has also reduced in 2009 and become more rate aggressive.
- Weddings business has generally held up well for the county's country house hotels in 2009. The newly opened country house hotels have quickly attracted strong weddings business. Leisure break business has reduced for one hotel but increased for another.

#### **3.4.5. Denied Business**

- The county's country house hotels regularly deny significant levels of business on Friday and Saturday nights throughout the year, particularly on Saturday nights and during the main weddings season between April and October. Midweek denials are generally far less frequent. Some country house hotels occasionally have to turn away enquiries for larger residential conferences than they can accommodate, usually due to their limited number of bedrooms.

#### **3.4.6. Prospects for 2010**

- The county's country house hotels generally expect to see some improvement in occupancies and achieved room rates in 2010. They expect to maintain their strong weddings business and are starting to see signs of recovery and growth in the residential conference market. Some country house hotels also expect to see an increase in local corporate demand as the economies of nearby towns and areas start to develop.

### 3.5. Golf Hotels

- Golf hotels in Essex currently achieve relatively low occupancies and achieved room rates compared to golf hotels in other parts of the country. Chain operated 4 star golf hotels typically achieve average annual room occupancies of 75-80% and are currently achieving average annual room rates of around £80-85. Golf hotels in Essex are not achieving anything like these levels of occupancy and room rates, although most are not of a particularly high standard.
- Local corporate demand from nearby towns is the primary source of midweek demand for most of the county's golf hotels. This market has reduced in 2009 and become more rate aggressive. Residential conferences are a key midweek market for one golf hotel that is geared up to catering for this market, with good conference facilities. This market has also reduced significantly in 2008 and 2009.
- Weekend markets are golf breaks during the summer, leisure breaks, spa breaks (for hotels that have spas) and weddings and functions. Golf break business can be relatively low-rated. One golf hotel does not offer golf breaks as members of the golf club have priority use of its golf course at weekends. Weddings and functions are the main weekend market for this hotel. Weekend markets have generally held up well in 2008 and 2009, both in terms of volume and rate.
- Most of the county's golf hotels occasionally deny business during the week and sometimes at weekends. One golf hotel does not deny business at all either in the week or at the weekend.
- The county's golf hotels generally expect to see little change in occupancies or achieved room rates in 2010.

## 4. FUTURE MARKET PROSPECTS

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### 4.1. Strategic Context – The Growth Agenda

- The East of England Plan (May 2008) provides a vision, objectives and core strategy for future development in the East of England Region of which Essex is a part. The Plan covers the period to 2021, setting out targets for population and employment growth. As a spatial strategy, the Plan identifies the location of future growth, which will be directed to Key Centres of Development and Change and Priority Areas for Regeneration. A number of factors suggest that the rate of growth identified in the Plan needs to be increased and to continue beyond 2021, and for this reason an early review has been commissioned. This went out for consultation in September 2009.
- The Region will see significant levels of growth over the next 20 years, and Essex features strongly as a location for this growth:
  - Two of the largest Growth Areas identified in the Government’s 2003 Sustainable Communities Plan take in parts of Essex:
    - Thames Gateway - a regeneration area of national importance that includes part of South Essex (Thames Gateway South Essex), covering parts of Thurrock, Basildon, Castle Point, Southend and Rochford Districts;
    - London-Stansted-Cambridge- Peterborough Growth Corridor – which takes in Harlow and Stansted in Essex.
  - The New Growth Points announced by the Government in 2006 included Haven Gateway, which takes in parts of Essex, including Harwich, Clacton and Colchester.
  - The 2003 Air Transport White Paper supports the expansion of Stansted Airport to help meet future air transport needs, together with the expansion of Southend Airport.

- Essex has 6 of the East of England Region's 21 Key Centres for Development and Change identified in the East of England Plan:
  - Basildon
  - Chelmsford
  - Colchester
  - Harlow
  - Southend-on-Sea
  - Thurrock urban area.
  
- A number of the Priority Areas for Regeneration identified in the East of England Plan (some of which overlap with the above designated areas) take in parts of Essex:
  - Essex Thames Gateway;
  - Harlow and the Lee Valley
  - Haven Gateway (Harwich, Colchester, Clacton)
  
- The scale of growth is summarised in the table overleaf. The Key Diagram that follows this table summarises the spatial strategy, and provides a visual picture of the locations of change and growth.

**TARGETS FOR EMPLOYMENT & HOUSING GROWTH 2001-2021  
EAST OF ENGLAND/ESSEX**

LOCATION	JOBS GROWTH TARGET 2001- 2021	HOUSING GROWTH TARGET 2001- 2021
EAST OF ENGLAND	452,000	508,000
ESSEX	131,000	127,000
<b>Thames Gateway South Essex</b> (Thurrock/Basildon/Castle Point/Southend-on-Sea/Rochford)	55,000	44,300
<b>Essex Haven Gateway</b> (Colchester/Tendring)	20,000	25,600
<b>Rest of Essex</b> (Braintree/Brentwood/Chelmsford/Epping Forest/Harlow/Maldon/Uttlesford)	56,000	57,100
<b>ESSEX LOCAL AUTHORITY TARGETS</b>		
Basildon	11,000	10,700
Braintree	14,000	7,700
Brentwood	8,000	3,500
Castle Point	2,000	4,000
Chelmsford	20,600	16,000
Colchester	14,000	17,100
Epping Forest	6,000	3,500
Harlow	10,000	16,000
Maldon	1,000	2,400
Rochford	3,000	4,600
Tendring	7,300-12,900	8,500
Uttlesford	6,400	8,000
Southend UA	13,000	6,500
Thurrock UA	26,000	18,500

Source: EERA/East of England Plan (2008)



- East of England Boundary
  - Key Centres (Policy SS2)  
also Stansted/M11 corridor towns (not shown)
  - Regional Interchange Centre (Policy SS6, TZ)
  - Priority areas for regeneration (Policy SS11)  
also transitional EU Objective 5b areas,  
wards in Cambridge and St Edmundsbury  
districts (not shown)
  - Strategic Employment Site (Policy E4)  
also sites to be identified in Hertfordshire  
(not shown)
  - Green Belt Review (SS7)
  - East of England Coast (Policy SS15)
  - Towns Seaports Airports
  - Strategic transport network (Policy SS6, T6)
  - Rail Road
  - Proposed Rail Rail and Road
- 
- Sub-regions/Sub-areas†  
(Policy only within East of England)
  - Bury St Edmunds†
  - Cambridge\*
  - Generic Policy Area
  - Greater Peterborough\*
  - Great Yarmouth/Lowestoft
  - Haven Gateway
  - King's Lynn
  - London Arc
  - Milton Keynes South Midlands (see para 5.160)\*
  - Norwich (study to confirm boundary)
  - Stansted/M11 Corridor\*
  - Stevenage†
  - Thames Gateway/South Essex\*
  - Thetford†
  - The Norfolk and Suffolk Broads
- \* Part of Sustainable Communities Plan Growth Area

- Looking further ahead, the Review of the East of England Plan has published 4 scenarios for housing and economic growth for the period 2011-2031 (consultation September 2009). The review looks to increase housing targets for the East of England from the current level set in the 2008 Plan of 26,000 per year to between 30,000 and 40,000 per year, suggesting the creation of 34,000 households per year as a target level.
  - Scenario 1 essentially rolls forward the current Plan at the same rates for another 10 years i.e. 26,000 homes per year and 25,400 jobs per year., with distribution in the key centres of development and change;
  - Scenario 2 tests 30,000 homes per year and 28,000 new jobs per year, growth will be directed where there is capacity for new or expanded towns that could take 20,000 new homes. Locations in Essex include Chelmsford, Colchester, Braintree and Uttlesford, to the south of the A120.
  - Scenario 3 tests the same levels of growth but directs this to locations with the economic potential to create more jobs. South Essex is one of the areas identified for growth.
  - Scenario 4 is based on long term demographic and migration trends, and requires 33,700 new homes per year, resulting in 150,000 more than in the 2008 Plan. More rural and coastal locations feature under this scenario for growth
  
- The scale of possible housing growth in Essex under each of the scenarios is broken down by District in the table overleaf.

**ESSEX HOUSING GROWTH SCENARIOS 2011-2031**

ESSEX	Housing Growth Scenarios 2011-2031			
	1	2	3	4
<b>Essex</b>	<b>132,960</b>	<b>173,160</b>	<b>153,340</b>	<b>189,000</b>
Basildon	12,600	12,600	12,600	15,000
Braintree	6,560	10,560	9,640	19,000
Brentwood	3,440	3,440	4,300	7,000
Castle Point	4,000	4,000	4,000	6,000
Chelmsford	16,600	34,000	16,600	17,000
Colchester	16,800	21,000	16,800	34,000
Epping Forest	3,200	3,200	7,760	11,000
Harlow	20,200	20,200	20,200	4,000
Maldon	2,280	2,280	4,740	7,000
Rochford	5,000	5,000	5,000	8,000
Tendring	8,600	10,200	12,960	24,000
Uttlesford	8,600	21,600	8,600	7,000
Southend UA	6,080	6,080	11,140	14,000
Thurrock UA	19,000	19,000	19,000	16,000

Source: East of England Plan Review Consultation (September 2009)

- Whilst this is just the beginning of the next stage in the process to target and accommodate growth in both population and employment across the East of England Region, it is clear that Essex and will have a significant role to play in achieving this growth.

## 4.2. Major Drivers of Growth in Hotel Demand in Essex

- Beneath the growth targets lie a number of key projects across Essex that will play a significant part in delivering growth. Of particular interest to this study are those projects and proposals that have the ability to generate demand for hotel accommodation. The location of these drivers will help steer future locational strategies for hotel development.
  
- Major **drivers of growth in corporate and contractor demand** (during construction phases) for hotel accommodation include:
  - Basildon Town Centre Regeneration
    - A £1 billion investment incorporating 49,000 sq m of additional retail and leisure, 55,000 sq m of offices, 3,650 new homes and a new train station.
  
  - Basildon A127 Enterprise Corridor
    - A key employment area with 40,000 jobs and 8,000 businesses including multi-nationals, to be the focus of a masterplanning exercise and major investment programme.
  
  - Chelmsford Town Centre Development
    - Developments proposed for the town centre will deliver 4,500 new homes and 8,000 new jobs, and include significant mixed-use schemes on the former Marconi works site (800 homes, 1,220 jobs), and the ARU Central Campus (700 homes and 600 jobs), plus a major town centre retail expansion scheme at Chelmer Waterside, where 100,000 sq m of retail, 3,000 jobs and 500 homes are proposed.
  
  - North Chelmsford Growth Area
    - To accommodate 4,000 new homes and 40,000 sq m of employment development delivering 3,000 new jobs, plus a new railway station, with prestige office development to be focused around the station area.

- Bradwell Power Station
  - Bradwell has been named by the Government as a potential site for one of a new generation of nuclear power stations, having closed and decommissioned the previous Magnox power station in 2002. The first of the 10 named sites is likely to be operational by 2017. A development of this scale would generate significant contractor demand during both construction and on-going operating and maintenance phases.
  
- London Southend Airport
  - A £35 million investment is underway here, as part of a plan to increase passenger numbers to 2 million and deliver 4,900 new jobs. Proposals include associated business park development (1,000 jobs), an extended runway pre-2012, a new rail station, and an aviation skills training academy.
  
- Southend Town Centre Regeneration
  - The town centre and central area is the main focus of regeneration and growth in Southend, led by the development of the University Campus, with major mixed-use projects proposed on key sites at Victoria Avenue, Warrior Square, St Johns Quarter, London Rd and the seafront. Its delivery is forecast to create at least 6,500 new jobs and 2,000 additional homes.
  
- Stansted Airport Generation 1 & 2
  - Airport expansion using the capacity of the existing single runway (the Generation 1 plan), already approved, will take passenger numbers to 35 million to 2015 from current levels at 24 million. Should a second runway be approved (the Generation 2 plan), passenger numbers could increase to 68 million between 2017 and 2030.
  
- The Royal Opera House Production Park at Purfleet
  - A £60 million state of the art production campus housing the Royal Opera House's backstage production, a national skills academy for the creative sector specialising in performing arts backstage production, creative business workspaces, education and teaching facilities. The 14-acre site is set to open in 2010 creating 250 jobs and 2,250 training places.

- The development of Tilbury Port
  - A masterplan is being prepared for the expansion of Tilbury port, to further develop its role in handling bulk cargoes and as a terminal for international cruise liners.
  
- London Gateway Deepwater Container Port
  - Plans are in place for London Gateway to become a world-class container and multi-use port, incorporating a 2.3km long quayside and 700 acres of commercial space. The port and logistics park with associated warehousing distribution and associated businesses will provide up to 16,500 new jobs by 2021. Construction started in January 2010.
  
- North Colchester Strategic Employment Zone
  - Part of the North Growth Area that will accommodate 6,200 new homes, the Cuckoo Farm business park (20ha), the 10,000 seat stadium for Colchester United FC (now completed), and a new A12 junction/Northern Approach Road.
  
- University of Essex Knowledge Gateway, Colchester
  - To include the expansion of the university and the establishment of the International Centre for Democracy & Peace Studies, due to open in 2012.
  
- Stane Park, Colchester
  - Part of the Stanway Growth Area and Strategic Employment Zone, with 16 ha of employment land and land for the delivery of 1,000 new homes.
  
- Town Centre North, Harlow
  - A major mixed-use scheme for Harlow town centre that will deliver 1.3 million sq ft of development including new shops, a hotel, offices, residential apartments, a new bus interchange and entertainment uses including a new theatre, bowling alley, multiplex cinema, health club, cafes, bars and restaurants.

- Bathside Bay, Harwich
  - The proposed Bathside Bay container terminal will expand the port and related industries and services at Harwich over a 122 ha site, creating a 1.4km long quayside and a small boat harbour at Gas House Creek. The scheme, which has planning permission and is anticipated to start in 2015, has the potential to create around 770 direct jobs and 1,000 indirect jobs in associated activities.
  
- Major **projects that could drive growth in leisure demand** for hotels include:
  - Cultural, retail and tourism development projects in Colchester town centre:
    - The £25 million Visual Arts Facility providing flexible spaces for a changing programme of exhibitions of contemporary visual arts together with a 200-seat auditorium with a screening facility and full conference IT resources and a range of meeting rooms for business and community hire;
    - A new Cultural Quarter adjacent to the Visual Arts Facility that will include offices and workshops for creative businesses and artists, retail units, residential apartments, hotels and public spaces for events;
    - The £200 million Vineyard Gate retail-led mixed-use scheme;
    - A planned £2.9 million refurbishment and development programme at Colchester Museum;
    - Plans for the interpretation of Colchester's Roman Circus discovered in 2005/2005 – one of only six that have been found in Europe.
  
  - Essex County Cricket Ground:
    - The development of the ground to provide improved and increased facilities and spectator areas for cricket (with an increased capacity of 8,000 people) and facilities for meetings, conferences, exhibitions and functions.
  
  - Basildon Sporting Village
    - A £35 million investment currently underway at Gloucester Park to include a 50m competition pool, regional gymnastics centre, athletics stadium, sports hall, fitness centre, dance studio and spectator seating areas, to open in 2011. The facility should be capable of hosting major sports competitions and events that could generate demand for hotel accommodation.

- Great Leighs Racecourse
  - Currently on the market after going into administration, the racecourse nonetheless represents a significant asset as an all-weather course and the first new racecourse to be built in Britain in 81 years. Under new ownership there is potential to develop not only the racing programme but also a range of other events, conferences and functions, and scope for further development on the site.
  
- Southend International Pool, Garons Park
  - Currently under construction, Garons Park will provide an international standard eight-lane competition pool and a diving pool with associated dry land harness and trampoline training facilities. The facility should act as a venue for major swimming and diving competitions that could generate demand for hotel accommodation.
  
- Southend Football Stadium and Casino
  - Proposal to develop a new football stadium at Fossetts Farm to relocate Southend United from its more central location. Associated development could include a casino, hotel, retail and other leisure uses. The stadium could be used as a venue for major concerts and events that may generate demand for hotel accommodation.
  
- Southend Seafront and Pier Regeneration
  - Proposals for extensive public realm work and lighting schemes along the seafront, and for redevelopment at the end of the pier to create a flexible cultural space for events and exhibitions.
  
- Clacton Seafront Regeneration
  - The development of an ambitious vision for Clacton's seafront quarter, still in the design stages, but likely to incorporate redeveloping the pier for a mixture of commercial uses, one or more key 'attractors', improved public realm, cafes, restaurants and events spaces. There are also plans for the development of Clacton town centre to include new retail, leisure and entertainment uses.

- London 2012 Canoe Slalom Course, Broxbourne
  - Planned white water course and venue in the Lee Valley Country Park for the Olympic canoe slalom event, located just outside Essex. After the Games the course and facilities building will be retained as the Broxbourne White Water Canoe Centre for canoeing, kayaking and white water rafting. It may play host to major canoeing competitions and events and offers the potential for hotels to use the facility to develop weekend break and corporate activity packages.
  
- 2012 Mountain Bike Course, Hadleigh Farm
  - The venue for the Olympic mountain biking event, which may remain as a permanent mountain biking course (still to be decided).
  
- Harwich Navyard
  - The proposed development of a 400-450 berth marina together with waterside restaurants, retail units, residential apartments and possibly a hotel.
  
- Royal Opera House events and exhibitions, Purfleet
  - In addition to the production, training and creative industries business activities here, there will be indoor and outside space for events, meetings and exhibitions and the buildings will house an extensive set and costume archive available for public display.

## **4.3. Future Market Prospects**

### **4.3.1. Corporate Demand**

- Growth in the corporate market will be the key driver of new hotel development in Essex: it is the key market that will deliver year-round high-rated midweek business for hotels in the county and that underpins hotel profitability therefore. Corporate demand is set to increase substantially across Essex in the next 10-15 years as the county's economy develops, existing companies expand, new offices and business parks are developed and new companies and industries are attracted.

- Growth in corporate demand for hotel accommodation will be most significant in locations where employment is set to grow most strongly and where major new drivers of corporate demand are planned, particularly in terms of office and business park development and the development of sectors that produce strong demand for hotel accommodation, such as financial and business services, ICT and telecommunications, medical research, research and development, and advanced manufacturing. The locations of strongest growth in corporate demand are thus likely to be:
  - Basildon
  - Braintree
  - Chelmsford
  - Colchester
  - Harlow
  - Southend-on-Sea
  - Thurrock
  
- Corporate demand could also increase at Stansted Airport and the surrounding area if office and business park development is included in the plans for the expansion of the airport and this part of the county is chosen as the location for a new settlement of regional scale (although we understand that Uttlesford District Council does not wish to see this happen).
  
- Corporate demand looks set to grow more slowly in Brentwood Borough and Epping Forest District, where the Green Belt is a major constraint on sites for new employment uses; the smaller Districts of Castle Point and Rochford; the more rural District of Maldon; and at Clacton-on-Sea, Harwich and the rural parts of Tendring District.

### 4.3.2. Residential Conferences

- There could be scope for some growth in the residential conference and training course market in Essex as the county's economy recovers and develops; new companies are attracted to the county; and hotels and hotel companies target this market either individually or collectively through Essex conference marketing potentially co-ordinated by Visit Essex. 4 star hotels, larger country house hotels, high quality golf hotels and the better quality, full service 3 star hotels with good conference and leisure facilities have the strongest potential to grow this market, particularly those located in the west of the county with good access to the M25, Stansted Airport and London. There could also be scope for supply-led growth in this market as these types of hotel develop in the county and growth in demand for Olympics-related conferences in the run up to 2012.
- This is however generally a declining market in the UK, with a trend towards smaller and shorter conferences and companies increasingly holding training courses and meetings in-house. At the same time the market is becoming ever more competitive as new hotels and residential conference centres open and fight to secure their share of demand. This suggests that growth in demand from this market is likely to be relatively slow; that it will remain very much a secondary midweek market for many hotels; and that hotels that do not offer modern conference facilities and /or leisure facilities may struggle to compete effectively in this market.

### 4.3.3. Contractors

- There is likely to be a significant increase in demand for budget hotel accommodation in many parts of Essex from the contractors market as a result of the many construction and infrastructure projects that are planned in the next 10-15 years. Major generators of new contractor demand (assuming that they go ahead) should be:
  - The expansion and development of Stansted Airport;
  - The development of the London Gateway deep-sea container port;
  - The construction of the new nuclear power station at Bradwell

#### 4.3.4. Airport-Related Demand

- Whichever plan is chosen for the expansion of **Stansted Airport** will result in a substantial increase in demand for hotel accommodation at and around the airport from air travellers, aircrew and aviation-related businesses. Stansted will remain predominantly an airport for low-cost air travel for business and holiday purposes. Demand for budget hotel accommodation from people departing on holiday flights is likely to show the strongest growth. BAA has also started to target the business market in the Far East. A new owner of the airport is also likely to target business traffic to compete with Heathrow.
- The planned expansion of **Southend Airport** should also result in increased demand for hotel accommodation from aircrew and aviation-related businesses. Demand for hotel accommodation from people departing on holiday flights is unlikely to be significant however as the catchment area for such flights is expected to be relatively local.

#### 4.3.5. Leisure Demand

- Leisure-related demand for hotel accommodation is likely to increase in many parts of Essex given the investment that is currently taking place and planned in the cultural, sports, leisure, retail and events product of the county's key towns and resorts.
- There are good prospects for leisure break demand to develop in:
  - Clacton-on-Sea
    - given the planned regeneration of the seafront; development of the town's retail, leisure and entertainment offer; establishment of new events and festivals; and the investment that is taking place and planned in the resort's hotel stock.
  - Colchester
    - given the current and planned development of the town's cultural, heritage and retail product and investment in its hotel stock.

- Southend-on-Sea
  - given the planned regeneration of the pier and seafront; development of the town centre; improvement of the town's cultural offer; and improvement and development of the town's hotel offer.
- Elsewhere in the county growth in leisure-related demand is more likely to be related to sports events and competitions that may be held at the major new sports facilities that are developing at Basildon, Chelmsford, Great Leighs and Harlow and the London 2012 White Water Canoe Centre at Broxbourne and mountain biking course at Hadleigh Farm (if it remains as a venue for major mountain biking events). Demand for budget hotel accommodation from clubbers wanting stay overnight after a night out in the clubs and bars in Chelmsford, Basildon, Brentwood, Harlow and Southend town centres could also grow in the future as their evening economies develop. Most of these other parts of the county appear to have little appeal for leisure break stays however, other than possibly as a base for visiting London. Their leisure tourism product does not appear to be strong enough in its own right for them to develop as leisure break destinations. The leisure break demand that hotels attract in these locations is likely to continue to be primarily through the promotion of special offer rates through Internet booking sites. The London 2012 Olympiad may serve to raise awareness of Essex as a base for London, depending on whether Visit Essex is able to mount effective and well supported marketing campaigns to take advantage of this potential opportunity.
- New hotels, particularly country house hotels, golf hotels, spa hotels and boutique hotels, should be able to develop leisure break business because of their offer, resulting in some supply-led growth in leisure break demand. New branded hotels may also be able to attract leisure break business through corporate marketing of leisure break offers, particularly if their brand has a strong profile in the leisure break market. The development of spas should enable country house and golf hotels to attract spa break business.
- Weddings business is likely to continue to block the county's smaller country house hotels out to potential leisure break business: they will continue to focus on the more lucrative weddings market and are unlikely to seek to proactively target leisure break business.

#### **4.3.6. Weddings and Functions**

- Demand for hotel accommodation related to weddings and functions is likely to grow as the population of county and surrounding areas increases.

#### **4.3.7. Visits to Friends and Relatives**

- The visiting friends and relatives market is also likely to grow in line with the growth in population across the county. This is a particularly strong market for budget hotels.

#### **4.3.8. Group Tours**

- There should be scope for recovery and possible future growth in group tour business for those hotels in the county that wish to take it. The strongest potential would appear to be from group tours using Essex hotels as a base for visiting London. This market should recover as the Central London hotel market improves and group tour operators are no longer able to secure favourable rates from hotels here. There could also be scope for hotels in Colchester to develop group tour business as the town's cultural and heritage offer develops and by using Constable Country as a draw for group visits. There could also be scope for the development of the coach holidays and breaks market in Clacton-on-Sea and Southend-on-Sea as new larger hotels open here and the hotel markets in the resorts become more competitive. Group tour business is however usually low-rated and hotels will thus try to limit the levels of business that they take from this market and will not usually take it if they are able to attract demand from other higher-paying markets. It is not a market that will drive new hotel development.
- There could be good potential for Essex hotels to attract group tours coming for the London 2012 Olympics. In reality however they are likely to be able to fill with business from higher paying markets and are unlikely to want to take business from group tours unless they are prepared to pay good rates.

#### 4.3.9. London 2012

- Appendix 3 provides a detailed assessment of the potential demand for accommodation in Essex that might be generated by the **London 2012 Olympic and Paralympic Games**. There is likely to be significant demand for hotel accommodation in the county during the Games from spectators. With direct rail links to the Olympic Park from many parts of Essex, the county is ideally placed to act as a base for Olympics and Paralympics spectators. The mountain biking event at Hadleigh Farm and canoe slalom event at Broxbourne should also generate demand for hotel accommodation in these areas from spectators, press and media teams covering these events and set up crews. The many pre-Games preparation and training camps in the county could generate demand for hotel accommodation from the teams that use them, depending which teams they attract. Budget hotels in the county may attract demand from contractors working on the construction of the Olympic Park and coach drivers involved in the official transport arrangements for the Games. Essex hotels may attract corporate demand displaced from London as Olympic-related demand increases here. The county should benefit from the general growth in domestic and overseas leisure tourism and business and conference tourism that the Games are expected to stimulate, depending on how Visit Essex and East of England Tourism and the county's hotels respond to these opportunities. Major events being planned in London as part of the Cultural Olympiad may generate demand for accommodation in Essex, as could major sporting events and championships held at Olympic venues post-2012.

## 5. SECTOR DEVELOPMENT POTENTIAL

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- The Essex Hotel Futures Study suggests **scope and in some cases a need for existing 3 star hotels to invest** in improving their product as well as opportunities for 3 star hotels in some locations to expand and develop new leisure and/or conference and banqueting facilities. Some of the county's 3 star hotels have already invested heavily in improving their offer and are starting to reap the benefits in terms of increased occupancies and achieved room rates. Other 3 star hotels have plans for investment. Others will need to follow suit if they are to meet ever-rising market expectations and to be able to compete with new supply as it comes on stream.
- The Study also identifies potential for further **new hotel development** in most parts of Essex as regeneration, economic development, cultural and sports facility development and port and airport expansion schemes are progressed and new offices, business parks and industries are developed. There are also more immediate opportunities in some locations for existing hotels to invest alongside opportunities for new hotels, most of which hotel companies are already taking up with hotel schemes that are coming forward.
- In terms of immediate opportunities for new hotels, current levels of occupancy and denied business suggest market potential for new hotels in the following locations:
  - New budget hotels in:
    - Basildon
    - Colchester
    - Southend-on-Sea
  - The new 3 star Park Inn Palace at Southend-on-Sea, which will open in 2010).
  - The Thorpe Hall spa hotel due to open at Thorpe Le Soken in Tendring District in November 2010.

- In terms of medium to long-term potential for new hotels the Hotel Futures Study identifies likely future opportunities in the following locations as planned regeneration, office and business park schemes, cultural, sports and leisure projects and port and airport expansion schemes are progressed:
  - A new 4 star hotel at:
    - Stansted Airport.
  - New generation 3 star hotels, particularly linked to new business parks, in:
    - Basildon;
    - Chelmsford;
    - Colchester;
    - Stansted Airport;
    - Thurrock.
  - New budget hotels in:
    - Basildon
    - Braintree
    - Brentwood
    - Canvey Island
    - Chelmsford
    - Chigwell/Debden/Loughton
    - Clacton-on-sea
    - Colchester
    - Harlow
    - Harwich
    - Maldon
    - Southend-on-Sea
    - Stansted Airport -Premier Inn has already announced plans for a 300-bedroom hotel here.
    - Thurrock
    - Witham

- Stansted Airport is the only location in Essex identified as potentially being able to the development of a new large branded 4 star hotel. While there is evidence of demand for 4 star hotel accommodation from companies in Basildon, Chelmsford, Colchester and Harlow (with companies in these locations using 4 star hotels in Brentwood, Waltham Abbey and Stansted Airport, 4 star country house hotels at Stock and Orsett and the 4 star Five Lakes golf resort) it is unlikely that this demand will be enough or sufficiently high-rated to support a new branded 4 star hotel in these parts of the county. The limited scope to develop strong weekend business in these locations also weakens their potential to attract 4 star hotels. The opportunities for new full-service hotel development in these locations are likely to be more in terms of new generation 3 star hotels (which still offer a high quality product) and country house hotels in the surrounding rural areas (given suitable properties for conversion) to serve the top end of the corporate market.
  
- In terms of budget hotel development, the following locations may be able to support upper-tier budget hotels<sup>1</sup> alongside or instead of budget hotels:
  - Basildon;
  - Braintree (if major expansion takes place here);
  - Chelmsford;
  - Harlow;
  - Southend Airport;
  - Stansted Airport;
  - Thurrock.
  
- In the other locations where budget hotel potential is identified, the opportunities are likely to be primarily for budget hotels.
  
- There would appear to be less scope for a further budget hotel in Clacton-on-Sea due to the seasonal nature of demand here and the lack of midweek demand during the winter.

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<sup>1</sup> Brands such as Holiday Inn Express, Hampton by Hilton and Ramada Encore

- New budget hotels in some parts of the county may take business from existing 2 and 3 star hotels and independent non-inspected hotels and guesthouses, particularly where they are offering low standards of facilities and service, possibly to the extent where some establishments may need to consider their continued operation. Local planning authorities will need to be aware of the possible need to allow alternative uses for hotels that may no longer be viable and may wish to exit the market.
- There would appear to be scope for existing country house hotels to expand and/or develop new facilities such as spas, leisure facilities and function rooms. Some of the county's country house hotels already have plans for such development. Green Belt restrictions could limit the scope for country house hotels in the Green Belt to expand and develop further.
- There could be some potential for new country house hotels in Essex, given suitable properties for conversion and development. The opportunities are likely to be for relatively small country house hotels and would appear to be strongest in the west of the county, close to the M25 and within easy reach of London, and close to Basildon, Chelmsford, Brentwood and Thurrock, where they will be able to draw top end corporate business from these towns during the week alongside residential conferences and weddings and leisure break business at weekends.
- There could be potential for some of the county's wedding venues to add bedrooms and/or develop as country house hotels.
- There could be scope for existing golf hotels to upgrade, expand and develop new spa, leisure and banqueting facilities. There may also be potential for other golf clubs in the county to develop hotel accommodation.
- There could also be scope for hotel accommodation to be developed in association with other sports venues e.g. Great Leighs Racecourse, Towerlands Park equestrian centre and the proposed new football stadium for Southend United FC.

- There could be scope for boutique hotels to be developed in Colchester either through the repositioning of existing hotels or the conversion of a suitable property. There may also be an opportunity for a boutique hotel to be developed as part of the Harwich Navyard scheme. There might be scope for the development of small, independent boutique hotels to develop in Southend-on-Sea and Clacton-on-Sea, most probably through the repositioning of existing hotels, as has happened in other seaside resorts. Much will depend on whether the cultural, retail and restaurant offer develops sufficiently in the resorts to attract boutique hotel customers. The development of boutique hotels could be a good way of achieving a better quality hotel offer for the corporate market in some of the county's other towns, such as Chelmsford, Brentwood and Braintree. It is questionable however whether these towns will develop the right sort of leisure offer to attract boutique hotel customers at weekends. There could be scope for the conversion of existing coaching inns to boutique pub accommodation operations in locations such as Epping, Chipping Ongar and Great Dunmow.
- There may be potential for serviced apartments in Basildon, most probably in terms of the letting of residential apartments but possibly also in terms of a purpose-built serviced apartment operation. A fair proportion of corporate demand for hotel accommodation in Basildon is for long stays. Serviced apartments would be a good alternative to hotel accommodation for such stays. Chelmsford may be able to support further serviced apartments. Serviced apartments may also develop in some of the county's other towns, including Brentwood, Colchester, Harlow, Southend and Thurrock.
- There could be scope for the development of good quality pub accommodation in some of the county's smaller towns and rural areas through the addition of hotel bedrooms onto or within pub premises. This could include boutique style accommodation developed in association with gastro pubs.

## 6. SUPPORTING THE DEVELOPMENT OF THE ESSEX HOTEL SECTOR

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### 6.1 Planning Positively for Hotel Development

- The Essex Hotel Futures Study identifies potential for hotel development across Essex both in terms of investment in the upgrading, expansion and development of existing hotels and the development of new hotels. Hotel Solutions' discussions with hotel companies and the owners and managers of existing hotels in the county identified securing planning permission and the conditions that local planning authorities attached to permissions for hotel projects as a significant barrier to hotel development in the county.
- An efficient and supportive planning process was identified by hotel operators as one of the best things local authorities can do to facilitate hotel development. The current process of LDF preparation presents a timely opportunity to create this positive planning framework that takes on board the requirements of hotel developers and attempts to tackle the planning barriers.
- The starting point for this is to have **a realistic understanding of market potential based upon hard evidence rather than aspiration**. This Hotel Futures study provides that evidence base. Whilst many destinations have aspirations for large 4 star hotels, the market work spells out that this is not deliverable in the majority of locations, with the potential being more at budget and mid-market level. The public sector partners need to grasp this and to develop an appreciation of what these budget and mid-market brands can offer to positively enhance their destination infrastructure.
- **Green Belt** is a significant obstacle to hotel development in certain parts of the county. The policy restrictions that come with this suggest the opportunities may be limited to the re-use of existing buildings and limited new-build extensions, plus infilling of existing major developed sites rather than significant new-build development, for which a very special case would need to be made. These restrictions make it very difficult for existing hotels in the Green Belt to secure permission for extensions and new facilities e.g. leisure or banqueting facilities, which may significantly improve their viability and future competitive position. They are also likely to make it difficult to secure permission for the viable conversion of country houses to hotels, if new extensions are needed, and the development of hotels on golf courses. There have however been some precedents in Essex and other parts of the country where hotel development projects have been allowed in Green Belt areas. Such cases could be

reviewed to determine whether great flexibility could be applied to hotel development schemes that may come forward in the Essex Green Belt.

## **6.2. Developing the Essex Hotel Market**

- The Hotel Futures Study suggests the following requirements for public sector/ local authority support for the development of the hotel market in Essex in terms of marketing, product development and quality improvement:

### **6.2.1. Marketing**

#### **a) Essex Conference Marketing**

- A number of 3 and 4 star and country house hotels in Essex are interested in targeting the residential conference market. The county is a potentially strong conference destination given its excellent road, rail and air links and proximity to London. It has some excellent conference facilities in hotels and a number of other conference venues. There may be scope for the county to attract more conferences in the run up to the Olympics. Public sector support and action is needed to help position Essex as a conference destination and co-ordinate conference marketing in partnership with interested hotels and conference venues. Visit Essex is planning to establish a Business Tourism Forum of industry representatives early in 2010 to assist it in developing a conference marketing programme for the county.

#### **b) Golf Breaks Marketing**

- Essex has a strong product in terms of golf courses that could potentially be marketed for golf breaks through the development of links and packages between hotels and golf clubs.

#### **c) Leisure Break Marketing for Clacton-on-Sea/ Tendring, Colchester and Southend-on-Sea**

- The Hotel Futures Study suggests that there is a good case for continued, and ideally increased marketing of Clacton-on-Sea and Tendring, Colchester and Southend-on-Sea as leisure break destinations, particularly as their leisure, cultural, heritage, retail and entertainment offer develops and their hotel stock improves and develops.

- There appears to be much less of a case for an Essex-wide leisure break marketing campaign for hotels. Our findings suggest that the majority of the county's hotels are unlikely to participate proactively in any leisure break marketing campaigns for Essex. Most hotels do not feel that their town or area has anything to attract people to stay for leisure breaks. Country house hotels that would have appeal for leisure breaks are often fully booked at weekends with wedding guests and unable therefore to accommodate leisure break guests.

#### **d) Group Travel Marketing**

- A number of hotels in the county attract group tours, primarily using them as a base for going into London. While this is low-rated business it can help hotels to boost occupancies at off-peak times. There could be merit in some form of marketing campaign to position Essex as a lower-cost base for group tours visiting London. There could also be scope to market Colchester, Southend-on-Sea and Clacton-on-Sea for coach holidays and breaks.

#### **e) Attracting New Companies**

- The attraction of new companies will be key to developing corporate demand for hotels. The priority will be to attract companies that will generate strong demand for hotel accommodation e.g. international, European and national headquarters offices, companies in the financial and business services sector, pharmaceutical, medical and scientific research companies, ICT and knowledge-based businesses.

### **6.2.2. Product Development**

#### **a) Events Development**

- Events are probably the best way of developing weekend business for hotels – providing reasons for visitors to stay for the weekend. There are relatively few events in the county that currently generate strong demand for hotel accommodation. The new sports and cultural facilities that are being developed across the county should provide new venues for sports, arts and other events. There may be opportunities to build on events that are established as part of the Cultural Olympiad. A strategy is needed for events development and marketing in the county.

### **b) Attraction Development**

- Major new leisure and visitor attractions will be needed to help boost weekend demand for hotels. Further research is needed to assess what opportunities there could be for such attraction development in the county to feed into regeneration and inward investment strategies.

### **c) Development of Cultural and Sports Facilities**

- The development of major cultural and sports facilities that are capable of hosting large events that can draw overnight visitors could boost weekend demand for hotel accommodation. Such facilities are already planned for Basildon, Chelmsford, Colchester and Southend-on-Sea.

### **d) Development of the Evening Economy**

- The development of the evening economy in the main towns in Essex in terms of bars, restaurants, nightclubs and entertainment facilities could provide a significant boost to demand for budget hotel accommodation in the town centres from people wanting to stay overnight after a night in the town.

## **6.2.3. Quality Improvement**

### **a) Promoting Quality Assurance**

- There would be merit in the local authorities in the county continuing to encourage hotels to take part in the national quality assurance (star rating) scheme as a means of promoting quality improvement.

### **b) Awards**

- Where hotels in the county have taken clear steps to improve their quality they should be encouraged to take part in the Essex, East of England and national tourism awards schemes and award winners should be proactively profiled in marketing campaign and through PR support. Award winners should also be positively promoted to other hotels in the county to demonstrate what can be achieved through quality improvement.

### **c) Supporting Staff Training & Development**

- Investment in staff training and development clearly has a key role to play in raising quality standards. The public sector partners can support hotel operators through the provision of advice and information on training and staff development and setting up or supporting training programmes that are specifically tailored to hotel staff.

### **d) Business Advice and Information**

- The public sector agencies can assist hotels in the county with tailored information and advice on business development, quality improvement, marketing and how to reduce their carbon footprint.

### **e) Networking & Referrals**

- A further way that public sector partners can support quality improvement in the county's hotel sector is by supporting and facilitating networking, referrals and mentoring between hotels in the county.

## **6.3 Capitalising on London 2012**

- Essex is likely to be a key place for Olympic and Paralympic spectators to stay during the London 2012 Games, particularly given its direct rail links to the Olympic Park and the mountain biking event and white water canoeing taking place in and just outside the county. The county needs to gear up to meet this demand and to take full advantage of the opportunity to build repeat visits in the future in terms of:
  - Marketing Essex as a place for Olympic and Paralympic spectators to stay during the Games
  - Welcome and information packs for spectators
  - Welcome and information training for hotel staff
  - Putting in place mechanisms to capture the contact details of spectators for future follow up marketing
  - Encouraging investment in hotels

- Visit Essex is developing plans to promote Essex as a base for Olympic and Paralympic spectators to stay, with a range of press and media and advertising activities planned from 2010 to 2012. The VisitEssex website will be promoted to spectators for accommodation bookings. Visit Essex is also planning to produce various information materials for distribution to Olympic visitors that stay in the county and is looking at possible training initiatives for the county's tourism industry related to welcoming visitors to the Games.
- There could be some issues with hotel availability during the Games. They will be taking place during the peak weddings season. Hotels that have a strong weddings business are unlikely to want to take bookings from Olympic and Paralympic spectators. There could also be limited weekend availability at other hotels if wedding guests have already booked in. Hotels will also want to keep midweek availability for their regular corporate clients. This needs to be factored into planning for the Games.
- There could also be an issue with hotels putting their prices up significantly during the Games. Visit Essex has plans to encourage hotels to sign up to a fair price charter to ensure that they do not put their prices up too much during the Games.
- Pre-Games training camps in Essex and the mountain biking course and white water canoe centre are likely to generate demand for hotel accommodation in the run up to the Games in 2011 and 2012. Further work is needed to better understand what the needs for hotel accommodation will be and plans put in place to ensure that these needs are met. This could include building links between the training camp venues and surrounding hotels.
- Many of the county's hotels indicated that they need more information on the business opportunities for hotels that are presented by London 2012. Visit Essex has been including general information on London 2012 activities in tourism newsletters that have been distributed to the county's hotels and is planning to hold a conference in 2010 for hotel managers, which will include information on how the county's hotels can capitalise on the Games.

## 6.4 Reducing the Hotel Sector's Carbon Footprint

- Many of the county's hotels are already looking at ways of reducing their carbon footprint e.g. through reducing their energy consumption and reducing and recycling waste. There are numerous hotel and tourism industry green initiatives that can be promoted to hotels in the county. There is scope to develop an 'Essex Green Hotels' initiative in the county to better promote these schemes and best practice.
- Plans have been mooted for a food waste recycling plant in Essex. This is likely to be welcomed by the county's hotels.

**APPENDICES**

## APPENDIX 1

## HOTELS INTERVIEWED

Location/ Hotel	Personal/ Telephone
Holiday Inn Basildon	P
Premier Inn Basildon (Festival Park)	P
Premier Inn Basildon (East Mayne)	P
Premier Inn Basildon South	T
Campanile	P
Innkeeper's Lodge Basildon/Wickford	T
White Hart	P
Premier Inn Braintree (A120)	P
Premier Inn Braintree (Freeport Village)	T
Rivenhall	P
Prested Hall	T
The Essex Golf & Country Club	T
Holiday Inn Brentwood M25	T
Marygreen Manor	P
De Rougemont Manor	T
Travelodge Brentwood (East Horndon)	T
Premier Inn Brentwood	T
The Kilns	T
Oysterfleet	T
County	P
Atlantic	P
Pontlands Park/ Ivy Hill	P
Travelodge Chelmsford	P
Premier Inn Chelmsford Springfield	P
South Lodge	T
Channels Lodge	T
Lion Inn, Boreham	T
Greenwoods, Stock	P
The Oakland, South Woodham Ferrers	T
Marks Tey	P
Milsom Hotels	T
Marriott Waltham Abbey	P
Premier Inn Waltham Abbey	P
Premier Inn Loughton Buckhurst Hill	P
Innkeeper's Lodge Chigwell	T
Thatched House Hotel	T
Forest Lodge Motel	T
Mulberry House, Ongar	P
Cheshunt Marriott	P
Theobolds Park, Cheshunt	P

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Location/ Hotel	Personal/ Telephone
Park Inn	P
The Green Man	P
Premier Inn Harlow	P
Five Lakes Hotel, Golf & Spa	T
Blue Boar, Maldon	T
Limes Guest House, Maldon	T
Swan Hotel, Maldon	T
The Oyster Smack Inn, Burnham on Crouch	T
Ye old White Hart, Burnham on Crouch	T
Crouch Valley Lodge, Burnham on Crouch	T
The Railway Hotel, Burnham on Crouch	T
The Chichester, Rawreth	T
Premier Inn Basildon - Rayleigh	P
Roslin Beach	P
Westcliff	P
Camelia	P
Balmoral	T
Essex County	P
Premier Inn Southend-on-Sea (Thorpe Bay)	P
Premier Inn Southend-on-Sea West	P
Travelodge Southend	P
Comfort Hotel, Clacton-on-Sea	P
Travelodge Clacton-on-Sea Central	P
Esplanade Hotel, Clacton-on-Sea	T
The Langtry Hotel, Clacton-on-Sea	P
Kingscliff Hotel, Holland-on-Sea	P
The Geisha Hotel, Clacton-on-Sea	P
Ocean Club Hotel, Clacton-on-Sea	P
The Lemon Tree Hotel, Clacton-on-Sea	P
Laxfield Hotel, Clacton-on-Sea	P
Melrose Hotel, Clacton-on-Sea	P
The Pier Hotel, Clacton-on-Sea	P
The Rock Hotel, Frinton-on-Sea	P
Premier Inn Harwich	T
The Tower Hotel, Dovercourt	T
Cliff Hotel, Dovercourt	T
Continental, Dovercourt	P
Orsett Hall	P
Park Inn Thurrock	P
Ibis Thurrock	P
Premier Inn Thurrock East	P
Premier Inn Thurrock West	P
Thurrock Hotel	P

Essex Hotel Futures – Report to Participating Hotels

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Location/ Hotel	Personal/ Telephone
Radisson Blu Stansted Airport	P
Hilton Radisson Airport	P
Holiday Inn Express Stansted Airport	P
Stansted Manor, Birchanger	P
Days Hotel/ Days Inn, Birchanger Green	P
Travelodge Stansted Great Dunmow	P
Whitehall	P
Down Hall, Hatfield Heath	P
Great Hallingbury Manor	P
Saffron, Saffron Walden	T
The Crown House, Saffron Walden	T
The Cricketers, Clavering	T

**APPENDIX 2**  
**ESSEX HOTEL SUPPLY**

ESSEX HOTEL SUPPLY<sup>1</sup> – BY DISTRICT

District	4 Star		3 Star		2 Star		Budget		Non-Inspected <sup>2</sup>		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Basildon			1	148			6	337			7	485
Braintree			3	128			4	223	4	60	11	411
Brentwood	2	129	1	149			2	167	2	29	7	474
Castle Point									1	40	1	40
Chelmsford	1	39	5	232	2	48	3	252	3	64	14	635
Colchester <sup>3</sup>	1	110	7	318	1	24	1	20	1	13	11	485
Epping Forest <sup>4</sup>	1	162	1	79			4	244	5	99	11	584
Harlow			3	259			2	171	1	40	6	470
Maldon	1	194							4	76	5	270
Rochford			2	56			1	50			3	106
Southend-on-Sea			5	253			3	179			8	432
Tendring			2	27	3	64	4	224	11	219	20	534
Thurrock	1	34	1	97			5	458	6	221	13	810
Uttlesford	4	879	4	184			3	406	9	230	20	1699
<b>TOTAL ESSEX</b>	<b>11</b>	<b>1547</b>	<b>35</b>	<b>1930</b>	<b>6</b>	<b>136</b>	<b>38</b>	<b>2731</b>	<b>47</b>	<b>1091</b>	<b>137</b>	<b>7435</b>

## Notes:

1. All star-rated and branded hotels + non-inspected hotels with more than 10 bedrooms
2. Or graded as guest or inn accommodation
3. The Stoke by Nayland Hotel, Golf & Spa (80 bedrooms) is located just outside Colchester District
4. There are a number of hotels in Cheshunt that are just outside Epping Forest District

ESSEX HOTEL SUPPLY<sup>1</sup> – KEY TOWNS/ DESTINATIONS

District	4 Star		3 Star		2 Star		Budget		Non-Inspected <sup>2</sup>		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Basildon			2	183			7	387	1	16	10	586
Braintree			1	31			3	184			4	215
Brentwood	2	129	1	149			2	167	2	29	7	474
Burnham on Crouch									2	33	2	33
Canvey Island									1	40	1	40
Chelmsford			5	232			3	252	3	64	12	560
Clacton-on-Sea					1	30	2	119	10	205	23	354
Colchester	1	110	5	291	1	24	2	80	1	13	10	518
Epping			1	79					2	35	3	114
Great Dunmow							1	92	2	55	3	147
Harlow			3	259			2	171	1	40	6	470
Harwich			2	27	1	27	1	45	1	14	5	113
Loughton/ Buckhurst Hill/ Chigwell							2	84			2	84
Maldon									2	43	2	43
Rochford			1	21							1	21
Saffron Walden			2	38							2	38
Southend-on-Sea			5	253			3	179			8	432
Stansted Airport	2	739					1	254	1	22	4	1015
Stansted Mountfitchet /Birchanger			2	146			1	60	1	22	4	228
Thurrock	1	34	1	97			5	458	5	205	12	794
Waltham Abbey	1	162					1	99			2	261

## Notes:

1. All star-rated and branded hotels + non-inspected hotels with more than 10 bedrooms
2. Or graded as guest or inn accommodation

**BASILDON HOTEL SUPPLY**

<b>Hotel</b>	<b>Grade</b>	<b>Rooms</b>
<b>Basildon</b>		
Holiday Inn	3 star	148
Premier Inn Festival Park	Budget	64
Premier Inn East Mayne	Budget	32
Premier Inn Basildon South	Budget	60
Travelodge	Budget	60
Campanile	Budget	97
<b>Wickford</b>		
Innkeeper's Lodge Basildon Wickford	Budget	24

**BRAINTREE DISTRICT HOTEL SUPPLY**

<b>Hotel</b>	<b>Grade</b>	<b>Rooms</b>
<b>Braintree</b>		
White Hart	3 star	31
Premier Inn Braintree (A120)	Budget	60
Premier Inn Braintree (Freeport Village) (Formerly Holiday Inn Express Braintree)	Budget	48
Blueberry (Formerly the Purple Hotel)	Budget	76
<b>Witham</b>		
Rivenhall	3 star	55
<b>Feering</b>		
Prested Hall	n/a Country house	17
Travelodge Colchester Feering	Budget	39
<b>East Colne</b>		
The Essex Golf & Country Club	3 star	42
<b>Coggeshall</b>		
White Hart	n/a	16
<b>Halstead</b>		
The Bull Hotel	n/a	16
<b>Great Yeldham</b>		
White Hart	n/a	11

**BRENTWOOD HOTEL SUPPLY**

Hotel	Grade	Rooms
<b>Brentwood</b>		
De Rougemont Manor	4 star	73
Marygreen Manor	4 star	56
Holiday Inn Brentwood M25	3 star	149
Premier Inn Brentwood	Budget	122
Weald Park	n/a Golf hotel	14
The Kilns	n/a	15
<b>East Horndon</b>		
Travelodge Brentwood (East Horndon)	Budget	45

**CASTLE POINT HOTEL SUPPLY**

Hotel	Grade	Rooms
<b>Canvey Island</b>		
Oysterfleet	n/a	40

**CHELMSFORD DISTRICT HOTEL SUPPLY**

Hotel	Grade	Rooms
<b>Chelmsford</b>		
Best Western Atlantic	3 star	59
Best Western Ivy Hill, Margaretting	3 star	33
County	3 star	50
Miami	3 star	55
Pontlands Park, Great Baddow	3 star	35
Boswell House	2 star	12
Premier Inn Chelmsford Springfield	Budget	91
Premier Inn Chelmsford Boreham	Budget	80
Travelodge Chelmsford	Budget	81
Channels Lodge	4 star Guest Accom	14
Lion Inn, Boreham	n/a Inn	15
South Lodge	n/a	35
<b>South Woodham Ferrers</b>		
The Oakland	2 star	36
<b>Stock</b>		
Greenwoods	4 star Country House	39

Note:

There are also two serviced apartment operations in Chelmsford, with a total of 6 serviced apartments between them.

## COLCHESTER DISTRICT HOTEL SUPPLY

Hotel	Grade	Rooms
<b>Colchester</b>		
George	3 star	47
Holiday Inn Colchester	3 star	109
Ramada Colchester	3 star	50
Rose & Crown	3 star	39
Wivenhoe House	3 star	46
Red Lion	2 star	24
North Hill	n/a Boutique	13
Premier Inn Colchester Central	Budget	20
<b>Marks Tey</b>		
Best Western Marks Tey	4 star	110
<b>Dedham</b>		
Maison Talbooth	3 star Country House	12
Milsoms	3 star Country House	15

## EPPING FOREST DISTRICT HOTEL SUPPLY

Hotel	Grade	Rooms
<b>Epping</b>		
The Bell Hotel	3 star	79
Thatched House Hotel	n/a	13
Forest Lodge Motel	3 star Guest Accom	22
<b>Waltham Abbey</b>		
Marriott Waltham Abbey	4 star	162
Premier Inn Waltham Abbey	Budget	99
<b>Loughton/ Buckhurst Hill/ Chigwell</b>		
Premier Inn Loughton/ Buckhurst Hill (Formerly Express by Holiday Inn Loughton/ Buckhurst Hill)	Budget	50
Innkeeper's Lodge Chigwell	Budget	34
<b>Chipping Ongar</b>		
Mulberry House	n/a	26
<b>North Weald</b>		
Travelodge Harlow North Weald	Budget	61
<b>Roydon</b>		
Roydon Mill Hotel	n/a	14
<b>Sawbridgeworth</b>		
Railway Hotel	n/a	12
<b>Rural Areas</b>		
The Fox Inn, Matching Tye	n/a	12

Note:

The following hotels are located just outside Epping Forest District at Cheshunt:

- Cheshunt Marriott (143 bedrooms)
- De Vere Venues Theobald Park (141 bedrooms)
- Travelodge Cheshunt (100 bedrooms)

**HARLOW HOTEL SUPPLY**

Hotel	Grade	Rooms
<b>Harlow</b>		
Park Inn	3 star	119
Churchgate	3 star	85
The Green Man	3 star	55
Premier Inn Harlow	Budget	81
Travelodge Harlow	Budget	90
Oasis	n/a	40

Note:

The following hotels are located just outside Harlow:

- Manor of Groves Hotel, Golf & Country Club, High Wyck (3 star – 80 bedrooms)
- Down Hall, Hatfield Heath (4 star country house hotel – 99 bedrooms)
- Travelodge Harlow North Weald (budget – 61 bedrooms)
- Roydon Mill Hotel, Roydon (not inspected -14 bedrooms)
- Railway Hotel, Sawbridgeworth (not inspected - 12 bedrooms)
- The Fox Inn, Matching Tye (not inspected – 12 bedrooms)

**MALDON HOTEL SUPPLY**

Hotel	Grade	Rooms
<b>Tolleshunt Kings</b>		
Five Lakes Hotel, Golf, Country Club & Spa	4 star Golf Hotel	194
<b>Maldon</b>		
The Blue Boar Hotel	n/a Inn	27
The Mill House Hotel, Langford	n/a	16
<b>Burnham on Crouch</b>		
Crouch Valley Lodge	3 star GA	14
Ye Olde White Hart Hotel	n/a	19

**ROCHFORD HOTEL SUPPLY**

Hotel	Grade	Rooms
<b>Rochford</b>		
Maison Renouf	3 star	21
<b>Rayleigh</b>		
Premier Inn Basildon Rayleigh (Formerly Express by Holiday Inn Basildon Rayleigh)	Budget	50
<b>Rawreth</b>		
The Chichester	3 star	35

**SOUTHEND-ON-SEA HOTEL SUPPLY**

<b>Hotel</b>	<b>Grade</b>	<b>Rooms</b>
<b>Southend-on-Sea</b>		
Balmoral	3 star	33
Camelia	3 star	34
Essex County <sup>1</sup>	3 star	74
Roslin Beach	3 star	57
Westcliff	3 star	55
Premier Inn Southend-on-Sea (Thorpe Bay)	Budget	43
Premier Inn Southend-on-Sea West	Budget	80
Travelodge Southend-on-Sea	Budget	56

## Notes:

1. The Essex County is currently offering a poor quality product and is up for sale. It remains to be seen whether the hotel can find a new owner that will be prepared to invest in it. If not, the future operation of the hotel may be in doubt.

**TENDRING DISTRICT HOTEL SUPPLY**

<b>Hotel</b>	<b>Grade</b>	<b>Rooms</b>
<b>Clacton-on-Sea</b>		
Esplanade	2 star	30
Travelodge Clacton-on-Sea Central	Budget	57
Comfort Hotel	n/a	50
Langtry Hotel	n/a	27
Parade Hotel	n/a	23
Ocean Club Hotel	n/a	17
The Geisha Hotel	n/a	17
The Lemon Tree Hotel	n/a	16
Kingscliff Hotel, Holland-on-Sea	n/a	15
Laxfield Hotel	n/a	14
Melrose Hotel	n/a	14
Pier Hotel	n/a	12
<b>Harwich/ Dovercourt</b>		
The Pier at Harwich	3 star Boutique	14
The Tower Hotel, Dovercourt	3 star	13
Cliff Hotel, Dovercourt	2 star	27
Premier Inn Harwich	Budget	45
Hotel Continental, Dovercourt	n/a	13
<b>Frinton-on-Sea</b>		
The Rock Hotel	2 star	7
<b>Weeley</b>		
Premier Inn Clacton-on-Sea	Budget	62
<b>Colchester Outskirts</b>		
Premier Inn Colchester (A12)	Budget	60

**THURROCK HOTEL SUPPLY**

<b>Hotel</b>	<b>Grade</b>	<b>Rooms</b>
Orsett Hall	4 star Country House	34
Park Inn Thurrock	3 star	97
Ibis London Thurrock M25	Budget	102
Premier Inn Thurrock East	Budget	63
Premier Inn Thurrock West	Budget	160
Travelodge Thurrock	Budget	47
Formule 1	Budget Economy	86
Langdon Hill Golf Club	n/a Golf Hotel	14
Royal Hotel, Purfleet	n/a	30
The Bell Inn, Horndon-on-the-Hill	n/a	16
Thurrock Hotel, Aveley	n/a	70
Top Meadow Golf Club	n/a Golf Hotel	18
Ye Olde Plough House, Bulphan	n/a	73

## UTTLESFORD DISTRICT HOTEL SUPPLY

Hotel	Grade	Rooms
<b>Stansted Airport</b>		
Hilton Stansted Airport	4 star	239
Radisson Blu Stansted Airport	4 star	494
Holiday Inn Express Stansted Airport	Budget Upper-Tier	254
Bury Lodge	n/a	22
<b>Birchanger/ Stansted Mountfitchet</b>		
Best Western Stansted Manor	3 star	70
Days Hotel London Stansted	3 star	76
Days Inn Stansted Bishop's Stortford	Budget	60
The Old Bell, Stansted Mountfitchet	n/a Inn	22
<b>Saffron Walden</b>		
The Crown House	3 star	22
Saffron	3 star	16
<b>Great Dunmow</b>		
Travelodge Stansted Great Dunmow	Budget	92
Saracen's Head	n/a Inn	31
Stansted Skyline, Barnston	n/a	24
<b>Rural Areas</b>		
Down Hall, Hatfield Heath	4 star Country House	99
Great Hallingbury Manor	4 star Country House	47
Desalis, Elsenham	n/a	50
Hunters Meet, Hatfield Heath	n/a	20
Swan Hotel, Thaxted	n/a Inn	21
The Cricketers, Clavering	4 star Inn	14
Whitehall, Broxton	n/a	26

**APPENDIX 3**

**THE POTENTIAL FOR OLYMPICS-RELATED ACCOMMODATION  
DEMAND IN ESSEX**

## **THE POTENTIAL FOR OLYMPICS-RELATED ACCOMMODATION DEMAND IN ESSEX**

The following paper summarises the findings of our research regarding the potential demand for hotel and visitor accommodation in Essex that could be generated by the London 2012 Olympic and Paralympic Games from the different markets that will require accommodation in the run up to, during and after the Games.

### **Spectators**

- There is likely to be huge demand for accommodation of all types in Essex from Olympic and Paralympic spectators during the Games in August and September 2012. The evidence from previous Games is that spectators will stay up to 2 hours away from the Olympic Park. From our discussions with London 2012 it is evident that many of the hotels close to the Olympic Park and in Central London will already have been booked up for officials, sponsors and press and media teams. There will be a drive to encourage London 2012 spectators to use public transport. With direct rail access to the Olympic Park from many parts of Essex, the county is extremely well placed to act as a base for Olympic spectators and could play an important role in helping to meet their accommodation requirements. Accessible accommodation will be required for Paralympics spectators.
- As far as we have been able to establish no work have been undertaken to date to assess the potential demand for hotel and visitor accommodation in Essex from Olympic and Paralympic spectators and plans to meet, manage and fully capitalise on this demand and ensure a warm welcome and enjoyable experience for Olympic and Paralympic spectators that choose to stay in Essex are at very early stages. Visit Essex is promoting Essex as a base for spectators to stay, with a range of PR, media and advertising activities planned from 2010 to 2012. It is also planning to produce various information materials for distribution to Olympic and Paralympic spectators and is looking at possible training initiatives for the accommodation sector, taxi drivers and bus drivers and will be working to encourage hotels to get quality assessed. No official accommodation booking service for Olympic and Paralympic spectators is currently planned. The VisitEssex website will however be promoted for accommodation bookings.

- There could be some issues with hotel availability during the Games. They will be taking place during the peak weddings season. Hotels that have a strong weddings business are unlikely to want to take bookings from Olympics and Paralympics spectators. There could also be limited weekend availability at other hotels if wedding guests have already booked in. Hotels will also want to keep midweek availability for their regular corporate clients. This needs to be factored into planning for the Games.
- There is a risk that hotels and other accommodation businesses will significantly increase their rates for Olympics spectators. This would be counterproductive in terms of the profile-raising legacy of the Games as it would perpetuate the image of the UK as an expensive destination. Fears of high accommodation prices were identified as a key factor that could deter visitors from coming to London during the Games by the Culture Media and Sport Committee's assessment of the legacy from the Games. Visit Essex is planning to introduce a fair price charter that it will encourage the county's hotels and accommodation businesses to sign up to, to ensure that they do not overcharge Olympics spectators.
- There is potential for the provision of temporary accommodation in Essex for Olympic spectators (and volunteers and athletes families) in the form of Home Stay accommodation with host families, or temporary caravan and camping sites. Such temporary accommodation could remain as permanent accommodation after the Games, where potential is identified for further B&B accommodation and caravan and campsites.

### **The Olympic Mountain Biking Event – Hadleigh Farm**

- The Olympic mountain biking event will take place at Hadleigh Farm on 11 and 12 August 2012. The venue will include a grandstand for 3,000 spectators. People will also be able to view the event along the course. The event is likely to generate demand for accommodation from press and media and spectators as well as contractors involved in setting up and taking down the grandstand and facilities for the event. A test event to be held in 2011 is also likely to generate demand for accommodation. It is not clear yet what may remain after the Games in terms of a mountain biking course and facilities.

## **The Olympic Canoe Slalom Event – Broxbourne**

- The Olympic canoe slalom event will be held between 29 July and 1 August 2012 at the new Broxbourne White Water Canoe Centre currently under construction in the Lee Valley Regional Park at Broxbourne in Hertfordshire, just outside Essex (the car park for the centre is actually in Essex). Two new canoe slalom courses are being built for the Games, a 300m competition course and 160m intermediate/training course. The venue will have a capacity for up to 12,000 spectators. The event will generate demand for accommodation in the surrounding area from spectators and press and media and from the crews involved in setting up the facilities for the event. Test events in 2011 and use of the course for pre-Games training and white water rafting should also generate demand for accommodation from 2011. It is unclear at this stage how many competitors and spectators there will be for the test event and how many teams might use the centre for pre-Games training and what their requirements would be in terms of accommodation while they are training.
- After the Games the two courses and facilities building will remain and the centre will become a venue for canoeing and kayaking for the local community and visitors. It will be suitable for beginners to elite athletes. It will also be a major leisure attraction for white water rafting, with potential for hotels to use the facility to develop weekend break and corporate activity packages. There is the possibility of the centre becoming the national canoe slalom centre. There will be a permanent British Canoe Union presence at the site.

## **Contractors Building the Olympic Park**

- Some budget hotels in Essex have already attracted demand from contractors working on the construction of the Olympic Park. Such demand could increase in the next 2 years as construction work reaches its peak.

## **Athletes**

- Olympic and Paralympic athletes will stay primarily in the Olympic Village. They will not require accommodation in Essex

### **Athletes' Families**

- The London 2012 Olympic Delivery Authority is planning to organise a Home Stay programme for the families of athletes to stay with host families during the Games. Essex could be a good location for athletes' families to stay. Families in the county could thus be encouraged to take part in the Home Stay programme. They would not receive any money for hosting families. Some athletes' families may prefer to stay in hotels or other forms of commercial accommodation.

### **Displaced Corporate Business from London**

- Hotels in Essex may benefit from corporate business that is displaced from East and Central London hotels as Olympic-related demand increases over the next 2½ years and during the Games themselves.

### **Preparation and Training Camps**

- There are 21 officially designated pre-Games preparation and training camps across Essex, which could generate demand for accommodation from the teams that make use of them and their coaches and support teams possibly from July 2010 onwards. Teams are likely to use university accommodation but may also use hotels, depending on which teams are attracted to the county's training camps. This is not yet known.

### **Press and Media**

- Press and media teams will require hotel accommodation within a 30-minute drive of the Olympic Park. Most parts of Essex will be too far away to meet this requirement.

### **Officials, Sponsors and VIPs**

- Essex will also be too far away from the Olympic Park to meet the accommodation requirements of officials, sponsors and VIPs. They are more likely to stay in Central London hotels.

## **Volunteers**

- 70,000 volunteers will be involved in the Games a proportion of which will come from other parts of the UK. Many of these volunteers are likely to require accommodation. They may possibly be housed in temporary caravan and campsites or with host families. No plans have yet been devised for such accommodation for volunteers. Given its direct rail links to the Olympic Park, Essex could potentially play a role in meeting some of the requirements for volunteer accommodation. Volunteers are unlikely to stay in hotels

## **Coach Drivers**

- Accommodation will be required for some 3,000 coach drivers involved in the official transport arrangements for the Games. Essex could be a suitable location to meet this demand. The requirement will be for budget hotel accommodation.

## **Cultural Olympiad Events**

- Major events being planned in London as part of the Cultural Olympiad might possibly generate some overspill demand for accommodation in Essex. A programme of Olympics-related cultural events and themed festivals is also planned in some parts of Essex. These events are predominantly small and of local interest. They are unlikely to generate significant demand for accommodation.

## **UK and Overseas Tourists**

- Demand from the UK leisure and overseas tourist markets could grow in Essex due to the heightened awareness of London, Essex and the wider East of England Region as a result of the London 2012 Olympics in the run up to, during and beyond the Games. The Games also provide the opportunity to showcase the county to Olympic visitors in the hope that they will return for future visits and encourage their friends and relatives to visit also. This potential growth in tourism is widely regarded as one of the key legacy benefits of hosting the Games. Much will depend on the extent to which Visit Essex and East of England Tourism are able to mount well-resourced marketing campaigns to capitalise on this opportunity, and the extent to which accommodation businesses in the county take part in them. It must however be recognised that some parts of the county have limited appeal as leisure tourism destinations, although could be positioned as a good base for visiting London and for stop-overs by touring visitors. This may be a key point to emphasise in any marketing campaigns targeted at generating return visits from Olympics visitors.

## **Business and Conference Tourism**

- Hotels in Essex could benefit from the anticipated growth in business and conference tourism that the Olympics are expected to stimulate, particularly if they are able to take advantage of the business tourism marketing activities of Visit Essex and East of England Tourism. Visit Essex is planning to establish a Business Tourism Forum of industry representatives early in 2010 to assist it in developing a conference marketing programme for the county.

## **Sporting Events and Championships Post 2012**

- Major sports events and championships held at the Olympic Park at Stratford and the Broxbourne White Water Canoe Centre and Hadleigh Farm mountain biking course (depending on what course and facilities remains as a legacy from the Games) post 2012 may potentially generate demand for accommodation in Essex.

## GLOSSARY OF HOTEL DEFINITIONS

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### **Budget Hotel**

A limited service hotel usually with bedrooms in a block (40-60 rooms) separate from or attached to a pub/restaurant. AA definition also refers to these products as 'travel accommodation'. They are often located on major routeways on the approaches to towns and cities, but many brand operators also locate these offers now in town and city centres, where they will tend to be larger units of 100+ rooms and may locate in mixed use schemes, above restaurants and retail, in converted office blocks, and close to railway stations. Generally they offer a good quality room with en-suite facilities and TV; some also have optional Wi-Fi, but generally they do not offer meeting rooms or other additional facilities and services.

Brand examples include Travelodge, Premier Inn, Ibis, Etap.

### **Upper Tier Budget**

A limited service hotel that offers a higher specification room (3 star equivalent) than a budget hotel, with an integral bar/restaurant and limited meeting rooms; also sometimes a small gym/fitness room. They tend to be larger hotels of 80-120 rooms and will locate both on the approaches to towns if close to business/leisure drivers, in town/city centres, and close to major communications drivers such as airports.

Brand examples include Express by Holiday Inn, Ramada Encore, Hampton by Hilton.

### **3 Star**

A full service hotel that offers a restaurant and bar also open to the public, usually function/conference/banqueting facilities, and often leisure. Branded offers would tend to be 120-150 rooms+, but independent hotels may be smaller in size. Will locate in city centres and out of town where there are significant drivers of demand such as business parks.

Brand examples include Village, Courtyard by Marriott, Hilton Garden Inn, Ramada Hotel, Days Hotel, Holiday Inn.

## **4 Star**

A full service hotel but with a higher specification and larger bedrooms than 3 star hotels, usually offering bath and shower, telephone, internet connection, and a wider range of services including full room service and portage, and 24 hour reception. A quality restaurant, bar, a range of meeting rooms and business services, and a health and fitness centre. These tend to be large hotels, over 150 rooms, and sometimes up to 250 rooms+. Major city centres are the preferred locations.

Brand examples include Marriott, Holiday Inn Crowne Plaza, Hilton, Radisson SAS.

## **5 Star**

A luxury, full service offer, with highly personalized service/high staffing levels, fine dining and luxury throughout the offer.

Brand examples include RF Hotels, Radisson Edwardian

## **Boutique Hotel**

Relatively small (30-50 rooms), high quality, individual hotels that feature contemporary design and a good food offer. They are often independent hotels or part of small chains that bear the signature of their founder. However, national brands are beginning to emerge that are larger format units (100+ rooms) and compete with 3 and 4 star hotels but achieve a premium on their rate due to their style and service.

Brand examples include Malmaison, Hotel du Vin, Abode, Bespoke, Apex.

## **Budget Boutique**

A hotel with similar qualities to a traditional boutique hotel, particularly in terms of being design-led, but pitched at the mid-market and with less emphasis on levels of service.

Brand examples include Sleeperz, Hoxton Urban Lodge, Citizen M

**APPENDIX 5**  
**HOTEL SOLUTIONS – EXPERIENCE & TRACK RECORD**

## HOTEL SOLUTIONS

Hotel Solutions is a marketing partnership of two independent hotel and tourism consultants – Andrew Keeling and Lynn Thomason. We specialise in undertaking hotel development studies and action plans for regional, sub-regional, county, city and local planning, tourism, inward investment and regeneration authorities and agencies. We have now undertaken over 50 of these studies covering some 120 destinations including counties such as Bedfordshire, Lincolnshire, Buckinghamshire, Hampshire and Surrey, towns and cities such as Liverpool, Stoke-on-Trent, Shrewsbury, Chichester, Telford, Oxford and Sevenoaks and areas such as Kent Thameside and Medway. These studies have been widely used by our clients to inform and influence planning policy formulation for hotels and to support proactive hotel investment marketing activity. Most of the studies that we have undertaken in the past 3 years have been commissioned specifically by local authorities to help inform LDF policies and site allocations for hotel development.

Andrew Keeling, BA (Hotel and Catering Management), MTS, began his career in hotel and catering operations management, before becoming a Senior Hotel Consultant with Horwath and Horwath (UK) Ltd, one of the leading hotel consultancies in the UK. During this time he was responsible for the completion of a wide variety of feasibility studies for hotel projects in the UK and overseas. Following this Andrew was, for over 9 years, Head of Development Services for the East Midlands Tourist Board, before specialising in tourism consultancy in 1997.

Lynn Thomason, BA, Dip Tourism Management, MTS has worked in the tourism industry since 1980. Prior to setting up in consultancy in 1991, she had worked in the private sector for two hotel companies in a development capacity as Associate Director of Stakis Land and Estates and UK Development Manager of Campanile. Site acquisition, demand assessment and project feasibility were important aspects of both roles. Previously, Lynn was Research and Development Manager for the East Midlands Tourist Board, providing planning, research and development advice. This combined experience provides a valuable commercial perspective on the project together with a clear understanding of strategic planning and development issues.

## **HOTEL SOLUTIONS – HOTEL & ACCOMMODATION STUDIES 2003-2010**

**2010**

### **Aylesbury Waterside Hotel Futures Study**

A study to assess the potential for a hotel to be developed as part of the Aylesbury Waterfront mixed-use scheme in Aylesbury town centre

*Client: Aylesbury Vale District Council*

**2009**

### **Essex Hotel Futures Programme**

Research to assess the potential for new hotel development in Essex in the run up to the London 2012 Olympic and Paralympic Games, including a survey of hotel performance across the county and a survey of hotel developers to assess their interest in building new hotels in Essex. The findings of the study will be used to prepare hotel investment fact sheets for the key destinations in the county to help support a proactive hotel investment marketing campaign in 2010. More detailed work on assessing hotel sites and advising on planning policy for hotels will also be undertaken for Braintree, Maldon, Chelmsford, Harlow and Southend Councils.

*Client: Essex County Council*

### **Tendring Coastal Resorts Hotel & Guesthouse Retention Study**

A study to assess the need for Tendring District Council to roll forward into its Local Development Framework its current Local Plan hotel and guesthouse retention policy in Clacton-on-Sea and the other Tendring resorts.

*Client: Tendring District Council*

### **Tendring Holiday Park Sector Review**

A review of national market and product development trends in the UK holiday park sector to help inform the District Council's review of its current planning policies for holiday parks to be taken forward into its Local Development Framework.

*Client: Tendring District Council*

### **Leeds & West Yorkshire Hotel Futures Study**

Research to assess the potential future requirements for new hotel development in Leeds, Bradford, Wakefield, Calderdale and Kirklees through to 2026, to assist the West Yorkshire local authorities in developing appropriate forward planning policies and strategies for new hotel development in their area.

*Client: Conference Leeds/ Leeds City Council  
West Yorkshire Tourism Partnership*

### **Tyne & Wear Coast Hotel & Visitor Accommodation Futures Study**

Research to assess the future for the hotel and visitor accommodation sector along the Tyne & Wear Coast (including Sunderland, South Shields, North Shields, Tynemouth and Whitley Bay) in terms of the potential for new hotel and visitor accommodation development and the scope and need to upgrade, reposition, develop and retain existing hotels, guesthouses and other accommodation businesses.

*Client: Tourism Partnership Tyne & Wear*

### **Rural Gateshead Visitor Accommodation Futures Study**

A study to evaluate the scope for further development of the visitor accommodation sector in the rural parts of Gateshead Council's area.

*Client: Gateshead Council*

### **East Sussex Hotel & Visitor Accommodation Futures Study**

Research to assess the potential for hotel and visitor accommodation development (guesthouses, B&Bs, self-catering, touring caravan and camping sites, holiday parks and group & youth accommodation) in Lewes, Rother and Wealden Districts in East Sussex and guidance on planning policy development for the hotel and visitor accommodation sector for these Districts as part of their LDFs.

*Client: Lewes, Wealden and Rother District Councils*

### **Eastbourne Hotel & Visitor Accommodation Futures Study**

A study to assess the future for the hotel, guesthouse and holiday flat sectors in Eastbourne to inform and support LDF policies for the development and retention of such businesses in the resort.

*Client: Eastbourne Borough Council*

### **Liverpool Hotel Futures Update**

An update of the previous research that Hotel Solutions has undertaken to inform the future strategy for hotel development in Liverpool including: a review of hotel development proposals and key drivers of likely future growth in hotel demand in the city; the preparation of indicative projections for growth in hotel demand in the city and the levels of new hotel development that this may be able to support; updating information on hotel developer interest in the city; an assessment of hotel development trends in other comparator cities.

*Client: The Mersey Partnership/ Liverpool Vision/ Liverpool City Council*

### **Bedfordshire Hotel & Visitor Accommodation Futures Study**

A programme of work to assess the scope for hotel and visitor accommodation development across Bedfordshire to help inform LDF Core Strategies and Site Allocations DPDs

*Client: Bedfordshire County Council, Bedford Borough Council, Mid and South Beds District Councils*

## **2008**

### **Tees Valley Hotel & Rural Accommodation Futures Study**

A comprehensive study to assess the market potential for hotel and rural visitor accommodation development across the Tees Valley, including Darlington, Middlesbrough, Stockton-on-Tees, Hartlepool and Redcar & Cleveland.

*Client: Tees Valley Joint Strategy Unit/ Visit Tees Valley*

### **East of England Hotel Investment Campaign**

A programme of work to help promote the East of England as a hotel development location including a survey of hotel development interest in the region, research to identify hotel sites, the development of a regional hotel investment marketing website and a regional hotel investment seminar.

*Client: East of England Tourism*

### **Brentwood Hotel & Visitor Accommodation Futures Study**

A study to assess the future potential for hotel and visitor accommodation in Brentwood Borough, with particular regard to the opportunities afforded by the London 2012 Olympics

*Client: Brentwood Borough Council*

### **Hampshire Hotel Trends Survey 2006/07**

An update of the surveys undertaken in 2002 and 2005 to assess trends in hotel performance across Hampshire in 2006 and 2007. Additional modules of research are also being undertaken for Havant, Test Valley, Basingstoke and Rushmoor Borough Councils to help inform LDF policy development for hotels.

*Client: Hampshire County Council*

### **Chester Hotel Stock Comparisons**

Research to compare hotel supply and development activity in Chester with that of Bath, York, Cambridge, Oxford and Stratford-upon-Avon.

*Client: Visit Chester & Cheshire*

### **Coastal West Sussex Hotel & Visitor Accommodation Futures Study**

A study to assess the future potential for hotel and visitor accommodation development in the five towns of Coastal West Sussex (Bognor Regis, Littlehampton, Selsey, Shoreham-by-Sea and Worthing).

*Client: Worthing, Adur and Arun District Councils*

## **2007**

### **NewcastleGateshead Hotel Futures Study**

A study to assess the potential for new hotel development in NewcastleGateshead and determine a locational strategy for hotel development to inform LDF preparation and support hotel investment marketing and management.

*Client: NewcastleGateshead Initiative, Newcastle City Council, Gateshead Council*

### **Sunderland Hotel Futures Study**

A study to assess the potential for new hotel development in Sunderland city centre, to inform the LDF for the city and the marketing of hotel sites identified as part of the major regeneration schemes in the city centre

*Client: Sunderland City Council*

### **Portsmouth Hotel Futures Study**

A study to assess the potential for new hotel development in Portsmouth.

*Client: Portsmouth City Council*

### **Oxford Hotel and Short Stay Accommodation Study**

A study to assess future requirements for the development of hotels and other forms of short stay accommodation in Oxford.

*Client: Oxford City Council*

### **Sevenoaks Hotel Futures Study Update**

An update of the study undertaken in 2004 to determine the need for new hotel development in Sevenoaks District.

*Client: Sevenoaks District Council*

### **Kent Thameside Hotel Futures Study**

A study to assess the scope for new hotel development in the Kent Thameside area, with a particular focus on opportunities for new hotels at Ebbsfleet to service demand related to the London 21012 Olympics and the new Eurostar services from Ebbsfleet International station when it opens in November 2007.

*Client: Kent Thameside Delivery Board*

### **1066 Country Hotel & Guest Accommodation Futures Study**

A study to assess the potential for developing the hotel and guest accommodation sector in Hastings, Bexhill, Battle, Rye and the rural parts of 1066 Country, in terms of both new hotel development and the upgrading and repositioning of existing hotels and guesthouses.

*Client: Sea Space*

### **Shrewsbury Hotel Futures Study**

A study to assess the potential for attracting new hotel development to Shrewsbury.

*Client: Shrewsbury & Atcham Borough Council*

### **Exeter Hotel Development Survey**

A survey to assess hotel developer interest and sites in Exeter as part of a study to assess the potential for new hotel development in the city.

Client: Exeter City Council

**2006**

**Brighton & Hove Hotel Futures Study**

An assessment of the current and potential future demand for hotel and guest accommodation in Brighton & Hove to inform the planning policies for serviced accommodation in the new Local Development Framework for the city.

*Client: Brighton & Hove City Council*

**Buckinghamshire Hotel Futures Study**

A study to assess the potential for new hotel development in Buckinghamshire.

*Client: Buckinghamshire County Council/ Tourism South East*

**Blackburn Town Centre Hotel Investment Programme**

A programme of work to assist Blackburn & Darwen Borough Council in attracting a branded hotel development to Blackburn town centre. The programme includes research to assess the market potential and work to proactively market town centre hotel sites to potentially interested hotel developers.

*Client: Blackburn & Darwen Borough Council*

**Stoke on Trent Hotel Investment Marketing**

Research to assess the potential for new hotel development in Stoke-on-Trent city centre, testing of hotel developer interest and the preparation of hotel investment materials for the city.

*Client: Stoke City Council*

**Hampshire Hotel Investment Seminar**

Delivery of presentations on hotel performance and development potential in Hampshire and adopting a proactive approach to securing hotel development in the county, as part of the Hampshire Hotel Investment Seminar held in March 2006.

*Client: Hampshire County Council/ Tourism South East*

**Hampshire Hotel Sites Assessment**

An assessment of potential sites for hotel development across Hampshire with a view to feeding sites information into the Hampshire hotel investment pages on the South East hotel investment website.

*Client: Hampshire County Council/ Tourism South East*

## **Developing Accommodation Retention Policies**

Policy research and consultation work, including the development of best practice case studies, to produce planning guidance for local authorities in the South East and a toolkit to assist their response to and determination of change of use applications.

*Client: Tourism South East*

## **2005**

### **Lincolnshire Hotel Futures Study**

A study to assess the potential for new hotel development in Lincoln and other parts of Lincolnshire

*Client: Greater Lincoln Partnership/ Lincolnshire Development*

### **Chichester Hotel Futures Study**

Research to identify potential opportunities for new hotel development in Chichester District.

*Client: Chichester District Council*

### **Tunbridge Wells Hotel Futures Study**

A study to assess the scope for new hotel provision in Tunbridge Wells Borough

*Client: Tunbridge Wells Borough Council*

### **Isle of Wight Hotel Futures Study**

An evaluation of current hotel performance on the Isle of Wight and the potential for new hotel investment, leading to the development of a Hotel Development Strategy for the Island.

*Client: Isle of Wight Council*

### **Liverpool Hotel Futures 2004/05 Update**

Research to provide up-to-date information on hotel performance and development activity and interest in Liverpool

*Client: Liverpool Vision/ The Mersey Partnership*

### **Hampshire Hotel Trends Survey 2004**

A review of hotel performance across Hampshire in 2004 and 2003

*Client: Hampshire County Council*

### **Medway Hotel Futures Study**

A study to assess the potential for new hotel development in the Borough of Medway in Kent

*Client: Medway Borough Council*

### **East Hampshire Hotel Futures Study**

A study to assess the potential for new hotel development in East Hampshire.

*Client: East Hampshire District Council*

### **Bolton Small Accommodation Sector Study**

A study to assess the market for small hotels and guest houses in Bolton

*Client: Bolton Metro*

### **Chester Hotel Supply Comparisons**

A comparison of hotel supply and recent development between Chester and other historic cities in the UK

*Client: Cheshire & Warrington Tourism Board*

### **South-East Self-Catering Sector Study – A Market Up-Date**

A study to up-date the strategic sector trends identified in the 2002 study for the Southern Region, to extend its coverage in terms of supply and market data to the wider South East, and identify development and marketing needs, including detailing the potential for new development and an evaluation of key drivers to success impacting on the sector.

*Client: Tourism South East*

**2004**

### **Merseyside Hotel Futures**

A series of 6 studies to assess the potential for new hotel development in each of the Merseyside local authority areas.

*Client: The Mersey Partnership*

### **Surrey Hotel Futures**

A study to assess hotel performance and future hotel development potential across Surrey.

*Client: Surrey County Council/ Surrey District Councils*

### **Telford Hotel Investment Study**

A study to examine the potential for new hotel development in Telford.

*Client: Telford & Shropshire Marketing Partnership*

### **Sevenoaks Hotel Futures Study**

A study to assess the potential for new hotel development in Sevenoaks District.

*Client: Sevenoaks District Council*

### **Oxford Guest House and Small Hotel Sector Study**

A study of the market for guest houses and small hotels in Oxford to inform the City Council's planning policies for the retention of short stay accommodation in the city.

*Client: Oxford City Council*

### **Rural Pub Accommodation: Unlocking the Tourism Potential**

A major study into the rural pub accommodation sector in the South East of England that sets out product development and marketing strategies to stimulate further development and build routes to market. The study included the development of local authority planning guidance on developing pub accommodation and a business advisory toolkit for independent investors and their advisors.

*Client: Tourism South East*

### **West Kent & East Sussex Tourism Accommodation Retention Study**

Research to quantify the loss of tourist accommodation in Lewes, Wealden and Tunbridge Wells, provide evidence of demand and suggest practical measures for local authorities to put in place to protect the sector.

*Client: Lewes, Wealden and Tunbridge Wells District/Borough Councils*

## **2003**

### **Hampshire Hotel Performance Review**

A review of hotel performance across Hampshire and identification of opportunities for further hotel development across the county

*Client: Hampshire County Council*

### **Liverpool Hotel Demand Study**

A study to assess the potential for new hotel development in Liverpool.

*Client: Liverpool Vision*

### **Blackburn Hotel Demand Study**

A study of the potential for hotel development in Blackburn town centre

*Client: Blackburn & Darwen Borough Council*

### **East Kent Hotel Sector Shortage Study**

A strategic assessment of gaps in current hotel provision in East Kent, and opportunities for new hotel development in the area.

*Client: Kent County Council/ East Kent District Councils*

### **Havant Hotel Development Study**

A study to assess the potential for new hotel development in Havant in Hampshire

*Client: Havant Borough Council*

### **Wycombe Hotel Demand Study**

A study to assess the potential for new hotel development in the district of Wycombe in Buckinghamshire

*Client: Wycombe District Council*



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