EAST LEICESTERSHIRE TOURIST ACCOMMODATION STUDY

Report of Key Findings

Prepared for:
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hotel solutions
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EXECUTIVE SUMMARY

Study Purpose

The main purpose of the study is to provide a clear understanding of the future potential for tourist accommodation development in the East Leicestershire LEADER Area and the role that Leicestershire County Council and its public sector partners can play to realise this potential, both through the LEADER Programme and in other ways.

Current Tourist Accommodation Supply

There are currently 145 tourist accommodation establishments in East Leicestershire offering a total of 3,751 letting bedspaces. The area has a wide range of different types of visitor accommodation, including some niche offers. The greatest bedspace capacity is in hotel accommodation and caravanning and camping provision. Other forms of serviced accommodation (inns, restaurants with rooms, guest houses and B&Bs) account for just under 14% of total bedspaces, while self-catering accommodation makes up 6.5% of the area's tourist accommodation supply. There is only one glamping (luxury camping) site and nothing in terms of group and youth accommodation such as a youth hostel or bunkhouse barn. Two thirds of East Leicestershire's accommodation supply is in Harborough District and around a third is in Melton Borough. Just 5% of the area's bedspace capacity lies in the Charnwood part of the LEADER Area and there is no accommodation in the Blaby section. Quality varies significantly from luxury country house hotels to low grade hotels and pub accommodation. There is nothing currently in terms of boutique accommodation. The area's accommodation businesses are generally small in size. There are no large hotels, no sizeable holiday cottage complexes with leisure, no holiday lodge park of any scale and few 'super' holiday cottages that can cater for family and friend get togethers, celebrations and reunions. The area has very little accessible accommodation. East Leicestershire's accommodation supply has increased and improved in terms of hotel, self-catering and caravanning and camping provision but reduced in terms of B&B and pub accommodation supply. A Premier Inn budget hotel is about to open in Melton Mowbray and work is underway on a large new holiday lodge park at Asfordby and a major new canal boat marina at North Kilworth.

Current Performance and Markets

There is strong demand for all forms of tourist accommodation across East Leicestershire at weekends, other than for canal boat holiday hire and lower grade hotels and pub accommodation. Many accommodation businesses of all types trade at full capacity and turn business away on most weekends between April and October.

Midweek occupancies are generally lower for most types of accommodation other than independent 3/4 star, budget and lower grade hotels, some 4 star inns, a few B&Bs , self-catering establishments and touring caravan and camping sites in the summer school holidays, and the Ragdale Hall health hydro.

Key markets are:

- Local corporate business during the week for 3/4 star , budget hotels and one country house hotel;
- Residential conferences in the week for one luxury country house hotel;
- Midweek demand from contractors for budget and lower grade hotels;
- Weddings parties at weekends for hotels, inns, guest houses and B&Bs;
- Weekend breaks for self-catering businesses and touring caravan and camp sites.

There are clear shortages of hotel accommodation in Market Harborough on Tuesday, Wednesday and Saturday nights, and weekend shortages of self-catering accommodation and caravanning and camping provision across East Leicestershire. The new Premier Inn in Melton Mowbray should satisfy any shortages of hotel accommodation here and may challenge some of the town's independent 3 star hotels.

Future Growth Prospects

There are good prospects for future growth in demand for all forms of tourist accommodation in East Leicestershire:

- Accommodation businesses are optimistic about their future prospects;
- The strategic context for growth is positive in terms of economic, tourism and population growth that will deliver greater demand for tourist accommodation;
- East Leicestershire is well placed to capitalise on key trends in the domestic short break market.

Key growth markets will be:

- Local corporate demand during the week;
- Short breaks;
- Wedding parties;
- People visiting friends and relatives.

Tourist Accommodation Development Trends

Many of the key trends in rural tourist accommodation development that are being seen in other parts of the UK are also taking place in East Leicestershire. Trends that are not so far developing, or only slowly emerging in the area are:

- The development of boutique accommodation;
- Holiday cottage complexes with leisure;
- Eco lodge parks;
- Eco camping;
- Camping pods;
- Glamping.

Tourist Accommodation Development Proposals

There are a significant number of proposals and land owner interest currently in East Leicestershire for holiday cottages and holiday lodges, including three holiday lodge developments of scale. There are also a number of proposals and land owner interest in caravan and camp site development, including three fairly large schemes. There are some speculative proposals for new hotels, none of which appear to be being actively progressed, and some initial ideas and proposals for camping pod developments, glamping sites across the area and youth accommodation at Foxton Locks.

Tourist Accommodation Development Priorities in East Leicestershire

The key priorities in terms of accommodation development in East Leicestershire are as follows:

- Further hotel provision in Market Harborough in terms of:
  - A boutique hotel in the town centre;
  - Additional budget hotel supply, most likely in terms of the expansion of the Premier Inn;
  - The progression possibly of the hotel and spa project at Kilworth Springs;
  - The Woodlands bedrooms at Hothorpe Hall being made available for individual corporate bookings.
- A second budget hotel in Lutterworth, given the planned expansion of Magna Park and proposed business park developments off the M1;
- Boutique inns and restaurants with rooms;
- 5 star and boutique B&Bs;
- There is some potential for more self-catering accommodation but probably more holiday cottage and holiday lodge proposals than are needed and a danger therefore of an oversupply of such accommodation. Priorities are:
  - 5 star and boutique self-catering;
  - Luxury holiday cottage complexes with leisure facilities;
  - The expansion of existing holiday lodge operations;
  - Eco lodge parks of scale;
  - Large 'super' cottages that can cater for family and friend get togethers and celebration weekends.

- The upgrading and expansion of existing touring caravan and camping sites including:
    - The installation of electric hook up points to pitches;
    - The development of hard standing pitches and fully serviced pitches;
    - New and/or improved toilet and shower blocks.
- Camping pod developments;
- Glamping sites.

The strongest opportunities for rapidly increasing East Leicestershire's tourist accommodation supply lie in the development of non-serviced accommodation. The greatest interest is in developing these types of accommodation and there are a number of schemes that could be progressed quite quickly, including some of scale. Non-serviced accommodation has the greatest potential to attract short break and holiday business to the area and would bring substantial benefits in terms of:

- Providing opportunities to boost the incomes of farming and rural and land-based businesses;
- Generating income for rural shops, pubs, restaurants and food producers - people staying in non-serviced accommodation tend to spend more in local food shops and on eating out;
- Creating new jobs, both directly and indirectly as customer and accommodation business spending permeates through the local economy.

Proposed Tourist Accommodation Development Support Programme 2015/16

The following programme of support is suggested for 2015/16, to be reviewed at the end of the year to determine how best to allocate further funding for the remaining 5 years of the LEADER Programme to help accelerate tourist accommodation development in the area:

Programme 1: Accommodation Development Accelerator Programme

A programme of specialist consultancy support to help accelerate 10 priority tourist accommodation development projects drawn from the list of those already identified through the Tourist Accommodation Study.

Programme 2: Accommodation Development Workshops

A programme of 4 workshops covering the development of high quality B&Bs, pub accommodation, self-catering and glamping sites.

Programme 3: Accommodation Sector Marketing Support

Two strands:

- Retention of a PR consultant to generate press and media coverage for existing and new high quality, distinctive accommodation businesses in the LEADER area;
- A programme of 3 marketing skills training workshops covering online marketing, social media and PR.

Programme 4: Lutterworth Hotel Site Search & Marketing

Work to identify a potential hotel site in Lutterworth and market it to national budget hotel companies.

Next Steps

The next steps in terms of acting on the study findings are as follows:

- Circulation of the draft report to relevant parties for comments before finalisation at the end of February;
- Consideration by the LAG of the proposed Tourist Accommodation Development Support Programme for 2015/16;
- Dissemination of the final report to interested parties, possibly supported by a presentation event.

1. INTRODUCTION

1.1 Background to the Study

1.1.1. In November 2014 Leicestershire County Council secured funding through the Rural Development Programme for England (RDPE) 2014-2020 for the East Leicestershire LEADER Programme covering Melton Borough, Harborough District and small parts of Charnwood Borough and Blaby District. The Local Development Strategy produced for the area as part of the LEADER bid identifies developing East Leicestershire as a thriving short-stay destination for people interested in fine food and drink, culture and heritage, and field and outdoor pursuits as a key priority and suggests that the area is well placed to capitalise on national tourism growth through the development of a stronger tourist accommodation offer, better marketing and further development of the area's cultural, heritage and outdoor activities offer. The approved LEADER Programme includes funding under Priority 4 for the development of staying tourism in the area, including grants to support tourist accommodation projects that will support new jobs. In order to help shape this element of the LEADER Programme Leicestershire County Council commissioned Hotel Solutions in August 2014 to provide some initial consultancy input into the bid document in September 2014 and a detailed piece of research in November and December to provide evidence of the potential for tourist accommodation development in East Leicestershire and guidance on how best the County Council and its public sector partners can support the private sector to realise this potential, both through the LEADER Programme and in other ways.

1.2 Study Objectives

1.2.1. The main objective of the Tourist Accommodation Study is to provide a clear understanding of the future potential for tourist accommodation development in the East Leicestershire LEADER Area and the role that the County Council and its public sector partners can play to realise this potential.

1.2.2. Specific requirements set out in the study brief include to:

- Assess the current tourist accommodation supply in the area and how it might change over the next 5,10 and 15 years;
- Better understand the current and future demand for tourist accommodation within the East Leicestershire area and how the current available supply of accommodation meets this demand;
- Identify any future trends that will impact on the demand for tourist accommodation in East Leicestershire and how these might be exploited for the benefit of economic growth in the area.

1.3 Study Uses

1.3.1. The initial use of the study will be to guide the allocation of LEADER funding to help increase and enhance the supply of tourist accommodation in East Leicestershire.

1.3.2. It is envisaged that the study findings can also be used to inform and support:

- The development by the District and Borough Councils of planning policies for tourist accommodation;
- The determination of planning applications for tourist accommodation development schemes;
- The preparation by the private sector of business plans and planning and funding applications for tourist accommodation development projects;
- The use of other available public sector funding streams to support tourist accommodation development in East Leicestershire;
- The provision of business advice and information to those contemplating the development of tourist accommodation in East Leicestershire.
- The updating of tourism and economic development strategies for the area.

1.4 Study Coverage

1.4.1. In terms of types of accommodation, the study covers the following:

- Hotels
- Inns and pub accommodation
- Guest houses, B&Bs and farmhouse B&Bs
- Self-catering accommodation
- Touring caravan and camping sites
- Camping pods
- Glamping
- Holiday lodge parks
- Group and youth accommodation
- Health spas
- Canal boat holiday hire operations.

1.4.2. In terms of geography, the study covers the East Leicestershire LEADER Area - the entirety of Melton Borough and Harborough District, part of Charnwood Borough around Six Hills, Thrussington, Wymeswold and Burton-on-the-Wolds, and a small part of Blaby District around Countesthorpe.

1.5 Methodology

1.5.1. The study has involved gathering information from a variety of sources, plus detailed analysis, to deliver the required outputs. The work programme has involved the following modules:

- Email and telephone consultations with the relevant officers of the District and Borough Councils and Leicestershire Promotions to understand the strategic context for future tourism growth in East Leicestershire and access information on tourist accommodation development proposals and planning applications.
- A review of relevant tourism and economic development strategies for the area to identify likely future drivers of tourism growth and how these might contribute to increasing demand for tourist accommodation in East Leicestershire.

- A detailed audit of the current supply of tourist accommodation in East Leicestershire, analysed by location, standard and size. We have also reported any recent changes that we have identified through the audit and our stakeholder consultations.
- A review of extant and pending planning applications for tourist accommodation development projects in East Leicestershire.
- An in depth assessment of current tourist accommodation performance and markets undertaken through three surveys:
    - Face-to-face interviews with key hotels and other significant accommodation businesses;
    - Telephone interviews with other hotels and a sample of other larger accommodation businesses;
    - A CATI[1] survey of randomly selected small tourist accommodation businesses across the area.
- A review of national trends in rural tourist accommodation development.
- A survey of land and property owners and farmers, co-ordinated through The NFU and CLA, to assess potential interest in tourist accommodation development and requirements for working up and progressing accommodation projects.

1.5.2. The findings of these modules of research have been drawn together to identify the potential opportunities for tourist accommodation development in East Leicestershire and requirements for public sector intervention to help bring suitable proposals forward.

[1] Computer assisted telephone interviews undertaken by trained interviewers to MRS (Market Research Society) standards.

1.6 Report Structure

1.6.1. The following report sets out the findings of our research in terms of:

- The current supply of tourist accommodation in East Leicestershire and how it has been changing and might change in the future in terms of current tourist accommodation development proposals and pipeline schemes;
- The current performance and markets for each type of tourist accommodation in the area;
- The potential for future growth in tourist accommodation demand in East Leicestershire;
- Rural tourist accommodation development trends that could be picked up in East Leicestershire;
- Land and property owner and farmer interest in tourist accommodation development and their support requirements.

1.6.2. The report finishes with our conclusions about the potential for tourist accommodation development in East Leicestershire and our recommendations on how the County Council and its public sector partners can best support the development of tourist accommodation here, formulated into an East Leicestershire Tourist Accommodation Development Support Programme.

2. EAST LEICESTERSHIRE TOURIST ACCOMMODATION SUPPLY

2.1 Current Supply

2.1.1 Our audit of the current supply of tourist accommodation in East Leicestershire took as its starting point a database of accommodation businesses in the area supplied by Leicestershire Promotions. This database was cross checked against the key online booking accommodation sites (booking.com, LateRooms, Tripadvisor, airbnb, Sawdays, Mr & Mrs Smith, Homeway, Holiday Lettings, Owners Direct, The Cottage Guide, Premier Cottages, UK Campsite, Pitchup, Love Camping, Go Glamping, Cool Camping and Canopy & Stars) and holiday cottage letting agency websites. We also undertook other internet searches to identify visitor accommodation operations in East Leicestershire and our telephone surveys of the area's tourist accommodation businesses identified a number of establishments on Leicestershire Promotions' database that have now ceased trading.

2.1.2. The audit identified a total of 145 tourist accommodation establishments in East Leicestershire offering 3,751 bedspaces. The greatest bedspace capacity is in hotel accommodation and caravanning and camping provision. Other forms of serviced accommodation (inns, restaurants with rooms, guest houses and B&Bs) account for just under 14% of total bedspaces, while self-catering accommodation makes up 6.5% of the area's tourist accommodation supply.

Table 1
EAST LEICESTERSHIRE TOURIST ACCOMMODATION SUPPLY
JANUARY 2015

Type of Accommodation	Total Estabs	%	Total Bedspaces	%
Hotels	17	11.8	1404	37.4
Inns	19	13.1	193	5.1
Restaurants With Rooms	2	1.4	26	0.7
Guest Houses/ B&Bs	49	33.8	321	8.6
Self-Catering	37	25.5	247	6.6
Caravan & Camping Sites	16	11.0	1039	27.7
Glamping Sites	1	0.7	15	0.4
Residential Conference Centres	2	1.4	224	6.0
Health Spas	1	0.7	181	4.8
Canal Holiday Hire Boats	1	0.7	101	2.7
TOTAL	**145**	**100**	**3751**	**100**

2.1.3. East Leicestershire's tourist accommodation supply comprises the following;

- Two luxury AA 4 Red Star country house hotels - Stapleford Park and Kilworth House;
- A 4 star golf hotel - Ullesthorpe Court;
- A number of independent 3 star and ungraded hotels of varying quality, located mainly in and around Melton Mowbray, Market Harborough and Lutterworth and along the A46 corridor at Six Hills and Thrussington;
- Premier Inn and Travelodge budget hotels in Market Harborough, Lutterworth and Great Glen;
- A good supply of inns and pub accommodation across the area;
- A range of guesthouses, B&Bs and farmhouse B&Bs;
- A destination health hydro - Ragdale Hall;
- Two Christian residential conference and retreat centres - Hothorpe Hall and Launde Abbey;
- A good choice of self-catering holiday accommodation, including holiday lodges, self-catering barn conversions and residential properties let out for holidays and other short stay purposes.
- Two small holiday lodge operations in East Leicestershire, both with three lodges - Foxton Locks Lodges and Brook Meadow at Sibbertoft.
- A fishing lodge complex - Eye Kettleby Lakes;

- A canal boat holiday hire operation and canal boat timeshare business at Union Wharf in Market Harborough;
- A number of small touring caravan and camping sites and certificated sites;
- Five larger touring caravan and camping sites;
- One glamping operation - Vale House Belvoir
- No group or youth accommodation e.g. youth hostels, bunkhouse barns or children's activity holiday centres.

2.1.4. In addition to this commercial tourist accommodation 150 private canal boats are moored at Debdale Wharf Marina on the Grand Union Canal near Market Harborough. Belvoir Castle has 11 luxury bedrooms available on an exclusive hire basis for weddings, shoots and private events and a shooting lodge that can be hired by shooting parties.

Analysis by Location

2.1.5. The tables overleaf provide an analysis of East Leicestershire's current tourist accommodation supply by district in terms of numbers of establishments and bedspace capacity for each category of accommodation. This analysis and our audit of the area's tourist accommodation supply show the following:

- Harborough District accounts for almost two thirds of East Leicestershire's tourist accommodation supply, Melton around a third. Just 5 per cent of the area's bedspace capacity lies in the Charnwood part of East Leicestershire. There are no accommodation businesses in the Blaby section.
- East Leicestershire's 3 star, ungraded and budget hotels are primarily located in and around the area's towns and in roadside locations.
- The supply of inns, guest houses, B&Bs, self-catering accommodation and caravan and camping sites is spread across the area: there are no significant concentrations of these types of accommodation in any one location.
- The area's only glamping site is in Melton Borough.
- The Ragdale Hall health hydro is in Melton Borough.
- The two Christian conference and retreat centres are in Harborough.
- The canal boat holiday hire and timeshare operations are both based in Market Harborough. There are no other canal boat holiday hire operations in any other locations along the Grand Union Canal.

Table 2
EAST LEICESTERSHIRE TOURIST ACCOMMODATION SUPPLY - JANUARY 2015
ANALYSIS BY DISTRICT - ESTABLISHMENTS

District	Hotels		Inns/RWRs		Guest Houses/B&Bs		Self-Catering/ Canal Boats		Caravan & Camp Sites/ Glamping		Residential Conference Centres		Health Spas		TOTAL	
	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%
Melton	5	29.4	9	42.8	18	36.7	18	47.4	4	23.5			1	100	55	37.9
Harborough	10	58.8	11	52.4	28	57.2	19	50.0	11	64.7	2	100			81	55.9
Charnwood	2	11.8	1	4.8	3	6.1	1	2.6	2	11.8					9	6.2
TOTAL	**17**	**100**	**21**	**100**	**49**	**100**	**38**	**100**	**17**	**100**	**2**	**100**	**1**	**100**	**145**	**100**

Table 3
EAST LEICESTERSHIRE TOURIST ACCOMMODATION SUPPLY - JANUARY 2015
ANALYSIS BY DISTRICT - BEDSPACES

District	Hotels		Inns/RWRs		Guest Houses/B&Bs		Self-Catering/ Canal Boats		Caravan & Camp Sites/ Glamping		Residential Conference Centres		Health Spas		TOTAL	
	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%
Melton	439	31.3	78	35.6	118	36.8	135	38.8	267	25.3			181	100	1218	32.5
Harborough	841	59.9	128	58.4	193	60.1	202	58.0	741	70.3	224	100			2329	62.1
Charnwood	124	8.8	13	6.0	10	3.1	11	3.2	46	4.4					204	5.4
TOTAL	**1404**	**100**	**219**	**100**	**321**	**100**	**348**	**100**	**1054**	**100**	**224**	**100**	**181**	**100**	**3751**	**100**

Analysis by Standard

2.1.6. The tables overleaf provide an analysis of East Leicestershire's current tourist accommodation supply by standard. This analysis is based on current participation in the National Quality Assurance Scheme, as far as we have been able to establish this. Participation in NQAS is however not necessarily a definitive guide to the quality of tourist accommodation in East Leicestershire as increasing numbers of accommodation operators across the country are deciding not to take part in the Scheme either due to cost or because they feel that it is no longer relevant at a time when customers are increasingly booking through online travel agents that use their own grading systems or allow self- rating, or take much more notice of customer reviews and ratings on Tripadvisor. This also seems to be happening in East Leicestershire. Many ungraded establishments thus offer standards of accommodation that are on a par and sometimes higher than graded establishments. To provide a further insight into the quality of tourist accommodation that is currently on offer in East Leicestershire we have also made an assessment of Tripadvisor reviews for the area's key destinations and have viewed the marketing websites of many of the area's accommodation businesses. On the basis of these assessments we make the following observations on the quality of current tourist accommodation provision in East Leicestershire:

- Only a quarter of the area's accommodation establishments are NQAS graded.
- The area's two luxury AA 4 Red Star country house hotels (Stapleford Park and Kilworth House) offer very high quality accommodation.
- The area's 3 star hotels appear to offer a fairly dated style of accommodation but are generally achieving good reviews on Tripadvisor.
- There are no boutique[1] hotels in East Leicestershire.
- The area's ungraded hotels appear to offer a basic standard of accommodation primarily for the contractor market. Two of them are consistently receiving mostly 'Poor' and 'Terrible' ratings on Tripadvisor, while the other two are receiving more mixed reviews.

[1] See Appendix 1 for a glossary of definitions

- The quality of the area's inns, guest houses and B&Bs appears to be variable but generally good. Tripadvisor reviews are largely positive. The area has no boutique inns, only one 5 star B&B and no boutique B&Bs, although three B&Bs (The Grange at Kimcote, The Gorse House at Grimston and Kicklewell House at Laughton near Lutterworth) are listed on Alastair Sawday's Special Places to Stay website.
- The quality of East Leicestershire's self-catering accommodation supply is likely to be variable. The area has a number of 4 star properties but no 5 star self-catering and as far as we have been able to establish nothing of a boutique standard.
- All of East Leicestershire's touring caravan and camping sites appear to offer a good standard of provision. They have all received average customer ratings of 8-10 out of 10 on the UK Campsite website. The area has one 5 star touring park - Eye Kettleby Lakes. East Leicestershire's touring caravan and camping sites are otherwise ungraded, although 9 of them are certificated and inspected annually by the Caravan Club or Camping & Caravanning Club.

Table 4
EAST LEICESTERSHIRE TOURIST ACCOMMODATION SUPPLY - JANUARY 2015
ANALYSIS BY STANDARD/GRADE - ESTABLISHMENTS

Standard	Hotels		Inns/RWRs		Guest Houses/B&Bs		Self-Catering/ Canal Boats		Caravan & Camp Sites/ Glamping		Residential Conference Centres		Health Spas		TOTAL	
	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%
Luxury	2	11.8													2	1.4
Boutique																
5 star					1	2.0			1	5.9					2	1.4
4 star	1	5.9	3	14.3	10	20.4	7	18.4							21	14.5
3 star	6	35.3	2	9.5			4	10.5							12	8.3
2 star																
Branded Budget	4	23.5													4	2.7
Ungraded	4	23.5	16	76.2	38	77.6	27	71.1	16	94.1					101	69.6
No national grading											2	100	1	100	3	2.1
TOTAL	**17**	**100**	**21**	**100**	**49**	**100**	**38**	**100**	**17**	**100**	**2**	**100**	**1**	**100**	**145**	**100**

Table 5
EAST LEICESTERSHIRE TOURIST ACCOMMODATION SUPPLY - JANUARY 2015
ANALYSIS BY STANDARD/GRADE - ESTABLISHMENTS

Standard	Hotels		Inns/RWRs		Guest Houses/B&Bs		Self-Catering/ Canal Boats		Caravan & Camp Sites/ Glamping		Residential Conference Centres		Health Spas		TOTAL	
	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%
Luxury	229	16.3													229	6.1
Boutique																
5 star					14	4.4			122	11.2					136	3.6
4 star	144	10.3	47	21.5	73	22.7	37	10.6							301	8.0
3 star	486	34.6	22	10.0			24	6.9							532	14.2
2 star																
Branded Budget	340	24.2													340	9.1
Ungraded	205	14.6	150	66.5	234	72.9	287	82.5	932	88.8					1808	48.2
No national grading											224	100	181	100	405	10.8
TOTAL	**1404**	**100**	**219**	**100**	**321**	**100**	**348**	**100**	**1054**	**100**	**224**	**100**	**181**	**100**	**3751**	**100**

Analysis by Size

2.1.7. The tables overleaf provide an analysis of East Leicestershire's current tourist accommodation supply by size. Key observations from this analysis are as follows:

- East Leicestershire's hotels are mainly small. 70% of them have under 50 bedrooms and 40% have 30 or fewer bedrooms. There is no hotel with more than 100 bedrooms. The largest hotel is the Scalford Hall Hotel with 79 bedrooms.
- The area's inns are a mix of sizes. There are a few larger inns with 7-10+ bedrooms.
- As is typical for this type of accommodation most of East Leicestershire's B&Bs and guest houses are small establishments with 1-3 bedrooms. The area also has a few larger guest houses with 7-10+ bedrooms. Stanford Hall is the largest B&B operation in the area. It has up to 20 luxury bedrooms available for use in association with weddings and functions held at the hall.
- East Leicestershire's self-catering supply is predominantly in single units. The area has 5 holiday cottage and holiday lodge complexes with 2 or 3 units. None of these complexes have leisure facilities such as swimming pools, saunas and games rooms. East Leicestershire also has two larger self-catering operations - Eye Kettleby fishing lodges (10 lodges) and Union Wharf Narrowboats (19 holiday hire and timeshare canal boats).
- Most of East Leicestershire's self-catering supply is in 1,2 and 3-bedroom units. The area has three large (super cottage) properties that can cater for large family and friend get togethers and celebrations:
  - Church House Cottage, Brooksby (12 bedspaces)
  - Swallow's Rest, Stathern (15 bedspaces)
  - The Hollies, South Kilworth (17 bedspaces).
- East Leicestershire's touring caravan and camping sites are mainly small sites with no more than 20 pitches. The area has 5 sites with 50-60 pitches and a large site (123 pitches) at Stanford Hall.

Table 6

EAST LEICESTERSHIRE HOTEL SUPPLY - JANUARY 2015 - BY SIZE

Number of Bedrooms	Hotels	%
1-10		
11-20	1	5.9
21-30	6	35.3
31-40	4	23.5
41-50	1	5.9
51-100	5	29.4
101-150		
TOTAL	**17**	**100**

Table 7

EAST LEICESTERSHIRE INNS SUPPLY - JANUARY 2015 - BY SIZE

Number of Bedrooms	Inns	%
2	6	28.7
3	2	9.5
4	3	14.3
5	2	9.5
6	2	9.5
7	2	9.5
8	2	9.5
10+	2	9.5
TOTAL	**21**	**100**

Table 8

EAST LEICESTERSHIRE GUEST HOUSE/ B&B SUPPLY - JANUARY 2015 - BY SIZE

Number of Bedrooms	Guest Houses/ B&Bs	%
1	8	16.4
2	12	24.5
3	16	32.7
4	6	12.2
5	1	2.0
6	2	4.1
7	2	4.1
8	1	2.0
10+	1	2.0
TOTAL	**49**	**100**

Table 9

EAST LEICESTERSHIRE SELF-CATERING SUPPLY (INCLUDING CANAL HOLIDAY HIRE BOATS) - JANUARY 2015 BY SIZE OF OPERATION (NUMBER OF LETTING UNITS)

Number of Letting Units	Estabs	%
1	31	81.6
2	1	2.6
3	4	10.5
5-9		
10-19	2	5.3
20+		
TOTAL	**38**	**100**

Table 10

EAST LEICESTERSHIRE SUPPLY OF TOURING CARAVAN & CAMPING SITES + GLAMPING SITES - JANUARY 2015 BY SIZE (NUMBER OF PITCHES)

Number of Pitches	Sites	%
1-4	1	5.9
5	6	35.3
10	1	5.9
11-25	3	17.7
30-40		
50-100	5	29.3
100+	1	5.9
TOTAL	**17**	**100**

Accessible Accommodation

2.1.8. Our audit of tourist accommodation in East Leicestershire has not included a full review of the provision of accessible accommodation across the area. However from the research that we have undertaken such provision appears to be limited at present. As far as we have been able to establish only two establishments in East Leicestershire are currently inspected under the National Accessible Scheme (NAS) - Walton Thorns Farm Holiday Cottages (graded 2 for people with hearing loss and suitable for part-time wheelchair users) and The Angel Hotel in Market Harborough (graded 1 for people with hearing loss). Open Britain lists 14 accommodation businesses in East Leicestershire that have assessed themselves as being accessible for people with disabilities. These are mainly hotels. This equates to just 10% of the area's accommodation businesses. There also appear to be some B&Bs, guest houses and self-catering establishments that may be able to provide level access and ground floor bedrooms but we have not identified any examples of such accommodation establishments in East Leicestershire offering specially adapted bedrooms and as far as we have been able to establish there are currently no such businesses that would be suitable for an independent wheelchair user.

2.2 Recent Changes

2.2.1 While we have not been able to identify all of the changes that have taken place in East Leicestershire's tourist accommodation supply over the last 5 years, we have been able to establish that the supply has increased and improved in terms of hotel , self-catering and touring caravan and camp site provision but has reduced in terms of B&B and pub accommodation supply.

Additions, Extensions and Refurbishment

2.2.2. In terms of new establishments and the expansion, development and refurbishment of existing tourist accommodation businesses our research has identified the following:

Hotels

- The Travelodge Market Harborough opened in 2011.
- The Travelodge Leicester Thrussington was sold to private owners in 2013 and has subsequently re-opened as the Rafee Hotel.
- The Travelodge Lutterworth has been upgraded to the new Travelodge bedroom standard.
- The Best Western Three Swans Hotel in Market Harborough was acquired by the Bulldog Hotel Group in July 2013. It is currently undergoing a £1m refurbishment programme that includes the development of a new restaurant. This will be fully completed by the summer of 2015. The hotel will remain as a 3 star hotel.
- The Quorn Lodge Hotel in Melton Mowbray added 2 guest bedrooms and a small gym in 2012.
- Scalford Hall Hotel was bought out of administration by new private owners in February 2014.
- The Best Western Plus Ullesthorpe Court is currently undergoing refurbishment.

Inns

- The Star Inn 1744 at Thrussington added 2 guest bedrooms in July 2014.
- The Nevill Arms at Medbourne opened 2 new guest bedrooms in 2014.
- Two of the pub accommodation operators that responded to our telephone survey have been in business for less than 3 years.

B&Bs/Guest Houses

- Vale House Belvoir opened in 2011 for exclusive use B&B or self-catering bookings for family and friend celebration weekends and get togethers. It also offers glamping as an additional or alternative accommodation option.
- Two of the B&B/guest house operators that took part in our telephone survey have been in business for less than 3 years. One B&B respondent has added more guest bedrooms.

Self-Catering

- Foxton Locks Lodges opened in 2012 with two lodges, subsequently adding a third lodge in 2013.
- Walton Thorns Farm Holiday Cottages added a third self-catering barn conversion in 2010.

Touring Caravan & Camp Sites

- Eye Kettleby Lakes developed its CL site into a 61-pitch 5 star touring park in 2012.
- Sysonby Acres expanded from a 5-pitch certificated site to a 50 pitch touring caravan and camping site in September 2012.
- Brook Meadow opened a new toilet and shower block in 2013.
- Ashby Lane Farm expanded from a certificated site in 2009. The site now has 50 pitches.
- Two of the touring caravan and camp site operators that responded to our telephone survey have been trading for less than 3 years and one caravan site operator that responded has increased from 5 to 20 pitches.

Other Accommodation

- Hothorpe Hall Christian conference centre has added two meeting rooms and three more guest bedrooms alongside investment to improve its car park, landscaping and refurbishment of its reception and dining area.

Closures

2.2.3. Our research has identified the following tourist accommodation businesses on the database that Leicestershire Promotions provided for East Leicestershire that have now closed, in most cases due to the retirement or ill health of their owners:

Hotels

- The Copperfield Hotel in Market Harborough (16 bedrooms)

Inns

- Bewicke Arms, Hallaton (3 bedrooms)
- The Village Inn, Market Harborough (8 bedrooms)
- Peacock, Croxton Kerrial (7 bedrooms)

B&Bs/Guest Houses

- Holly Cottage Tea Rooms B&B, Loddington (2 bedrooms)
- Mrs Armitage's B&B, Husbands Bosworth (3 bedrooms)
- Old Rectory, North Kilworth (2 bedrooms)
- Victoria Farm B&B, Claybrook Magna (7 bedrooms)
- The Hollies, Goadby (3 bedrooms)
- Old Manor House, Long Clawson (3 bedrooms)
- The Old Stables B&B, Burrough-on-the-Hill (2 bedrooms)
- Medbourne Grange, Nevill Holt (3 bedrooms)
- Old Guadeloupe Farm House, Eye Kettleby (3 bedrooms)
- Peacock Farm Annexe, Redmile (3 bedrooms) - now self-catering
- Honeypot Lane Bed & Breakfast, Husbands Bosworth (2 bedrooms)

Touring Caravan & Camp Sites

- Ullesthorpe Garden Centre Caravan Site (32 pitches)
- Manor Farm Certificated Site, Ashby Magna (5 pitches) - closed 2014
- Kilworth Caravan Park, North Kilworth

Canal Boat Holiday Hire

- Anglo Welsh ceased operating its canal boat holiday hire operation from North Kilworth Wharf in 2014.

2.3. Tourist Accommodation Schemes Under Construction

2.3.1. Our research has identified the following tourist accommodation schemes that are currently under construction in East Leicestershire:

- A 50-bedroom Premier Inn budget hotel is due to open in Melton Mowbray in February 2015.
- Hothorpe Hall is currently developing The Woodlands as a new self-contained event centre with a multi-use meeting and function room, dining room and bar and 23 en-suite bedrooms in woodland snugs and family lodges and a luxury treehouse. It will function as a separate conference and wedding venue and act as overflow accommodation for larger events , conferences and weddings in the main hall. It's bedrooms might also be made available for individual bookings. The venue will open in May 2015.
- Work is underway on the development of the Frisby Lakes Country Park holiday lodge park on the site of the former Frisby sand and gravel extraction site at Asfordby. The site has planning permission for 59 lodges for sale and owner occupation. Two lodges have been sold to date.
- Construction work has started on the new North Kilworth Marina. It will have 220 moorings for canal boats and is due to open in 2016.

3. EAST LEICESTERSHIRE TOURIST ACCOMMODATION PERFORMANCE & MARKETS

3.1. Research Undertaken

3.1.1. Our assessment of the performance and market demand for tourist accommodation in East Leicestershire is based on three surveys:

- Face-to-face interviews with key hotels and other significant accommodation businesses (listed at Appendix 2);
- Telephone interviews with other hotels and a sample of larger tourist accommodation business (listed at Appendix 2);
- A CATI[1] survey of randomly selected small tourist accommodation businesses across the area (reported at Appendix 3).

3.2 Tourist Accommodation Performance

Hotels

3.2.1. Hotel performance in East Leicestershire varies significantly by standard and type of hotel:

- The area's **luxury country house hotels** achieve relatively low room occupancies but very high average room rates[2]. Their weekend occupancies are strong but seasonal, peaking between April and October through a combination of weddings and weekend break business. Midweek occupancies are generally lower and more variable, with hotels catering for a mix of residential conferences and midweek leisure breaks alongside some corporate business from local companies. Occupancies and achieved room rates have steadily improved in the last 3 years as the economy has started to recover.

[1] Computer assisted telephone interviews undertaken by trained interviewers to MRS (Market Research Society) standards.
[2] The average net price that a hotel achieves after deduction of VAT, breakfast (if included in the price), discounts and commission charges.

- The performance of East Leicestershire's **independent 3/4 star hotels** varies significantly by location and quality of hotel. Average annual room occupancies ranged from 49% to 76% in 2014 and averaged out at 65%[1] across the area as a whole. Annual average room rates ranged from £47 to £64 and averaged out at £54[1]. Midweek occupancies are generally strong, with most of the area's independent 3/4 star hotels consistently filling and turning business away on Tuesday and Wednesday nights for much of the year and achieving high occupancies on Monday nights and to a lesser extent Thursday nights. Saturday occupancies are generally strong but Friday and especially Sunday night occupancies are lower. Weekend demand is seasonal, with weekend occupancies very low in January and February. Occupancies and average room rates have generally improved over the last 3 years, significantly so for one hotel following major investment. Other factors behind the improvement in performance have been better management of room rates and improved customer service. One hotel have concentrated on driving up occupancies by offering discounted room rates and special offers through online travel agents (booking.com. LateRooms etc.) and daily deals sites (Groupon, Living Social, Wowcher etc), resulting in a reduction in average room rate. It will now focus on increasing its average room rate in 2015.

- The average annual room occupancy for Premier Inn and Travelodge branded **budget hotels** in East Leicestershire was a very high 83% in 2014. This is typical of such hotels, which benefit from the strong brand identify, significant customer base, guest loyalty programmes and national TV and media advertising of these companies. By national standards average room rates for the area's budget hotels were relatively low at £40. Midweek occupancies are very high with the area's budget hotel consistently filling and turning business away on 2-3 weekday nights for most of the year. They also consistently fill and deny business on Saturday nights throughout the year and Friday nights in the summer. Friday night occupancies are otherwise not quite as strong and Sunday night occupancies are generally low. Budget hotel occupancies grew significantly in 2014 as a result of increased demand from the contractors

[1] Compared to the national averages for provincial 3/4 star chain operated hotels of 73.9% and £76.49 in 2014

market, the refurbishment of the Lutterworth Travelodge and the national TV advertising campaigns of Premier Inn and Travelodge.

- East Leicestershire's **lower grade** hotels achieved high occupancies in 2014 (70-75%) but very low average room rates (under £25). They are generally fully booked from Monday to Thursday with contractor business. Weekend occupancies are lower and seasonal. Saturday nights are a little stronger but Friday and Sunday occupancies tend to be low. Occupancies generally improved in 2014 as a result of increased contractor business.

Inns & Pub Accommodation

3.2.2. Our CATI survey of small tourist accommodation businesses (Appendix 3) shows inns and pub accommodation establishments in East Leicestershire as achieving low occupancies. Five of the six pub accommodation businesses interviewed reported average annual room occupancies of under 50% in 2014. Two reported a drop in occupancy over the last three years. Only one indicated any improvement in occupancy. Occupancies were recorded as generally high at weekends between April and October but lower for winter weekends and not particularly strong during the week at any time of year.

3.2.3. The three 4 star inns that we interviewed separately from the CATI survey reported higher levels of room occupancy of around 60-65% in 2014, suggesting stronger demand for higher quality pub accommodation. These inns similarly reported strong weekend occupancies during the summer, with all three of them trading at full capacity on Saturday nights and some Friday nights between April and October. Weekend occupancies are not as strong in the winter, while midweek occupancies are variable. Two of the inns frequently fill during the week and another is sometimes fully booked on weekdays during the shooting season between September and February.

B&Bs and Guest Houses

3.2.4. Our CATI survey of small tourist accommodation businesses showed a wide variation in the occupancies achieved by B&Bs and guest houses in East Leicestershire. A few establishments are trading strongly with average annual room occupancies of over 70% in 2014. The majority reported room occupancies of under 50% however, and under 30% for a fifth of the B&Bs and guesthouses interviewed. These results are not necessarily an indication of a lack of demand for such accommodation however. B&Bs and guest houses are very much lifestyle businesses and owners will often limit the amount of business they take according to the lifestyle they wish to pursue or their life stage or personal circumstances. In terms of trends in occupancy levels over the last 3 years, half of the B&Bs and guest houses interviewed reported a drop in occupancy, while a quarter indicated an upturn in occupancy levels. The winding down of business as owners approach retirement, ill health and other personal circumstances were the most commonly cited reasons for a drop in business. The survey findings do not necessarily indicate a fall in demand for B&B accommodation in the area therefore.

3.2.5. The separate telephone interviews that we conducted with four of East Leicestershire's 4 and 5 star B&Bs showed a similar pattern of mixed performance. One has a strong local business trade during the week that generally fills all of its bedrooms on Monday, Tuesday and Wednesday nights. It is also frequently fully booked with wedding parties on Friday and Saturday nights during the summer months. Another is fully booked at weekends between March and December with exclusive use family get togethers, celebration weekends, hen parties or wedding groups, but attracts very little midweek business. One establishment in the Vale of Belvoir trades at low occupancies, which have fallen since Belvoir Castle has reduced its opening times and weddings business. The fourth B&B that we interviewed reported an adequate level of occupancy and no plans to increase it.

Self-Catering

3.2.6. The CATI survey of individual self-catering properties paints a picture of fairly strong self-catering performance in East Leicestershire in 2014. Six of the seven self-catering operators interviewed reported annual unit occupancies of over 50% and two reported an occupancy of over 70%. Four operators indicated that their occupancy levels have increased in the last 3 years, while two reported a downturn. The majority of self-catering businesses interviewed were fully booked and turning business away on weekends between April and October and some were also fully booked for many weekends in the summer. Most also reported reasonably strong midweek occupancies.

Holiday Cottage and Lodge Complexes

3.2.7. Our separate telephone interviews with holiday cottage and holiday lodge complexes showed a similar picture of strong demand for self-catering accommodation in East Leicestershire. Four of the five complexes interviewed reported high average annual unit occupancies in 2014 of 75% to 95%. They were all consistently fully booked and turning business away between April and October and over the Christmas and New Year period. They also consistently filled at weekends and achieved good midweek occupancies in the winter. The fifth holiday cottage complex that we interviewed was generally fully booked at weekends throughout the year but achieved low weekday occupancies.

Touring Caravan & Camping Sites

3.2.8. The CATI survey of small touring caravan and camping sites shows that such businesses are performing well in East Leicestershire, with four of the six caravan and camp sites interviewed reporting an average annual pitch occupancy of over 50% in 2014. Given the seasonal nature of the caravanning and camping market these are strong results. All of the caravan and camping sites interviewed have either maintained or increased their occupancy levels over the last 3 years. Three of the sites trade at full capacity for most weekends between April and October and weekend occupancies are also high for another two sites during these months. Most sites have spare capacity during the week and for weekends in the winter.

3.2.9. Our telephone survey of larger touring caravan and camping sites shows a similar but more mixed picture of performance. Two of the four sites interviewed are consistently fully booked and turning business away at weekends between Easter and the end of October for pitches with electric hook up and fully serviced pitches (with hard standings, electric hook up, mains water connection and foul drainage). Another site also achieves strong occupancies at weekends, while the fourth site interviewed is trading at relatively modest levels of occupancy, even at weekends. All of the sites interviewed reported lower midweek occupancies other than in July and August when two sites regularly fill and turn business away during the week. Winter occupancies are very low for all four of the interviewed sites.

Other Accommodation

3.2.10. Ragdale Hall health hydro trades at virtually full occupancy throughout the year, catering exclusively for spa breaks.

3.2.11. Hothorpe Hall Christian conference centre trades well at weekends, catering for weddings, church weekends and some leisure groups. Midweek occupancies are generally lower, with the centre catering for Christian and some corporate residential conferences.

3.2.12. Launde Abbey caters mainly for religious retreats for individuals and groups, together with Christian conferences and occasional Christian weddings for families that have some connection to the Abbey.

3.2.13. Our discussions with ABC Boat Hire indicate a relatively weak market for canal boat holiday hire from Market Harborough. Foxton Locks and the time it takes to get through them are a barrier to people taking short canal breaks from Union Wharf. Demand is stronger for long holidays, however bookings have reduced over the last 3 years, although there are some signs of recovery for 2015. Anglo Welsh stopped operating canal boat holiday hire from North Kilworth in 2014 - another indication perhaps of the lack of demand for canal boat holidays on this stretch of the Grand Union Canal. The Canal Boat Club timeshare boat operation at Union Wharf reported regular use of the boats by their timeshare owners and for timeshare exchanges, but reducing demand for timeshare purchase of boats.

3.3 Key Markets

Midweek Business Markets

3.3.1. Key midweek business markets for tourist accommodation establishments in East Leicestershire are as follows:

- The main source of midweek business for 3/4 star hotels and one country house hotel is corporate demand from local companies. This business generally fills these hotels on Tuesday and Wednesday nights and provides good occupancy on Monday and to a lesser extent Thursday nights. Corporate demand for hotel accommodation in the Melton Mowbray area is relatively limited and highly localised. Hotels here do not attract business from companies located further afield. Corporate demand is stronger from Market Harborough, Lutterworth and Magna Park companies. Hotels in Market Harborough also cater for corporate demand from companies in Leicester, Desborough, Kettering and Corby.
- Business visitors are an important midweek market for many B&Bs and inns and of some importance to a number of self-catering businesses and touring caravan and camping sites.
- The area's budget hotels fill during the week with a broadly even mix of local corporate demand and stays by contractors working in the area.
- Contractor business currently fills the area's lower grade hotels in the week and is a significant midweek market for one 3 star hotel in Melton Mowbray and a minor source of midweek business for another.
- Residential conferences are the main midweek market for one luxury country house hotel and a source of midweek business for the other.
- One 3 star hotel in the Melton Mowbray area attracts significant residential training course business. Residential conferences and training courses are otherwise a very minor market for East Leicestershire's other 3/4 star hotels.
- Christian conferences are the main midweek market for Hothorpe Hall.
- One inn in the Vale of Belvoir attracts midweek bookings from shooting parties coming for the Belvoir Shoot between September and February.

- Some self-catering operations attract long let bookings during the winter from people working in the area, contractors involved in local projects and people that need temporary housing between house moves or while work is being undertaken on their home.

Weekend and Midweek Leisure Markets

3.3.2. Weekend and midweek leisure markets for East Leicestershire's tourist accommodation businesses are as follows:

- The key weekend market for all standards of hotel and most inns, B&Bs and guest houses is wedding parties. Some self-catering businesses and touring caravan and camp sites also attract some demand from people attending weddings and family occasions. There are number of very popular wedding venues in and around East Leicestershire including:
    - Stapleford Park
    - Kilworth House
    - Kelmarsh Hall
    - Shearsby Bath
    - Prestwold Hall
    - Belvoir Castle
    - Hothorpe Hall
    - Brooksby Hall
- Weekend and midweek breaks are an important market for East Leicestershire's two luxury country house hotels, which act very much as short break destinations in their own right due to the quality of their accommodation and food, the spa at Stapleford Park and the theatre at Kilworth House, which is the only hotel in the country to have such a venue.
- 3/4 star hotels attract some weekend break business. One also attracts good demand for midweek breaks during the summer months. Leisure break business for most of the area's 3/4 star hotels is largely rate-driven, with hotels promoting special offers and discounted room rates through online travel agents and daily deals sites to attract this business.
- Some inns attract weekend break business.

- Short breaks are the key weekend market for the majority of the area's self-catering businesses and touring caravan and camp sites and a market that they also attract during the week, particularly in the summer months. Much of the short break business that caravan and camping sites attract is very local, with short break customers travelling from no more than a 30-mile radius.
- Key selling points for short breaks are as follows:
    - Attractive countryside;
    - Peace and quiet/ getting away from it all;
    - Walking;
    - Cycling;
    - Fishing;
    - Golf for one hotel;
    - Twin Lakes;
    - Rutland Water;
    - The area's central location and the ease of access to surrounding attractions and destinations, making it a good base for a short break stay;
    - The National Space Centre;
    - Events and festivals.
- Events and festivals that were identified as generating good business for nearby tourist accommodation businesses in East Leicestershire were as follows:
    - The CLA Game Fair when it is held at Belvoir Castle;
    - The Bird Fair at Rutland Water;
    - Rockingham Castle events;
    - Races and events at Rockingham Motor Speedway;
    - Events at Kelmarsh Hall;
    - Burghley Horse Trials;
    - Melton Mowbray Rare Breed Sale;
    - Melton Mowbray Food Festival;
    - Melton Mowbray Victorian Fayre;
    - Melton Mowbray Beer festival;
    - Bowls tournaments in Melton Mowbray;
    - The Belvoir Challenge;
    - Newark Antiques Fair;

  - Events at Bruntingthorpe Airfield and Proving Ground;
  - Stanford Hall Car Rally;
  - Shows at Kilworth House Theatre;
  - Events at Foxton Locks;
  - Arts Fresco street entertainment festival in Market Harborough;
  - Market Harborough Christmas Fayre;
  - Events at Prestwold Hall;
  - Major pop concerts in Leicester;
  - Mallory Park motor racing events;
  - Swimming galas in Corby;
  - Welland Valley Beer Festival;
  - Nevill Holt Opera.
- People visiting friends and relatives are a key weekend market for budget and lower grade hotels and an important weekend market for many inns, B&Bs and self-catering businesses.
- Long holidays are a strong summer market for self-catering establishments, touring caravan and camping sites and canal boat holiday hire operations but not really a market for hotels, inns and B&Bs.
- Overseas tourists are of some importance to a number of self-catering businesses, B&Bs, inns and caravan and camp sites, but not generally a significant market for hotels, and most inns and B&Bs.
- Some hotels, B&Bs and caravan and camp sites attract overnight stops by people travelling on the M1 or A1.
- A number of caravan and camp sites attract caravan rallies.
- Other minor weekend markets for some 3/4 star hotels are association conferences, church groups and RAF reunions.
- Church groups are a key weekend market for the area's Christian conference centres/retreats.
- None of the area's hotels currently take group tours. This is low-rated business that hotels will usually only want if they are unable to attract business from higher paying market segments. One 3 star hotel has stopped taking group tours in 2015 as demand from other markets has grown.

- Large self-catering properties, some holiday cottage and holiday lodge complexes and a few larger B&Bs attract family get togethers and celebrations, reunions and hen parties. The area's central location in the country is a key selling point for these markets.

3.4 Market Trends

3.4.1 Our research has given the following insight into trends in some of the key markets for tourist accommodation in East Leicestershire over the last 3 years:

- The corporate market for hotel accommodation has recovered as the country has come out of recession.
- Demand for residential conferences dropped sharply in the recession and is only slowly coming back for the area's luxury country house hotels. 3/4 star hotels have seen little recovery in this market however.
- Contractor demand for budget and lower grade hotels and pub accommodation has increased.
- Demand from wedding parties has grown.
- Hotels have successfully increased leisure break business through the promotion of special offers and reduced prices through online travel agents and daily deals sites.
- Short break business has increased for self-catering establishments and touring caravan and camping sites.
- Demand for camping has grown strongly.
- The one 3 star hotel that was taking group tours has come out of this market in 2015 due to its low-rated nature and the growth in demand from higher paying markets.

3.5. Denied Business[1]/ Accommodation Shortages

3.5.1 Our research provides the following insight into the extent to which tourist accommodation businesses in East Leicestershire are currently filling and having to turn business away:

- The area's luxury country house hotels rarely deny business.
- 3/4 star hotels regularly fill and turn business away on Tuesday and Wednesday nights and Saturday nights in the summer.
- Budget hotels consistently deny significant business on 2 or 3 midweek nights and Saturday nights throughout the year, and on Friday nights during the summer months.
- Lower grade hotels regularly turn business away during the week but rarely at weekends.
- Hotel denials are most significant in Market Harborough, suggesting a need for additional hotel capacity here.
- Some 4 star inns frequently turn business away on Saturday nights in the summer and sometimes during the week.
- Shortages of B&B accommodation appear to be infrequent.
- There are clear shortages of self-catering accommodation at weekends. Many self-catering businesses are frequently fully booked on Friday and Saturday nights, especially during the summer. Many are also fully booked during school holiday periods.
- There are also clear shortages of caravan and camping pitches at weekends, with good quality sites frequently denying business for pitches with electric hook up, hard standing pitches and fully serviced pitches.
- One of the touring caravan and camping sites reported frequent requests for seasonal tourer pitches[2] that they refuse as their focus is on catering for touring demand.
- One caravan and camping site reported frequently turning away campers.

[1] Business that accommodation business turn away because the are full - an indicator therefore of accommodation shortages
[2] Where touring caravan owners leave their caravan on a site to use throughout the season

4. THE POTENTIAL FOR GROWTH IN DEMAND FOR TOURIST ACCOMMODATION IN EAST LEICESTERSHIRE

4.1 The Views of East Leicestershire's Tourist Accommodation Businesses

4.1.1 The tourist accommodation businesses that we spoke to in East Leicestershire were generally positive about the future outlook for their business in the next 3 years. The majority expect to maintain or increase their occupancy levels. Only a small minority of B&B, guest house and pub accommodation owners expect to see a fall in occupancy. None of the self-catering and touring caravan and camp site operators interviewed anticipate a reduction in their occupancy levels. Most hotels also expect to see an increase in average room rates.

4.1.2. Key reasons cited for this optimistic outlook were as follows:

- The improving economic climate as a driver of growth in corporate, contractor and leisure break business;
- Growing demand from the domestic short break market;
- Increased/improved marketing particularly through online booking channels and social media;
- Upgrading/an improved product;
- Stronger management of room rates;
- Good reviews on Tripadvisor;
- Repeat business;
- A new business, so demand is still building;
- The increased popularity of camping.

4.1.3. In terms of growth markets:

- Hotels expect to see continuing growth in corporate demand but little improvement in residential conference business. They are optimistic about growth in weddings business and aim to increase their leisure break business.
- The markets seen as offering the strongest potential for B&Bs/guest houses and inns/pub accommodation establishments are people visiting friends and relatives, wedding guests and short break takers. Business visitors are also seen as a potential growth market for a majority of B&Bs/guest houses.
- Key growth markets for self-catering establishments and touring caravan and camping sites are people visiting friends and relatives, short break takers and wedding parties. Long holidays are also seen as offering growth potential by a number of touring caravan and camping sites.

4.2 The Strategic Context for Growth in Demand

4.2.1. The strategic context in terms of the economic development and tourism strategies of Leicestershire County Council, Leicester & Leicestershire Enterprise Partnership (LLEP), Leicestershire Promotions, and the district and borough councils that cover East Leicester is entirely positive and supportive for future tourism growth and tourist accommodation development in East Leicestershire:

- The **Tourism Strategy for Leicester and Leicestershire 2011-2016** puts forward a vision for the tourism and hospitality sector to deliver sustained and sustainable growth and play and increasingly significant role in the success of the local economy. The strategy sets out to establish Leicestershire as a destination of choice for an increasing number of visitors. Continued growth in accommodation provision is identified as a priority for achieving this vision of tourism growth, with a need to increase high quality self-catering in the county's rural areas, farm diversification into tourist accommodation and more hotel bedrooms at the premium end of the market. A key focus of the strategy is to develop the short break market through themed packaging of accommodation and attractions to attract the family market and older actives. Key themes are food and drink, heritage, waterways, outdoors and culture and the arts. Business tourism is also a priority with a focus on bidding to attract events and conferences to the city and county.

- The draft **Melton Blueprint for Tourism 2015-2018** has a target of an 8% growth in visitor spending in the Borough over the next 3 years. Destination marketing activity will continue to focus on positioning Melton as the 'Rural Capital of Food and Drink'. In terms of product development key priorities are more high quality, distinctive restaurants; better facilities for visitors to see and experience the making of Melton Mowbray Pork Pies and Stilton cheese and the development of events and festivals, for which a separate strategy is currently being prepared.
- Maximising tourism is a strategic priority within **Melton Borough Council's Economic Development Strategy 2012-2015**.
- The **Harborough Blueprint for Tourism 2013-2018** has a target for a 12% growth in visitor numbers over 5 years and a 10% growth in economic activity through greater visitor spend. Encouraging the development of new tourist accommodation is identified as a district-wide priority. Product development priorities are the further improvement and development of Market Harborough as 'England's Finest Rural Market Town'; the development of major projects at Foxton Locks; developing Lutterworth's Wycliffe and Whittle connections; the development of Bruntingthorpe Airfield and Proving Ground as an events venue; and the establishment of new events and festivals in Market Harborough, Lutterworth and at Foxton Locks.
- Supporting the visitor economy is a priority identified in **Harborough District Council's Open for Business Prospectus 2014**.
- Plans are being progressed for the 20 acre **Airfield Business Park at Market Harborough**. The development includes the now completed Harborough Innovation and Business Centre, alongside a further 300,000 sq ft of proposed industrial units, offices and warehousing.
- Plans have recently been revealed for a huge 200-acre **expansion of Magna Park** and the development of two **new business parks at Lutterworth** on land just off the M1. These schemes would create up to 7,000 new jobs and could support further hotel provision in Lutterworth.
- Charnwood Borough Council has approved plans for the **North East Leicester urban extension** at Thurmaston that will deliver 4.500 new homes and supporting facilities. The site borders Barkby and Barkby Thorpe, which fall within the East Leicestershire LEADER area.

- In terms of **population growth,** the latest subnational population projections for Leicester and Leicestershire show a 12.4% increase by 2031. Such an increase should deliver increased demand for tourist accommodation from people attending weddings and family occasions and those visiting friends and relatives in the city and county.
- Tourism is recognised in the **LLEP's Strategic Economic Plan (SEP)** as a growth sector. It includes the preparation of a Tourism & Hospitality Sector Growth Action Plan, a project to develop Foxton Locks as part of a £4.9m Canals & Rivers Investment Programme, and a £12.2m project to regenerate Melton Cattle Market and develop a regional Food Enterprise Centre with the potential to create 160 new jobs and attract 37 new businesses.
- The **LLEP's EU SIF Plan 2014-2020** identifies rural tourism development as a key priority for EAFRD funding, focusing on green tourism, local food and enhancing the accommodation offer.
- Developing East Leicestershire as a thriving short stay destination for people interested in food and drink, culture and heritage and field and outdoor pursuits is a key priority in the **East Leicestershire LEADER Local Development Strategy 2014-2020**.
- A thriving rural tourism sector is a key focus for Priority 3 of the **Leicestershire Rural Framework 2014-2020**, which seeks to achieve enterprising and sustainable rural economies across the county.

4.3 National Demand Trends & Forecasts

4.3.1. Appendix 4 provides a summary of national tourism market trends and forecasts. Key trends of relevance to tourist accommodation development in East Leicestershire are as follows:

- The continued growth in demand for domestic short breaks from the emptynester, family and Generation Y markets.
- The growth in leisure trips linked to visits to friends and relatives.
- The increasing interest in activity holidays and breaks.
- The trend for families and friends to get together for celebration weekends, reunions and weekends away. East Leicestershire is well placed to capitalise on this trend because of its central location in the country.
- The growing market requirement for high quality, distinctive and contemporary accommodation.
- The increasing important of online marketing and booking channels and social media for short break decision making and planning, enabling accommodation businesses to reach customers much more cost effectively than they have ever been able to before.

5. RURAL TOURIST ACCOMMODATION DEVELOPMENT TRENDS

5.1. Key Trends of Relevance to East Leicestershire

5.1.1. Appendix 5 provides detailed information on trends in rural tourist accommodation development in East Leicestershire with examples of accommodation developments that illustrate each trend. Trends that are of most relevance to East Leicestershire and that could be picked up here are as follows:

- The continuing success and expansion of the Premier Inn and Travelodge budget hotel chains.
- The development of boutique hotels, inns, B&Bs and self-catering accommodation in market towns and rural areas - a trend that has not so far emerged in East Leicestershire.
- The development of existing and new luxury and boutique country house hotels.
- The development of hotels and holiday lodges on golf courses.
- The continuing conversion of redundant farm and rural buildings to holiday cottages and holiday cottage complexes, in some cases with leisure facilities.
- The development of holiday lodges and holiday lodge parks, including some schemes of scale.
- The development of fishing lodges.
- The expansion and upgrading of touring caravan and camping sites.
- Eco camping.
- The increasing provision of camping pods.
- The rapid development of glamping, for which there are currently only two sites in Leicestershire.

6. INTEREST IN TOURIST ACCOMMODATION DEVELOPMENT IN EAST LEICESTERSHIRE

6.1 Tourist Accommodation Development Proposals

6.1.1 Intelligence about tourist accommodation development proposals in East Leicestershire has been gathered from a number of sources:

- Projects that have so far been put forward to Leicestershire County Council for consideration for LEADER funding;
- Records from the local authority planning records;
- The results of our survey of land and property owners (reported at Appendix 6);
- Feedback from existing visitor accommodation businesses through our operator surveys.

6.1.2. Appendix 7 provides a summary of the tourist accommodation development proposals that we have identified from these various sources. They include proposals for one or more types of tourist accommodation for 44 sites across East Leicestershire as follows:

- Proposals for 4 new hotels and the development of a marquee at an existing hotel. The proposals for new hotels seem to be largely speculative and at an early stage. There have been various long standing proposals for a hotel and spa at Kilworth Springs Golf Club, none of which have so far come to anything.
- The possibility of a new B&B in Melton.
- A proposal for a new pub with accommodation in Harborough and the upgrading of guest bedrooms at a pub in Melton.
- 17 proposals for holiday cottages, primarily through barn conversions, for individual units or small developments of 2 or 3 units. We did not identify any proposals for larger holiday cottage complexes with leisure facilities.
- 16 holiday lodge projects in terms of individual holiday lodges or log cabins, small developments of 2 or 3 lodges, the expansion of existing holiday lodge operations and three potentially large holiday lodge developments, including projects at Foxton Locks and Sutton Circuit.

- 10 proposals for touring caravan and camping sites, including a large camp site at Foxton Locks and significant upgrading and expansion of two existing sites.
- 4 camping pod proposals.
- Proposals for 3 glamping sites.
- The proposed development of some form of youth accommodation at Foxton Locks.

6..1.2. In terms of location 26 of the schemes are in Harborough, 17 are in Melton and one is in Charnwood. We did not identify any proposals for tourist accommodation in the Blaby section of the LEADER area.

6.1.3. Many of the proposed schemes already have planning permission. Others are at an earlier stage, in some cases perhaps only prompted by our survey of land and property owners.

6.2. Support Requirements

6.2.1. The majority of people that are proposing tourist accommodation development schemes in East Leicestershire are likely to progress projects themselves. Our survey of land and property owners also identified some interest in working with suitable national, regional and local commercial accommodation operators and developers to progress larger schemes. A minority of land owners showed interest in selling sites for accommodation development.

6.2.2. Most of the land and property owners that took part in our survey and some of the people that have already put forward tourist accommodation projects to the County Council for consideration for LEADER funding indicated that they will need advice and support for some or all of the following:

- The market potential and commercial viability of the tourist accommodation development projects that they are contemplating;
- Sources of finance;
- Marketing;
- Securing planning permission;
- Finding a suitable commercial development partner.

6.2.3. Most of those that we spoke to that are looking at tourist accommodation development proposals in East Leicestershire also indicated that they will need grants or other public sector financial assistance to either progress projects at all, develop them more quickly, or progress them to a higher standard or greater scale. While we did not speak to most of those that have been granted planning permission already it is not unreasonable to assume that they may also benefit similarly from financial assistance.

7. CONCLUSIONS & RECOMMENDATIONS

7.1. Tourist Accommodation Development Priorities in East Leicestershire

7.1.1. The East Leicestershire Tourist Accommodation Study shows good potential for tourist accommodation development in the East Leicestershire LEADER Area as a result of:

- Growing corporate demand for hotel accommodation;
- The area being well placed to capitalise on the projected growth in the domestic short break market and the increasing demand for family and friend get togethers, celebrations and weekends away;
- The projected population growth in and around Leicestershire that will drive growth in weddings business and visits to friends and relatives;
- The potential for the area to capitalise on many of the current trends in tourist accommodation development in the UK.

7.1.2. The key priorities in terms of accommodation development for the area to fully capitalise on this potential are as follows:

- Further hotel provision in Market Harborough in terms of:
  - A boutique hotel in the town centre;
  - Additional budget hotel supply, most likely in terms of the expansion of the Premier Inn. It is unlikely that the town will be able to support a third budget hotel given that Travelodge and Premier Inn are already represented here;
  - The progression possibly of the hotel and spa project at Kilworth Springs;
  - The Woodlands bedrooms at Hothorpe Hall being made available for individual corporate bookings.
- A second budget hotel in Lutterworth, given the planned expansion of Magna Park and proposed business park developments off the M1;
- Boutique inns and restaurants with rooms;
- 5 star and boutique B&Bs;

- There is some potential for more self-catering accommodation but probably more holiday cottage and holiday lodge proposals than are needed and a danger therefore of an oversupply of such accommodation. Priorities are:
  - 5 star and boutique self-catering;
  - Luxury holiday cottage complexes with leisure facilities;
  - The expansion of existing holiday lodge operations;
  - Eco lodge parks of scale;
  - Large 'super' cottages that can cater for family and friend get togethers and celebration weekends.
- The upgrading and expansion of existing touring caravan and camping sites including:
  - The installation of electric hook up points to pitches;
  - The development of hard standing pitches and fully serviced pitches;
  - New and/or improved toilet and shower blocks.
- Camping pod developments;
- Glamping sites.

7.1.3. The strongest opportunities for rapidly increasing East Leicestershire's tourist accommodation supply lie in the development of non-serviced accommodation. The greatest interest is in developing these types of accommodation and there are a number of schemes that could be progressed quite quickly, including some of scale. Non-serviced accommodation has the greatest potential to attract short break and holiday business to the area and would bring substantial benefits in terms of:

- Providing opportunities to boost the incomes of farming and rural and land-based businesses;
- Generating income for rural shops, pubs, restaurants and food producers - people staying in non-serviced accommodation tend to spend more in local food and farm shops and on eating out;
- Creating new jobs, both directly and indirectly as customer and accommodation business spending permeates through the local economy.

7.1.4. It is unlikely that Melton Mowbray will be able to support further hotel development for the foreseeable future given the impending opening of the new Premier Inn here.

7.1.5. East Leicestershire is unlikely to be an area that will support the development of a youth hostel or bunkhouse and camping barns.

7.1.6 A key site to prioritise for tourist accommodation development is Foxton Locks, given the previous proposals that the Canal & River Trust had for the site and its' continuing ambition to take the scheme forward; the proposed LLEP support for the further development of Foxton Locks through its Strategic Economic Plan; and the potential for the Canal & River Trust to work with a commercial accommodation development partner to progress a scheme for the site.

7.2. Proposed Tourist Accommodation Development Support Programme

Rationale

7.2.1. The LEADER Programme budget to support tourist accommodation development in East Leicestershire is very small. The Tourist Accommodation Study has identified significant potential for further tourist accommodation to be developed in the LEADER Area and strong private sector and land owner interest in progressing projects, including many that already have planning permission. There are clearly far more potential accommodation projects than the LEADER Programme could support through a capital grant scheme and the potential budget available is probably too small to justify setting up such a scheme. There is a need therefore to think how best to use the limited pot of LEADER funding to encourage the progression of as many accommodation schemes as possible through support other than capital grants. There could however be public sector funding support for tourist accommodation development schemes in East Leicestershire from other sources, given the priority that many other public sector bodies that cover the area are giving to tourism growth, and as part of this tourist accommodation development. There are also national and regional commercial accommodation operators and developers that could be interested in working with local land and property owners to progress schemes in the area.

7.2.2. Having established a 'shopping list' of potential tourist accommodation development projects through the Tourist Accommodation Study, it would make sense to undertake further work to support the proposers of these projects in working up schemes, formulating business plans, undertaking feasibility assessments, and securing funding and planning permission (where needed). Such support should focus on a limited number of accommodation development projects that have the potential to meet at least some of the following criteria:

- Projects that will create a number of new jobs;
- Schemes that will attract a good number of additional visitors to the area;
- Proposals that will add something different to the area's existing tourist accommodation offer, particularly in terms of quality accommodation;
- Projects that will help to raise the area's profile as a short break destination;
- Schemes that can help develop links to other sectors, including food & drink, outdoor pursuits, and the arts and cultural sector.

7.2.3. Other, smaller schemes can best be encouraged and supported through a programme of accommodation development workshops on setting up self-catering businesses, opening B&Bs, developing pub accommodation and setting up glamping sites.

7.2.4. Marketing support in terms of PR activity to generate press and media coverage for existing and new high quality, distinctive accommodation businesses, and marketing skills workshops, particularly covering online marketing, social media and the use of PR, would also be beneficial in terms of providing useful support to a wide range of accommodation businesses in the area.

7.2.5. Finally, there is a case for some specific work to identify and market a site for a new hotel in Luttterworth. The Tourist Accommodation Study shows potential for a second budget hotel here, given the planned expansion of Magna Park and the proposed new business parks off the M1, but no hotel sites have been identified here and the town is not currently on the radar of the major budget hotel companies as a target location. Work to address these issues would be beneficial therefore in bringing forward a new budget hotel for this part of East Leicestershire.

Proposed Tourist Accommodation Development Support Programme 2015/16

7.2.6. On the basis of the above rationale we put forward the following suggested programme of support for tourist accommodation development in East Leicestershire for 2015/16, to be reviewed at the end of the year to determine how best to allocate further funding for the remaining 5 years of the LEADER Programme to help accelerate tourist accommodation development in the area.

Programme 1: Accommodation Development Accelerator Programme

A programme os specialist consultancy and professional support to accelerate the development of for 10 priority tourist accommodation development projects. This will provide support for the following:

- Feasibility assessment, and business plan preparation;
- Researching potential sources of public sector funding support;
- Finding suitable commercial development partners for appropriate schemes;
- Scheme design;
- Planning applications;
- Funding and loan applications.

Suggested budget: £10-15,000

Programme 2: Accommodation Development Workshops

A programme of 4 workshops covering the following topics:

- Setting up and running a B&B;
- Providing high quality pub accommodation;
- Developing quality self-catering accommodation;
- Setting up a glamping site.

Suggested budget: £6-8,000

Programme 3: Accommodation Sector Marketing Support

This programme would include two strands:

- Retention of a PR consultant to generate press and media coverage for existing and new high quality, distinctive accommodation businesses in the LEADER area;
- A programme of 3 marketing skills training workshops covering online marketing, social media and PR.

Suggested budget: £5-7,000

Programme 4: Lutterworth Hotel Site Search & Marketing

Work to identify a potential hotel site in Lutterworth and market it to national budget hotel companies.

Suggested budget: £1-2,000

7.2.7. This would give a total budget figure of £22-32,000, depending on how much the LAG wants to allocate to this area of work and whether funding can be secured from other partners, such as the District and Borough Councils and LLEP.

7.3. Next Steps

7.3.1. The reported is issued at this stage as a draft for comments. It is for the County Council to decide how far it wishes to circulate the report for input before it is finalised. We would suggest that a deadline of the end of February should be set for this process.

7.3.2. Once the report is finalised the LAG will need to decide how far it might wish to implement the proposed Tourist Accommodation Development Support Programme for 2015/16, the timescale and process for this, and alternative approaches that it might wish to adopt.

7.3.3. The report includes a lot of useful information for interested public sector bodies, existing tourist accommodation business operators and those that are contemplating a tourist accommodation development project in East Leicestershire. There would be merit therefore in making the report available to all of these parties, possibly supporting this process with a presentation event and local PR campaign, perhaps tied into a launch of the Tourist Accommodation Development Support Programme once it has been decided how this should be taken forward.

APPENDIX 1

GLOSSARY OF DEFINITIONS – VISITOR ACCOMMODATION

Types of Hotel

Budget

Branded limited service hotels with clean and comfortable standardised en-suite bedrooms with TV and tea and coffee making facilities and paid for Wi-Fi but otherwise limited in-room provision or services such as guest toiletries or room service. Will locate in a wide range of locations from major cities to smaller towns, seaside resorts and airport locations. Size will vary significantly by location. Tend to be larger hotels (100-200 bedrooms) in major cities and smaller hotels (50-60 bedrooms) in provincial town locations.

Key budget hotel brands in the UK are Travelodge, Premier Inn, Ibis, Days Inn

Economy budget brands (with a more basic bedroom product) include Ibis Budget, Campanile and Metro Inns

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 Holiday Inn, Ramada, Village Urban Resort, Jury's Inn, Park 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 porterage, 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, Crowne Plaza, Hilton, Radisson Blu, Novotel, Doubletree by Hilton, Copthorne, Millennium, Pullman, Macdonald

Boutique

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, Chapter, Hotel Indigo

Country House Hotels

A quality hotel, often a building of character, set in extensive grounds in a rural setting. Most are luxuriously appointed and the rooms frequently have special features often targeted at the leisure rather than the business guest. Some may have health and fitness facilities, swimming pools and spas and may be able to offer or arrange country sport activities such as clay pigeon shooting and fishing. The atmosphere of a country house hotel should be one of relaxation, comfort and style.

Golf Hotels and Resorts

Hotels attached to or developed with a golf course that can range considerably in their standard and the facilities on offer. Usually they would be at least 3 star in standard, and can be developed to 4 star and luxury standards, especially if in association with a championship course. As with country house hotels and other destination hotel offers that are more remotely located, most would usually offer, restaurants, bars, function/banqueting rooms, full leisure centres, often spas, and may also have other specialist facilities such as golf academies. Some also have shared ownership lodges in their grounds.

Brand Examples include De Vere Hotels, MacDonald Resorts, Marriott Hotels & Country Clubs.

Luxury Family Hotels

Luxury country house hotels that focus primarily on catering for the family breaks market. Luxury Family Hotels is the only national hotel company trading in this market. A number of luxury country house hotels also actively target the family market.

Adult Only Hotels

Country house hotels that cater exclusively for adults on short breaks. Warner Leisure Hotels is the only national company offering this type of hotel. Their hotels offer a wide range of sports and leisure facilities and activities as well as evening entertainment programmes.

Spa Hotels

Hotels with extensive spa and wellness facilities that focus on the spa break market.

Hotel Performance Terminology

Room Occupancy

The percentage of all rooms sold as a proportion of total rooms available in that period.

Achieved Room Rate (ARR)

The net average amount of rooms revenue that hotels achieve per night per room let after deduction of VAT, breakfast (if included), discounts and commission charges. Hotel rooms revenue divided by the number of rooms sold.

Revpar

Revenue per available room. The net average amount of rooms revenue that hotels achieve per night per available room after deduction of VAT, breakfast (if included), discounts and commission charges

Other Types of Accommodation

Inn

Bed and breakfast accommodation within a traditional inn or pub.

Boutique Inn

Inns that feature contemporary interior design, furnishings and fittings in guest bedrooms and public areas.

Restaurant with Rooms

Guest bedrooms provided above or alongside a restaurant operation. The restaurant is normally the most significant element of the business and is usually open to non-residents as well as staying guests. Breakfast is normally provided.

Guest House

A guest house normally has at least 4 letting bedrooms with en-suite or private bathroom facilities. It is usually run as a commercial business and will have been granted planning permission as such. Breakfast is usually provided and evening meals may also be offered.

B&B

Accommodation offering bed and breakfast, usually in a private house. B&Bs normally accommodate no more than 6 guests and may or may not serve an evening meal. Will not usually require planning permission unless the primary use of a property.

Boutique B&B

Luxury bed and breakfast accommodation that features contemporary, chic interior design, furnishings and fittings.

Farmhouse B&B

Bed and breakfast accommodation provided on a working farm.

Holiday Cottage

Cottages, houses and converted barns that are let out for self-catering holidays and short breaks and other short stay purposes. They can be residential properties that are let by owners or through holiday cottage letting agencies or purpose-designed barn conversions that have been given planning permission for holiday use.

Boutique Self Catering

Luxury self-catering accommodation that features contemporary interior design

Super Cottages

Large self-catering properties that can accommodate parties of up to 20-30 guests. These can be large residential properties, e.g. manor houses that are let out as self-catering accommodation or large purpose-designed self-catering barn conversions. Such properties have developed to cater for the growing demand for family and friendship get togethers, celebrations and house parties. They generally trade at the top end of the market, offering high quality, luxury accommodation. They will include large living spaces and dining areas and usually feature the latest in home entertainment systems. Some also have leisure facilities in terms of swimming pools, games rooms and snooker rooms.

Access Exceptional Self Catering Cottages

Self-catering accommodation that is fully adapted for use by independent and assisted wheelchair users, usually including the following features:

- Wide doorways and corridors;
- Extra space for wheelchair users;
- Wheel-in showers, possibly with hoist rails;
- Bathrooms and toilets adapted for wheelchair users;
- Low-level kitchen counters;
- Ramps, lifts or stair lifts if needed.

Holiday Lodges

Timber lodges and log cabins that are let out for self-catering holidays and short breaks or used as second homes by their owners.

Holiday Lodge Parks

Complexes of timber holiday lodges for outright or timeshare purchase and/or rental. They have developed primarily in inland locations, often woodland or waterside settings and/or associated with other developments and activities such as marinas, golf courses (golf lodges), fishing lakes (fishing lodges), watersports or alongside hotels. Most holiday lodge parks are small – the average holiday lodge park covers 32.2 acres and has 35 lodges. Timber holiday lodges are generally seen as a more up-market and exclusive alternative to the traditional caravan holiday home: they are particularly popular with older and more affluent customers. Most holiday lodges have two or three bedrooms. Holiday lodge parks increasingly have a number of on-site leisure facilities, including restaurants, bars, swimming pools, gyms and children's play areas. Holiday lodges are generally purchased as second homes for holiday purposes. Most park operators offer a holiday rental service to owners and many make participation in such a service a condition of purchasing a lodge.

Fishing Lodges

Holiday lodges around fishing lakes, usually for rental.

Golf Lodges

Holiday lodges on golf courses for outright or timeshare purchase or rental.

Eco Lodges/ Eco Lodge Parks

Individual timber lodges or complexes of lodges that are built to the highest possible environmental sustainability standards and designed and operated to minimise their carbon footprint. Eco lodges will typically include features such as the use of sustainable materials in their construction, grass or sedum roofs, renewable energy sources, waste recycling, energy conservation measures and water conservation systems. Their green credentials are a key part of their marketing and many customers are increasingly choosing these types of accommodation because they want to go an eco-friendly holiday and reduce their carbon footprint. Eco lodge operators will usually also encourage their guests to take part in green activities in terms of car-free days out, walking and cycling, nature study, foraging, bird and wildlife watching, and buying local produce.

Treehouses

Luxury wooden treehouses that are rented out for self-catering holidays and short breaks

Touring Caravan & Camping Sites

Sites that offer pitches for touring caravans, motor homes and tents. They can range in size from small, independently operated sites with minimal facilities and mainly grass pitches to extensive sites with central facilities and mostly hard standing pitches with electric hook up. National operators are the Caravan Club and Camping and Caravanning Club, which offer club sites across the country for their members, which in many cases are also open to non-members.

Certificated Sites

Small touring caravan and camping pitches that are certificated to operate by the Caravan Club and Camping & Caravanning Club, without the need for planning permission. Caravan Club certificated sites are for 5 touring caravan or motor home pitches. Camping & Caravanning Club certificated sites are usually for 5 touring caravan pitches and up to 10 tent pitches.

Eco Camping/ Wild Camping

Camping on small, basic, off-grid sites - usually grassed or forest sites with minimal facilities, often in isolated locations.

Camping Pods

Camping pods are insulated wooden tents with double glazed windows and French doors, heaters, electricity and sometimes outside decking areas. They range from standard pods sleeping two people to family, super or mega pods sleeping 4 people.

Glamping

Glamping (glamorous camping) involves camping in ready-erected, fully-equipped tents, yurts, tipis and other unusual forms of camping and caravanning accommodation such as geodesic domes, gypsy caravans, retro caravans, safari tents, glamping pods and tree camping. These types of accommodation have proved to be highly popular with more affluent families that want to experience camping holidays but without the hassle of having to bring their own tents and camping equipment.

Youth Hostels

Simple accommodation in private, shared or dormitory rooms with double, single and bunk beds. Most hostels will have a self-catering kitchen. Some also provide meals. More modern hostels may have en-suite family rooms.

Bunkhouses

Basic self-catering accommodation provided in converted barns. Bedrooms are mainly dormitory-style with bunk beds, but can also include private family rooms. Bunkhouse usually include shared toilets and showers and small kitchens.

Camping Barns

Sometimes known as 'stone tents', Camping Barns vary in facilities ranging from a basic roof over your head to the more luxurious, which include a shower and cooking facilities. Sleeping areas tend to be communal. Typically found on working farms.

APPENDIX 2

TOURIST ACCOMMODATION BUSINESSES INTERVIEWED[8]

Establishment	Face to Face/ Telephone
Hotels	
Stapleford Park	F
Kilworth House	F
Best Western Three Swans, Market Harborough	F
Best Western Plus Ullesthorpe Court	F
Scalford Hall Hotel	F
Quorn Lodge, Melton Mowbray	F
Premier Inn Market Harborough	T
Travelodge Market Harborough	T
Travelodge Lutterworth	T
Six Hills Hotel	T
Rafee Hotel, Thrussington	T
Inns	
Nevill Arms, Medbourne	T
Manners Arms, Knipton	T
The Star Inn, Thrussington	T
B&Bs and Guest Houses	
Vale House Belvoir	T
Knaptoft House Farm	T
Belvoir B&B	T
Joyce's Barn, Normanton	T
Holiday Cottage and Holiday Lodge Complexes	
Mill House Holiday Cottages, Eaton	T
Foxton Locks Lodges	T
Walton Thorns Farm Holiday Cottages, Six Hill	T
Eye Kettleby Lakes	T
Brook Meadow, Sibbertoft	T
Touring Caravan & Camp Sites	
Eye Kettleby Lakes	T
Brook Meadow, Sibbertoft	T
Sysonby Acres, Melton Mowbray	T
Ashby Lane Farm, Bitteswell, Lutterworth	T
Glamping	
Vale House Belvoir	T
Health Spas	
Ragdale Hall	F
Christian Conference Centres/Retreats	
Hothorpe Hall	F
Launde Abbey	T
Canal Boat Holiday Operations	
ABC Boat Hire	T
Canal Boat Club	T
Union Wharf Narrowboats	T

[8] In addition to those interviewed as part of the CATI survey.

APPENDIX 3

SURVEY OF SMALL ACCOMMODATION BUSINESSES

SURVEY RESULTS

1. Purpose of the Survey

The purpose of the survey of owners of small accommodation businesses was to provide an insight into the current strength of demand and markets for different types of small visitor accommodation business in East Leicestershire; evidence of times when there may be shortages of such accommodation (because existing accommodation businesses are fully booked), and an understanding of the aspirations of the current owners of small visitor accommodation establishments to expand, develop and upgrade their premises.

2. Methodology and Sample

The survey was undertaken through a CATI (computer assisted telephone interview) survey of a random sample of 34 B&Bs and guest houses, inns and pub accommodation businesses, self-catering establishments and touring caravan and camping sites. The survey sample was broken down by type of visitor accommodation business as follows:

TABLE 1: SURVEY SAMPLE

Type of Accommodation Business	Number of Completed Interviews
B&Bs and Guest Houses	15
Inns	6
Self-Catering	7
Touring Caravan and Camping Sites	6
Total Interviews	

The average sizes of the accommodation businesses interviewed were as follows:

TABLE 2: AVERAGE SIZE OF ACCOMMODATION BUSINESS INTERVIEWED

Type of Accommodation Business	Average Size of Business Interviewed
B&Bs and Guest Houses/ Inns	2.95 rooms
Self-Catering	1.14 units
Touring Caravan and Camping Sites	14.33 pitches

3. Length of Time Accommodation Businesses Have Been Established

The survey shows some growth in B&B, pub accommodation and touring caravan and camping provision in East Leicestershire with a number of respondents that operate these types of business having only started trading in the last 3 years. All of the self-catering businesses that took part in the survey had been established for more than 3 years however.

TABLE 3: LENGTH OF TIME ACCOMMODATION BUSINESSES HAVE BEEN ESTABLISHED

Type of Accommodation Business	% of Accommodation Businesses Interviewed	
	Operating for Under 3 Years	Operating for More Than 3 Years
B&Bs and Guest Houses (Base: 15)	13	87
Inns/ Pub Accommodation (Base: 6)	33	67
Self-Catering (Base: 7)		100
Touring Caravan and Camping Sites (Base: 6)	33	67

4. Seasonal Operation of Accommodation Businesses

The majority of accommodation businesses that were interviewed are open all year. Only one of the B&Bs and one of the touring caravan and camping sites that were interviewed operate on a seasonal basis. Neither of these two businesses have plans to increase their operating season in the future.

TABLE 4: SEASONAL OPERATION OF ACCOMMODATION BUSINESSES

Type of Accommodation Business	% of Accommodation Businesses Interviewed	
	Operating on a Seasonal Basis	Open All Year
B&Bs and Guest Houses (Base: 15)	93	7
Inns/ Pub Accommodation (Base: 6)	100	
Self-Catering (Base: 7)	100	
Touring Caravan and Camping Sites (Base: 6)	83	17

5. Recent and Planned Investment

5.1. Expansion in the Last 3 Years

Two of the touring caravan and camping sites interviewed have expanded in the last 3 years and one B&B has increased its number of letting bedrooms. None of the inns and self-catering businesses that took part in the survey have expended.

TABLE 5: ACCOMMODATION BUSINESS EXPANSION IN THE LAST 3 YEARS

Type of Accommodation Business	% of Accommodation Businesses Interviewed	
	Expanded in the Last 3 Years	Not Expanded in the Last 3 Years
B&Bs and Guest Houses (Base: 15)	7	93
Inns/ Pub Accommodation (Base: 6)		100
Self-Catering (Base: 7)		100
Touring Caravan and Camping Sites (Base: 6)	33	67

5.2. Planned Investment in the Next 3 Years

Almost a quarter of the accommodation businesses that were interviewed have plans for investment in the next 3 years. The types of investment include:

- The installation of an en-suite bathroom in a B&B and upgrading of a private bathroom in another;
- The development of additional self-catering units through the conversion of barns;
- Diversification into glamping;
- The development of a new toilet and shower block at a touring caravan and camping site;
- The upgrading of another touring caravan and camping site.

TABLE 6: ACCOMMODATION BUSINESS INVESTMENT PLANS IN THE NEXT 3 YEARS

Type of Accommodation Business	% of Accommodation Businesses Interviewed	
	Investment Planned in the Next 3 Years	No Investment Planned in the Next 3 Years
B&Bs and Guest Houses (Base: 15)	13	87
Inns/ Pub Accommodation (Base: 6)		100
Self-Catering (Base: 7)	43	57
Touring Caravan and Camping Sites (Base: 6)	50	50

5.3. Barriers to Investment

Securing planning permission and finance were identified as the most significant barriers to progressing investment projects for those accommodation businesses that are contemplating future expansion, improvement and development plans.

TABLE 7: BARRIERS TO EXPANSION, DEVELOPMENT AND UPGRADING PLANS

Type of Accommodation Business	% of Accommodation Businesses Planning Investment Citing This Barrier			
	Getting Planning Permission	Financing the Project	Lack of District Council Support	No Barrier
B&Bs and Guest Houses (Base:2)		50		50
Self-Catering (Base: 3)	67	100		
Touring Caravan and Camping Sites (Base: 3)	67	33	33	

6. Occupancy Levels, Trends and Future Prospects

6.1. 2014 Occupancy Levels

Occupancy performance for small tourist accommodation businesses in East Leicestershire varies significantly. A few B&Bs and guest houses are trading strongly with average annual room occupancies of over 70%. The majority reported room occupancies of under 50% however, and under 30% for a fifth of B&Bs and guest houses. These results are not necessarily an indication of a lack of demand for such accommodation however. B&Bs and guest houses are very much lifestyle businesses and owners will often limit the amount of business they take according to the lifestyle they wish to pursue or their life stage or personal circumstances.

Inns and pub accommodation businesses in the area are primarily trading at average annual room occupancies of under 50%. Half of the inns interviewed reported very low room occupancies of under 30%.

Self-catering business performance is generally strong, with 86% of self-catering respondents reporting an average annual unit occupancy of more than 50% and 29% recording a unit occupancy of over 70%.

Touring caravan and camping sites are also performing well with 67% of sites reporting an average annual pitch occupancy of over 50%

TABLE 8: OCCUPANCY LEVELS 2014

Type of Accommodation Business	% of Accommodation Businesses Interviewed Reporting This Occupancy Level					
	Above 70%	61-70%	51-60%	41-50%	31-40%	Under 30%
B&Bs and Guest Houses (Base: 15)	27	0	7	33	13	20
Inns/ Pub Accommodation (Base: 6)	0	0	17	17	17	50
Self-Catering (Base: 7)	29	14	43	0	0	14
Touring Caravan and Camping Sites (Base: 6)	17	17	33	17	17	0

6.2. Occupancy Trends 2012-2014

Trends in occupancy performance over the last 3 years paint a similar picture of a strong and growing self-catering and touring caravan and camping sector in East Leicestershire but a weaker and declining B&B and pub accommodation sector. Self-catering and touring caravan and camping site occupancies have generally increased or remained unchanged, while more significant proportions of B&Bs/guest houses and inns/pub accommodation businesses reported a downturn in occupancy levels.

TABLE 9: OCCUPANCY TRENDS 2012-2014

Type of Accommodation Business	% of Accommodation Businesses Interviewed Reporting a Change in Occupancy in the Last 3 Years			
	An Increase	No Change	A Decrease	Don't Know
B&Bs and Guest Houses (Base: 15)	27	20	53	
Inns/ Pub Accommodation (Base: 6)	17	33	33	17
Self-Catering (Base: 7)	57	14	29	
Touring Caravan and Camping Sites (Base: 6)	50	50		

Reasons cited (primarily by B&B, guest house and inn owners) for a fall in occupancy were as follows:

- The recession;
- Increased competition, particularly from budget hotels;
- Winding down the business in the run up to retirement or due to ill health or other personal circumstances;
- Reduced advertising.

Reasons given for improvements in occupancy were as follows:

- Occupancies are still building following recent opening;
- Good customer reviews on Tripadvisor and booking.com;
- Improved quality;
- Repeat business and recommendations;
- Increased marketing;
- The addition of a barn for weddings and functions;
- Increased demand for self-catering accommodation.

It is noteworthy that most of these reasons are to do with quality and marketing.

6.3. Future Prospects

The accommodation business operators that took part in our survey are generally positive about the future outlook for their business in the next 3 years. The majority expect to maintain or increase their occupancy levels. Only a small minority of B&B, guest house and pub accommodation owners expect to see a fall in occupancy. None of the self-catering and touring caravan and camp site operators interviewed anticipate a reduction in their occupancy levels.

TABLE 10: OCCUPANCY PROSPECTS 2015 -2018

Type of Accommodation Business	% of Accommodation Businesses Interviewed Expecting a Change in Occupancy in the Next 3 Years			
	An Increase	No Change	A Decrease	Don't Know
B&Bs and Guest Houses (Base: 15)	33	33	13	20
Inns/ Pub Accommodation (Base: 6)	50	17	17	17
Self-Catering (Base: 7)	43	57		
Touring Caravan and Camping Sites (Base: 6)	50	50		

7. The Extent To Which Accommodation Businesses Trade at Full Capacity

The survey findings show clear evidence of fairly frequent shortages of all types of small tourist accommodation at weekends (Friday and Saturday nights) between April and some shortages at weekends during the winter, particularly for self-catering accommodation, although not, as you would expect, for touring caravan and camping sites. The survey also provides evidence of some shortages of B&B and self-catering accommodation during the week, and to a lesser extent for touring caravanning and camping, most likely in the peak summer months. However there would generally appear to be spare capacity for all types of accommodation on weekdays.

TABLE 11: WEEKEND (FRIDAY/SATURDAY) OCCUPANCY APRIL - OCTOBER 2014

Type of Accommodation Business	% of Accommodation Businesses Interviewed Trading at Full Capacity				
	Every Weekend	Most Weekends	Some Weekends	Not Many weekends	No Weekends
B&Bs and Guest Houses (Base: 15)	20	40	27	17	
Inns/ Pub Accommodation (Base: 6)		67	17	17	
Self-Catering (Base: 7)	43	43		14	
Touring Caravan and Camping Sites (Base: 6)	17	33	33	17	

TABLE 12: WEEKEND (FRIDAY/SATURDAY) OCCUPANCY NOVEMBER - MARCH 2014

Type of Accommodation Business	% of Accommodation Businesses Interviewed Trading at Full Capacity				
	Every Weekend	Most Weekends	Some Weekends	Not Many weekends	No Weekends
B&Bs and Guest Houses (Base: 15)	7	7	40	40	7
Inns/ Pub Accommodation (Base: 6)		17	50	17	17
Self-Catering (Base: 7)	14	43	29	14	
Touring Caravan and Camping Sites (Base: 6)				17	83

TABLE 13: MIDWEEK OCCUPANCY 2014

Type of Accommodation Business	% of Accommodation Businesses Interviewed Trading at Full Capacity				
	Most of the Time	Quite Often	Occasionally	Not Very Often	Not At All
B&Bs and Guest Houses (Base: 15)	13	20	33	27	4
Inns/ Pub Accommodation (Base: 6)			33	67	
Self-Catering (Base: 7)	14	57		29	
Touring Caravan and Camping Sites (Base: 6)		17	17	33	33

8. Key Markets and Their Future Growth Potential

8.1. Key Markets for East Leicestershire Tourist Accommodation Businesses

Tables 14- 17 overleaf provide a breakdown of the importance of different visitor markets for each type of accommodation. Key conclusions from these tables are as follows:

- The key markets for all types of tourist accommodation in East Leicestershire are people visiting friends and relatives and those attending weddings and other family occasions.
- Short breaks are a key market for self-catering businesses and touring caravan and camping sites and an important market for B&Bs and inns.
- Long holidays are an important market for self-catering establishments and caravan and camping sites but of less importance for B&Bs and inns.
- Overseas tourists are an important market for self-catering operations and inns but not quite as important for B&Bs and touring caravan and camping sites.
- Business visitors are an important market for B&Bs and inns and of some importance for self-catering businesses and caravan and camp sites.
- Contractors and workmen are an important market for some pub accommodation businesses and a minor market for some B&Bs and self-catering businesses, but are otherwise not a particularly significant market for the area's tourist accommodation businesses.

TABLE 14: KEY MARKETS FOR B&BS AND GUEST HOUSES (Base: 15)

Visitor Market	% of Accommodation Businesses Interviewed Indicating This Rating			
	Very Important	Quite Important	Slightly Important	Not At All Important
People coming to stay for a short break	33	40	27	
People coming for a longer holiday (1 week +)	7	13	27	53
Overseas tourists		40	47	13
People visiting friends and relatives	73	27		
People attending weddings and family parties	80	13	7	
Business visitors	33	33	33	
Contractors and workmen	7	13	40	40

TABLE 15: KEY MARKETS FOR INNS & PUB ACCOMMODATION (Base: 6)

Visitor Market	% of Accommodation Businesses Interviewed Indicating This Rating			
	Very Important	Quite Important	Slightly Important	Not At All Important
People coming to stay for a short break	50	33		17
People coming for a longer holiday (1 week +)	17	17	33	33
Overseas tourists	50	17	17	17
People visiting friends and relatives	83		17	
People attending weddings and family parties	83			14
Business visitors	33	33	17	17
Contractors and workmen	17	33	50	

TABLE 16: KEY MARKETS FOR SELF-CATERING ACCOMMODATION BUSINESSES (Base: 7)

Visitor Market	% of Accommodation Businesses Interviewed Indicating This Rating			
	Very Important	Quite Important	Slightly Important	Not At All Important
People coming to stay for a short break	71		14	14
People coming for a longer holiday (1 week +)	43	29	14	14
Overseas tourists	57	14	14	14
People visiting friends and relatives	86		14	
People attending weddings and family parties	43	54		
Business visitors	14	14	29	43
Contractors and workmen		14	29	57

TABLE 17: KEY MARKETS FOR TOURING CARAVAN & CAMPING SITES (Base: 6)

Visitor Market	% of Accommodation Businesses Interviewed Indicating This Rating			
	Very Important	Quite Important	Slightly Important	Not At All Important
People coming to stay for a short break	100			
People coming for a longer holiday (1 week +)	50	33	17	
Overseas tourists		67		33
People visiting friends and relatives	83		17	
People attending weddings and family parties	67		17	17
Business visitors	17	17		67
Contractors and workmen	17		33	50

Key selling points for short breaks and holidays were identified as follows:

- Attractive countryside;
- Walking;
- Cycling;
- Fishing;
- Twin Lakes;
- Rutland Water;
- The area's central location;
- Events and festivals.

Events and festivals that were identified by a number of accommodation operators as generating good business for them were as follows:

- The CLA Game Fair when it is held at Belvoir Castle;
- The Bird Fair at Rutland Water;
- Rockingham Castle events;
- Races and events at Rockingham Motor Speedway;
- Events at Kelmarsh Hall;
- Burghley Horse Trials;
- Melton Mowbray Rare Breed Sale;
- Melton Mowbray Food Festival;
- Melton Mowbray Victorian Fayre;
- Bowls tournaments in Melton Mowbray;
- Newark Antiques Fair;
- Events at Bruntingthorpe Airfield and Proving Ground;
- Stanford Hall Car Rally;
- Shows at Kilworth House Theatre;
- The Belvoir Challenge;
- Events at Foxton Locks;
- Events at Prestwold Hall.

8.2. Potential Growth Markets for the Future

The markets seen as offering the strongest growth potential for B&Bs/guest houses and inns/pub accommodation establishments are people visiting friends and relatives, wedding guests and short break takers. Business visitors are also seen as a potential growth market for a majority of B&Bs/guest houses. Key growth markets for self-catering establishments and touring caravan and camping sites are people visiting friends and relatives, short break takers and wedding parties. Long holidays are also seen as offering growth potential by a number of touring caravan and camping sites.

TABLE 18: GROWTH MARKETS FOR SOUTH DOWNS ACCOMMODATION BUSINESSES

Visitor Market	% of Accommodation Businesses Interviewed Identifying This Market as Offering Growth Potential			
	B&Bs/ Guest Houses (Base: 15)	Inns/ Pub Accom (Base: 6)	Self-Catering Businesses (Base:7)	Touring Caravan & Camping Sites (Base: 6)
People coming to stay for a short break	13	33	71	67
People coming for a longer holiday (1 week +)	7		14	50
Overseas tourists	13		29	
People visiting friends and relatives	53	50	86	83
People attending weddings and family parties	47	33	71	50
Business visitors	40	17	14	17
Contractors and workmen	13	17	14	17

APPENDIX 4

NATIONAL TOURISM MARKET TRENDS & INFLUENCES

Over the next decade, the tourism market place will be influenced by a range of factors – economic, demographic, social and technological:

- **Domestic tourism growth - the 'staycation' trend -** a key trend during the recession has been the growth of the staycation market as UK residents opted to take holidays in this country rather than going abroad. There are two groups of staycationers **-** "Switchers" include a high proportion of families - they are primarily motivated to 'switch' a foreign holiday for one at home because of financial constraints - and "Extras" who tend to be younger and are more likely to be single. They are less affected by their economic situation and are more motivated by a desire to explore the UK and go somewhere new. Research undertaken for Visit England in November 2013 suggests that UK residents are beginning to more positively consider holidays abroad again as the country comes out of recession, disposable incomes start to rise, and job security returns. This suggests that the staycation trend may start to wane. Having said this, people that have had an enjoyable holiday experience in England in the last few years seem to be well disposed to do so again. It will also be some time before wages catch up with the cost of living increases that have been seen in the UK since 2008, so many people are likely to be cautious about their spending for some time to come. While growth in domestic leisure tourism may slow as consumer confidence returns there is unlikely to be a dramatic switch away from staycations or a return to pre-recession levels of domestic holiday taking. Research undertaken by Deloitte and Oxford Economics for VisitBritain in 2013[9] projects an average annual growth in domestic tourism in the UK of 3% and a real annual growth rate in domestic tourist spending on overnight stays of 8.7% from 2013 to 2025.

[9] Tourism Jobs and Growth: The economic Contribution of the Tourism Economy to the UK, Deloitte/Oxford Economics, November 2013.

- **Other recent domestic tourism trends** include:
  - Turning VFR trips into leisure ones. The driver behind this has partly been economic (see above) but other drivers exist which may mean the trend may continue – these include maximising leisure time, and the changing demographic picture (creating more opportunities for family get togethers).
  - Domestic tourism has benefited from wider trends – e.g. health tourism (spa breaks) and active / adventure tourism.
  - The growth in 'bleisure' trips, which blend business and leisure travel, with business visitors adding on a leisure stay to a work trip or taking family members with them on business trips.
- **Domestic visitors are often creatures of habit** -two thirds of people booking a UK destination do not consider another destination – 93% of these will have visited that place previously. Four fifths are not influenced by any advertising. Destination choice, especially for short breaks, tends to be driven by where someone lives – they will typically be looking at options in their immediate region (up to 2 hours away).
- **An ageing UK population** – in the medium term the number of people over 65 is increasing. This generation is a powerful economic force, with sufficient time and disposable income to enjoy short breaks and regular holidays – albeit spending power can be threatened by declining values in pension plans and savings.
- **Growth in younger generations** - while this is a potential opportunity for domestic destinations, it is also a challenge – this group is characterised by a lack of knowledge and also prejudices about England and English destinations which prevents them considering these as holiday or break options. The Generation Y market also has very different requirements and expectations from hotels, accommodation businesses and destinations, with a greater importance placed on distinctive design, a relaxed atmosphere and a high level of technology and connectivity.

- **Family composition** is also changing – with grandparents more involved in childcare. This has implications with potentially more intergenerational family holidays and a need for appropriate products to cater for this.

- **Family and friend get togethers** for celebration weekends, reunions or weekends away is a growing market.

- **Online booking and marketing** - consumers are increasingly booking accommodation through the growing number of third party websites that offer discounted accommodation and holidays such as LateRooms, lastminute.com, booking.com, Holiday Lettings, Owners Direct, Home Away and Expedia, and taking advantage of special offers promoted through daily deals sites such as Groupon, Wowcher, Living Social, Travelzoo and Secret Escapes. Accommodation businesses are also increasingly using e-marketing and social media channels to reach customers. This is resulting in an increasingly deal-driven and competitive market but enables accommodation businesses to affordably reach millions of potential customers both in the UK and overseas and allows them to proactively market their available inventory, albeit sometimes at reduced rates. The growth of customer review sites, in particular Tripadvisor, is making it ever more important for accommodation businesses to deliver excellent standards of service and facilities to ensure that they achieve favourable reviews and high rankings.

- '**Mobile first'**- smart phones and tablets are increasingly being used as the first point of contact for most communications, including tourism searches, enquiries and bookings. Wireless access on holiday and information in the right format will be key. Bookings will be more 'last minute'.

- **Social networking will increase in importance** - online networks will be a vital channel for businesses for distribution, awareness creation and recommendations. Impacts of this include the amplification of negative experiences, disintermediation (consumers direct to businesses), and the 'fear-of-missing out' (FOMO), which means consumers want to share the experiences of their peers.

- **Tourism is becoming increasingly experiential** - tourists are looking for 'immersion' in a culture, unique experiences, authenticity, exploration, adventure and personal fulfilment from their holiday experience. The 'what' is more important than the 'where'.

- Linked to this, as we, as a society, have become more active (i.e. doing many things) we have created **time pressures** and a subsequent desire for control in our lives. This means a desire for greater simplicity in some of our choices and, linked to the technology trend, a desire for personalised holiday and short break products.

- While **environmental concerns** are not currently mainstream in terms of holiday taking decisions in the UK, there are some customers that will seek out accommodation businesses with strong eco-credentials.

- **Inbound tourism** is forecast to grow strongly in the UK, boosted by the massive worldwide exposure of the country during the London 2012 Olympic and Paralympic Games. The Deloitte/Oxford Economics report for VisitBritain projects a 6.1% per annum growth in inbound tourism to the UK and an average real annual growth rate of just over 14% in overseas tourist spending in the UK through to 2025. A recent report commissioned for Barclay's Retail and Hospitality & Leisure banking teams predicts that spending by overseas tourists in the UK will grow to over £27bn by 2017, representing an increase of 34% on the 2013 figure, equivalent to an average annual growth rate of 6.75%. Strong growth is expected to come from the emerging economies such as China, UAE, India, Brazil and Russia due to the increasing wealth of consumers in these countries. A new streamlined visa service introduced in August 2014 will make it easier for Chinese people to visit the UK. By 2017, the UAE and Russia are set to break into the top ten nationalities to visit the UK, while spending by Chinese tourists visiting the UK is set to increase by 84% compared to the 2013 figure. There could however be a reduction in demand from near European markets with the slowdown in the Eurozone economy. It must also be recognised that London is likely to be the main beneficiary of inbound tourism growth, especially from long-haul markets. VisitBritain is however very focused on spreading the benefits across the UK and there are opportunities for all parts of the country to see growth in near overseas tourist markets. It is also important to bear in mind that inbound tourism can be very vulnerable to major crises. It would only take a major terrorist attack in London or another major city for there to be a significant drop in overseas tourist visits to the UK.

APPENDIX 5

RURAL VISITOR ACCOMMODATION DEVELOPMENT TRENDS IN THE UK

Hotels

Hotel Development in Market Towns

National trends in hotel development in market towns are as follows:

- The development of **Premier Inn and Travelodge budget hotels** in market towns such as Trowbridge and Devizes in Wiltshire, Leek in Staffordshire, Market Harborough and Melton Mowbray in Leicestershire, Wadebridge in Cornwall, and Bicester and Witney in Oxfordshire. As the market leaders in the UK budget hotel sector Premier Inn and Travelodge have continued to open hotels apace across the UK, although Travelodge has cut back on its development programme as a result of its financial restructuring, prioritisation of investment in existing hotels and focus on London for new hotel development. Premier Inn and Travelodge are the only national hotel chains that have the brand strength and breadth of coverage across the UK to look at developing hotels in smaller market towns. They are also prepared to look at smaller hotels. Target towns in National Parks for one or other, or both of these hotel companies are currently Ambleside, Keswick, Windermere and Kendal in the Lake District; Lymington, Lyndhurst and Brockenhurst in the New Forest; Matlock and Buxton in the Peak District; and Betws-y-Coed in Snowdonia.

- Other budget brands, Ibis, Hampton by Hilton, Holiday Inn Express, Ramada Encore, tend to build larger hotels and will only consider larger towns and cities.

- The development of **boutique and town house hotels** in market towns, in some cases with hotel spas, e.g.
    - The White Horse in Romsey in Hampshire (www.thewhitehorseromsey.co.uk);
    - The Feversham Arms in Helmsley in North Yorkshire (www.fevershamarmshotel.com);
    - The Town House Hotel, Ludlow;
    - The 'country chic' Kings Head hotel that the Vineyard Group opened in Cirencester in September 2014 (www.kingshead-hotel.co.uk);
    - The William Cecil in Stamford in Lincolnshire (www.thewilliamcecil.co.uk).

- Some regional boutique hotel chains that are focusing on market town and rural locations have also emerged e.g. The Pig boutique hotel company with hotels in the New Forest, Southampton, Studland Bay in Dorset and near Bath; East Anglia-based boutique hotel group The House Collection which launched in 2013 with the opening of its first two hotels in Ely and Newmarket in Cambridgeshire; Milsom Hotels, which has 4 boutique hotels in Suffolk and Essex; and Hillbrooke Hotels, which operates 4 'quirky luxury' hotels in the New Forest, Berkshire and Lincolnshire.

Rural Hotel Development

Hotel development trends in rural locations are as follows:

- At the top end of the market there has been activity in terms of the development of **luxury country house hotels**, including the opening of Lime Wood in the New Forest and the soon to open Heckfield Place near Hook in Hampshire; the £30 million development of the Raithwaite Estate in North Yorkshire as a luxury hotel and spa; the new Barton Hall Hotel that opened in Northamptonshire in 2014; the opening of the Ellenborough Park Hotel & Spa near Cheltenham in 2011; and the redevelopment in 2012 of Wood Norton Hall near Evesham as a country house hotel. Plans have also been unveiled for the development of new luxury country house hotels in Hampshire (the conversion by the Nicolas James Group of the former Treloar School near Alton), Surrey (the conversion of Cherkley Court near Leatherhead), West Yorkshire (involving the conversion of Bretton Hall near Wakefield) and Kent (on the Salomons Estate in Tunbridge Wells). A number of country house hotel companies have also expanded in the last 3 years. Brownsword Hotels has established the Gidleigh Collection of luxury country house hotels following its acquisition of 4 hotels previously owned by the now defunct Von Essen Hotels company. Hand Picked Hotels has acquired three new country house hotel properties in the last 16 months near Bath and in Guernsey and Northamptonshire. Laura Ashley Hotels has opened two country house hotels in Elstree in Hertfordshire in 2013 and Windermere in the Lake District in 2014.

- **Hotel spas** have been developed at many luxury country house hotels, enabling them to tap into the rapidly expanding UK spa breaks market.

- There has been some activity in terms of the development of **alternative accommodation options at luxury country house and golf hotels** e.g.
    - Tree houses at Chewton Glen in Hampshire;
    - Eco pods at the Old Thorns Manor golf hotel at Liphook in Hampshire;
    - Luxury self-catering apartments at the Four Pillars Cotswold Water Park hotel in Gloucestershire;
    - Timber lodge suites at the Alexander House Hotel in West Sussex;
    - Luxury woodland holiday homes at The Cornwall Hotel & Spa at St Austell in Cornwall;
    - Eco lodges for ownership or rental adjacent to the Barnsdale Lodge hotel in Rutland.

- A number of luxury country house hotels with a strong reputation for their cuisine have opened **cookery schools** e.g. Lucknam Park, near Bath, Northcote in Lancashire, Le Manoir aux Quat'Saisons in Oxfordshire and Swinton Park in North Yorkshire.

- Recent years have also seen the opening of **on-site specialist sport and leisure facilities at luxury country house hotels** e.g. equestrian centres at the Four Seasons Hampshire, Lucknam Park and Coworth Park in Berkshire and falconry centres at Stapleford Park in Leicestershire, Lainston House near Winchester, and Peckforton Castle in Cheshire.

- Recent years have also seen the development of a number of smaller **boutique country house hotels** through the conversion of country mansions, upgrading and repositioning of existing hotels, or development of redundant outbuildings at country house properties. Examples include:
    - The Cranleigh at Bowness-on-Windermere in the lake District (www.thecranleigh.com)
    - The Brimstone Hotel, Langdale in the Lake District (www.brimstonehotel.co.uk)
    - The Corran Resort and Spa, Laugharne, Carmarthenshire (www.thecorran.com)
    - The Coach House Hotel, Middleton Lodge, near Richmond, North Yorkshire (www.middletonlodge.co.uk)
    - Visit England's 'Best Small Hotel' 2014, The Old Rectory Hotel, Martinhoe, Exmoor National Park (www.oldrectoryhotel.co.uk)

- **Luxury Family Hotels** was re-established in 2011 with the purchase of the Polurrian Hotel in Cornwall and the re-acquisition out of administration of 7 hotels that had previously been sold by the company to Von Essen Hotels in 2006. The company focuses on the upper end of the family break market with a luxury country house hotel product that is geared towards children.

- **Golf resorts** have opened in some counties e.g. Mere Golf Resort in Knutsford in Cheshire, Rockcliffe Hall near Darlington. A number of proposals have come forward for new golf resorts in various locations across the UK, including Kent (at the London Golf Club), Hertfordshire (at the Hertfordshire Golf & Country Club), Surrey (a proposal for a 100-bedroom Hilton hotel as part of the new regional headquarters of the PGA at Wildwood Golf & Country Club in Cranleigh), North Yorkshire (the Flaxby Country Resort on the existing Flaxby Golf Course near Knaresborough) and the Wirral (at Hoylake), together with a number of proposals in Scotland.

- On a smaller scale there has also been some activity in terms of the development of **hotels on golf courses** e.g. the Magnolia Park Golf and Country Club in Buckinghamshire has opened a 30-bedroom Best Western Plus hotel in 2014

- There has been some activity in terms of the development of **spa hotels,** with The Lifehouse Spa & Hotel at Thorpe Le Soken in Essex and The Spa Hotel at Ribby Hall Village in Lancashire opening in 2011. In Scotland, Ballogie Estate Enterprises is developing the site of a former hotel into the Ballogie Hotel & Spa, with 40 guest bedrooms and a £1.7m stand alone spa facility. The project is due to open in 2016.

Inns/ Pub Accommodation

Recent and emerging development trends in the UK pub accommodation sector are as follows:

- There has been a growth in the supply of **boutique inns** in terms of the conversion of pub premises to gastropubs with boutique guest bedrooms. Examples are:
    - The Five All, Filkins, Gloucestershire (www.thefiveallsfilkins.co.uk);
    - The Lord Crewe Arms, Blanchland, Northumberland (www.lordcrewearmsblanchland.co.uk _
    - The Packhorse Inn, Moulton, Suffolk (www.thepackhorseinn.com);
    - The Bell at Ramsbury, Wiltshire (www.thebellramsbury.com);
    - The Victoria, Holkham, Norfolk (www.holkham.co.uk/victoria);
    - Royal Oak, East Lavant, near Chichester, West Sussex (www.royaloakeastlavant.co.uk);
    - Cromwell Arms, Mainstone, near Romsey in Hampshire (www.thecromwellarms.com).
    - The Wild Rabbit, Kingham, Cotswolds (www.thewildrabbit.co.uk)
- A number of **national pub companies have developed branded portfolios of inns**:
    - Greene King has continued to expand its Old English Inns brand and has upgraded many of the inns in this portfolio;
    - Daniel Thwaites has embarked on the development of its Thwaites Inns of Character chain of quality country inns;
    - Marston's operates a portfolio of 41 inns across the country under its Marston's Inns brand. It has opened lodges alongside the new-build pubs that that it opened in Chepstow and Aberystwyth in 2013 and has secured sites for the development of similar lodges alongside other new-build pubs that it will be opening in 2014 and 2015. The company launched the Revere Pub Company in 2013 as a premium pub brand, so far including 4 inns with boutique accommodation in Hampshire, West Sussex and Wiltshire.
    - Dorset-based brewer Hall & Woodhouse operates 33 hotels and inns in Dorset, Devon, Hampshire, Somerset, Surrey, Hertfordshire, West Sussex and Wiltshire. It has recently opened a new inn in the New Forest.

  - Shepherd Neame operates 14 hotels and inns in Kent.
  - Fuller's operates 26 hotels and inns in London, Hampshire, West Sussex and the Home Counties. It has upgraded the accommodation at a number of its pubs over the last few years, including the development of luxury boutique bedrooms at a number of them.
  - Swindon-based brewer Arkell's operates 41 hotels and inns in Swindon, Wiltshire, Oxfordshire, Berkshire and Gloucestershire. It is investing in the refurbishment of these properties, as well as adding bedrooms to some of its pub estate.
  - The Spirit Pub Company operates the budget Good Night Inns brand alongside 29 of its pubs across the country.
  - Brakespear has a portfolio of 28 inns across Oxfordshire, Berkshire, Buckinghamshire, Northamptonshire, Wiltshire and Kent, a number of which have seen recent investment to upgrade their bedrooms.

- A number of **regional pub accommodation companies** have developed in some parts of the country, acquiring and upgrading inns with rooms e.g. Sussex Pub Group; Cotswolds Inns & Hotels; Cozy Pubs in Essex; the Peach Pub Company across the Midlands; Oakman Inns & Restaurants with pubs and inns across Oxfordshire and Hertfordshire; and Miller's Collection, with three inns in Hampshire and Berkshire.

Guest Houses and B&Bs

The guest house and B&B sector is characterised by **a continual churn** of establishments as people enter and exit the sector, often pre-retirement. The last 20 years have seen a continuous improvement in the quality of guest houses and B&Bs in the UK, particularly in terms of the provision of en-suite bathrooms. Existing operators and new entrants have responded to rising customer expectations. It is now rare to find guest houses and B&Bs that are not fully or mostly en-suite.

An emerging trend in some rural destinations is the development of **boutique B&Bs**, offering luxury bedrooms and bathrooms that feature contemporary interior design; high quality, locally sourced breakfasts; and in some cases spa treatments. Examples in neighbouring areas include:

- The Malt House, Chipping Campden, Gloucestershire www.thecotswoldmalthouse.co.uk
- 62 Middlebridge Street, Romsey, Hampshire www.62middlebridgestreet.co.uk
- Forge House, Southwick, Wiltshire www.forgehousebedandbreakfast.co.uk
- Daisybank Cottage, Brockenhurst, New Forest www.bedandbreakfast-newforest.co.uk
- Hellifield Peel Castle, near Skipton, Yorkshire Dales www.peelcastle.co.uk

Holiday Cottages

In terms of holiday cottage sector development trends, the housing market has a significant impact on **residential properties let as holiday accommodation**, which form the largest proportion of the stock of self catering holiday accommodation in the UK. The downturn in the residential property market over the past 5 years has resulted in a significant increase in the numbers of residential properties that have become available to rent as holiday accommodation. With lower house prices owners have become more interested in making their properties available as holiday lets than selling at a reduced price. With the residential property market now starting to recover this trend could reverse in the next few years.

The overall **quality** of the UK self-catering offer has improved significantly over the last 10-20 years. Customers are demanding ever higher quality and are prepared to pay for it. Many are now looking for standards of décor, furnishings, appliances and equipment that are at least as good as, if not better than what they have at home. Customers are increasingly looking for self-catering accommodation that can deliver a 'wow' factor. Self-catering property owners are recognising that they can achieve increased lettings and higher prices if they offer high quality accommodation. The supply of 4 and 5 star self-catering accommodation has thus been increasing. Specific quality improvements in self-catering accommodation have included:

- High quality fitted kitchens, kitchen appliances and equipment, dishwashers and washer/dryers;
- En-suite bathrooms, luxury bathrooms and wet rooms, power showers and whirlpool baths;
- Flat screen TVs and DVD and Blu Ray players, Sky Plus TV, broadband Wi-Fi, gaming stations, iPod docks and sound systems;
- Hot tubs and saunas.

At the top end of the market self-catering operators have started to offer **extra services** such as the provision of meals, food hampers, private chefs and butlers for hire, daily cleaning services, beauty treatments and accepting online shopping deliveries for guests.

The **conversion of redundant farm buildings** to self-catering accommodation has been a key trend over the past 30 years, fuelled by farm diversification grants and a planning policy framework that has generally supported the re-use of redundant agricultural buildings. The supply of this form of self-catering accommodation continues to grow and looks set to increase further. Farmers have converted barns as single self-catering units and in some cases as self-catering complexes of 2-5 units. There are also examples of more extensive self-catering barn conversion complexes that often include leisure facilities such as games rooms, swimming pools, gyms and tennis courts. More recent self-catering barn conversions have tended to be of a high quality, usually achieving a 4 or 5 star grading and sometimes other quality awards.

Boutique self-catering is an emerging product development trend, mirroring the development of boutique hotels, inns, guest houses and B&Bs. Such accommodation trades at the top end of the UK holiday market and typically commands premium prices. Examples include:

- The Folly, Didmarton, Gloucestershire http://thefollyluxurycottage.com/
- Agra Cottage, Healey, near Ripon (www.selfcateringcottages.net)
- The Reading Room, Long Compton, Warwickshire (www.compton-house.co.uk)
- The Peren, near Hay-on-Wye, Herefordshire (www.theperen.com)
- Windfall Cottage, Beckford, Gloucestershire (www.windfallcottage.com)
- Culls Cottage, Southdrop, the Cotswolds (www.cullscottage.net)

Examples of letting agencies specialising in boutique self catering include:

- Unique Home Stays (www.uniquehomestays.com)
- Boutique Getaways (www.boutiquegetaways.com)
- Boutique Retreats (www.boutique-retreats.co.uk) – specialising in boutique self-catering in Cornwall.

Another emerging product development trend in the UK has been the growth in the supply of large **'super' cottages** that can accommodate parties of up to 20-30 guests. These can be large residential properties, e.g. manor houses that are let out as self-catering accommodation or large purpose-designed self-catering barn conversions. Such properties have developed to cater for the growing demand for family and friendship get togethers, celebrations and house parties. They generally trade at the top end of the market, offering high quality, luxury accommodation. They will include large living spaces and dining areas and usually feature the latest in home entertainment systems. Some also have leisure facilities in terms of swimming pools, games rooms and snooker rooms. Examples include:

- Marris Barn, Thorganby Hall, Lincolnshire (www.thorganbyhall.co.uk/marris-barn)
- Tregulland in Cornwall (www.tregulland.co.uk)
- Pedington Manor in Gloucestershire (http://bigcottage.com/houses/pedington-manor)
- Cliff Barns in Norfolk (www.cliffbarns.com)

A number of agencies and web-based directories have been established in the UK specialising in the letting and marketing of large self-catering properties. The key ones currently are as follows:

- Unique Home Stays (www.uniquehomestays.com)
- The Wow House Company (www.thewowhousecompany.com)
- House Party Solutions (www.housepartysolutions.co.uk)
- Acacia Cottages (www.acaciacottages.co.uk)
- The Country Castle Company (www.thecountrycastlecompany.co.uk)
- The Big Domain (www.thebigdomain.com)
- Group Accommodation (www.groupaccommodation.com)
- The Big Cottage Company (www.bigcottage.com)

The development of **Access Exceptional self-catering cottages** that are fully adapted for use by independent and assisted wheelchair users is a trend that has been very slow to develop in the UK, particularly given the growing numbers of wheelchair users that are looking to take holidays. Access Exceptional holiday cottages should include most of the following features:

- Wide doorways and corridors;
- Extra space for wheelchair users;
- Wheel-in showers, possibly with hoist rails;
- Bathrooms and toilets adapted for wheelchair users;
- Low-level kitchen counters;
- Ramps, lifts or stair lifts if needed.

Examples include:

- The Calf Shed, Bardown Farm, Stonegate, East Sussex (www.bardownfarm.co.uk)
- Mellwaters Barn, Bowes, County Durham (www.mellwatersbarn.co.uk)
- Treworgans Farm Holidays, Cornwall (www.treworgans.co.uk)
- The Hytte, Northumberland (www.thehytte.com)
- Windrush Barn, Manor Farm Holidays, Cumbria (www.manorfarmholidays.co.uk)
- Mitchelland Farm, Lake District (www.lakedistrictdisabledholidays.co.uk)
- Chestnut Lodge, Rosliston Forest lodges (www.roslistonforestlodges.co.uk/chestnut-lodge.php)

Holiday Lodges/ Holiday Lodge Parks

Holiday lodge parks offering timber holiday lodges for outright or timeshare purchase and/or rental are a new offer to emerge over the past 20 years. They have developed primarily in inland locations, often woodland or waterside settings and/or associated with other developments and activities such as marinas, golf courses (golf lodges), fishing lakes (fishing lodges), watersports or alongside hotels. Most holiday lodge parks are small – the average holiday lodge park covers 32.2 acres and has 35 lodges. Timber holiday lodges are generally seen as a more up-market and exclusive alternative to the traditional caravan holiday home: they are particularly popular with older and more affluent customers. Most holiday lodges have two or three bedrooms. Holiday lodge parks increasingly have a number of on-site leisure facilities, including restaurants, bars, swimming pools, gyms and children's play areas. Holiday lodges are generally purchased as second homes for holiday purposes. Most park operators offer a holiday rental service to owners and many make participation in such a service a condition of purchasing a lodge. Lodge owners typically live within 3 hours of their holiday lodge and are aged over 50. The lodge rentals market attracts a younger clientele, with rental holidaymakers most typically aged 31-50. The recession has resulted in a significant slowdown in UK holiday lodge sales, with the reduced consumer confidence and falling house prices resulting in far fewer buyers for such holiday properties. Some operators have changed their strategy to holiday letting as a result. With the economy now starting to recover there is likely to be renewed interest in holiday lodge ownership.

There are a growing number of holiday lodge letting agencies and websites. The leading one is Hoseasons (www.hoseasons.co.uk/lodges), which has also developed the sub-brands of Autograph Lodge Holidays (www.autographlodgeholidays.co.uk) and Evermore Lodge Holidays (www.evermorelodgeholidays.co.uk). Others include Book Holiday Lodges (www.bookholidaylodge.co.uk) and its sister brand Lodges With Hot Tubs (www.lodgeswithhottubs.org.uk) and Just Lodges (www.justlodges.com).

Key holiday lodge park operators/developers in the UK are as follows:

- The Dream Lodge Group (www.thedreamlodgegroup.co.uk) – 6 sites in East Sussex, Essex, Norfolk, Cambridgeshire, Devon and Cornwall;
- Forest Holidays – part of the Forestry Commission (www.forestholidays.co.uk/choose-a-cabin) – offers Golden Oak Cabins at 9 sites in Scotland, Wales, Gloucestershire, Hampshire and Nottinghamshire. Its most recent development has been a complex of 60 cabins in Blackwood Forest.).Planning permission was secured in October 2013 for a development of 78 forest cabins in Delamere Forest in Cheshire;
- Natural Retreats (www.naturalretreats.co.uk)has developed eco lodge parks in the Yorkshire Dales and North Scotland and luxury holiday home developments in Cornwall and North Wales.
- Darinian Leisure Resorts (www.darinian.co.uk) has two holiday lodge parks in Essex and the Yorkshire Dales offering luxury, contemporary lodges for rental and ownership.
- Tom Hartley Park Homes (www.tomhartleyparkhomes.co.uk), a holiday park operator with sites in the East Midlands and Home Counties is currently developing Ashby Woulds Lodges (www.ashbywouldslodges.co.uk) as a boutique leisure park with a first phase of 17 luxury holiday lodges for holiday home ownership.
- Lancashire-based holiday park operator Pure Leisure Group (www.pureleisuregroup.com) operates the South Lakeland Leisure Village holiday lodge park and two golf lodge developments in Cambridgeshire and East Yorkshire alongside 6 caravan holiday home parks in the Southern Lake District, Northamptonshire and East Anglia, some of which also offer holiday lodges for ownership or rental.

Examples of recent and current holiday lodge park developments include:

- Scampston Park Lodges, Malton, North Yorkshire (www.scampston.co.uk/park-lodges.html) – a development of 75 luxury holiday lodges for sale
- Westholme Estate (www.westholme-estate.co.uk) – Darinian Leisure Resorts' £10 million development of a former caravan holiday home park;
- The Lakes by yoo, Cotswolds (www.thelakesbyyoo.com) – a development of luxury second homes around a series of lakes
- The Cornwall, St Austell (www.thecornwall.com/stay/self-catering-woodland-homes.aspx) – 22 architect-designed 5 star woodland self-catering homes developed alongside a boutique hotel and spa
- The Sherwood Hideaway, Nottinghamshire (www.sherwoodhideaway.com)
- Flowery Dell Lodges, Richmond, North Yorkshire (www.flowerydell-lodges.com) - 15 pine lodges for rental.
- Lakes Leisure at Tarleton in West Lancashire has secured planning permission at appeal for the development of 49 holiday homes alongside the existing outdoor pursuits, water sports and caravan park.

Fishing lodges and lodge parks are a particular type of holiday lodge accommodation that has developed across the UK. These are clusters of timber lodges that are developed around fishing lakes for sale or rental. They can range in size from 2-3 lodges up to more extensive developments of 40-50 lodges. They vary in standard but are frequently high quality, luxury 4 and 5 star lodges. Examples include:

- Heron Lakes, East Yorkshire (www.heron-lakes.co.uk) – 50 lodges
- Thornham Lake, Thetford, Norfolk (www.thornhamlake.co.uk)
- Celtic Lakes Resort, Lampeter, Wales (www.celticlakesresort.com) – sixteen 5 star lodges developed around 6 fishing lakes

Similarly, **golf lodges**, built on golf courses, for sale, timeshare purchase or rental, have been another emerging sector trend. Similar to fishing lodge developments they can range from a small number of lodges up to major golf lodge complexes. Golf lodges generally offer a high standard of accommodation. They are often developed alongside golf hotels. Examples include:

- Rutland Lodges, Greetham Valley Golf Course, Rutland (www.greethamvalley.co.uk/self-catering/rutland-lodges)
- South Winchester Lodges, South Winchester Golf Course, Hampshire (www.southwinchesterlodges.co.uk)
- Overstone Park, Northamptonshire (www.overstonepark.com/lodges) - 114 golf lodges alongside a clubhouse, leisure club and 31 bedroom hotel
- Lakeside Lodge, Huntingdon, Cambridgeshire (www.lakeside-lodge.co.uk) – seven 2-storey timber lodges alongside a 64 bedroom hotel, health club and conference and banqueting suite
- De Vere Luxury Lodges (www.devereluxurylodges.co.uk) – luxury golf lodges for sale or rent have been developed as part of De Vere's Belton Woods and Slaley Hall golf resorts in Lincolnshire and Northumberland.
- KP Lodges at The KP at Pocklington in East Yorkshire (www.kpclub.co.uk/accommodation/lodges)

Eco lodges and eco lodge parks are a more recent product development. These are individual timber lodges or complexes of lodges that are built to the highest possible environmental sustainability standards and designed and operated to minimise their carbon footprint. Eco lodges will typically include features such as the use of sustainable materials in their construction, grass or sedum roofs, renewable energy sources, waste recycling, energy conservation measures and water conservation systems. Their green credentials are a key part of their marketing and many customers are increasingly choosing these types of accommodation because they want to go an eco-friendly holiday and reduce their carbon footprint. Eco lodge operators will usually also encourage their guests to take part in green activities in terms of car-free days out, walking and cycling, nature study, foraging, bird and wildlife watching, and buying local produce. Examples include:

- Natural Retreats' Yorkshire Dales eco lodge park development near Richmond (www.naturalretreats.co.uk/yorkshire-dales/self-catering-holidays.php)
- Brompton Lakes, Yorkshire (www.bromptonlakes.co.uk/log-cabins-yorkshire.asp)
- Mill Meadow Eco Homes, Somerset (www.millmeadow.co.uk)
- Rosehill Lodges, Cornwall (www.rosehilllodges.com)
- Wheatland Farm Eco Lodges, Devon (www.wheatlandfarm.co.uk)
- Ludlow Ecolog Cabins, Shropshire (www.ludlowecologcabins.co.uk)
- Eagle Brae in Invernesshire (www.eaglebrae.co.uk)
- The Emerald, Carnon Downs, near Truro, Cornwall (www.emeraldcornwall.co.uk)

Holiday Villages and Resorts

The fifth UK Center Parcs holiday village opened at Woburn Forest in Bedfordshire in June 2014. It has 625 holiday villas, a 75 bedroom hotel, an indoor sub-tropical swimming complex, a choice of on-site restaurants, a spa and a wide range of indoor and outdoor leisure and sports facilities. Developed at a cost of £250 million it has been one of the largest ever leisure projects in the UK.

A new luxury 5-star holiday resort is currently being developed in Carbis Bay at St Ives in Cornwall. Una St Ives opened in August 2014 with a first phase of 41 holiday lodges for sale. Each lodge has been constructed with wood from sustainable sources and includes sheep's wool insulation, triple glazing, sedum roofs and solar panels. A further 78 lodges are to be built over the next 2 years. The resort also has an on- site restaurant, a delicatessen selling organic Cornish food and drink products, a spa and an infinity swimming pool and leisure complex.

Plans for major holiday villages and resorts have been unveiled for a number of other locations in the UK:

- The Lightwater Valley theme park near Ripon in North Yorkshire secured planning permission in 2013 for the development of a log cabin resort with 106 holiday units.
- Planning permission was granted in 2013 for the development of the Penrhos Leisure Village on the site of the former Anglesey Aluminium works near Holyhead. The scheme includes the development of 815 holiday lodges and cottages on two separate sites, together with a 75-bedroom hotel, an indoor sub-tropical swimming complex, spa, water sports centre and restaurants.
- Cornwall Council has granted planning consent for the redevelopment of the abandoned Spirit of the West theme park at St Columb into a luxury holiday resort with 325 rental holiday homes and an indoor leisure village with swimming pool, gym, restaurants and cafes. The plans, which also include a self-catering training academy, are being progressed by the owners of the Retallack Resort & Spa near Padstow.
- Forestry Commission Scotland and Highlands & Islands Enterprise are planning to apply for planning permission in 2015 for a £25million holiday resort next to Ben Nevis that will comprise a 5 star hotel and spa, a bunkhouse, up to 50 holiday lodges and a campsite.

Treehouses

An interesting although very niche self-catering accommodation product that has emerged in the UK in recent years is self-catering **treehouses**. A number of these have been developed across the UK, primarily as individual units. They are generally very high quality. They clearly have appeal to the family market. Center Parcs has opened a small number of luxury two-storey treehouses at its holiday villages in Sherwood Forest and Longleat Forest. Aimed primarily at the family market the treehouses include 4 en-suite bedrooms; an open plan kitchen, dining and living area; a games den (accessed along a timber walkway) with plasma TV, pool table, games console, Blu Ray player and a bar area with fridge; and a private hot tub. (www.centerparcs.co.uk/accommodation/By_Type/treehouse.jsp). Forest Holidays (the Forestry Commission) has introduced luxury Golden Oak Treehouse Cabins at its forest cabin holiday sites in Cornwall, Forest of Dean, Blackwood Forest in Hampshire, Sherwood Forest, Thorpe Forest in Norfolk and North Yorkshire (www.forestholidays.co.uk/cabins/cabins/treehouse.aspx). Other examples in the UK include:

- The Treehouse at Lavender Hill Holidays, Somerset (www.lavenderhillholidays.co.uk/properties.asp?id=101)
- Gwdy Hw, Powys, Wales (www.canopyandstars.co.uk/britain/wales/powys/living-room/gwdy-hw)

Caravan Holiday Home Parks

The market for caravan holiday home parks has remained relatively robust during the economic downturn, with relatively few holiday parks going into administration compared to other elements of the visitor accommodation sector such as hotels. However, the Credit Crunch has affected the sales of holiday parks, as despite market interest prospective buyers have had difficulty in securing finance.

National holiday park operators will develop new holiday parks if they can find suitable sites that might be acceptable in planning terms. The difficulty of obtaining planning permission for a new holiday park has generally constrained the development of new sites however. The majority of local authorities across the country have planning policies that resist the development of new holiday parks because of their visual impact on the landscape. Flood risk issues are also a major barrier to new holiday park development. These constraints on the development of new holiday parks have however been a key factor in the robustness of the sector as it has meant that market demand has generally exceeded supply in most parts of the country.

Touring Caravan and Camping Sites

The focus of product development in the UK touring caravan and camping sector has been primarily on the **upgrading** and development of existing sites and the **extension of opening periods**, rather than on new site development. Where new sites have been developed they have generally been relatively small sites. Planning constraints impose a significant barrier on the development of large new touring caravan and camping sites in many parts of the UK, particularly for schemes that involve new buildings and/or winter caravan storage. Achieving commercially viable large touring caravan and camping site development projects is also very difficult. The **Caravan Club** and **Camping and Caravanning Club** are the main operators that have opened large new sites. They are motivated more by providing additional choice for their members than entirely commercial considerations. The Camping and Caravanning Club is continually looking for opportunities for new club sites. Sites associated with visitor attractions and leisure and sports facilities are of particular interest, for example the Club's site at the Gulliver's Kingdom theme park in Milton Keynes. The Caravan Club has acquired established touring parks in a number of locations and upgraded and developed them into new club sites. These have included sites in West Sussex, Cheshire, Lincolnshire and Scotland. It also opened entirely new club sites in Barnard Castle in County Durham in 2010, Bridlington in East Yorkshire in 2011, Strathclyde Country Park near Glasgow in 2012 and Stonehaven in Aberdeenshire in 2013. The development of Caravan Club sites is carried out using local suppliers and contractors where possible, and with an emphasis on landscaping using native species to promote biodiversity. The Club has developed an expertise in land reclamation, with a number of new sites having been developed on brownfield sites such as worked-out quarries, former railway stations and ex-service camps.

Both the Caravan Club and the Camping and Caravanning Club are investing substantially in improving their sites. The Caravan Club typically invests in excess of £10million annually in site improvement and development, while the Camping and Caravanning Club embarked on a 5-year, £29 million investment programme in 2009 to position its site network amongst the best in the UK by 2015. The Club has invested £1.9 million is 2014 and will invest a further £1million during winter 2014/15 in site improvements including upgrading toilet and shower blacks, new reception buildings and site shops, resurfacing site roads, more hard standing and electric hook-up pitches, new children's play areas, and site security measures.

Many independent touring caravan and camping parks are also investing in improving and developing their sites and facilities. The sorts of investments that are being made include the following:

- The installation of electric hook-up points;
- The development of hard standing pitches, which allow winter use by tourers and motor homes;
- The development of fully serviced pitches with water and drainage connection;
- Investment in site infrastructure e.g. drainage, roads, lighting, signage, entrances;
- Improvements to landscaping and site layouts;
- Better quality, heated toilet and shower blocks;
- New laundry facilities;
- Leisure facilities e.g. games rooms, saunas, gyms, internet rooms;
- The development of children's play areas and improvements to existing play areas;
- Catering operations;
- On-site shops;
- Installation of Wi-Fi;
- Improved access and facilities for disabled guests;
- The introduction of camping pods and glamping units.

The **'greening' of touring caravan and camping parks** in terms of promoting biodiversity, reducing environmental impact and encouraging guests to engage in environmentally sustainable activities has also been a key trend in the sector that looks set to continue. Examples include investing in environmentally sustainable technologies for electricity generation, water heating and waste recycling; promoting bio-diversity through creating wildlife areas and planting to encourage butterflies and bees; and providing nature and orienteering trails, cycle hire and wildlife watching activities.

The Caravan Club is firmly committed to boosting its green credentials with a number of policy initiatives across its sites network, including using biodegradable and environmentally-friendly products, building with timber from sustainable sources, shredding tree prunings on site to use as mulch, and using low-energy lighting. The Club has made a major commitment to eco-friendly caravanning through a £1.8 million investment in its Poolsbrook Country Park Club site near Chesterfield in Derbyshire, including trialling a whole range of energy and water efficient technologies such as solar panels and photovoltaic cells, wind turbines, rain water harvesting and grey water recycling, geothermal energy and heat recovery ventilation systems, for possible roll out to other sites. The Club also has 43 sites that have signed up to its Boosting Biodiversity programme.

The other key development trend in the sector has been the **lengthening of the season** with many site operators now wanting to operate over a longer period and increasing numbers of sites looking to stay open throughout the year. The higher specifications of today's touring caravans and motor homes is resulting in growing numbers of owners wanting to use their caravans and motor homes throughout the year. Sites are increasingly investing in hard standing pitches to enable them to cater for this demand. Planning restrictions have not necessarily kept pace with this market demand, underpinned by concerns about permanent residential use.

The recession, together with innovations in easy-to-erect tents and camping equipment, have stimulated strong growth in demand for camping in the UK, despite the poor summer weather in 2011 and 2012. In a survey undertaken by Campsites UK in 2013, 23% of campers indicated that the current economic climate had made them more likely to choose a camping holiday in the UK and nearly two thirds said that wet weather would not force them to pack up and go home.

Another emerging trend is the development of **eco camping** sites. These are small, low impact, environmentally friendly, off-grid camp sites with solar or wind powered showers and eco/ compost toilets. They often have a central campfire area and/or allow campers to have their own campfires. Some sites offer secluded and isolated pitches for individual camping. Sites may have wildlife areas and some offer nature study and environmental activities and courses. Examples are Cerenety Camp Site in Cornwall (www.cerenetycampsite.co.uk), Northlodge in Pembrokeshire (www.eco-camping.co.uk) and Comrie Croft in Perthshire (www.comriecroft.com/sleep/eco-camping.html). In some cases eco camping sites also offer glamping units or glamping sites have opened eco camping sites. Eco Camp UK (www.ecocampuk.co.uk), for example, offers fully equipped bell tents alongside forest tent pitches at its Beech Estate ecological woodland camp site in East Sussex

Camping Pods

Camping pods were first introduced in the UK at the Eskdale Camping & Caravanning Club site in the Lake District in 2008. The site has 10 camping pods priced at £43.75 per night. They are made from locally sourced timber and insulated with sheep's wool. They have hard foam floors, French windows, wooden decking areas, heaters and electric lighting. Each pod sleeps 4 people. They have proved extremely popular and have even attracted demand during the winter. The Camping and Caravanning Club has now introduced camping pods and dens at its club sites in Bellingham, Northumberland; Hayfield in the Peak District; Ravenglas in Cumbria; Skye; Gulliver's Kingdom at Milton Keynes; and Thetford Forest www.campingandcaravanningclub.co.uk/ukcampsites/club-glamping/camping-pods. Newfoundland Leisure Lodges, the company that manufactured the pods for these sites reports huge interest in the concept, which is rapidly developing throughout the UK. The company has now supplied camping pods to over 70 sites across the country. The YHA has introduced camping pods alongside its hostels at Malham and Grinton in the Yorkshire Dales, Hawkshead and Borrowdale in the Lake District and its new South Downs hostel at Lewes in East Sussex (www.yha.org.uk/places-to-stay/alternative-accommodation/camping-pods). The National Trust is another organisation that has started to offer camping pods at three sites in the Lake District, Clumber Park in Nottinghamshire and a site in Northern Ireland www.nationaltrust.org.uk/holidays/camping/camping-pods . Holiday parks, holiday lodge parks, touring caravan and camping sites and hotels are increasingly introducing camping pods as an alternative accommodation option. Examples are:

- The Pure Leisure Group has introduced camping pods at three of its holiday parks (http://www.pureleisuregroup.com/holidays/camping-pods).
- The Hillcrest Park touring caravan park at Caldwell in County Durham (www.hillcrestpark.co.uk/pods)introduced 3 camping pods in August 2011, increasing this to 5 pods in March 2012 and 10 in October 2012 due to the strength of demand.
- The Old Thorns Manor Hotel and Golf Club at Liphook has developed a number of luxury eco pods adjacent to the hotel as an alternative accommodation option (www.oldthorns.com/home/accommodation-old-thorns-hotel-hampshire/luxury-eco-pods).
- Woodland Park Lodges at Ellesmere in Shropshire (www.woodlandparklodges.co.uk/camping-huts.html) has 5 camping huts alongside 11 holiday lodges.

Glamping

A key trend in recent years has been the rapid growth of glamping (glamorous camping) offers, in terms of ready-erected, fully-equipped tents, yurts, tipis and other unusual forms of camping and caravanning accommodation such as geodesic domes, gypsy caravans, retro caravans, safari tents, glamping pods and tree camping. These types of accommodation have proved to be highly popular with more affluent families that want to experience camping holidays but without the hassle of having to bring their own tents and camping equipment. As a new form of accommodation they have attracted significant media coverage and wherever they have opened such accommodation operations have quickly attracted strong demand. Go Glamping (www.goglamping.net), the leading online directory of luxury camping sites, now lists 128 locations in the UK.

Key luxury camping products that have so far emerged in the UK are as follows:

- **Feather Down Farms** (www.featherdown.co.uk) is a concept that has been operated in the UK since 2005 by the Feather Down Farm Days company as a seasonal luxury camping holiday option. Originally developed in Holland, the concept involves Feather Down Farm Days providing working farms with 5-10 fully equipped Feather Down tents for erection between Easter and October. The tents provide spacious, ready-to-use camping accommodation including beds, bedding, a toilet, wood-burning cooking stove, cool chest and cooking equipment. The farmer is responsible for providing a cold water supply to each tent and connection to a mains sewer or septic tank, together with the provision of a communal hot shower facility. Feather Down Farm Days runs a national marketing, advertising and PR campaign and provides a central booking system. The company now has 33 sites across the UK. Their development strategy has focused initially on locations that are within a 2 hour drive time of London, as this is their core market. These holidays require some affluence, at circa £1000 for the week, and they recognise that they are aiming at the educated city dweller wanting rural family 'experience' for themselves and their children.

- **Ready-pitched luxury camps:** Jolly Days Luxury Camping (www.jollydaysluxurycamping.co.uk) in North Yorkshire is a boutique campsite that offers the ultimate in luxury camping, with 8 large lodge tents with four poster beds, sofas and chandeliers, 7 vintage style tents and 7 bell tents. Shieling Holidays (www.shielingholidays.co.uk) on the Isle of Mull provides 16 fully equipped Shieling cottage tents, which take their name from the summer cottages that Highland shepherds traditionally use. The tents are equipped with proper beds and fully equipped kitchens and have electricity and gas heaters. Some also have shower and toilet facilities. Dandelion Hideaway (www.thedandelionhideaway.co.uk) in Leicestershire offers a number of canvas cottages.

- **Yurts**, based on the Mongolian yurt, are wooden frame, insulated circular tents that are usually furnished with beds, wood burning stoves and kitchen equipment. The Bivouac (www.thebivouac.co.uk) on the Swinton Estate in the Yorkshire Dales has 8 yurts and six timber frame shacks. Each yurt sleeps 5 and comes with beds, bed linen, a terracotta cold store, wood burning stove and gas burner for outdoor cooking on a wooden veranda. Lincoln Yurts at Welton in Lincolnshire (www.lincolnyurts.com) offers 5 themed yurts that are fully equipped with beds, bedding, a gas stove, BBQ and decked seating area and supported by a bathroom cabin with a Jacuzzi bath. Other examples area Hidden Valley Yurts in Monmouthshire (www.hiddenvalleyyurts.co.uk) and Yurtshire (www.yurtshire.co.uk)which has two yurt camps in North Yorkshire and one in Warwickshire .

- **Tipi** sites offer a similar set up. Examples include Wild Northumbrian Tipis & Yurts (www.wildnorthumbrian.co.uk); Lincolnshire Lanes Camp Site in the Lincolnshire Wolds (www.lincolnshire-lanes.com); Eco Retreats in Powys, Wales (www.ecoretreats.co.uk); and 4 Winds Lakeland Tipis (www.4windslakelandtipis.co.uk) in the Lake District.

- Wooden **wigwams** rented out at around 20 sites in Scotland and the North East of England are another alternative. Northumbria's Pot-a-Doodle-Do (www.northumbrianwigwams.com) has 12 wooden wigwams sleeping 4/5 people. Each wigwam is fully insulated and has electric lighting and heating. Foam mattresses are provided. The site has a central shower and toilet block, kitchen for guests' use and licensed restaurant on site. Springhill Farm in Northumberland (www.springhill-farm.co.uk/wigwams) offers a number of wooden wigwams alongside self-catering cottages and a touring caravan and camping site.

- Other examples of luxury camping offers include:
  - **Geodesic domes** e.g. The Dome Garden (www.domegarden.co.uk) at Coleford in Gloucestershire has 10 geodesic ecodomes equipped with wood burning stoves, beds, private flushing toilets, a fully-equipped outside kitchen area with fridge and timber en-suite hot shower. Another example is Ekopod (www.ekopod.co.uk) in Cornwall.
  - **Persian alachigh tents** , similar to yurts e.g. Penhein Glamping near Chepstow in Monmouthshire (www.penhein.co.uk)
  - **Gypsy caravans** e.g. Gypsy Caravan Breaks in Somerset (www.gypsycaravanbreaks.co.uk) and Roulotte Retreat in the Scottish Borders (www.roulotteretreat.com), which has 4 French roulette gypsy caravans for hire.
  - **Retro caravans** e.g. Vintage Vacations on the Isle of Wight (www.vintagevacations.co.uk), which has a collection of 13 vintage American Airstream and Spartan caravans for hire; Happy Days Retro in East Dorset (www.happydaysrv.co.uk) with 4 airstream caravans available for hire for holidays; and Mad Dogs and Vintage Vans in Herefordshire (www.maddogsandvintagevans.co.uk), which has 4 vintage caravans.
  - **Shepherds Huts** e.g. Herdy Huts in the Lake District (www.herdyhuts.co.uk) and Shepherds Huts South East (www.shepherdshuts-southeast.com) in Kent.
  - **Safari Tents** e.g. Port Lympne Wild Animal Park in Kent (www.aspinallfoundation.org/short-breaks) has developed two safari tent encampments - Livingstone Lodge and Elephant Lodge overlooking the elephant paddocks, and the Camping and Caravanning Club has 4 safari tents for hire at its club site at Gulliver's Kingdom theme park at Milton Keynes and one at its club site at Teversal in Nottinghamshire (www.campingandcaravanningclub.co.uk/ukcampsites/club-glamping/safari-tents/)
  - **Tree camping** in tents and structures suspended in trees e.g. Red Kite Tree Tent in Mid Wales (www.sheepskinlife.com/relax-at/red-kite-tree-tent) and Treehotel in Sweden (www.treehotel.se), which features 5 quirky, individually designed 'treerooms' and a tree sauna.

- **Bubble camping** in transparent inflatable tents was introduced in France in 2010 but has yet to come to the UK.
- **VW camper van pop-up camps** e.g. Volkswagen Commercial Vehicles partnered with booking website LateRooms in 2014 to provide 6 VW California camper vans for hire on a nightly basis at Temple Island in Henley-on-Thames
- **Cargo pods** , converted from shipping containers have been introduced at the Lee Wick Farm glamping and touring site at St Osyth, near Clacton-on-Sea in Essex (www.leewickfarm.co.uk).

Youth Hostels

The Youth Hostels Association has been going through a programme of network renewal since 2006. This saw the disposal of 32 hostels between 2006 and 2008 and reinvestment of the proceeds in upgrading the remaining hostels in the network and some new hostel openings, including the new Eastbourne hostel in 2009. A number of the hostels that YHA sold subsequently re-opened as independent hostels, in some cases benefiting from YHA marketing support through the YHA Enterprise scheme. A new capital strategy was launched in 2010. This has focused on further rationalisation of the YHA hostel network to generate £40million for reinvestment in hostel improvements and some new hostels. This has included the closure of the Arundel hostel and the development of the new YHA South Downs hostel at Itford Farm near Lewes.

YHA's newest hostel is the YHA Eden Project in Cornwall, which opened in October 2014. It was built by portable hotel company Snoozebox and is made entirely from shipping containers. It offers 54 contemporary en-suite bedrooms for 2 to 4 guests. YHA's next new hostel opening will be the new YHA Brighton in the former Royal York Hotel in November 2014.

Children's Activity Holiday Centres

The children's activity holiday centre sector is rapidly expanding in the UK and is identified as having good potential for further expansion[10]. The sector is made up of many different operators, from those with multiple centres across several countries to smaller, family-run independents. Centres range in size from 50 to 900 beds and are operated largely by the private sector but also by local authorities and charitable organisations.

The two main players in the sector are PGL and Kingswood. Both companies have been the subject of high profile acquisitions. PGL was acquired by Holidaybreak plc in May 2007 for £100m. Kingswood was acquired by DJL Merchant Banking (a division of Credit Suisse Bank) in July 2008, also for £100m. Both companies have since nearly doubled in size and now handle around 500,000 children each year. PGL opened the former Windmill Hill Place Tennis Centre near Herstmonceux in East Sussex as a children's activity holiday centre in May 2009 following a £7m revamp. The centre now offers activity courses for school and youth groups, together with summer camps and family activity holidays during the summer. The centre can accommodate up to 450 guests in bunk –bedded accommodation and new 4-6 person en-suite lodges. Facilities include a sports hall, swimming pool, climbing tower and zip wires and a multi-sports area. Existing lakes are used for canoeing and raft building. The centre has created 130 jobs. PGL also opened a new holiday centre at Liddington, near Swindon in 2010 through the conversion of the former Liddington Hotel. It can accommodate up to 1,000 children and employs 250 staff.

The other key player in the children's activity holiday centre market is JCA Adventure, which became part of TUI Travel plc in 2007. It works with 13 UK centres and two centres in France to provide multi-activity courses of 2-4 nights, netball tournaments and summer camps for young people. The company launched its first JCA-owned activity holiday centre at Condover Hall in Shropshire in 2011.

For new centres these operators would require properties of a substantial size within their own formal grounds ideally with access to lakes, rivers and woodland. They will consider leaseholds and freeholds in rural and semi-rural locations. A residential institution use class (C2) on properties such as former boarding schools or residential colleges can be an advantage but is not essential.

[10] The information provided on the UK children's activity holiday centre sector is taken from an article published in Strutt & Parker's Leisure Comment journal in 2009 – 'Room to Grow. Duncan Willard

Wellness Retreats

A nascent trend that may develop further in the UK is the development of wellness retreats. Current examples include:

- ecoYoga in Argyll (www.ecoyoga.org)runs yoga courses, retreats and holidays in self-catering accommodation. The site offers a range of bathing facilities including rainforest showers, a large hot tub, artisan sauna and two wild river hot baths.
- Slimmeria Retreat in Crowhurst in East Sussex (www.slimmeria.com), which offers detox, fitness and weight loss holidays in a Georgian country house offering boutique hotel bedrooms and a luxury health spa.
- Tofte Manor at Sharnbrook in Bedfordshire (www.toftemanor.co.uk) is a manor house wedding and events venue that offers a range of wellness retreats and inspirational workshops including massage, meditation, yoga and labyrinth walking. It has 12 luxury guest bedrooms and can also offer accommodation in yurts and tents with outdoor hot water showers for larger groups.

APPENDIX 6

SUMMARY OF FINDINGS OF THE LAND & PROPERTY OWNER SURVEY

1. Purpose of the Survey

The purpose of the survey of landowners and property owners across East Leicestershire was to identify interest in developing any form of tourist accommodation in the area. The aspirations of land and property owners will have an important part to play in opening up opportunities for tourist accommodation development. The survey also attempted to probe a little deeper in terms of identifying barriers to making tourist accommodation development happen and support sought which could provide a valuable input to any forward action planning.

2. Methodology and Sample

The survey was undertaken via Survey Monkey, an online survey tool, with the assistance of NFU and CLA who emailed the survey link to their databases of land and property owners in the East Leicestershire LEADER area. The email explained the purpose of the survey and the wider tourist accommodation study, and directed the recipients via a link to the questionnaire for them to complete. It is not clear how much overlap there was between the databases as the consultancy team has not had access to these. A total of 16 responses were received, though in some cases no or little information was submitted. 11 respondents gave detailed replies, including more explanatory responses to the open ended questions.

The questionnaire can be found at Annex A.

3. Current Involvement with Visitor Accommodation

One respondent was currently involved in visitor accommodation provision, operating two self-catering units. Four indicated they were currently progressing firm plans for tourist accommodation development, including proposals for eco lodges and a certificated 5 pitch Camping and Caravan Club site.

4. Motivation for Developing Visitor Accommodation

This question was only answered by 2 respondents, one of whom was concerned to develop the asset value of the property, the other to utilise redundant land.

5. Barriers Holding Back the Development of Visitor Accommodation

Barriers mentioned by respondents included a lack of expertise, the need for a delivery partner, and the unresponsive attitude of the Council.

6. Assistance & Support Required to Move Projects Forwards

In terms of moving projects forwards, needs identified by respondents included:

- Grant information
- Professional commercial advice on assessing the viability of a scheme
- Marketing advice
- How to find a suitable commercial/delivery partner
- Advice on market potential to give confidence to develop visitor accommodation.

7. Land & Property to Put Forward for Visitor Accommodation Development

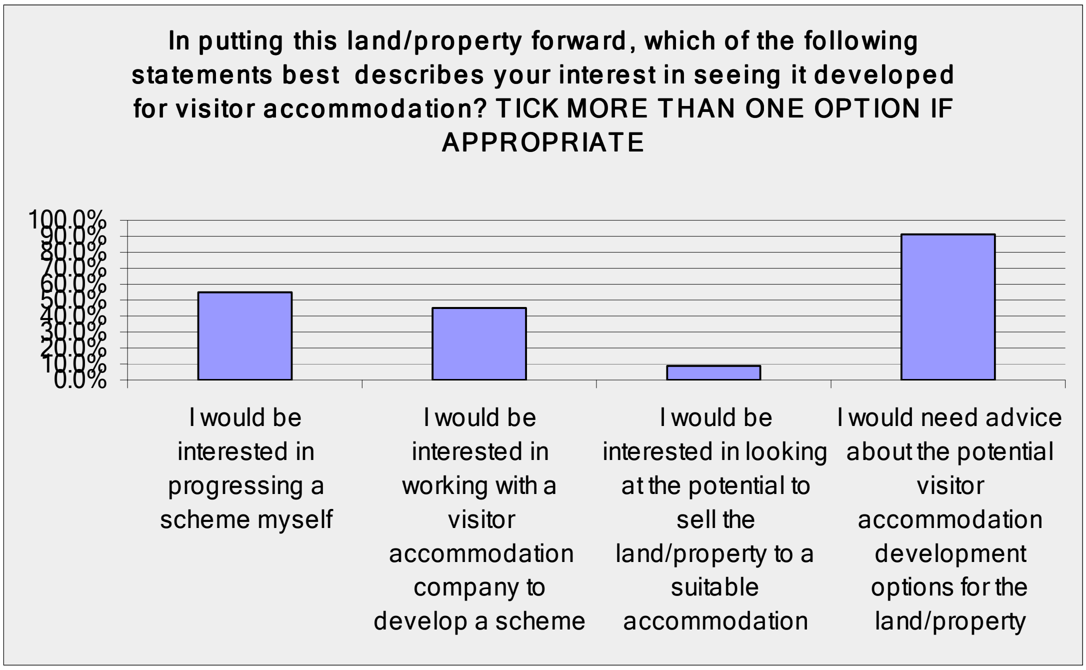
Respondents put forward 11 locations where there was land or buildings suitable for the development of visitor accommodation. Sites and potential uses/developments included:

- An eco lodge development at Foxton Locks
- Land for timber lodges or glamping or camping pods (3 schemes)
- A 5 acre site for caravan and camping or holiday lodges
- Barns for conversion
- Traditional agricultural buildings and large houses on an estate with potential for a small hotel, self-catering or B&B
- Farm-based log cabins/holiday lodges
- A pub with visitor accommodation

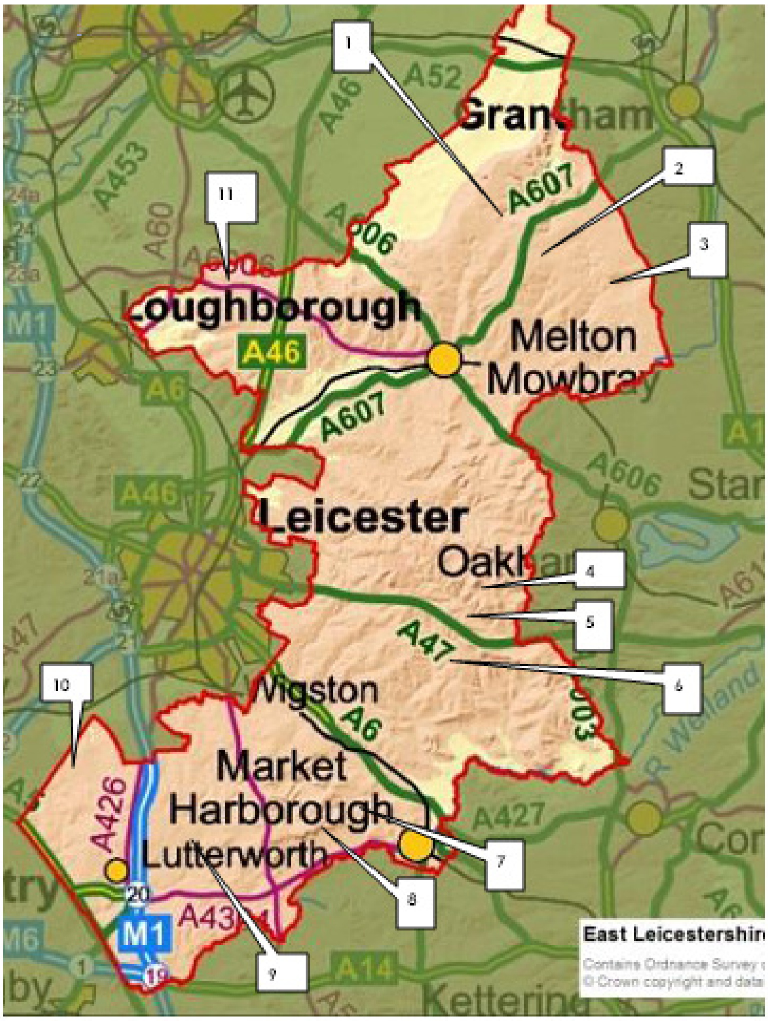
In terms of location, these proposals were spread across the East Leicestershire LEADER area, as shown on the map overleaf.

9. Basis of Interest in Developing Land/Property

Just over half the respondents were interested in progressing a visitor accommodation development scheme themselves, with 45% looking to work with specialist operators. Over 90% of respondents indicated that they would like advice about the potential development options, which echoes other responses about the need for business advice and support, including market information.


In putting this land/property forward, which of the following statements best describes your interest in seeing it developed for visitor accommodation? TICK MORE THAN ONE OPTION IF APPROPRIATE
100.0%
90.0%
80.0%
70.0%
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
I would be interested in progressing a scheme myself
I would be interested in working with a visitor accommodation company to develop a scheme
I would be interested in looking at the potential to sell the land/property to a suitable accommodation
I would need advice about the potential visitor accommodation development options for the land/property

LOCATION OF LANDOWNER PROPOSALS



1 No project information
2 Caravan & camping, glamping and camping pods
3 Hotel, B&B & self-catering
4 Timber lodges/glamping
5 Log cabins/lodges
6 No project information
7 Eco lodges
8 Self-catering barn conversion & canalside timber lodges
9 Caravan & camping & lodges
10 Pub with visitor accommodation
11 Log cabins

Annex A

EAST LEICESTERSHIRE TOURIST ACCOMMODATION STUDY

SURVEY OF LAND AND PROPERTY OWNERS

Leicestershire County Council has commissioned consultants Hotel Solutions to undertake a study to assess the potential for tourist accommodation development in the East Leicestershire LEADER Area (Melton Borough, Harborough District and small areas of Charnwood and Blaby). The study will provide guidance on how the County Council and its partners can best support accommodation development in the area through the LEADER Programme and other possible interventions.

The availability of sites and suitable properties for conversion will be key to bringing new visitor accommodation development forwards in East Leicestershire. With this in mind we are contacting land and property owners across the area to test the potential level of interest in visitor accommodation development.

We would be grateful if you could find the time to respond to the questions below, and thank you in anticipation of your feedback.

1. Contact Name: ____________________
2. Farm/Estate/ Business Name: ____________________
3. Post Code: ____________
4. Telephone Number: ____________
5. Email address: ____________________

6. Do you currently run any type of visitor accommodation business?:

Yes	
No	

If yes, please provide brief details in the box below

7. The research undertaken to date suggests potential for further provision of the following types of visitor accommodation in East Leicestershire:
   - Country house hotels - given suitable properties for conversion
   - Self-catering barn conversions
   - Timber holiday lodge developments
   - Touring caravan & camping sites
   - Camping pod developments

- Glamping (luxury camping) sites
- Bunkhouse barns
- Activity holiday centres

Are you currently progressing any firm plans to develop any of these types of visitor accommodation?

Yes	
No	

Go to Question 11

If yes, please provide brief details in the box below

8. What is your main motivation for looking at developing this visitor accommodation project?

Generate additional Income	
Job creation	
Develop asset value	
Personal interest	
Other (please specify in the box below)	

9. Are there any barriers holding you back from progressing your plans ?

Yes	
No	

If yes, please provide brief details.

10. Is there any specific assistance or support that you require to help you move your visitor accommodation development project forward?

Yes	
No	

If yes, please provide brief details.

11. Do you have any land or property that you think could be suitable for the development of these types of visitor accommodation - either for you to develop yourself or to sell to another party?

Yes	
No	

If yes, please provide brief details of the land/ property (including post code) and the type of visitor accommodation that you think it could be suitable for.

12. In putting this land/property forward, which of the following statements best describes your interest in seeing it developed for visitor accommodation? Tick more than one option if appropriate

I would be interested in progressing a scheme myself	
I would be interested in working with a visitor accommodation company to develop a scheme	
I would be interested in looking at the potential to sell the land/property to a suitable accommodation developer	
I would need advice about the potential visitor accommodation development options for the land/property	

THANK YOU FOR YOUR RESPONSES

If you would like to discuss any specific ideas or opportunities with us please feel free to contact Lynn Thomason at Hotel Solutions
t. 01522 811255 e.lynn@hotelsolutions.org.uk
If you would like any further information about the East Leicestershire LEADER Programme please contact Heather Bell, Policy & Partnerships Manager at Leicestershire County Council on t. 0116 305 5541 e. Heather.bell@leics.gov.uk

Annex B

VERBATIM RESPONSES

Farm/Estate/ Business Name:	**What is your main motivation for looking at developing this visitor accommodation project? TICK ONE ANSWER**	**Are there any barriers holding you back from progressing your plans?**	**Is there any specific assistance or support that you require to help you move your visitor accommodation development project forward?**	**If yes, please provide brief details of the land/ property (including post code) and the type of visitor accommodation that you think it could be suitable for.**
Canal & River Trust	Develop asset value	Lack of expertise together with a willing delivery partner	Professional commercial advice on assessing viability, marketing and finding a commercial partner	Foxton Locks site
G A Owen - Launde Farms				Land on our farm at LE7 9XB which is suitable for timber holiday lodge developments and/or glamping sites
Lodge Farm Theddingworth Burgess and son				Large brick barn suitable for conversion self catering accommodation Canal side fields suitable for timber holiday lodges Both at LR176PY
Tealby Farm Nursery	Other	Harborough District Council not replying to Caravan and Camping Club's requests without having to issue several reminders.	Grant information	5 acres of permanent pasture lending itself to the use of caravans/lodges. LE17 5PB
Buckminster Estate				We have numerous traditional agricultural buildings and large houses that would be suitable for accommodation (B&B, self catering, small hotel) use if we could be confident that there was a profitable market in the area for this use.

Brooklands Farm				Brooklands Farm at Billesdon, on the A47, Log cabins / lodges.
Frolesworth Farms Ltd				Some time ago I obtained planning permission to build a new pub with visitor accommodation when we lost our existing facility but I have not progressed the project. We farm in the village of Frolesworth LE175EE
Redland Farm				Land situated between villages of Stonesby and Waltham on the Wolds. LE14 4 QY . Owned by myself Suitable for Camping/ Caravaning , Glamping , Camping Pods , etc
H Collington & sons ltd				The land is off the A6006 and runs through to narrow lane at Wymeswold. I'm afraid I do not have the postcode with me. I would think that the development of log style cabins would be the most sensible option.

APPENDIX 7

EAST LEICESTERSHIRE - LIST OF POTENTIAL PROJECTS

Name Of Site	Location	Proposal	Source	Hotel	B&B	Pub Accommodatio	Holiday Cottages	Holiday Lodges	Caravan & Camping Site	Camping Pods	Glamping	Youth Accom
54 St Marys Rd	Market Harborough	Aparthotel (13 apartments) and restaurant	Planning Records	X								
Airfield Farm	Market Harborough	Mixed-use residential development (1,500 homes) with marina and hotel	Planning Records	X								
Kilworth Springs Golf Club	North Kilworth Harborough	Long standing proposal for a hotel and spa of between 64 and 125 bedrooms	Planning Records	X								
Scalford Hall Hotel	Scalford Melton	Plans for a 400-capacity marquee for weddings, functions and conferences	Operator Survey	X								
Buckminster Estate	Melton	A range of buildings that could be used for B&B, self-catering and a small hotel	Land Owner Survey	X	X		X					
Frolesworth Farms	Harborough	Planning permission for pub with accommodation	Land Owner Survey			X						
Manners Arms	Knipton Melton	Upgrading of guest bedrooms	Operator Survey			X						
Colborough Grange	Tilton-on-the-Hill, Harborough	Barn conversion to holiday let	LEADER Expression Of Interest				X					

Name Of Site	Location	Proposal	Source	Hotel	B&B	Pub Accommodatio	Holiday Cottages	Holiday Lodges	Caravan & Camping Site	Camping Pods	Glamping	Youth Accom
Moscow Lodge	Great Dalby, Melton	Barn conversion To 3 holiday lets	LEADER Expression Of Interest				X					
Holmes Farm	Lubenham Harborough	Officers Mess to 2 holiday units	Planning Records				X					
Hall Farm	Leire Harborough	Barn to holiday let	Planning Records				X					
Astley Grange Farm	East Langton Harborough	New-build self-catering	Planning Records				X					
Bridge House	Kibworth Harcourt Harborough	Barns to self-catering	Planning Records				X					
Gandys Nursery	North Kilworth Harborough	Extend and convert barn to self-catering	Planning Records				X					
Laurels Farm	Theddingworth Harborough	Barns to self-catering (2)	Planning Records				X					
Hill Farm	Launde Harborough	Farm buildings to 2 holiday units	Planning Records				X					
The Cottage	Stonesby Melton	Convert barn to holiday let	Planning Records				X					
Hawthorn House	Kirby Bellars Melton	Erection of 3 holiday homes	Planning Records				X					
The Hall	Long Clawson Melton	Stable to part holiday let part staff accommodation	Planning Records				X					

Name Of Site	Location	Proposal	Source	Hotel	B&B	Pub Accommodatio	Holiday Cottages	Holiday Lodges	Caravan & Camping Site	Camping Pods	Glamping	Youth Accom
High Leys Farm	Eaton Melton	Farm building to holiday let	Planning Records				X					
Court House	Belvoir Melton	Convert To Holiday Let	Planning Records				X					
Rolleston Hall	Rolleston Harborough	Barn conversion and/or holiday lodges	Land Owner Survey				X	X				
Lodge Farm	Theddingworth, Harborough	Barn to self-catering Timber holiday lodges	Land Owner Survey				X	X				
Cyclists & Hikers	Harby, Melton	5-10 log cabins/ camping pods	LEADER Expression Of Interest					X		X		
Sutton Circuit	Broughton Astley Harborough	42 holiday lodges, a lake and clubhouse	Planning Records					X				
Saddington Rd	Smeeton Westerby Harborough	Holiday chalets (3)	Planning Records					X				
Bruntingthorpe Rd	Shearsby Harborough	Agricultural building to fishing lodge holiday let	Planning Records					X				
Foxton Locks Lodges	Foxton Harborough	Planning permission for a further 3 lodges	Operator Survey					X				
Foxton Locks	Foxton Harborough	Lodges (18) Camping (100 pitches) Youth Accom	Land Owner Survey					X	X			X

Name Of Site	Location	Proposal	Source	Hotel	B&B	Pub Accommodatio	Holiday Cottages	Holiday Lodges	Caravan & Camping Site	Camping Pods	Glamping	Youth Accom
Launde Farms	Launde Harborough	Holiday lodges and/or glamping	Land Owner Survey					X			X	
Tealby Farm	Harborough	Caravan and camping site Lodges	Land Owner Survey					X	X			
Brooklands Farm	Harborough	Log cabins	Land Owner Survey					X				
Main St	Eaton Melton	4 log cabins	Planning Records					X				
Collington, Wymeswold	Charnwood	Log Cabins	Land Owner Survey					X				
Brook Meadow	Sibbertoft Harborough	Installation of 20-40 electric hook ups + possibly further hard standing pitches Replacement of 2 lodges Introduction of 2/3 camping pods	Operator Survey					X	X	X		
Eye Kettleby Lakes	Eye Kettleby, Melton	Planning to increase the size of the site's clubhouse as a first step to expanding the caravan site (+50-60 fully serviced pitches and possibly a camping field) and longer term plans for a further 8 fishing lodges	Operator Survey					X	X			

Name Of Site	Location	Proposal	Source	Hotel	B&B	Pub Accommodatio	Holiday Cottages	Holiday Lodges	Caravan & Camping Site	Camping Pods	Glamping	Youth Accom
Debdale Wharf	Debdale Harborough	Owner might consider a holiday lodge development next to the marina	Operator Survey					X				
Fair Farm	Waltham-on-the Wolds, Melton	Shepherds huts (9) Touring caravan and camping (32)	LEADER Expression Of Interest						X		X	
Windy Ridge Farm	Kirkby Bellars Melton	Camp site	Planning Records						X			
Barlows Lodge	Harby Melton	Change of use to touring caravan site	Planning Records						X			
Graces Barn Farm	Redmile, Melton	Caravan site with toilet and washroom	Planning Records						X			
Redland Farm	Melton	Caravan And Camping Glamping Camping Pods	Land Owner Survey						X	X	X	
Ash Lane Farm	Bitteswell Harborough	Possible development of a second touring caravan and camping site on other land	Operator Survey						X			
Scraptoft Hill Farm	Scraptoft Harborough	2 Eco Pods (disabled)	Planning Records							X		