Warwickshire County Council

# Visitor Accommodation Futures Study and Development Action Plan

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## INTRODUCTION

The purpose of this report is to understand the current visitor accommodation stock in the county of Warwickshire, and to identify the likely accommodation demand and trends through to the year 2030.

The report will consider the major events and opportunities happening in the county over the coming decade, primarily the Coventry City of Culture in 2021, the Birmingham Commonwealth games in 2022, and the potential requirements associated with the building of HS2, currently expected to be finished by 2026.

The current trends in the short term let sector will also be discussed, epitomised by the growth of, but not exclusive to, Airbnb.  It will also cover wider trends in the accommodation sector.

The report evidences the existing accommodation stock, existing planning permissions in Warwickshire, alongside known stock and development in the surrounding counties and cities, primarily Coventry, Birmingham and the West Midlands.

Detailed surveys were undertaken with accommodation providers to ascertain their current performance and views, along with local and national developers.

The report also reflects the existing development plans and views of the local councils and makes recommendations as to how they can support accommodation development.

## Section 1: The Current Position and Existing Accommodation Review

### (1) International Context

The importance of the tourism industry has never been greater. More of the world's population can afford to travel for the first time as they join the "middle classes", adding to the millions already fortunate enough to do so. According to VisitBritain, by 2030 there will be 4.9 billion people considered to be middle class, two and a half times more than in 2009.

As such, tourism is expected to continue to grow through to 2030, and while not at the same level of growth, the sheer physical numbers involved in a small percentage increase make the figures significant.

UNTWO, the World Tourism Organization (the United Nations specialised agency responsible for the promotion of "Responsible, Sustainable and Universally Accessible" Tourism) reported 7% growth in Worldwide tourism in 2017, with 1,323 million people travelling and spending around $1.6 trillion.

This has grown from 400 million travelling in 1990. Worldwide growth for 2018 is predicted to be a further 4-5%. By 2030, the number of people travelling annually is predicted to be 1.8 billion per year, up from the current 1.3 billion, representing a further 500 million visitors per year.

The level of growth is shown to be 3.8% per year between 2010 and 2020. During this period the UK, ranked as the 7th largest visitor destination, slipping from 6th place, attracted 37.7 million overseas visitors, representing 5.1% growth. This represents $51 billion in spending and will grow by 12.1%.

The ONS figures for 2018 appear to show a short-term downturn in the growth expected for the UK and this will be covered in the domestic review below.

The largest percentage of growth is likely to come from the BRIC countries, Brazil, Russia, India and China. This is based on the significant growth in these countries GDP's and the number of their residents who will then be able to afford to travel – the UNTWO call this "traveller affluence".

The general trend for the cost of travel to become cheaper is only expected to continue to 2024, and after that travel costs are expected to increase, with air costs rising by 1.1% p.a. with the cost of surface travel increasing at a higher level, based on the future of oil supply.

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**The bottom line is that UNWTO* predicts tourism growth to continue annually at 3.5% through to 2030.**

*International Tourism Trends in Travel in EU-28 member States Current Situation and forecasts 2020-2025-2030

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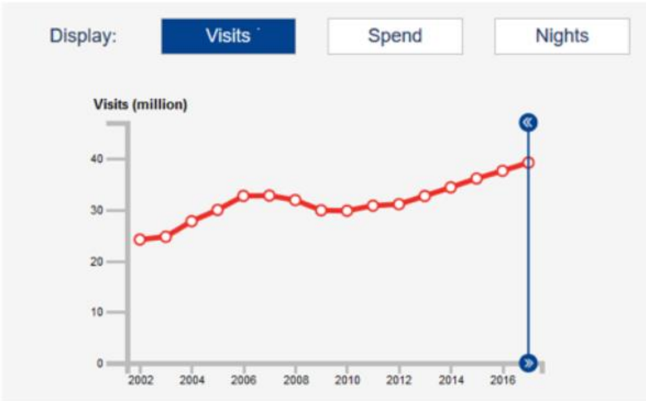
The figure for Europe is a predicted to be lower at 2.1% through to 2025, however this still equates to an additional 9 million annual visitors. Due to the maturity of Europe as a tourism destination and the international demand it creates, Europe currently has 40 visitors per 100 of population, but by 2030 this figure is predicted to rise to 107 visitors to 100 of population, 5 times the world average.

## (2) National Context

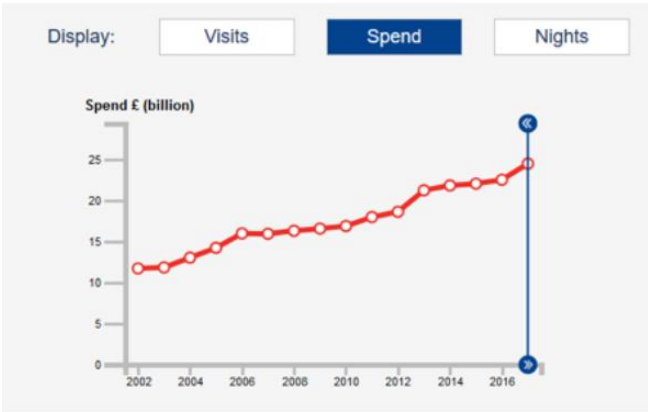
Based on the **Tourism Sector Deal** presented to the government in October 2017, and adopted in June 2019, the tourism sector is in a robust position, growing quicker and creating jobs faster than any other business sector.

It is predicted to grow from a value of £126.9bn in 2017 to £257.4bn in 2025 and up to £268.3bn if the sector deal is approved.



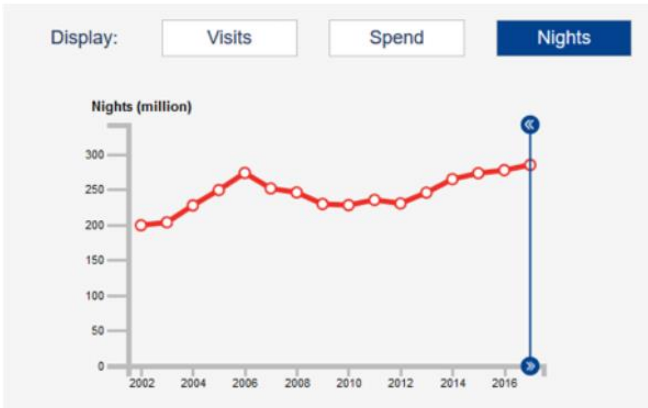

Nationally, overnight arrivals grew by 1.6% p.a. from 2006-2016 but is predicted to grow by 3.6% p.a. from 2016 through to 2025. Although this initial growth was slower than western Europe in 2006-2016, whose growth was 2.4%, UK growth will accelerate past Europe which will slow to 3.3%.

Similarly, the number of jobs in the UK sector has increased from 3.1million to 3.6million between 2006 and 2016 and is predicted to grow to 3.7million by 2025.




In 2016 over 73% of all international travel arrived in London. Growth into the regions was at record levels, at 5%, but this still fell well behind Scotland and Wales which grew by 6% and 11% respectively.

The graphs shown on the right highlight summarise the continuous growth in visits, spend and overnight stays. The graphs demonstrate how the worldwide economic crash of 2008 put a dent in the upward trend of tourism growth, particularly in 2010, but also show that tourism has more than recovered from the highs in room nights of 2006.




**Visits**
The number of visitors had peaked in 2007 with 32.8 million before dropping back to 29.8 million in 2010. The number of visitors has grown to 39.2 million visitors in 2017.

**Spend**
Visit spend peaked in 2006 with £16.0 billion in 2006, before dropping back to £15.9 billion the following year, however steady growth meant that the spend for 2017 was £24.5 billion.

**Room Nights**
Rooms nights peaked in 2007 at 273 million before dropping back to 228 million in 2010. The number of room nights has grown steadily since then to 285 million in 2017.

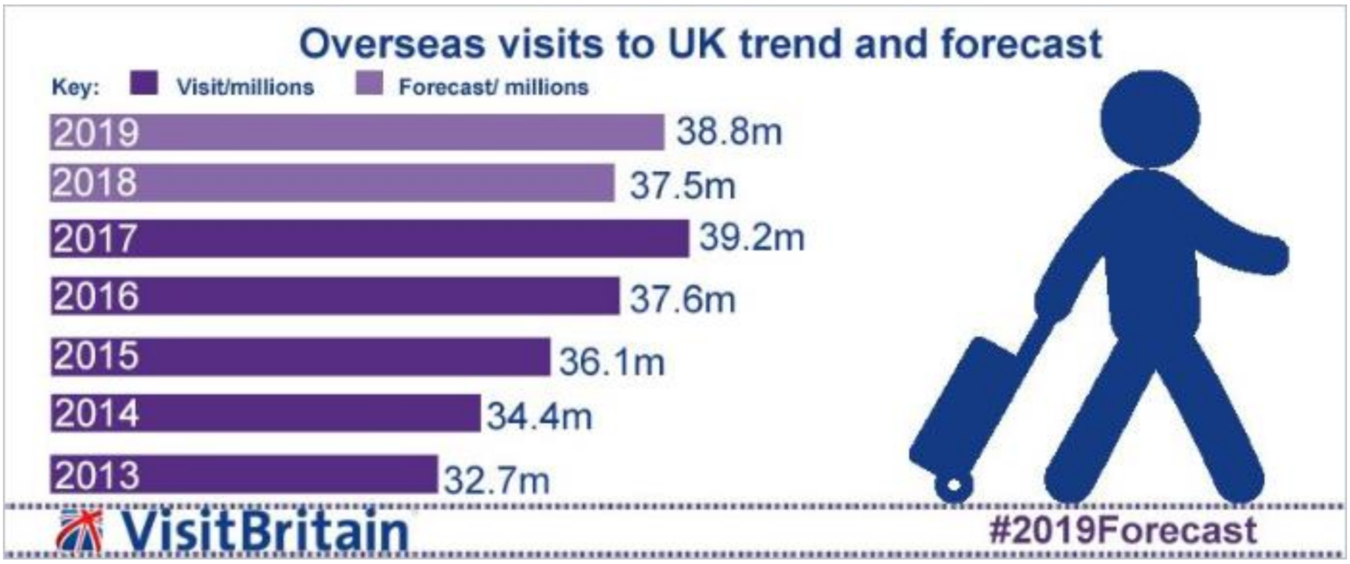
Source: https://www.visitbritain.org/inbound-tourism-trends

The chart below shows the long-term growth of inbound tourism, according to the Office of National Statistics International Passenger Survey results.

**Table 1: The Long-term Growth of Tourism Trends**

| Year | No. of Visits (m) | Spend (bn) | Average Spend Per Visit | Average Nights Per Visit | Nights (m) |
|---|---|---|---|---|---|
| **2003** | 24,715 | £11,855 | £480 | 8.2 | 203 |
| **2004** | 27,755 | £13,047 | £470 | 8.2 | 227 |
| **2005** | 29,970 | £14,248 | £475 | 8.3 | 249 |
| **2006** | 32,713 | £16,002 | £489 | 8.4 | 273 |
| **2007** | 32,778 | £15,960 | £487 | 7.7 | 252 |
| **2008** | 31,888 | £16,323 | £512 | 7.7 | 246 |
| **2009** | 29,889 | £16,592 | £555 | 7.7 | 229 |
| **2010** | 29,803 | £16,889 | £567 | 7.6 | 228 |
| **2011** | 30,798 | £17,998 | £584 | 7.6 | 235 |
| **2012** | 31,084 | £18,640 | £600 | 7.4 | 230 |
| **2013** | 32,692 | £21,258 | £650 | 7/5 | 245 |
| **2014** | 34,377 | £21,849 | £636 | 7.7 | 265 |
| **2015** | 36,115 | £22,072 | £611 | 7.6 | 273 |
| **2016** | 37,609 | £22,543 | £599 | 7.4 | 277 |
| **2017** | 39,214 | £24,507 | £625 | 7.3 | 285 |

The visitor figures for 2018, (yet to be confirmed by VisitBritain) are looking weak and growth has been revised down in the short term from the 2017 high. As this is written, the provisional International Passenger Survey figures announced for the UK are 37.8 million visitors, down 4%, with spending at £22,720 million, down 7%. Even so, the long-term trend for growth is still up, and 2019's forecast figures are still 18.6% higher than where we were in 2013.




According to VisitBritain, Brexit remains a key uncertainty. At time of writing (June 2019) there is still little clarity on the settlement. The forecasts assume there will be no major disruptions to travel. A lack of clarity is impacting bookings for the summer of 2019 to the UK; it is becoming clear that international visitors have concerns about arrival rules as much as UK travellers going overseas.

The drop in overseas international visitors is more disappointing as the exchange rate is at a hugely competitive level for overseas visitors and is predicted to remain low for the medium term. VisitBritain's Consumer Sentiment research has found that while there is still widespread agreement that the weak pound makes it a good time to visit the country, the favourable exchange rate is not as high an influencing factor for travellers than it was in 2016.

Wobbles in the global economy may also be having a short-term impact on tourism numbers, but the overall trend remains upward.

## (3) Warwickshire Context

The local picture is a little more complicated. Regional trends have always been more fluid than the national picture, as shown in the table in the Appendix, section 1.

The statistics from VisitBritain's Insights show a wild variation in Warwickshire results versus its local competitors. Between 2007 and 2016 the West Midlands trips total growing by 0.83%, while holiday trips have grown by 14.4%. Warwickshire's overall trips have grown similarly by 0.71% while holiday trips have only grown by 0.22%.

Regionally, some of the best local performers for "All trips" and "Holiday trips" are Birmingham, growing by 5.69% and 20.35% respectively, the Cotswolds growing by 19.69% and 87.76% respectively and Oxfordshire growing by 7.21% and 18.18%.

However not all destinations have done so well; in the same period Coventry's All trips and Holidays trips have dropped by -3.86% and -12.68%, Derbyshire by -8.83% for all trips but grew slightly by 3.73% for holidays.

- **Overall Visitor Nights**

The level of visitor nights taken in Warwickshire in 2016 (based on a three year rolling average of results) was 2.4 million. This has not grown since 2007, recorded at 2.5m visitor nights or the peak reported in 2010 at 2.75m visitor nights, a drop of -6.7% in 10 years.

Similarly, the number of holiday nights has dropped to just over 1m room nights in 2016 from 1.1m in 2007 and the peak of 1.18m in 2009.

There are regional variances across the county. Stratford-on-Avon District bucks the trend with 10% growth in 10 years for overall trips and 20% growth in the holiday sector. Despite an overall upward trend, Stratford on Avon is still lower than its peak of 1.33m in 2011 and a total of holiday room nights of 800,000, 50k more than the current levels.

All tables are published in the Appendix, section 2.

The Warwickshire Visitor Economic Framework's target was to increase the value of the tourism economy by 5% p.a. with a view to increase the room occupancy at the same time. This plan was valid until 2018.

## (4) Detailed Accommodation Review

A detailed review of all known accommodation in Warwickshire was undertaken with detailed desk investigation via the internet and hotel information portals, primarily STR Global (www.strglobal.com).

The accommodation was broken down into three principal sectors; hotels, guest accommodation and self-catering, which included glamping. The categories are in-line with those designated by VisitEngland under the common standards accreditation scheme.

Guest accommodation includes Bed & Breakfasts / Guest Houses, Guest Accommodation (generally larger than a B&B), Pubs / Inns, Restaurants with Rooms, and Room Only (where self-service breakfast is available).

Self-catering is described as accommodation with its own bathroom and kitchen facilities. This would also include serviced apartments, usually found in city or town centres. Internet desk investigation was also undertaken to identify Self-catering Agencies, as well as self-catering properties directly for sales on the internet. The agencies tend not to publish the exact address of properties, however 21 agencies were investigated, ranging from major online travel agencies, such as TripAdvisor and Booking.com, to small specialists, such as Dogfriendlyretreats. Known duplicates were removed from the final totals.

Warwickshire has only one known hostel, the YHA near Stratford upon Avon. Holiday parks and marinas were investigated but proved difficult to analyse due to the mix of owner occupied and visitor accommodation. Rental park homes were included where individually identifiable.

In addition, detailed desk analysis of Airbnb in Warwickshire, utilising the AirDNA tool (www.airdna.co), to establish the exact location of properties was undertaken to determine the number of properties, units and capacity in each local council area.

For the purpose of the summary, the term "room" is used to describe the number of sleeping units in a property and the capacity is based on the total number of people that can be hosted in each property.

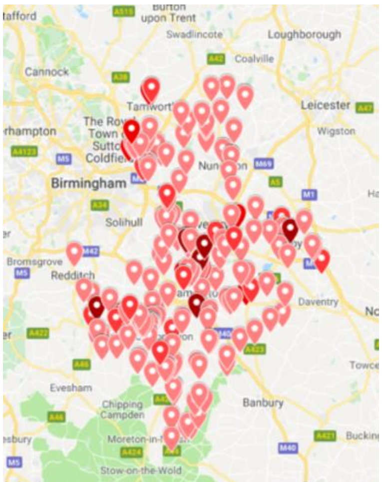
### (a) Accommodation Summary

**Table 2: Warwickshire Visitor Accommodation Summary**

| Property Type | No. of Properties | Available Rooms | Total Capacity |
|---|---|---|---|
| **Hotels** | 153 | 8,424 | 15,842 |
| **Self-Catering** | 311 | 657 | 1,973 |
| **Guest Accommodation** | 251 | 1,526 | 3,937 |
| **Hostel** | 1 | 32 | 134 |
| **Total** | **716** | **10,608** | **21,765** |
| **Airbnb Total** | 856 | 1,554 | 3,187 |
| **Airbnb Duplicates (Approx.)** | 282 | 610 | 1,273 |
| **Airbnb summary** | **574** | **944** | **1,914** |
| **Total with Airbnb** | **1,290** | **11,552** | **23,679** |
| **Park Homes** | **38** | * | ** |

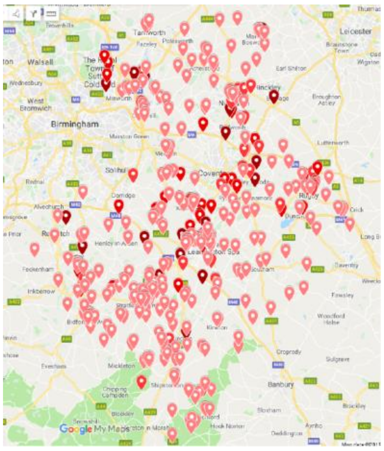
### (b) Property Distribution across Warwickshire

The maps below highlight the distribution of properties across the county. It is split into Guest Accommodation (B&B, Inns and Guest Accommodation), hotels, self-catering and an overall summary. Airbnb properties are taken as a separate section. A darker pin indicates more units at a single property, as highlighted by the increased number of darker pins on the hotels map. It is intended as a visual aid only.

| Guest Accommodation Across Warwickshire | Hotel Accommodation Across Warwickshire |
|---|---|
|  |  |





| Self-Catering Accommodation Across Warwickshire | All Warwickshire Accommodation |
|---|---|
|  |  |





**A breakdown of accommodation by local district council can be seen in the Individual District Summaries at the end of the document, section 5, page 50.**

The specific split of accommodation is summarised in the chart below.

**Table 3: Visitor Accommodation Type by Local Council**

| Guest Accommodation | North Warks | % | Nuneaton & Bedworth | % | Rugby | % | Stratford on Avon | % | Warwick | % | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Properties | 37 | 14.8% | 14 | 5.6% | 17 | 6.8% | 120 | 48.0% | 62 | 24.8% | 250 |
| Rooms | 295 | 19.7% | 77 | 5.2% | 129 | 8.6% | 684 | 45.8% | 309 | 20.7% | 1,494 |
| Capacity | 591 | 15.5% | 155 | 4.1% | 261 | 6.9% | 1,414 | 37.2% | 1,382 | 36.3% | 3,803 |

| Hotel | North Warks | % | Nuneaton & Bedworth | % | Rugby | % | Stratford on Avon | % | Warwick | % | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Properties | 16 | 10.5% | 16 | 10.5% | 32 | 20.9% | 32 | 20.9% | 57 | 37.3% | 153 |
| Rooms | 1,137 | 13.5% | 1,055 | 12.5% | 1,343 | 15.9% | 1,719 | 20.4% | 3,170 | 37.6% | 8,424 |
| Capacity | 2,300 | 14.5% | 2,120 | 13.4% | 2,688 | 17.0% | 3,329 | 21.0% | 5,405 | 34.1% | 15,842 |

| Self-Catering | North Warks | % | Nuneaton & Bedworth | % | Rugby | % | Stratford on Avon | % | Warwick | % | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Properties | 12 | 3.9% | 6 | 1.9% | 10 | 3.2% | 226 | 72.7% | 57 | 18.3% | 311 |
| Rooms | 27 | 4.1% | 20 | 3.0% | 22 | 3.3% | 471 | 71.7% | 117 | 17.8% | 657 |
| Capacity | 90 | 4.6% | 46 | 2.3% | 56 | 2.8% | 1,455 | 73.7% | 326 | 16.5% | 1,973 |

| Total | North Warks | % | Nuneaton & Bedworth | % | Rugby | % | Stratford on Avon | % | Warwick | % | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Properties | 65 | 9.1% | 36 | 5.0% | 59 | 8.3% | 378 | 52.9% | 176 | 24.6% | 714 |
| Rooms | 1,459 | 13.8% | 1,152 | 10.9% | 1,494 | 14.1% | 2,874 | 27.2% | 3,596 | 34.0% | 10,575 |
| Capacity | 2,981 | 13.8% | 2,321 | 10.7% | 3,005 | 13.9% | 6,198 | 28.7% | 7,113 | 32.9% | 21,618 |

## (c) Traditional Accommodation Review

By “Traditional Accommodation” we are considering hotels, guest accommodation (usually bed & breakfast, inns and guest houses), self-catering, glamping, camping, caravan and motorhome sites, holiday parks, and boat hire.

The traditional sector has a capacity of around 21,600 beds available in 10,600 rooms and in 714 properties.

Some of the headline figures are:

- Over 60% of the capacity and 75% of ALL properties are in Stratford on Avon DC and Warwick DC.
- Warwick DC has the largest number of hotels, with 37% of the properties and nearly 38% of the rooms.
- Stratford on Avon DC and Rugby BC have the same number of hotels, but Stratford has 400 more rooms.
- The self-catering sector has Stratford on Avon DC with over 70% of the properties, units and capacity
- Over 90% of all self-catering is in Stratford on Avon DC and Warwick DC.
- Stratford on Avon DC has nearly 50% of all Guest Accommodation but less than 37% of the capacity, whereas Warwick DC has just under 25% of the properties but nearly the same capacity as Stratford on Avon.
- Nuneaton and Bedworth BC has only 5% of all properties, but nearly 11% of all rooms and capacity.
- Nuneaton and Bedworth, Rugby and North Warwickshire all have proportionally larger properties than Warwick and Stratford on Avon.

### (d) Self-Catering and Agency Overview

There are two key sectors within the self-catering sector, owner operated properties and those managed by self-catering agencies, whose owners have these properties as second homes or investments. We identified over 20 agencies selling Warwickshire property although many properties appear on multiple sites.

Our research identified 111 properties in our conventional accommodation list, with an additional 227 properties managed by agencies. After de-duplicating the list, there are 311 self-catering properties available in Warwickshire, with 27 properties appearing in both sectors.

Self-catering has proved difficult to track as the rules around taxation for self-catering changed in 2018. In 2008, nationally there were 34,000 listed self-catering operators paying business rates, which had raised by 5,000 in 2015 to 39,000, nearly a 15% increase in 5 years. After the introduction of business rate relief for those with a rateable value of less than £12,000, 8,000 second homeowners in Cornwall alone have made their properties available for rent over 140 days a year. Therefore, no national figure has yet been confirmed.

Furthermore, this does not consider the property for rent on “platforms”, and with 55% of all Warwickshire Airbnb properties being homes, this potentially adds 316 more home rentals to the 311 already available, more than doubling the conventional home sector.

### (e) Airbnb: The Short-Let Market

The growth of Airbnb has had a remarkable impact on the accommodation sector. As an on-line platform based around social media, where interaction introduces both hosts and guests to each other, it has created a new product that the traditional accommodation market has struggled to understand and assimilate.

However, it should be recognised that Airbnb has had at least $7.45billion of capital investment, so it is in every sense a major player in the current market and for the future; in reality, it is now a major Online Travel Agent (OTA). This is reinforced with its current expansion of Airbnb Experiences and the £500,000 co-op marketing deal recently signed with VisitBritain (Feb 2019).

In Warwickshire, between 2014 and 2018 Airbnb grew from 88 properties to over 1,700 properties, although only 1,153 of these are currently active (March 2019).

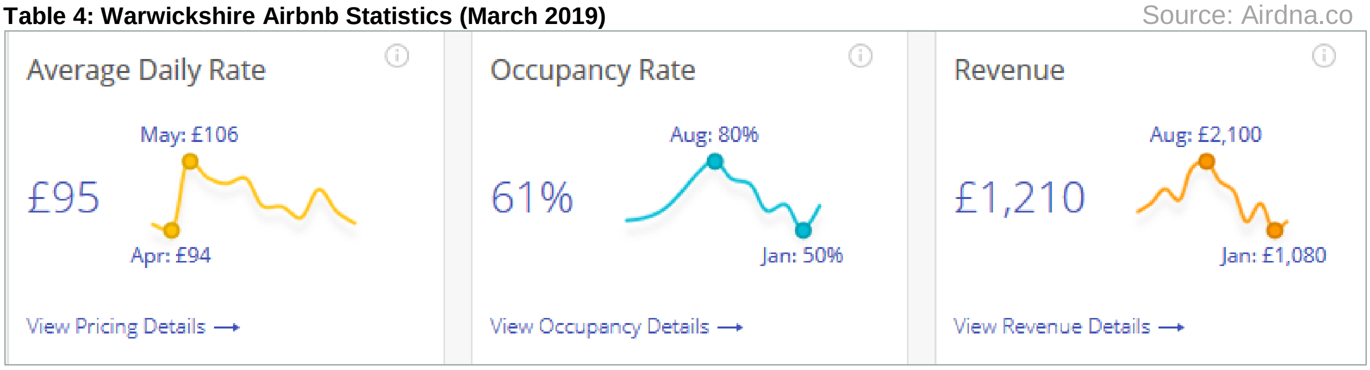
**This still represents over 1,000% increase in 4 years.** The winter trend is indicating that growth has peaked in the short term, however, it has expanded to 1,600 properties in Q2 2019.


Source: Airdna.co

However, this does mean there is an additional 30% of properties already in the market for short term events, such as major shows at the NEC or the Ricoh Stadium and in the long term the Coventry City of Culture or Commonwealth Games. A full summary is in the Appendix 3.

**Table 4: Warwickshire Airbnb Statistics (March 2019)**

Source: Airdna.co



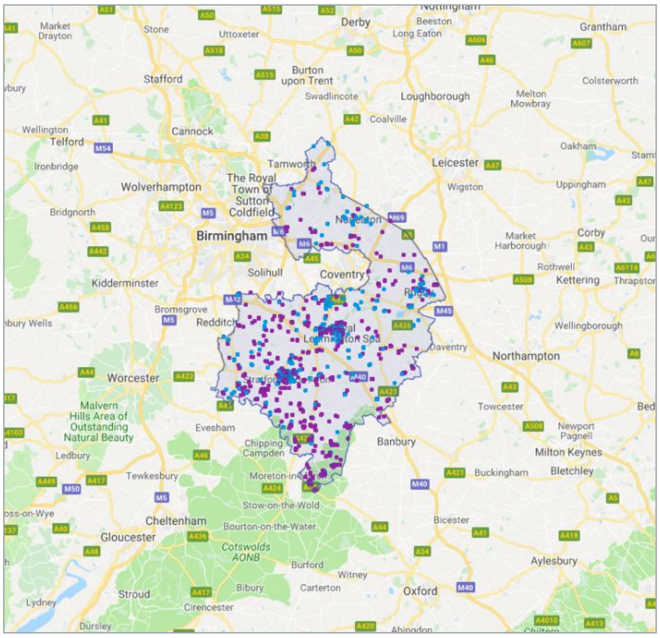
The chart above highlights how the Average Daily Rate fluctuates across the year, as does occupancy. The bonus of an average additional household income from £1,100 to £2,100 per month is clearly an incentive for many house owners.

- **Airbnb Distribution in Warwickshire**

**Table 5: Warwickshire Airbnb Distribution by Local Council (March 2019)**

| Individual Districts | Properties | Rooms | Capacity | % of Properties | % of Units | % of Capacity |
|---|---|---|---|---|---|---|
| **North Warwickshire** | 25 | 42 | 79 | 2.93% | 2.70% | 2.48% |
| **Nuneaton and Bedworth** | 24 | 44 | 91 | 2.82% | 2.83% | 2.86% |
| **Rugby** | 55 | 98 | 210 | 6.46% | 6.31% | 6.59% |
| **Stratford on Avon** | 453 | 804 | 1,619 | 53.17% | 51.74% | 50.80% |
| **Warwick (Leamington Spa)** | 295 | 566 | 1,188 | 34.62% | 36.42% | 37.28% |
| **TOTAL** | **852** | **1,554** | **3,187** | **100.00%** | **100.00%** | **100.00%** |

Source AirDNA




There is a clear imbalance in the distribution of Airbnb properties across the county. Detailed analysis by the MAS team has identified the total properties available in each of the Boroughs/Districts.

Over 50% of the property is in Stratford On Avon DC, with a further 35% in Warwick DC.

Concentrations in the local towns include 155 properties in Stratford Upon Avon, 126 in Royal Leamington Spa, 60 in Warwick, 23 in Kenilworth and 22 in Rugby.

Despite being a major town, Nuneaton only has 12 properties listed.

- **Multiple Units**

As of February 2019, the 987 Airbnb properties available are operated by 644 hosts, which equates to 1.53 units per owner. This is one of the lowest percentages in the Midlands region, but even the lowest average, Derby, is at 1.47.

The Average Daily Rate (ADR) ranges from £106 in August 2018 to £88 in January 2019.

- **Room vs Homes**

While Airbnb started as a “room” rental, literally renting out your living room floor with an air mattress – hence the name, there has subsequently been a rise in “whole home” rentals, replicating the growth of the self-catering market.

There is a broad variance in the percentage of whole home rentals, but the more rural the destination, the higher percentage of whole homes are available. This means that Warwickshire has 55% of home rentals, while Coventry is only 30%.

The propensity for “homes” being available in rural areas is reinforced by the Cotswolds having 84% homes, West Oxfordshire at 75% and Derbyshire at 72%. Contrary to this, the lowest percentage of “home rental” is in the major cities with Coventry at 30% and Derby at 31%.

- **Group Size**

Despite there being a major difference in the proportion of homes to room rentals across the County, this is not reflected in average group size.

Warwickshire’s average group size is 4.3, while Coventry’s is 4.9 persons. Of the comparisons undertaken, Liverpool has the highest group size with 5.9, while the lowest is Hull at 3.8.

- **Average Daily Rates (ADR)**

The nature and make-up of the accommodation type is also reflected in the ADR (January 2019). Cotswolds properties average £145 per night and West Oxfordshire £126. Warwickshire with a near 50/50 split in property types is £88, while city room rates are less with Coventry at £82 and Leicester £72.

This directly reflects the propensity for rural destinations to have a higher percentage of home rentals available versus rooms being available in cities.

- **Airbnb as a Marketing Channel**

A top line analysis of the Airbnb list, Appendix section 3, shows that 33%* of the properties are likely to be using Airbnb as a second or subsequent marketing channel. The methodology used determined the nomenclature of the property, matched to knowledge of the local area. It is not exact, but a considered reflection of the number of conventional properties using Airbnb as a marketing channel.

Therefore, of the 857 listings, there are 282 using Airbnb as a second channel, representing 610 rooms and 1,273 capacity.

*These figures are reinforced in the accommodation survey which highlights 25% of Guest accommodation and 43% of self-catering properties using Airbnb as a marketing channel.

Although the figure represents 33% of the properties, it represents 39% of both the total rooms and capacity, suggesting that it is the larger “professional” accommodation providers making use of Airbnb as a marketing channel.

- **Regional Airbnb**

For the counties directly bordering Warwickshire, plus central Birmingham, there are around 8,700 properties available on Airbnb. This means Warwickshire has 11% of the region's properties and a total of 15% when Coventry is added into the Warwickshire total.

**Table 6 Airbnb Summary: Warwickshire and Area (March 2019)** Source AirDNA

| Self-Catering | Active Properties | % | Hosts | ADR | Occ. Nov % | November Revenue | Homes % | Home Total | Total 2014 | Total 2018 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Warwickshire** | 987 | 11% | 644 | £88 | 48 | £944 | 55 | 354 | 88 | 1,731 |
| **Coventry** | 390 | 4% | 214 | £82 | 48 | £1,064 | 30 | 64 | 28 | 1,251 |
| **Solihull** | 212 | 2% | 140 | £90 | 44 | £723 | 42 | 59 | 20 | 342 |
| **Birmingham** | 1,530 | 18% | 834 | £80 | 52 | £1,030 | 51 | 425 | 129 | 3,987 |
| **Derbyshire** | 1,532 | 18% | 898 | £93 | 42 | £1,011 | 72 | 647 | 103 | 2,202 |
| **Leicestershire ex City** | 509 | 6% | 329 | £80 | 46 | £840 | 42 | 138 | 52 | 990 |
| **Northants** | 961 | 11% | 631 | £85 | 55 | £1,020 | 41 | 259 | 61 | 1,611 |
| **Cherwell (Nth Oxon)** | 420 | 5% | 262 | £100 | 42 | £856 | 45 | 118 | 35 | 759 |
| **West Oxfordshire** | 541 | 6% | 318 | £126 | 31 | £947 | 73 | 232 | 46 | 927 |
| **Cotswolds** | 1,382 | 16% | 681 | £145 | 29 | £1,050 | 84 | 572 | 94 | 2,054 |
| **Wychavon (E Worcs)** | 257 | 3% | 183 | £99 | 35 | £1,001 | 68 | 124 | 26 | 403 |
| **TOTAL** | **8,721** | **100%** | **5,134** | | | | | | **682** | **16,257** |

The areas with the largest number of properties are Birmingham and Derbyshire at 18%, with Cotswolds at 16%, reflecting both the region's major cities, closely followed by two of the largest vacation destinations. With over 85% of Airbnb being in the south of Warwickshire (Stratford on Avon and Warwick) it reflects the importance of Shakespeare's England and the Cotswolds as a vacation destination.

The overall expansion of the sector is reflected across the region with growth of over 2,000% between 2014 and 2018.

### (f) The Caravan and Motorhome Club

The CAMC has two permanent sites in Warwickshire with a combined 111 pitches. However, the Caravan and Motorhome Club can host rallies / temporary sites alongside events courtesy of the Caravan Sites and Control of Development Act 1960 and their all-important 'Exemption Certificate'.

The Club holds this certificate 'in perpetuity' which in effect means that no planning licences are required for these sites. There are many examples of temporary sites throughout the year e.g. steam rallies, air shows, agricultural shows and music festivals around the country.

For the 2012 London Olympics CAMC hosted a temporary site in Essex which was accessible to East London. The CAMC could create rally sites for both the Coventry City of Culture and Commonwealth Games.

### (g) Camping and Caravan Club (The Friendly Club)

The Camping and Caravan Club, whose offices are based in Warwickshire, has one permanent site in Warwickshire, with an undetermined number of pitches. The Club enjoys the only other "Exemption Certificate", the same as CAMC. Robert Louden, CEO, has already approached the City of Culture about assisting with the City of Culture.

## (5) Official Quality Star Ratings vs Social Media Reviews

Historically Quality Star ratings have played a crucial role in the improvement of small and independent businesses. In the pre-digital era, they were an important indicator to the consumer and used in tourist offices, holiday brochures and guides.

Quality Star ratings offer engagement to the owners by delivering impartial advice and guidance by experienced consultants and helped to drive the quality improvements needed to help the UK deliver the excellent product offer it has today.

Unfortunately, star ratings under the common standard criteria have been allowed to go out of date. They do not represent what owners want, nor the customers' needs. As an industry, accommodation operators were guilty of a lack of transparency with customers, often being economical with the truth. This created a lack of consumer confidence in assessment ratings and played a part in not living up to expectations and often overselling the experience on offer.

Therefore, review sites stepped in to fill that space. However, while review sites have fundamentally changed how consumers research their properties, it should be remembered that they are a review of the CONSUMER EXPERIENCE and not the quality of the product. A TripAdvisor review asks your opinions of **location**, **cleanliness**, **service** and **value**, all of which are **subjective**, rather than an **objective** summary of the facilities and legal compliance.

Recent research for the Discover England Fund programme has highlighted that consumers are doing more research to eliminate risk in the buying process. Whether they are traveling for business or leisure, it's too important an investment of time and money to take chances.

To summarise the current position approximately 30% of properties are either branded or have a traditional star rating from either the AA or VisitEngland. The different role played by Quality Star Ratings and Review sites is borne out by comparing stars and reviews.

In a random selection of Warwickshire properties, the averages were as shown in the table below.

**Table 7: Star Ratings versus Consumer Rating Comparisons**

| VE / AA Star Rating | Google Rating |
|---|---|
| 5 | 4.72 |
| 4 | 4.70 |
| 3 | 4.28 |

Positively, we can conclude that in 4 star and 3 star properties the subjective questions around location and value for money are very well delivered – a warm welcome, good service and a clean room should be delivered as standard practise regardless of the star rating. However, with 3* properties averaging 4.28 on google reviews, and 4* properties averaging 4.72 on google reviews, 1.28 and 0.72 higher than their quality star rating, is the customer understanding what they are about to book?

Therefore, when a guest arrives at a "4+" rated review site to find a budget property, delivering the basics at a good standard, is this what they are expecting? Specific research may be required to understand if this means that the customer expectation is NOT being met.

More needs to be done to raise consumer awareness of the difference between an "official" star rating inspection and a customer experience review.

- **Solution**

With major international events showcasing the region over the coming years, supporting a scheme such as the "Safe, Clean and Legal" scheme awarded Primary Authority to Cornwall County Council and run by Quality in Tourism, would ensure a low-cost visit to all accommodation providers, be they in the conventional or short let sectors.

By accommodation businesses signing up to schemes like this, it would qualify properties to be considered guest friendly and would make promotion to overseas guests a confident proposition.

## (6) Accommodation Market Growth Projections to 2030

The figures shown below are based on the current VisitBritain Insights figures for Nights recorded, for both All Visits and Holiday Visits. The calculations are based on the 9.4% of all visitation that happens in August, as highlighted in the Shakespeare's England Economic Impact Survey.

Two levels of growth have been calculated. These are:
- 2% growth per annum - is the expected UNTWO growth figure for Europe until 2030.
- 3.5% figure per annum - is the level of growth used in the Tourism Sector deal through to 2025.
- 5% - was a target set in the Warwickshire Visitor Economy Framework through to 2018, also considered a level of growth achievable in Coventry (City of Culture Accommodation Review).

If the levels of growth continue through until 2030 the local accommodation requirements will have grown by:
  - At 2% - 31.9%,
  - At 3.5% - 61.9%
  - At 5% - 98%

Therefore, at the most conservative growth levels we will have a third more overnight stays and at 3.5% growth of over 60%.

A figure called 2030+ is also highlighted. In section (3) Warwickshire Context, the number of room nights peaked at 2.75million room nights based on the figure for 2010, at the height of the staycation. Had the county continued to grow at that level of growth, or a short-term spike return the county to that level of rooms nights being taken, this figure could become a reality again.

The short-term spikes of The Coventry City of Culture, The Commonwealth Games and HS2 will be considered in a separate section below.

**Table 8: Warwickshire Room Growth Summary based on 2016 Insights**

| Warwickshire | Room Nights | | | | | Peak + | Available | Diff | Diff | Diff | Diff |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Daily Peak Requirements (All) | **Growth** | **2016** | **2020** | **2025** | **2030** | **2030+** | **2019** | **2020** | **2025** | **2030** | **2030+** |
| | **2%** | 5,039 | 5,454 | 5,563 | 5,675 | 8,527 | 10,608 | 5,154 | 5,045 | **4,933** | **2,081** |
| | **3.50%** | 5,039 | 5,783 | 6,868 | 8,157 | 11,818 | 10,608 | 4,825 | 3,740 | **2,451** | **-1,210** |
| | **5%** | 5,039 | 6,125 | 7,817 | 9,977 | 15,226 | 10,608 | 4,483 | 2,791 | **631** | **-4,618** |

| Warwickshire | Room Nights | | | | | Peak + | Available | Diff | Diff | Diff | Diff |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Daily Peak Requirements (Holiday) | **Growth** | **2016** | **2020** | **2025** | **2030** | **2030+** | **2019** | **2020** | **2025** | **2030** | **2030+** |
| | **2%** | 2,159 | 2,337 | 2,384 | 2,432 | 3,645 | 10,608 | 8,271 | 8,224 | **8,176** | **6,963** |
| | **3.50%** | 2,159 | 2,478 | 2,943 | 3,496 | 5,052 | 10,608 | 8,130 | 7,665 | **7,112** | **5,556** |
| | **5%** | 2,159 | 2,625 | 3,350 | 4,276 | 5,493 | 10,608 | 7,983 | 7,258 | **6,632** | 5,115 |

Room nights are converted at average occupancy based on 1.45 persons per room per night.

**Table 9: Warwickshire Room Totals by Category**

| Total Rooms | 2019 |
|---|---|
| **Hotel** | 8,424 |
| **Guest Accommodation** | 1,526 |
| **Self-Catering** | 657 |
| **Airbnb** | 944 |
| **TOTAL** | **10,608** |

Currently we have a total stock of around 10,500 rooms available for rental, although potentially there are Airbnb rooms not currently active at the time of the analysis. The figures were calculated on 9.4% of the total visitation occurring in August, the peak month for travel, based on the Shakespeare's England Economic Impact Report.

At 2%, 3.5% or 5% compound growth for the current bed-stock, we would **NOT** need to increase capacity for 2030. This does not consider any impact from the major events happening in the area. This also does not include the use of Airbnb.

Although there are clear needs identified later in the report for specific sectors, such as the coach/touring sector, the only need for major expansion occurs if the figures quickly revert to the maximum highs for room occupancy previously seen in 2010. If the UK £ exchange rate against the Euro and the US$ remains advantageous to visitors, and the "staycation" picks up, then these levels could be quickly made up to previous levels.

If there is a rapid improvement, then the increased requirement ranges from being **1,200** rooms needed at 2% growth to over **4,400** needed at 5% growth.

To build 1,200 rooms is the equivalent of 6 hotels with 200 rooms, and 4,400 rooms would require 22 hotels of 200 rooms. The spreadsheets for these calculations are included in the Appendix section 4, and other scenarios can be run to reflect alternative data.

**Major Event Impacts**

- **Coventry, City of Culture**

Coventry COC are undertaking their own accommodation audit. An early prediction published that:

- The Coventry City of Culture 2021 is planned to have 5 “Noise” events that will attract national coverage and 10 exhibitions that are targeted to attract 150,000 people each over 3 months each.
- CCOC aim to increase visitation by 2.5million in 2021 and 1 million more in the following year.
- They are keen to work across Warwickshire and attract the Shakespeare’s England visitors over to Coventry who will then spend money in the wider region.
- Initial events include the (existing) Godiva Festival, a BBC Radio Big Weekend and a Rugby League World Cup event.

**Issues**

- As raised by CCOC, they have been advised that major rail engineering works scheduled during 2021 will particularly impact all the bank holiday weekends, and as such, events will not be planned on these weekends.

**Support**

- Warwickshire has agreed to become a Principal Partner and will support the Coventry City of Culture 2021 Trust with a contribution of £1m to ensure the benefits are maximised for the whole of Warwickshire.

**City of Culture Impacts on previous accommodation levels:**

**Coventry**

At the original bid stage, it was highlighted that Coventry can draw on 20,000 local beds, across the City, Warwickshire and Birmingham. It cited Liverpool, which saw a 20% increase in occupancy and an extra 4 million bed-nights, yet Coventry estimated it only needed another 250 rooms to satisfy demand. With 580 additional units planned, and 120 of which will be delivered in 2019, the city is 50% of the way to delivering its short-term requirement.

These figures may change after the City of Culture’s own accommodation audit is completed by NGI Solutions.

**Derry / Londonderry**

Prior to being awarded the COC in 2013 the tourism industry was experiencing very little growth and Derry had no new hotel development for the previous 10 years. In 2012 it had 123,964 hotel rooms to sell annually (approx. 350 rooms) and in 2018 it had 249,137 (approx. 700) and is projected to increase to 351,195 (975) by 2020 equating to a further 41% growth.

The impact has also meant that the average occupancy has grown from around 60% to over 70% in 2017, highlighting that the COC has a long-term impact.

Even so, this is still a small example compared to the 5,000 already available in Coventry.

**Table 10: Derry City of Culture Hotel Growth**

| Year | Average Hotel Occupancy | Total Hotel Rooms | % +/- Annual Room Sales Growth |
|---|---|---|---|
| **2011** | 61.53% | 117,766 | - |
| **2012** | 61.23% | 123,964 | +5% |
| **2013** | 66.49% | 151,751 | +22.4% |
| **2014** | 60.94% | 140,402 | -7.48% |
| **2015** | 62.13% | 143,448 | +2.17% |
| **2016** | 67.30% | 161,208 | +12.38% |
| **2017** | 70.19% | 172,259 | +6.86% |

Source: Visit Derry Hotel Surveys 2018.

- **The Birmingham Commonwealth Games: 27th July to 7th August 2022**

The Commonwealth Games team advised it was too early in their cycle to be predicting accommodation impact. The figures here are an extrapolation from previous events in the UK and supported by methodology used across the industry.

- Unique ticketed spectators anticipated: c.300k.
- c. 30+% expected to stay overnight.
- c. average stays of 4 – 6 nights per person in the west midlands.

This works out to be a requirement of 4,500 rooms per night. (300,000 / 10 nights / 30% / 2 sharing)

- In addition to this, the Games would expect to have over 3,000 media staying for the event, but it should be noted that they are more likely to stay in and around Birmingham, so they avail of the services put on for them at Games time, e.g. transport. The stays are anticipated to average 3-4 nights per person over the 12 days of the games.

On the basis that the media will primarily stay for the whole event, this would mean that 3,000 rooms are added to the room requirement per night.

This means that 7,500 rooms per night would be required across the region, which falls comfortably within the existing room stock for the region. According to current STR Global reports, there are 20,972 available rooms within 5 miles of the centre of Birmingham.

In addition, over 1,000 units are already due for completion by 2020 in central Birmingham, Solihull, around the airport and in Coventry.

All athletes and team officials will be staying at the Commonwealth Games Village in Perry Barr during the Games which is expected to be a total of 6,500. Therefore, there will be no impact on the local visitor accommodation availability by the athletes or officials.

- **HS2**

The schedule currently underway has the new railway being ready for operation in 2026.

The main works contractor, Balfour Beatty Vinci (BBV), will have up to 55 operating locations (compounds) in Warwickshire. All sites will not be operational simultaneously. These will range from material lay down and storage areas that are occasionally visited to major site compounds.

The major compounds are planned for the Long Itchington tunnel portals, west of Leamington Spa, the A46 near Stoneleigh, south of Coventry and Kingsbury in north Warwickshire.

The largest compounds will be the base for up to 400 people. The smallest, used as personnel base, for 40 (some will have no people based at them).

In total the sites will provide a base for some 3,500 workers and 1,400 management, supervision and support staff. However, as personnel will need to work on different activities and sites at different times this is not the workforce scales.

It is likely that the number of people based in Warwickshire at any time will be 50-70% of this total, say **2,450-3,430**. HS2 aspires to recruit and employ locally wherever they can and will focus on targets that support this.

It is still likely that some 70% of their total workforce will travel into the area and seek accommodation whilst they work. That ranges the likely population to be 1,715 - 2,400. A mix of hotel, B&B, caravan pitches and rented properties are likely to be required.

As with many details currently, the numbers are indicative and may change. Please also note that BBV cover the majority of Warwickshire; the southern section of the route (Long Itchington-Southam) is being constructed by another joint venture-EK.

**Table 11: HS2 Potential Rooming Requirements**

| HS2 Predictions | | Possible Caravan Stays @ 25% | Reducing Requirement to | Twin Shares @ 30% | Reducing Requirement to | All Units Available in NWBC, RBC and NBBC | Impact |
|---|---|---|---|---|---|---|---|
| **High Staff** | 2,400 | 600 | 1,800 | 540 | 1,260 | 4,289 | 29% |
| **Low Staff** | 1,700 | 425 | 1,275 | 383 | 893 | 4,289 | 21% |

On the assumption that most staff will be based in the north of the county, then HS2 could require up to 29% of the available accommodation per night, increasing pressure on the accommodation sector.

With 4,890 rooms already available in Coventry, and up to 1,200 Airbnb properties available in the city, then the potential work force is likely to dissipate workers across the wider region, although high demand is likely to increase prices, especially for ad hoc visitors to the region.

## Section 2: Interviews, Opinions and the Current Plans

MAS conducted three surveys, agreed with WCC, for hotels, general accommodation and with local and national developers. The number of surveys conducted were as follows:

**Table 12: Opinion Survey Distribution Totals**

| Survey | Total Sent | Responses | % Respondents |
|---|---|---|---|
| **Hotels** | 62 | 19 | 31% |
| **Accommodation** | 237 | 41 | 17% |
| **Developers** | 117 | 4 | 3% |

In all cases, the surveys were sent multiple times, and in the case of the Developers, follow up phone calls were undertaken, trying to encourage participation.

The full responses and summary are available in the Appendix, section 5.

### (1) Survey of Accommodation to Assess Performance, Occupancy and Markets

Learnings, concerns and suggestions are summarised here.

**Headline Results and Key Learnings**

**Social Media Use**

- Facebook is a clear favourite with all hotels and all but one self-caterer using it.
- Twitter and Instagram are used by half of the hotels and a third of the self-caterers.
- 20% of the B&B's have no social media channels active.

*Consideration* – With the growth of Airbnb, there is a disconnect between traditional B&B operators and social media savvy owners maximising the use of the internet. Training via local tourism offices should be continued to be offered.

**Quality Star Ratings – summarised in section 1:5**

- Over 60% of all hotels still engage with star ratings.
- 50% of self-caterers have star ratings.
- Approximately 25% of all accommodation is 3*.

*Consideration* - Accreditation and review sites should not be confused. An accreditation scheme ensuring legal compliance and guest safety should be proposed as a minimum standard to ensure Warwickshire is a safe and complaint county, especially in the short term let sector.

**Review Sites**

- Most properties participate in TripAdvisor.
- Most hotels and half of the Guest accommodation have Booking.com reviews.

*Consideration* - Review site usage should be encouraged but it should be understood to be subjective and not objective and should not be confused with accreditations.

**Average Annual Occupancy**

- Nearly 90% of hotels advise over 61% occupancy which is very positive.
- 70% of Guest Accommodation (GA) is showing over 50% annual occupancy.
- Nearly 80% of self-catering is over 61% full all year, which is also very positive.

*Consideration* – shoulder and low season promotional campaigns should be delivered to help extend the seasonality, either by the properties directly or as part of wider DMO lead campaigns.

**Average Length of Stay**

- No hotels report stays of 3 nights or more.
- Nearly 40% of traffic to SC is for 2-3 nights reflecting the trend for shorter stays.

*Consideration* – Like annual occupancy, there is a clear opportunity to try and increase the number of nights stay in all accommodation types through promotion of the county via tourism offices or other marketing organisations.

**Biggest International Markets**

- The major visiting countries reflect national trends.
- Australians and New Zealanders are more cost conscious and avoid hotels.
- Far East guests are more confident in hotels.
- Experienced European guests are comfortable in B&Bs and self-catering.

*Consideration* – more interactive work with Airlines and Birmingham Airport should be exploited to drive business into the county as a regional gateway, avoiding the time and hassle of traveling via London.

**Accessibility of Properties**

- It is a concern that less than 50% of all sectors have step free access.
- It is also a concern that 12% of hotels do not have accessible bathrooms.

*Consideration* - more needs to be done to support accessible needs and ways to exploit this market sector need to be exploited. Wider promotion of support for enhancing facilities, and the value of the accessible market to be shared with the owners.

**Do you anticipate being in business in 2030?**

- Over 50% of GA are planning to close by 2030 and a third of self-caterers.
- Of those planning to retire, 47% will sell as a going concern, 35% will close and 18% will convert to other use.
- There is growing disillusion with running Guest Accommodation which is contra to the rise in Airbnb.

*Consideration* – there is a disconnect with traditional B&B owners and Airbnb providers. This is reflected in the ability to use social media and training for traditional operators may be required to help them compete on-line.

**Are you planning to expand? Tried to expand but couldn't get finance?**

- Over 20% of hotels are looking to expand, reflecting demand in the region.
- Lack of financing is not an issue.

## (2) Consultation with Stakeholders

Meetings with key stakeholders were carried out as part of the actions undertaken in this initiative to understand the local environment. A list of principal contacts was provided and has evolved during the process.

A full summary of Key Comments is published in the Appendix, section 6.

Meetings were undertaken with the following and are summarised:

**North Warwickshire DC** – Rachel Stephens, Claire Haines
Summary, Rachel Stephens, Clare Haines, Community Development Officer (Rural Regeneration)

**New Developments and Attractors**

- Triumph Motorcycles Experience, Hinckley.
- British Cycling Tours and Birmingham Velo.
- Bosworth Battlefield.

**Plans**
A recent destination review and plan has been created for 2017-2022 with the neighbouring Leicestershire council of Hinckley and Bosworth. The local plan highlights pockets of land available for development, including a potentially supporting a hotel at Bassets Pole canal basin.

The MIRA site has a college and research institute and a hotel is included in plans.

NWBC is included in plans for the Coventry City of Culture as part of WCC funding plans to generate cultural events in this part of the county.

As stated in the local plan, rural barns and “pubs with rooms” present the most likely opportunity for development in the area at this time.

**North Warwickshire Tourism Association** – Ann Prosser, Former Chairman NWTA and owner, Hipsley Farm Cottages

Very little of the business coming to Hipsley Farm’s 10 self-catering units is for leisure. Most are for local business developments and building specialists, who stay for many weeks, if not months. This business pays well, is regular and the business guests are respectful of the property.

Hipsley also receives local VFR traffic (visiting friends and relatives), mostly short stay if UK domestic customers, but longer if international.

The trend for shorter exhibitions at the NEC is also impacting business – people and exhibitors are likely to come in later and leave earlier, but the Motorbike Show and Caravan and Camping Show still deliver regular business.

Brexit is impacting the short-term market as people are not willing to commit to projects in the short term, causing a knock-on impact to accommodation.

**Rugby Borough Council** – Stephanie Chettle-Gibrat, Head of Growth and Investment, Emma Wilson, Place Marketing Officer

- A new Destination Management Plan has recently been completed.
- A visitor working group is supporting development between Rugby School, the Rugby Museum and the Rugby Museum and Art Gallery.
- With 50% of the borough being green belt, it hosts many day visitors.
- A potential hotel is cited for development on the Council Offices Site in the centre of Rugby.
- A weekend pass is being considered for local events as plenty of availability exists at the brand hotels that primarily host business visitors during the week, including the Ibis and Premier Inn.
- Development at Draycott Water, close to Dunchurch Park Hotel, is being discussed with Severn Trent Water.

**Nuneaton and Bedworth DC** – Chris Lawes, Economic Development, Jonathan White, Town Centre Manager, Events and Markets and James Corden

Nuneaton and Bedworth BC completed a Destination Assessment in 2016.

The Transforming Nuneaton Document was discussed, advising that there was not a viable night-time economy in the town and that this reduced the need for overnight stays. The project was considering potential new provision to help deliver this.

The team advised that business tourism is strong and that they are looking towards the visitor economy to increase business. The area has a strong mining heritage, an area under consideration for development.

There is a plan to develop the Transport Hub. This is on the back of the new service to London on the LNER West Coast Mainline which now puts London within about an hour of Nuneaton. The Council is already purchasing sites within which to redevelop this area of town, this potentially will include hotels and restaurants.

The Borough Plan is currently being updated. It will be finished around the end of February 2019. It will include incentives for development in potential locations, particularly in areas B1, B2 and B8, industry, logistics and manufacturing.

The team believe that they are missing out on promoting George Eliot and creating a brand around her heritage for the town.

**Stratford On Avon DC** – Simon Purfield, Performance, Consultation & Insights Manager

Simon directed MAS towards the Latest Economic Assessment 2017 and Tourism Impact reports. No accommodation audit work has been done since 2014.

**Stratford on Avon DC** - John Careford, Policy Manager (Enterprise, Housing & Planning), Pat Matjaszek, Business Enterprise and Tourism Officer, Rosemary Williams, Policy Planner

Areas of requirements that were identified are, in summary:
- Lack of business, conference and meeting space to accommodate larger groups.
- Need for new RV / motorhome parks and storage
- Concern about traffic – A46 plans to improve and widen and creation of the western bypass to Waitrose roundabout.
- Central development in "Gateway Quarter" – maps provided and potential site at BHS store in centre of town in Bridge Street and the old Stratford Picture House.
- Provision of zonal development for "canal quarter" with new moorings and refurbishment.
- Need for more student accommodation.

**Stratforward** – Joe Baconnet, Chief Executive

Stratford has just been through the third BID process for the town centre, under Joe Baconnet. The marketing programme is moving towards exploiting niches in the sector, working in parallel but not in competition with Shakespeare's England.

- The BID team are instrumental in tracking visitor traffic through the town centre using mobile phone IP addresses, determining local versus visitor traffic. This allows the team to focus on seasonal variations and the impact of how traffic drops while the RSC is dark, in between plays. It also delivers clear evidence of how well events such as the Christmas Market is both supported by visitors and locals alike.
- Stratforward is aware of the available sites in town which are prime for development; these include the Old Picture House site, the closed BHS store site and the development programme for the Stratford Gateway corridor, covered in the supplementary planning document. They are also keen to support the plans proposed for the Canal Quarter.
- Historically rural businesses had struggled to expand in green belt areas as restrictive planning legislation made expansion in these areas difficult. Stratforward are open to how changes in planning policy might help them to develop.

**Shakespeare's England** – Helen Peters, Chief Executive

Tourism development is in full flow in the Shakespeare's England, the area covered by Warwick DC and Stratford-on-Avon DC.

Developments identified included:

- The new RSC costume centre supported by the CWLEP with a £1m investment.
- The Birthplace Trust, with a £500k investment from the CWLEP for Henley Street with a new bistro and arts centre.
- Pump Rooms in Leamington Spa with new conference space.
- Hotel at Dallas Burton Polo Fields, with 50 rooms and a new Gastro Pub in Southam.
- The Farm @ Snitterfield with major farm shop and farm experience.
- The Shakespeare Gin Distillery.
- New products with Studley Castle becoming a Warner Hotel, with rumours of Heythrop Park also doing the same.
- Chiltern Railways have committed to more "non-stop" train service to Stratford upon Avon, without the need to change at Leamington Spa.
- More "vintage" trains services are being made available with operator's licences being granted to the Tysley development.

**Issues**
There is a fundamental lack of "coach" tour guest accommodation in the region. There is not enough hotel availability to offer group space.

The potential numbers that could be driven into Shakespeare's England are only limited by the space available and the capacity it can accommodate. Most international tours pass through the towns of Warwick and Stratford but overnight further north. Tours that do stay locally often stay in Coventry and then commute to Stratford and Warwick.

**Warwick DC** - Suzee Laxton, Strategic Economic Development Officer

Key highlights in the DC are:

- Victoria Park, the home of the National Lawn Bowls Championships, will host the Bowls during the Commonwealth Bowls.

Developments:

- Leamington Spa is developing the Creative Quarter, south of the river and near to the Pump Rooms and a seeking sites for a Boutique Hotel to support business tourism.
- Plans for a potential hotel site at Warwick Racecourse are struggling to find a developer – the site is at the far side (west) of the grandstand.
- A further site is in the Gallows Hill area of Bishops Tachbrook.
- Warwick DC understand the expansion of Airbnb and is proposing to make change of use planning permissions, required for short term lets. Support for a Safe, Clean and Legal accreditation for these properties is under discussion.
- Support for students is also an issue. More student rooms are required and space to host VFR traffic is also required.

**Warwickshire CC** – David Ayton Hill, Economic Development

The type of support available for development including capital grants available from EFRID, LEADER and the Shared Prosperity Fund were discussed as Brexit may have an impact on some of these.

A concern for a lack of quality accommodation was highlighted, and although it might not fit with mainstream visitors, there is a belief that the market that needed a five star property to support high worth individuals and industrialists.

It was highlighted that there was no central Warwickshire CC document for development and that that fell to the CWLEP, which has added a tourism pillar to its strategy.

WCC has concerns around skills and the development of the rural sector. Skills and productivity were the big agenda.

It is a fact that Warwickshire has the LEP with the fastest growing economy and the fastest growing productivity. High levels of employment are good for the region but means less talent to recruit from.

Warwickshire is a non-constituent member of the West Midlands Local and Industrial Strategy. A draft strategy is being created, the question was raised, whether this document was feeding into that document.

**Summary** – Pam Neal, Joanne Archer, WCC Transport and Planning

It is the main role of this team to advise on local planning issues. They advised that accommodation was not on the master plan as a solo item but was recognised as an economic driver.

They were aware of some new development, including in south Warwick, Swans Nest, and JLR on the A45, as well as issues around accommodation for the HS2 development, the local impact and workers compounds.

**Warwickshire County Council** - Councillor Reilly, portfolio holder for tourism.

- With a view to helping development the Councillor discussed "Green Belt swapping" that might be done at a district level. He advised that the North Warwickshire plan was up for approval in April. It looks at development through to 2033.
- Advised that tourism marketers should be looking to the budget "drive" market. He felt that we have a very positive food product offering that we should be highlighting more.
- Transport links should be an excellent selling point.
- The Green Heritage that Coventry City of Culture promoted is to be a principal driver of its bid.
- Keen to promote a thematic based tourism programme based around our country parks, cycling, angling and gastronomy.

**Coventry and Warwickshire LEP** – Paula Deas, CWLEP Operations Director

Highlighted the support they are delivering to the tourism sector, focusing funding on key attractor brands including the Royal Shakespeare Company (RSC) and the Coventry City of Culture.

Spending around £6 million including supporting Coventry Cathedral and the Belgrade Theatre, as well as the Henley Street Development by Shakespeare's Birthplace and the RSC Costume Museum in Stratford Upon Avon.

CWLEP participation with local partners to participate at MIPIM was discussed, the world's leading development and investment show. The literature produced clearly highlights the key development opportunities in the county. See Appendix Section 7.

There are 25 key sites for development ranging from the MIRA site in the north of the county, the Creative Quarter in Leamington, to the Long Marston Airfield in Stratford On Avon.

**Coventry, City of Culture** - Martin Sutherland, Chief Executive
Phone Interview with Andy Woodward.

- Coventry City of Culture 2021 (CCOC) plans to have 5 "Noise" events that will attract national coverage and 10 exhibitions that are targeted to attract 150,000 people each over 3 months each.
- The major events will be in the spring and summer and are targeted to be outdoor, while the exhibitions will be winter and autumn to be weather protected.
- CCOC aims to engage 80% of the local population three times during the year – Hull COC engaged 90% of the population for 1 event.
- They aim to increase visitation by 2.5million in 2021 and 1 million more in the following year.
- They are keen to work across Warwickshire and attract the Shakespeare's England Visitors over to Coventry and then spend money in the region.
- Initial events include the (existing) Godiva Festival, a BBC Radio One Big Weekend and a Rugby League World Cup event.

**Issues**

- There is major rail engineering works scheduled during 2021, particularly impacting the bank holiday weekends.

**Support**

- Warwickshire CC is also a major partner and is contributing £1million. The CWLEP is also a partner also inputting £1million of Capital support to upgrade local attractions.

**The Commonwealth Games -** Neil Carney, Commonwealth Games, Birmingham Council
E-mail exchange

This report is early in the planning cycle on the topic of visitor accommodation. The figures are an extrapolation from previous events in the UK and supported by methodology used across the industry.

**Headline Statistics**
- Unique ticketed spectators anticipated – c. 300k.
- 30+% visitors expected to stay overnight.
- Average stay of 4 – 6 nights per person in the West Midlands.
- In addition to this, we would expect to have over 3,000 media staying at the time of the Games, but it should be noted that they are more likely to stay in and around Birmingham, so they avail of the services put on for them at Games time, e.g. transport. The visits are anticipated to average at 12 nights per person.
- All athletes and team officials will be staying at the Commonwealth Games Village in Perry Barr during the Games (6,500 Pax).

**HS2** - Jonathon Lord
E-mail exchange

The main works contractor-Balfour Beatty Vinci (BBV) will have up to 55 operating (compounds) locations in Warwickshire. All sites will not be operational at the same time. These will range from material lay down and storage areas that are occasionally visited to major site compounds.

The major compounds are planned for the Long Itchington tunnel portal (west of Leamington), the A46 near Stoneleigh and Kingsbury (North Warwickshire). The largest compounds will be the base for up to 400 people. The smallest used as personnel base and some will have no people based at them.

In total the sites will provide a base for some 3,500 workers and 1,400 management, supervision and support staff.

However, as personnel will need to work on different activities and sites at different times this is not the workforce scales. It is likely that the number of people based in Warwickshire at any time will be 50-70% of this total, say **2,450-3,430**.

HS2 aspires to recruit and employ locally wherever they can and will focus on targets that support this.

It is still likely that some 70% of our total workforce will travel into the area and seek accommodation whilst they work. That ranges the likely population to be 1,715-2,400.

A mix of hotel, B&B, caravan pitches and rented properties are likely to be what is used.

As with many details, the numbers are indicative and may change.

Please also note that BBV cover the majority of Warwickshire; the southern section of the route (Long Itchington-Southam) is being constructed by another joint venture-EK.

## (3) Accommodation Development in Comparator and Neighbouring Counties

To give the scale of development context, the total hotel accommodation for Birmingham and Coventry, according to STR Global is currently:

- **Existing Accommodation**

**Table 13: Visitor Accommodation in Birmingham and Coventry**

| Destination | Hotels | Rooms | Capacity (Approx) |
|---|---|---|---|
| **Birmingham inc Solihull** | 241 | 20,792 | 42,000 |
| **Coventry** | 62 | 4,890 | 10,000 |
| **Destination** | **Airbnb** | **Rooms** | **Capacity (Approx)** |
| **Birmingham inc Solihull** | 1,742 | 1,742 | 3,500 |
| **Coventry** | 390 | 390 | 800 |

- **Current Hotel Development with Planning Permission**

Using the STR Global planning research, the table below lists the current planning permission granted in Warwickshire and the neighbouring cities and counties.

**Table 14: Known Hotel Planning permissions (March 19)**

| Region | Warwickshire | Central Birmingham | Solihull | BHX Airport | Coventry | East Leicestershire | Total |
|---|---|---|---|---|---|---|---|
| **Developments** | 13 | 34 | 11 | 2 | 7 | 2 | **69** |
| **Rooms** | 568 | 4,122 | 612 | 279 | 580 | 80 | **6,241** |
| **Known Opening Date Units** | X | - | - | - | - | x | - |
| **2019** | **-** | 100 | 127 | 224 | 120 | - | **571** |
| **2020** | **-** | 509 | - | - | - | - | **509** |
| **2025** | **-** | 245 | - | - | - | - | **245** |

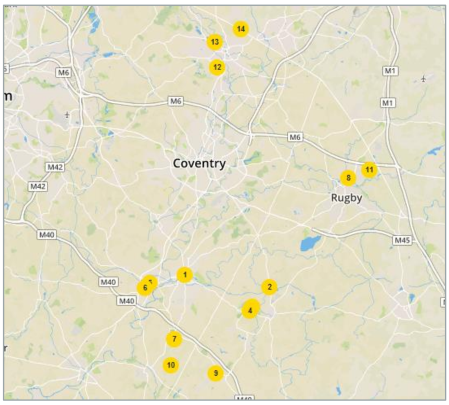
What is clear is that the “M6” corridor between Coventry through to central Birmingham has clear plans for hotel expansion.

## (4) Development in Warwickshire

Of the 13 developments and 568 rooms planned for Warwickshire, 154 rooms are at the Dallas Burton Polo fields near Southam and 180 rooms are for the Heritage Motor Museum, although planning permission appears to be deferred; a further 60 are at the new Moreton Hall Hotel school being developed.

As such, 400 of the 568 rooms under development currently fall into just 3 locations, all of which are in the south of the county.

At this time no immediate opening dates have been confirmed.




Source STR Global

In comparison, the NEC complex is opening a new Moxy by Marriott, planned for mid-2019, with central Birmingham opening 100 rooms this year and another 500 in 2020. The bulk of Solihull's development is coming in and around Blythe Valley Park, and the Solihull Services, both close to the M40 / M42 junction.

In Coventry, 350 of the 580 rooms under development are coming at two locations; 200 rooms are targeted for the JLR Whitley Technology Campus, at the top of the A46, and a further 150 are planned for the Ricoh Arena.

## (5) Summary of Local Council planning policy and knowledge of key sites

All the District and Borough Councils in Warwickshire have in-depth plans for their regions. This section will summarise the options and highlight the opportunities for development.

It is becoming apparent that while the opportunities for accommodation development are available, it does appear that support for C1 Hotel development may need to be prioritised if visitor demand continues to grow as shown above.

**North Warwickshire Borough Council**
Like the other local councils in the county there is a detailed local plan. The support of sustainable tourism is highlighted in the plan, but no specific sites have been proposed. The Council has confirmed there isn't any specific reference to C1 accommodation.

The local pressure for housing has often meant that the tourist accommodation developed has subsequently gone on to become full residential use. Nevertheless, the provision of and potential for tourist accommodation is covered by the Farm Diversification Policy. This policy supports and focusses on the business opportunities for conversion/redevelopment of rural buildings to support farm diversification highlighting 'the preferred re-use of the building is for a rural business or other employment opportunity or one that would provide a community facility or service.'

The greater flexibility sought by Government in the planning system and the pressure for allowing more housing means tourist accommodation is often competing in an unfair market or planning system with other priorities.

Even where the council has identified Tourist assets such as the NEC, adjoining city centres or historic centres (Warwick/Leamington/Coventry etc), and assets within the Borough (Golf Courses, Historic literary connections, Heart of England/Belfry and other smaller operators, Hoar Park etc) the argument has often been put that there is an insufficient market or need/demand for such accommodation and that there is sufficient provision already available etc.

Where tourist accommodation enables the restoration, retention and preservation of historic buildings and structures the Borough is fully supportive and encouraging, the most high-profile specific example being the conversion/redevelopment in part of Astley Castle by the Landmark Trust.

Currently there is a plan for a hotel as part of the MIRA technology park site and an expansion around the Bassets Pole Canal Basin.

**Rugby Borough Council**
Rugby BC is currently approving their updated planning policy. It is generally supportive of leisure and tourism.

With two thirds of Rugby Borough within greenbelt land, any proposals within the greenbelt would have to demonstrate 'exceptional circumstances', in line with the National Planning Policy Framework.

The settlement hierarchy identifies that development should be directed within the Rugby Urban Area as this is the most sustainable location within Rugby Borough.

Rugby is keen to develop its tourism offer in line with its emerging Town Centre Spatial Strategy. It is not considered appropriate to 'speed up' the decision making as the process is already robust.

The Council is aware of several vacant/under-used town centre sites which have been subject to previous market interest, including one site which has a previous planning approval for a hotel. RBCs Property Team has been awarded funding through the One Public Estate (OPE) to investigate the redevelopment potential of the Council's Town Hall site.

This could form a potential site for visitor accommodation as part of a wider mixed-use scheme. However, the Property Team's focus is on supporting residential development as the priority is in line with the Council's Corporate Objectives on housing delivery. The emerging Local Plan, Rugby Town Centre Action Plan 2016-2020 and emerging Town Centre Spatial Strategy are keen to support the development of upper floors within the town centre to diversify the mix of town centre uses.

There are numerous potential opportunities for redevelopment on upper floors but also a couple of vacant heritage buildings. However, there is no known visitor accommodation under construction within Rugby Borough. There is an example of a hotel with an expired planning approval for a town centre site from 2008.

There are smaller planning approvals throughout Rugby Borough for visitor accommodation within rural areas which are 18 lodges near to Draycote Water and 6 glamping tents in Harborough Magna north of Rugby.

**Nuneaton and Bedworth Borough Council**
The council has a clear policy for development and are keen to support visitor accommodation development. There is nothing that restricts visitor accommodation development in the borough plan; the plan includes EMP use availability for a range of uses, and Housing sites include elements of mixed-use availability too.

The Borough Plan is currently in the final stages, with the Examination in public taking place currently. The Inspector is writing his report, with the Borough Plan aiming to be adopted by Spring 2019. A large amount of greenbelt exists within the boundaries of NBBC, however 103ha of Employment land, and over 14,000 houses have been allocated as part of the borough plan process.

Historical guidance, like the "Good Practice Guide on Planning for Tourism", withdrawn by DCLG in 2014 as part of the planning review, would help ensure that the key aspects of planning for tourism have been considered when producing local plans. However, whether a local plan includes specific policies relating to tourism would depend on the impact that tourism has on the area. It would be expected that the economic, social and environmental impacts of proposed tourism development would be identified and considered despite specific national guidance.

The availability of specialist knowledge and industry connections could potentially speed up the process, but tourism would have to be or at least have the potential to be a significant part of the Borough economy to justify establishing such a team. However, it may be of greater benefit to the Borough to have a tourism development team that the planning team could provide advice to, as and when required.

There are specific sites that would be ideal for hotel or visitor accommodation development. These include:
- Town Centre -Transforming Nuneaton, Abbey Street, Church St & Vicarage St.

Additional allocated employment sites in covered in the Borough Plan. The planning team are not aware of existing buildings that could be converted into hotels or visitor accommodation or are currently in development.

A 21 room hotel (use class C1), is going through planning with a manager's apartment over an existing café in the town as is development at a marina.

**Warwick District Council**
The Council has clear support for visitor accommodation in its local plan.

New or extended hotels will be permitted in the town centres in accordance with the town centre policies. Other new or extended visitor accommodation within urban areas will be permitted where it can be demonstrated that the development is easily accessible using sustainable forms of transport such as walking, cycling and public transport.

Visitor accommodation within rural areas will be permitted where it is located within the Growth Villages or is for the conversion of a rural building and meets the guidelines. Extensions to existing visitor accommodation in rural areas will only be permitted where these do not significantly intensify the use of the site or establish new uses which are not ancillary to the normal business of the visitor accommodation.

Hotels are recognised as beneficial to town centres and play an important role in supporting the economic wellbeing and vibrancy of the district's town centres. Appropriately located accommodation is important in supporting this role of town centres in sustainable locations that are accessible by a range of transport modes. This policy therefore seeks to support the role of town centres as the primary locations for hotels.

Camping and caravan sites for holiday and recreational use will be permitted where they can be satisfactorily integrated into the landscape without detriment to its character, situated in locations accessible to local facilities and where they would not generate significant volumes of traffic. Any buildings required must be essential and ancillary to the use of the land. The conversion of appropriate rural buildings will be permitted subject to compliance with other policies.

With a combination of its attractive countryside and major visitor attractions both within the district and nearby, the rural area will continue to see pressure for tourist and related uses. Within green belt areas, camping and caravan sites and associated buildings will be considered inappropriate development.

Development at Warwick Castle or St Mary's Land, including Warwick Racecourse (within the boundaries will be permitted where it is brought forward in line with an approved Masterplan setting out the development principles and broad areas for development, indicating the type of uses proposed and, in the case of the Castle, a Conservation Plan for the historic asset.

The Council will work with the operators of the Racecourse and other stakeholders (including Historic England) to bring forward a masterplan for the area that "restricts uses to those associated with visitor accommodation, recreation, leisure and horse racing".

**Stratford-on-Avon District Council**
The Development Strategy for Stratford On Avon opens the way for hotel development, both in the major towns and through the countryside. It is acknowledged by the DC that overnight visitors represent 11% of visitors but 44% of revenue.

Current development programmes are underway in:
- Gateway Quarter.
- Canal Quarter.

Potential short-term sites within the town include:
- Stratford Picture House.
- The BHS Site on Bridge Street.

Outside of the town:
A possible hotel opportunity may exist at the Quinton Technology Park to support both the businesses and the local residential development.

Current concerns are:

- Not enough available rooms at “coach tour” rates – unlimited potential.
- Need for more caravan pitches and storage.
- Need for a conference venue.
- Promotion of moorings and marinas.

The National Planning Policy Frame should support rural visitor development.

## (6) Transport Access for both Accommodation Demand and Major Events

Warwickshire's location in the centre of the UK, boasting the village of Meriden, the historic centre of England, is well placed to be the transport hub of the UK.


Every major form of transport makes access to Warwickshire incredibly simple and, according to Coventry City Council, over 75% of the UK is within a two-hour drive of the city, in the heart of Warwickshire.

From the "Shakespeare Way" to the development of the canal network, from the first railways to HS2, from the original M1 motorway to the recent expansion of Birmingham Airport, Warwickshire is one the most accessible locations in the UK.

The transport network represents a huge opportunity to support both tourism and the major events coming to the region and is an important part of the promotion of the county.

**Road**
As highlighted, 75% of the UK is within a two-hour drive of Warwickshire. South Warwickshire is already nicknamed the golden triangle, due to its easy access to the national motorway network via the M40, M5, M42 and M6. Previous enhancements to the local network have resulted in the M6 Toll creating a trouble-free route to the north of Birmingham, and more recently the M6/M1/A14 interchange which creates hassle free access from East Anglia.

From a local perspective, the A5 remains a local logjam, but there are plans to alleviate this. The A46 from Alcester to Stratford Upon Avon is also becoming a major issue, especially during rush hour and there are plans for this to be also upgraded, as well as a improvements programme for the town.

**Rail**
Warwickshire is incredibly well served by the railways, with Chiltern Railways, Great Western, LNER and Virgin Trains providing service to all the major towns in the County. With services through the region from all corners of the UK, including the north east to the south west, north west to the south east and East Anglia to Wales.

Chiltern Rail has agreed to increase the number of services to Stratford Upon Avon from London, and LNER have improved services to Nuneaton, Atherstone and Rugby, both complimenting the services from London to Manchester through the region.

Leamington Spa is also a major hub, with Virgin Cross Country Trains travelling from the south west and the north east, as well as London.

Coventry Railway station is also to go through a major upgrade with plans for a hotel on site, in time for the City of Culture.

Once HS2 is built, although with limited stations, the Birmingham Interchange will provide a quick link to the north and the south, enhancing BHX as a potential UK access point. Visitors travelling to the Interchange will then be able to access local trains to Coventry, Leamington Spa, and from there Warwick and Stratford Upon Avon, via the existing Birmingham International (Airport) Station.

**Air**
Birmingham International Airport has major expansion plans over the next 15 years and is planning to increase from 13 million to 18 million passengers per year. The airport is a major driver of the local industrial economy but also plays the perfect host to the cultural offer available in the area.

With this level of expansion, the airport cannot be solely a departure airport for outbound tourists and must enhance its reputation as a cultural gateway. The airport already has direct flights to the middle and far east and hopefully will return to be a gateway airport to North America, creating opportunities beyond business traffic to make Birmingham Airport the access point to the UK, and for "open-jaw traffic", passengers arriving and departing from different airports, for visitors to London.

**Transportation Summary**
Warwickshire is one of the most accessible counties in the UK. It has a major network of road, rail, air and even canal links into the region. As such, access to the region for either of the major events, should not cause any major issues.

Sustainable travel options should be a priority of the event organisers, especially the Coventry City of Culture and the Commonwealth Games. Bicycle paths and storage should be considered to access the main events.

Bringing guests to the events via the extensive rail network should be a priority. In addition, special liaison should be encouraged with the existing coach operators, such as National Express, who already service the railway and airports to encourage guests to leave their cars at home. Park and Ride, especially for smaller break out events like the Bowls event for the Commonwealth Games in Royal Leamington Spa, should also be encouraged.

To maximise broader access from those staying in the wider county to the major events, a review and promotional campaign could be encouraged to promote the current bus routes which generally serve the county well.

## 7) Survey of Developer Interest in Warwickshire

MAS has worked to identify local, regional and national developers who would be interviewed and surveyed to ascertain the views, understanding and commitment to the county.

It included the participants of the CWLEP trip to MIPIM, hotels and recent local developers identified through the STR Global planning permission research.

Despite distributing the survey three times, and a day of phone call follow up, only 4 responses were actioned, two of whom asked to opt-out and two were from small operations who have recently expanded or sought planning permission.

As such, identifying and liaising with developers, who naturally keep their cards close to their chest in terms of potential business, will require a more in-depth programme to create these relationships. This is highlighted in the action plan.

# Section 3: Forward Planning

## (1) Ideas, Solution and Concepts

Having completed the accommodation survey and report, the focus moves to analysing how the data relates to the current planning strategy for the county, the District Councils and adopted town plans.

Identifying core areas of demand and understanding how this demand matches with sector requirements will help drive continued investment in this sector.

### (a) Room Requirements and Investment

As highlighted in section 1, there are currently 716 properties with 10,600 units in Warwickshire offering accommodation to nearly 22,000 people per night.

72% of the capacity is in hotels, 9% in self-catering and 18% in guest accommodation and 1% other.

In addition, there are over 550 unique Airbnb properties (Feb 19), offering over 944 units and an additional 1,900 bed spaces.

With this robust capacity, it would become only become unsustainable at the very highest level of growth. The figures produced show that at 2% and 3.5% per annum compound growth there is no need for additional capacity.

If there is a rapid improvement, then the increased requirement ranges from being **1,200** rooms needed at 2% growth to over **4,400** needed at 5% growth. To build 1,200 rooms is the equivalent of 6 hotels with 200 rooms, and 4,500 rooms would require 22 hotels of 200 rooms.

More consideration should be given to ensure that there is the right kind of accommodation mix; currently the county, especially south Warwickshire, is unable to service the demand of the international holiday coach sector. The demand is driven by the increase in the world's middle classes, who can afford to travel for the first time. Hotels that can offer group rates at a budget / 3* rate on a regular basis are not available to contract and the potential size of the market could be considerable.

Investment in hotel accommodation can certainly be justified as a supporter of jobs, as well as a Gross Value Added (GVA) multiplier for the local economy; as an example, the Warwick DC Local Plan 2017 supports this proposition that hotels are good for the town centre economy.

### (b) Supporting Visitor Accommodation Development

Provincial hotels have enjoyed monthly ADR (average daily rate) growth since April 2013 and are forecasting further growth in 2018 and 2019 of 1.3% and 1.2% respectively, albeit at a slower pace than of late. (Knight Frank Hotel Review 2019)

Overall occupancy levels are high by historic standards, realising 76% since 2015 (from 69% in 2009). In 2019 occupancy is forecast to remain flat but it is anticipated that Annual Daily Rates could see further modest growth.

The UK hospitality sector employs 2.9 million people and represents 10% of UK employment as well as 6% of businesses (UKHospitality 2018).

- **New Hotels – Warwickshire**

The project has identified opportunities for two types of new property. In South Warwickshire, the need for coach / 3 star / budget, leisure-based hotels and in North Warwickshire, for a property of a similar specification but to accommodate the business traveller, particularly to the growing distribution industry located in that area. Similarly, the short-term impact of HS2 will require accommodation for staff through until 2026.

Both hotels need to be on a scale of circa 100 rooms or larger, and to offer dining facilities. The first may want to consider the provision of leisure facilities dependent on location. The second should ensure some meeting and event provision to cater for the markets it would seek to penetrate.

Based on the hotels offering around 100 bedrooms, discounting leisure and meeting and events, both properties would employ around 40 members of staff to facilitate its operation. The public sector should be careful to work with developers and operators that will operate standalone businesses, rather than a chain or major brand that has central services. This is so that centralised support services such as reservations and accounts etc. do not impact on potential new local employment. This is also true of purchasing; a smaller company or group will endeavour to "source locally", increasing the impact of the property on the local economy. Linkages are important for Warwickshire to capture both the tourism spend and the spend of the operator to service the tourist.
.
All potential operators will need scale to ensure profitability and local planning committees should be mindful of supporting applications with slightly larger supply of rooms or facilities which will make a significant difference to margins and profit. There are few independents in this field, with the dominance of the Accord, Travelodge and Premier Inns brands, but a small group or independent operator would significantly improve both the fiscal and indirect contributions to the local economy.

- **5-Star Hotel Demand**

This report identifies that a 5-star operation would be supported by demand in South Warwickshire.

The presence of luxury car brands and high profile motor racing teams would indicate a demand for the equivalent level of hotel for board members, investors, key customers and senior level visitors or meeting requirements. Certainly, the quality of local visitor attractions and landscape would be attractive to high spending tourists, including international visitors from North America and the Far East. The proximity of the NEC, the Genting Arena and Birmingham Airport nearby would be a feeder market for such a property.

Arguably there are both hotels and self-catering properties that operate at the 5-star level currently.

The issue here is the VisitBritain quality star rating "common standards", to which the AA also subscribe, are dated and do not equate to modern consumer demands. For instance, the Chipping Camden based Dormy House Hotel no longer publicises a star rating, allowing it to operate at the highest quality level, but under its own terms.

Furthermore, corporate travel policies often prohibit stays in five star properties, even for senior executives.

With the right return on investment a current operator may be persuaded to invest, but a development project of a substantial or significant nature is more likely to satisfy this need. Long term, investment in hotels is an attractive prospect for many investors. The county may find it difficult to identify the right type of developer (investment and quality will be key), however this would be a lucrative project for all.

- **The North-South Divide**

The distribution of accommodation is an issue, with most of the accommodation in the south of the county. The distribution shows that Stratford-On-Avon and Warwick between them have:

**Table 15: Percentage of Total Accommodation in south Warwickshire**

| Guest Accommodation | Hotels | Self-Catering | Airbnb |
|---|---|---|---|
| 73% | 58% | 90% | 88% |

Hotel distribution across the 5 local councils is more even, with Warwick having the lions share at 37%.

90% of the self-catering is in the south of the county, enhanced by the proximity to the Cotswolds AONB, where the "countryside" is a known attractor and is also reflected by the Airbnb offering. Within the Airbnb sector, the county has an average of 55% of homes rather than rooms; Stratford On Avon has a slight increase at 58% homes, and this equates to 70% of the capacity.

### (c) Planning

All the local council plans clearly support accommodation development and the visitor economy. However, despite being positively recognised it is generally not specifically supported.

Similarly, rural development is clearly well defined in the local plans and is referenced strongly under the National Planning Policy Framework (NPPF). Support for rural development under the current NPPF policy is well considered where it meets the needs for providing local jobs, sustainability and having a low impact on the environment, such as not creating problematic traffic.

It is also recognised that some rural holiday developments in the north of the county have been short-lived before becoming long-term housing, however due to the major house building programmes in these areas, this may become less of an issue in the future, as the need for homes becomes less demanding.

In the stakeholder meetings and the liaison with the planning teams, potential individual sites have been identified, along with the major development sites ready for development across the county. These are highlighted in the stakeholder meeting summaries.

- **Major Development**

Working with the Coventry and Warwickshire LEP, the region is professionally represented at the annual MIPIM conference. MIPIM is the largest show of its kind for sourcing interest in developments.

This year the CWLEP was promoting 27 sites across Coventry and Warwickshire, 2 in North Warwickshire BC, 4 in Nuneaton and Bedworth BC, 1 in Rugby BC, 4 in Warwick DC, 3 in Stratford On Avon DC and 13 in Coventry.

The developments range in size from under one acre to over 900 acres (365 ha).

The sites are primarily cited for all types of business usage, ranging from specialist industrial use to Research and Development, residential and care homes.

Therefore, it is becoming clear that while the opportunities for development are available, there is no specific support for C1 Hotel development. If the demand for visitor accommodation increases in line with the highest level of projections outlined at the beginning of this section, then C1 hotel development is something that needs to be considered separately.

- **Interpreting Tourism Planning Policy and External Examples**

The current planning policy across the local councils does actively support the development of visitor accommodation, and although the DCLG “Good Practice Guide for Tourism” was officially dropped in 2014, the current policies do recognise many of the concepts included in the guide. A copy of this is included in the Appendix, section 7.

**Source: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/7725/151753.pdf**

The Guide discusses the idea of Regional Spatial Strategies and Local Development Frameworks; the councils highlighted below, as examples, are supporting these ideas.

However, as highlighted already, without a clear Visitor Accommodation strategy the possible demand, based on the statistical analysis, could mean that visitor accommodation, and the economic benefits these bring in terms of jobs and GVA spend, will be lost.

The DCLG Good Practice Guide offers examples of how this has worked in Greenwich, Bournemouth, Portsmouth and the West Midlands.

On a slightly different tack, Bournemouth also created a support team to help potential small accommodation providers. The details are summarised here:

- **Bournemouth Council**

Bournemouth's Tourism Supplementary Planning Document has helped to provide a clear guide as to what tourism accommodation operators have and providing support to any argument of a tourism business no longer being viable. The issue was that the level of information requested was difficult for smaller business, many of who did not have a forward-looking business plan.

To overcome this Bournemouth set up a Tourism Accommodation Screening Panel made up of officers and local tourism experts including an accountant. An applicant can apply, with a fee, by completing a simplified form. This information is accessed by the panel including a site visit, to identify if the tourism panel can provide detailed enough comments on their application without the full viability information being required.

A current issue BC is experiencing is tourism establishments who have turned into illegal HMO's using this route to seek change of use approval. The tourism team is discussing with the planning team how we can amend the terms of reference for this group to make it clear that only properties currently operating as tourism establishments or ones which have ceased trading and closed (not illegally having changed use) can use this process.

**Source:**
**www.bournemouth.gov.uk/planningbuilding/PlanningPolicy/Planninguidance/touristaccommodationsupplementaryplanningdocument.aspx**

- **Town Centre & Rural Accommodation**

As already highlighted, the local council planning strategies are both supportive of town centre and rural tourism development.

Although access to finance has not been highlighted as an issue, with no survey responders concerned about access to finance, rural development, especially on farms, is often linked to funding sources such as LEADER or RDPE programmes, and development is linked to the availability of capital grants. The CWLEP Growth Hub may provide a solution to this.

With the uncertainty around BREXIT (2019), and what is made available in development funds post BREXIT, rural development may falter; as such the County Council or CWLEP may consider a local funding programme to support rural development, focusing on sustainability and job creation, if not delivered by central government.

Similarly, although town centre development is highlighted as acceptable development and recognised as an economic driver for the town centres, unless a strategy is created around hotel investment the county may end up losing a major economic driver and source of taxable income.

Despite the excellent transport links to the region, as highlighted in section 2.6, the need for a car parking solution should be considered paramount for any potential hotel development.

## (2) Development

- **Reflect the nature of facilities**

As highlighted in the survey results in Appendix, section 5, the results of the hotel and general accommodation highlighted that they are offering their guests a wide and varied supply of facilities. Few of the Guest Accommodation offer any additional facilities. The market is naturally inclined to provide the facilities that customers wish.

Currently, additional and third-party services that may be offered to guests, such as spa treatments, restaurant recommendations or outdoor experiences, are being hampered by the current government interpretation of the Package Travel Regulations. Currently anyone promoting a third-party experience is liable for that experience if it is recommended by the property and therefore, without the correct insurance cover, a property cannot recommend third party products. The Tourism Alliance and UKHospitality are working to get the rules changed.

Many of the hotel offer suitable meeting space for their size, however apart from the two dedicated “conference centres”, there is comparatively little conference capacity in the county that is not part of the NEC.

In the south of the county there are facilities available, such as the Crowne Plaza in Stratford Upon Avon that can host a conference of 550, however with only 260 rooms it means that another 290 single rooms are required in the town to host a major business event. This puts significant pressure on the town and logistically it means conference planners must engage additional hotel space in the surrounding area, creating additional work for the organisers and impacting profitability of the event.

It does make the county ideal for breakout meetings on the back of major events at the NEC or ICC in Birmingham, and unless a major convention hotel is built, this is probably the market Warwickshire should be targeting.

- **The Sustainability of Accommodation Supply**

The sustainability of accommodation can be considered in two ways – the total amount of available accommodation, and the style, building process and management of the properties.

Clearly part of this project is to understand the potential short to long term demand for rooms, and whether rapid expansion to help host major events is overshadowed by any potential downturn in the market.

As such our report demonstrates that a major short-term increase in accommodation is not required, however continued sustainable investment in the accommodation sector is desirable, adopting the best sustainable practises available.

- **Expansion**

The figures presented show that HS2 will primarily impact on the north of the county. The accommodation requirements of the project could require up to 30% of all current available accommodation.

Temporary hotel structures are available, such as that used at Stoneleigh Park previously during major events, and large hotels or locations such as Stoneleigh Park, could be encouraged to build temporary hotels and holiday home sites.

Furthermore, large rural hotels could also be encouraged to invest in additional accommodation blocks such as that currently being built at The Cotswolds Club in Chipping Norton, doubling the size of the existing property.

- **Ethical and Sustainable Accommodation Management**

Visitor Accommodation development should be delivered with a sustainable business management plan. “Being green” should be a minimum standard and business should consider including good business practises into their procedures.

As an example, Quality in Tourism has recently created a new award called REST – Responsible, Ethical and Sustainable tourism. This takes the "taken-for-granted" green concepts to a new level considering company policy on ethical subjects such as gender pay gap and discrimination, but also sustainable policies.

There is plenty of help available to businesses, but smaller, owner operated businesses need the most help. A support network could be created to help businesses embrace long term sustainable practices.

- **The Barriers to Change**

Modern building techniques can make the construction of new hotels highly efficient and quick. However, these techniques must be measured against the historic fabric of the region so to maintain the unique facade that gives the region its appeal.

Sympathetic conversions are already being undertaken, merging the new with the old, such as the new Hotel Du Vin in Stratford Upon Avon, whose forward facia is historic while offering modern rooms at the rear.

Nuneaton and Bedworth Borough council are purchasing property as part of the Transforming Nuneaton process, and Warwick District Council are seeking boutique hotel accommodation developers for the Creative Quarter, south of the river in Royal Leamington Spa.

Similarly, Rugby Borough Council are looking to incorporate existing properties as part of their Barn Hall regeneration, and Stratford-on-Avon DC has plans for both the Gateway Quarter and the Canal Quarter that maintain, and enhance, the historic fabric of their town centres. Although not in this survey remit, the former Coventry Telegraph building in Coventry is also being converted into a 4* hotel and student accommodation.

Conversely, the potential requirements for growth suggest that relatively small "makeovers" will not provide the necessary product to support the demands of the touring coach market, with the "budget" hotels in the town already showing high occupancy levels.

- **Staff Accommodation**

Another key consideration is that staff also need to be housed. Although the new Moreton Hall Hotel School will help local businesses with future staffing, student accommodation, as well as hotel staff accommodation, is at a premium, and staff annexes should be considered as part of hotel developments.

Hotels, especially those in rural locations often provide staff annexes, or local Houses of Multiple Occupancy (HMO) and this should be encouraged or given consideration by planning departments.

- **Grey Recruitment**

With the demographic of the County getting older, employers should consider recruitment policies that target more mature staff who are semi or fully retired to help support staff numbers.

This is covered under the Equality Act 2010; on the AgeUK website it does quote that job adverts can advise that 'the job is open to older candidates', especially if the organisation feels that they are underrepresented by older staff.

- **Recognise Key Market Changes**

With 1 in 5 UK residents now being considered as having a disability and with nearly 40 out 100 UK residents being over 65 by 2020, both hotel developers and existing accommodation providers need to consider the facilities and services that are required.

Personal security also needs to be part of every accommodations policies to ensure guest safety, especially with more lone female guests, mainly travelling on business. As an example, this was recently discussed by Hotel Owner magazine recently. https://www.qualityintourism.com/hotel-owner-articles/when-an-inspector-calls-how-secure-is-your-operation

Similarly, recognition should be considered for the requirements for special needs guests to make the stay more agreeable. There is also little consideration given to the younger “travelling” or “student gap year” sector, and investment in additional - trendy hostels or rural bunk houses should be considered.

- **Ageing Population Solution**

Barclays Bank reported that the over 65’s contribute £37billion to the UK’s Hospitality and Leisure sectors and spend a third more of the average consumer. The ageing population has time, money and a desire to continue enjoying life’s pleasures and implementing a policy to support the ageing population makes good business sense.

Surprisingly, more than 75% of businesses say they have no intention of making any changes or enhancements to cater for the ageing population. Not unlike guests with mobility issues, the ageing population are more loyal customers and far more likely to pass on good experiences to friends, as well as be repeat customers.

There are several factors that should be considered as part of your business that can and will impact the ageing population. Hotels should consider the information provided to guests, the physicality of the business and the attitude of you and your staff. A summary of considerations for hotels and developers are included in the Appendix, section 9. These include Mobility, Hearing, Eyesight, Dementia, Staff Attitude and Training.

Accor Hotels and Premier Inn are very good examples of market leaders that have taken steps to make these changes and a lot can be taken from this. Accor, are working to remove the divide between accessible rooms and standard rooms, making them suitable and attractive for all.

# Section 4: Trends, Conclusion, Action Plan and Council Overviews

## (1) Accommodation Trends

- **Tourism Sector Deal**

In June 2019, the government published the Tourism Sector Deal, designed to support many elements of the tourism sector, ranging from business tourism to transportation, skills and education. The Deal encourages local Destination Marketing Organisations, town centre and BID managers to focus on boosting off-peak and mid-week demand, rather than promoting destinations during periods that attract visitors by default.

This is one of many points already highlighted by research and should be considered as part of the planning process. In particular, quality rural accommodation is generally fully booked at weekends and in the summer and, while more accommodation is needed in peak season, ideally developments should be "weather-proofed" to help extend business into the shoulder seasons (Apr, May, Sep, Oct) and low seasons (Nov, Dec, Jan, Feb).

Personal experience working with Farm Stay UK would suggest that the early shoulder season, March through to mid-June, is now harder to fill than September and October, which is becoming a solid performer with attractors being pleasant weather, children back in school and the beauty of autumn colours.

One solution to satisfy the need for peak season accommodation, without impacting income in the low season, is the rise of the experiential glamping product.

- **Future Trends**

The glamping solution is part of a wider trend to satisfy the consumer's desire for an EXPERIENCE. It has been the buzz word of marketeers over the last few years and summaries how the consumer is looking for more from their holiday. VisitBritain's Future Trends Report summarise it as the "**Pursuit of Real** - genuine, authentic tourism products are preferred by future travellers as they seek to get rid of their "tourist" stamp and experience their destination like a local instead". They go on to summarise "**The Leisure Upgrade** - skill-seeking future travellers will prefer tourism products that combine fun and an opportunity for learning or self-improvement".

One other key element highlighted by the future trends report is the consumer wants a "**Death of Risk** - with limited budget and holiday time available, future travellers want to find out as much as possible about their destination before getting there. They expect travel providers to empower them by providing enough upfront information about tourism products".

As such, they are increasingly averse to any risky decisions that may result in less-than-optimal travel experiences. Some very young travellers may still romanticise the idea of a totally spontaneous holiday, yet even Gen Y consumers spend a lot of time planning their travels and are happy to sacrifice true adventure and surprise to ensure a great trip.

It should be considered that as part of Death of Risk, ensuring accommodation is legally compliant and safe is now part of the research process.

- **Key Trends in Accommodation**

As highlighted at the Tourism Management Institute Conference*, the consumer is seeking the experience. This is manifesting itself in key trends in accommodation development.

The Country House Hotel is reinventing itself as a haven of contemporary design – the "chintz and frills" are gone, leaving cool, clean designs. The inclusive experience is extended to include the kitchen garden, be it for tours or picking fresh vegetables for the dinner, or even extending to cooking lessons, letting guests go home with a new skill and a lifelong memory. It may even include a Shepherd's Hut in the grounds to use for one or more nights.

Self-Catering cottages can no longer be old-fashioned either but can emphasise the history of the building – a popular location will need to be of contemporary design, and include features that will help extend the season, like a real fire for cold winter evenings or a hot-tub to enjoy in the evenings. Cycling and hiking cleaning and drying facilities should also be considered.

Bunkhouses have also enjoyed a major make-over, be they rural or city based. Backpackers no longer want basic and impersonal. Dormitories now have personal space, and public spaces are relaxing havens, with the obligatory high speed wi-fi. The extension of this is Poshtels – or posh hostels, offering great design at very reasonable prices. Accor Hotels has announced a new brand "Jo&Joe" that, in the style of a hostel, appeals to the "traveller looking for shared spaces to work, chill out, do yoga and meet other travellers". The brand is opening in Paris and Bordeaux in 2018.

The food experience is reflected in the rise of the GastroPub or Restaurants with Rooms. Historical inns and restaurants with great food with no concerns around drinking and driving make for the perfect retreat. Here also you might find a Cookery School, expanding the guest experience to include learning a new skill.

Super cottages are also increasing on popularity. Accommodation that sleeps more than 10 are becoming increasingly popular and offer great value for money. Be it for groups of friends or extended family groups, nesting as it is known in the USA, is a popular way to spend time together and share the cost.

Glamping has been growing in popularity over the last 10 years. The opportunity to stay in the outdoors but not compromise (too much) on home comforts. More solid structures are offering the weatherproofing required to extend the seasonality of being in nature and a raft of new experiences are being offered. These range from wooden eco pods, treehouses and tree camping (a tent in a tree) to see through plastic pods, shepherd's huts, unusual structures like retired RAF helicopters to champing – Church Camping, where a night is spent in a local church.

- **Short Term Lets**

The growth of Airbnb has already been highlighted in this report (page 11). Even in Warwickshire, Airbnb properties have grown from 88 in 2014 to 1,700 in 2018. The growth will continue to expand in line with key events and while Airbnb remains a key booking platform. More concern is over the properties operating on a safe and legal compliant basis and owners should be encouraged to participate in an accreditation scheme. In some cities, such as Cambridge and Edinburgh, short term lets may be impacting housing stock and need to be regulated, often with a 90 day rental rule.

Similarly, the growth in the serviced apartment sector across Europe continues to outpace that of traditional hotels with many of the biggest operators set to double their portfolios over the next three years, according to a new report from global hotel consultancy HVS.

The sector's pipeline is set for further expansion across Europe, with 23,600 additional apartments due to be added to the inventory by 2022, making it one of the most active sub-sectors in the hotel industry. The UK represents a third of this development with 7,507 apartments planned over the next four years. London accounts for 39% of the total UK pipeline, followed by Manchester (16%), Edinburgh and

Cambridge with around 10% each. Key tourism destinations may also be targets for expansion, such as Stratford Upon Avon or Royal Leamington Spa.

Brands seeing the fastest growth across Europe include Adagio, opening some 6,100 apartments across Europe and Staycity, opening some 4,800 apartments in the UK, Ireland, Germany, France and Italy.

**References**

**https://www.visitbritain.org/future-trends**
*** TMI Hot Topics, 2017 Andrew Keeling - Here to Stay: Rural Accommodation Trends, www.tmi.org.uk/resource-item/44/tmi-hot-topic-2017.htm**

## (2) Conclusion

**Property Distribution**

The statistical evidence shows that Warwickshire has a wide and diverse accommodation offering. With a total of over 23,500 beds available every night, in nearly 1,300 properties, the county has a robust accommodation sector. With over 150 hotels, 300 self-caterers and 250 guest accommodations, there is a broad split of options.

There are also a further 850 properties available in the short term let market, offering over 1,900 beds per night, proving that the county has adopted the new distribution channel that is Airbnb. It is also worth noting that approximately 30% of these properties have been identified as pre-existing properties that are now using the distribution channel as a route to market.

The evidence does highlight that the distribution of property across the county is swayed to the south of the county. The hotel sector is the least imbalanced, with both North Warwickshire and Nuneaton and Bedworth having 10% each of the hotels, 20% in both Rugby and Stratford-on-Avon and 40% in Warwick.

In the guest accommodation sector this is more imbalanced, with only 6% of the properties in Nuneaton and Bedworth and yet 48% on Stratford-on-Avon. This is further evidenced in the Self-Catering sector with only 2% of the self-catering property in Nuneaton and Bedworth and 73% in Stratford-on-Avon.

**Future Requirements**

The tourism sector is predicted to continue to grow until 2030. The level of growth varies from the UNTWO prediction of 2% through to 2030, to the 3.5% growth that is the predicted level in the Tourism Sector Deal and 5% is the previous target set by the Warwickshire Visitor Economy Framework, valid to 2018, and a potential target considered by the Coventry City of Culture.

From the current evidence of the VisitBritain Insights Figures just over 5,000 rooms per night are being occupied. At the 5% growth prediction, by 2030 we will require up to an additional 4,500 rooms per night, across all accommodation types.

This would mean increasing the existing level of the 10,600 rooms available to a room stock of approximately 15,000 rooms per night.

However, with the number of rooms currently available at 10,600 per night, only growth at the 3.5% and 5% levels from the 2010 historical high visitor totals would require an increase in new rooms.

As of April 2019, Warwickshire has less planning permission for accommodation development than other regional destinations. Warwickshire has 13 developments for 568 rooms, of which 180 rooms are at the Heritage Motor Museum and have been deferred.

In comparison, Central Birmingham has 34 developments with over 4,000 additional rooms on-going, Solihull has 11 developments for 612 rooms and Coventry has 7 developments for 580 rooms.

**Major Events**

Coventry City of Culture, 2021, have conducted their own accommodation survey. The plans for the CCoC are under development but primarily are focused on local audiences. As such they are not anticipating large overnight visitations, such that the existing 5,000 rooms they have on offer would cover the demand.

Birmingham Commonwealth Games, 2022, are building a dedicated athlete village in central Birmingham. The average daily spectator levels are predicted at 30,000, which the 42,000 rooms available across Birmingham and Solihull can cover. Consideration should be given to a PR programme should not be created to attract the 3,000 journalists expected to the event to highlight the history, heritage and beauty of the region.

HS2 is likely to prove to be more problematic, particularly for the north of the county. At is anticipated that up to 3,500 workers and 1,400 management will be required on-site. It is calculated that between 900 and 1,250 rooms are required per night, but it is too early to predict the dates when this will happen.

This represents 21%-29% of all units available in the north of the county but does not consider the existing units available in Coventry that has easy access to the north of the county (and offers nearly 5,000 rooms per night).

**Summary**

There is a potential requirement of up to 4,600 rooms by 2030 across the county, across every type of accommodation, ranging from full-service hotels, to self-catering and short terms lets.

This will require 450 rooms per year to be created over the next 10 years and added to the existing accommodation stock.

An action plan is detailed below.

## (3) Action Plan

Based on the statistical summarised in the Conclusions, medium growth levels, or higher, will mean that continued investment in hotels and other accommodation will be required. As such the following actions are proposed.

**Developers**

It is clear from the difficulty in engaging with developers in the opinion surveys conducted that a specific programme of actions is required.

- Further work should be undertaken to develop relationships locally, regionally and across the UK with developers, major hotel brands and financiers.
- This work should commence immediately to ensure development will take place over the next ten years.
- The CWLEP should be approached to expand their support of development investment at MIPIM, to include IHIF – the International Hotel Investment Forum. This will focus minds on a specific requirement for hotel investment, as opposed to just industrial development. It is an annual event in Berlin prior to ITB in March.
- Attendance at IHIF would need to be a long-term commitment, of at least 5 years, to develop suitable relationships and ensure the investment is sustainable through the 10 years and beyond.

**Planning**

The current local council plans do support visitor accommodation development without offering specific solutions.

- It would be recommended to local councils to include a specific need for C1 planning development for visitor accommodation.
- Discussions should be undertaken, to bring together the CWLEP and the developers of the sites highlighted in the MIPIM document to discuss visitor accommodation development.
- C1 hotel developments should be included in the Stratford on Avon Gateway and Canal Quarter developments, the Leamington Creative Quarter, the Transforming Nuneaton programme, the Rugby Barn Hall refurbishment and at the MIRA site in North Warwickshire.
- Additional potential sites need to be identified; additional local council policy strategy may be required to support this, under the framework identified in the DCLG Good Practice Guide for Tourism Planning.
- A proactive plan to support rural and farm diversification for visitor accommodation development should be encouraged across the county in line with the National Planning Policy Framework, especially in north Warwickshire.
- With the level of housing development in the northern councils of Warwickshire, consideration should be given to whether this will reduce the number of, and the existing concerns for, “change of use” permissions being made soon after development is completed (possibly lessened by more new housing being available).
- The development of a plan to support younger / less affluent, or activity visitors should be created. Solutions might include simple but stylish town-based hostels and well-designed rural bunkhouses with facilities to support the walking / cycling / activities sector; with the accommodation survey citing very little under 35 visitor traffic, this will develop the opportunity to attract the younger or gap traveller and activity travellers.

**Best Practice Opportunities**

A list of target policies would help the visitor accommodations become leaders in the UK market, something the properties themselves, as well as the local tourism offices, can promote and market. Opportunities include:

- **Ageing Population Resources and Accessibility**

  An opportunity exists to be a market leader in supporting the ageing population and the needs of visitors. A programme of education can be built around the ideas raised on page 37 and referenced in the Appendix, section 9. Adopting a policy to help the ageing population is straightforward, and many of the action are easy to implement, and low cost.

  A training programme and a small match fund programme could be created, possibly in partnership with the CWLEP.

  The excellent rail network into the county, along with the promotional fares offered to seniors by rail companies, can position Warwickshire as a market leader in supporting the ageing sector of tourism.

- **Grey Sector Employees**

  A policy should be created to explore and support older workers seeking to work in the hospitality sector across the county. Older workers are very reliant, can be socially engaging and bring a myriad of life experiences to a job.

  Furthermore, they are generally local or have access to transport and can engage visitors with knowledge and ideas for the local region.

- **Quality and Legal Compliance**

  Customer safety and protection is paramount and a prerequisite. The recent popularity of the review site grading the “customer experience” has distracted both consumers and owners from the importance of the basic requirements around safety, cleanliness and legal compliance. Cornwall Council was recently awarded Primary Authority from the Secretary of State for BEIS with a delivery partner (Quality in Tourism) to ratify their compliance scheme.

  With the rise of Airbnb, and the wider short-term let market, many of the owners do not understand the basic legal and insurance requirements and as such, should be encouraged to adopt a minimum standard as laid out by the Short Term Accommodation Association (STAA) in order to protect their guests. Warwick DC are already considering this and discussing action.

  Similarly, the same considerations should be given to visitor attractions and activity providers.

- **Planning and Tourism Team Support**

  Consideration should be given to making a local member of the planning team and the tourism team available to liaise specifically on tourism projects to help advise on potential development, supporting and ironing out potential issues early in the process.

  Visit Kent and their 12 local councils fund a scheme known as the Tourism Business Advisory Scheme (TBAS) which allows businesses to receive free consultation at any point along the development process. Each council inputs £1,000 to a fund for businesses in their remit, and this is managed centrally by VisitKent. Quality In Tourism is the appointed agent to provide the consultations in Kent.

## Section 5: Local District Summaries

A summary of accommodation, overview and action points for each council is summarised below.

- North Warwickshire Borough
- Nuneaton and Bedworth Borough
- Rugby Borough
- Stratford-on-Avon District
- Warwick District

## North Warwickshire Borough Summary

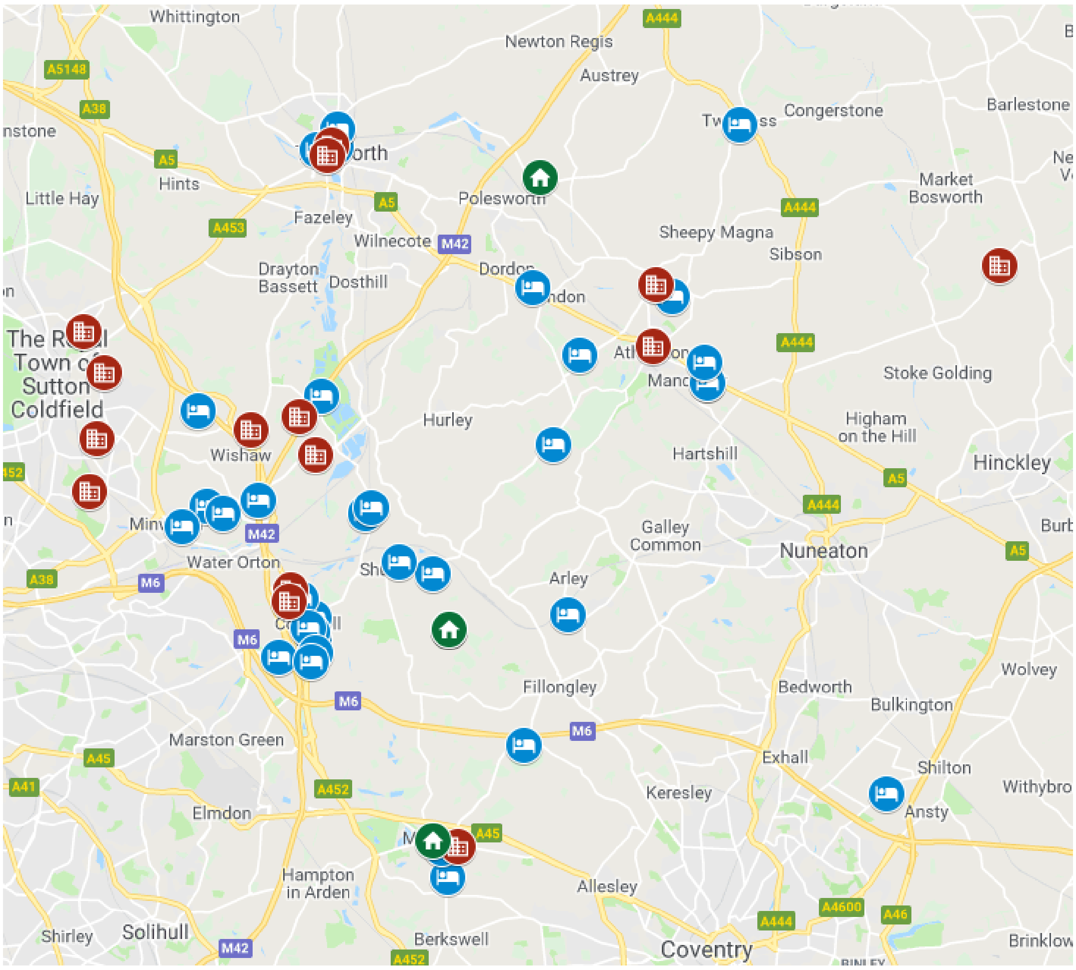
### Accommodation Summary

**Table 16: Accommodation Summary in NWBC**

| Type | Guest Accomm. | Hotels | Self-Catering | TOTAL | Airbnb* |
|---|---|---|---|---|---|
| Properties | 37 | 16 | 12 | **65** | 25 |
| Rooms | 295 | 1,137 | 27 | **1,459** | 42 |
| Capacity | 591 | 2,300 | 90 | **2,981** | 79 |

* Some properties may be duplicated

### Accommodation Distribution




| Icon | Accommodation Type |
|---|---|
| | Self-Catering |
| | Hotel |
| | Bed & Breakfast |

### Observations

- NWDC has just under 10% of the available accommodation in the county, but with nearly 14% of the rooms and capacity in the county.
- This is due to a strong hotel representation of hotels at 16, who represent 15% of the hotel accommodation capacity across the county.
- However, the District has less than 3% of the available Airbnb availability, suggesting that there is either a lack of demand or a lack of available accommodation.
- Local attractors include Triumph Motorcycles Experience, Hinckley, British Cycling Tours and Birmingham Velo, Bosworth Battlefield.

**Plans**

A recent destination review and plan has been created for 2017-2022 with the neighbouring Leicestershire council of Hinckley and Bosworth.

The local plan highlights pockets of land available for development, including a potentially supporting a hotel at Bassets Pole canal basin.

The MIRA site has a college and research institute and a hotel is included in plans.

As stated in the local plan, rural barns and "pubs with rooms" are the most likely opportunity for development in the area at this time.

**Actions for NWBC**

- Work with the CWLEP and MIRA to ensure a hotel development on the site is built.
- Assist with helping to secure funding for Bassets Pole Canal basin if required
- Work with the CWLEP to encourage participation at IHIF
- Implement a specific plan around the need for C1 planning designations for visitor accommodation.
- Publicise a proactive plan advising support of rural and farm visitor accommodation in line with the National Planning Policy Framework
- Understand the reasons for "change of use" from rural accommodation and create plan to address them
- Identify properties and developments to support the rise in activity holidays, particularly cycling.
- Demonstrate support for short-term let accommodation (e.g. Airbnb) but for those operating on a legally compliant and safe basis.
- Create action plan for properties to improve facilities for the ageing population and ways to enhance accessible facilities.

## Nuneaton and Bedworth Borough

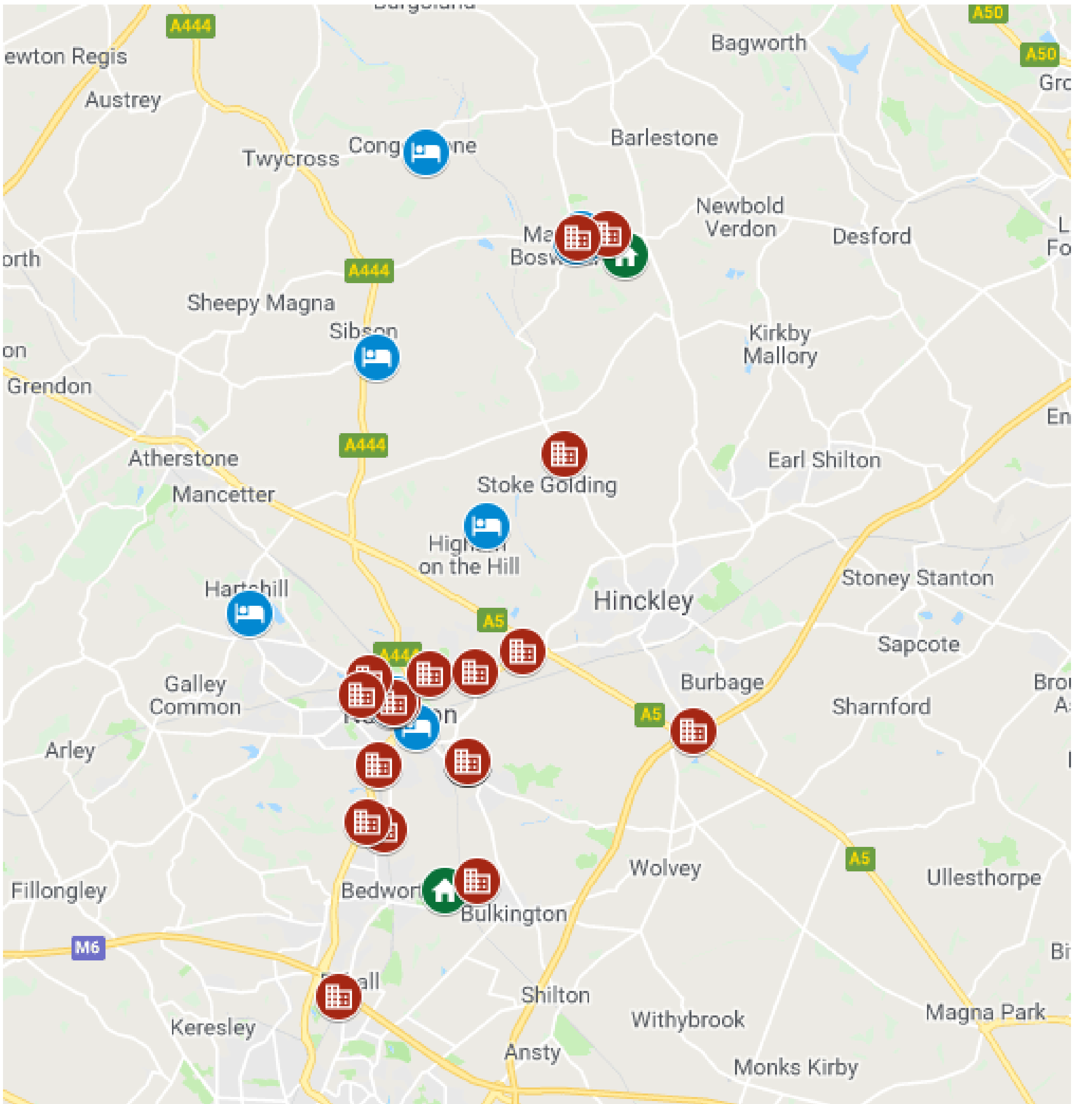
### Accommodation Summary

**Table 17: Accommodation Summary in NBBC**

| Type | Guest Accomm. | Hotels | Self-Catering | TOTAL | Airbnb* |
|---|---|---|---|---|---|
| **Properties** | 14 | 16 | 6 | **36** | 24 |
| **Rooms** | 77 | 1,055 | 20 | **1,152** | 44 |
| **Capacity** | 155 | 2,120 | 46 | **2,321** | 91 |

* Some properties may be duplicated

### Accommodation Distribution




| Icon | Accommodation Type |
|---|---|
| | Self-Catering |
| | Hotel |
| | Bed & Breakfast |

### Observations

- NBBC has 5% of the available properties in the county, but with nearly 11% of the rooms and capacity in the county.
- This reflects the fact that there are more hotels and guest accommodation than self-catering.
- The Borough has 16 hotels, which represents 13.5% of the county capacity.
- There are only 6 self-catering units in the whole Borough, out of a total of 311 across the whole county.
- Also, the Borough has less than 3% of the available Airbnb availability, suggesting that there is either a lack of demand or a lack of suitable property to rent.

**Summary**

Nuneaton and Bedworth BC completed a Destination Assessment in 2016.

A major project Transforming Nuneaton is underway www.warwickshire.gov.uk/regeneration-projects/transforming-nuneaton Document. There is not a viable night-time economy in the town and that this reduced the need for overnight stays. The project was considering potential new provision to help deliver this.

The area has a strong mining heritage, an area under consideration for development.

The Borough Plan is currently being updated. It will be finished around the end of February 2019. It will include incentives for development in potential locations, particularly in areas B1, B2 and B8, industry, logistics and manufacturing.

The team believe that they are missing out on promoting George Eliot and creating a brand around her heritage for the town.

**Actions for NBBC**

- Work with the CWLEP to ensure a hotel development as part of the Transforming Nuneaton project.
- Work with the CWLEP to encourage participation at IHIF to secure this development
- Implement a specific plan around the need for C1 planning designations for visitor accommodation and not just B1,2,3 development.
- Publicise a proactive plan advising support of rural and farm visitor accommodation in line with the National Planning Policy Framework
- Create action plan for properties to improve facilities for the ageing population and ways to enhance accessible facilities.

## Rugby Borough

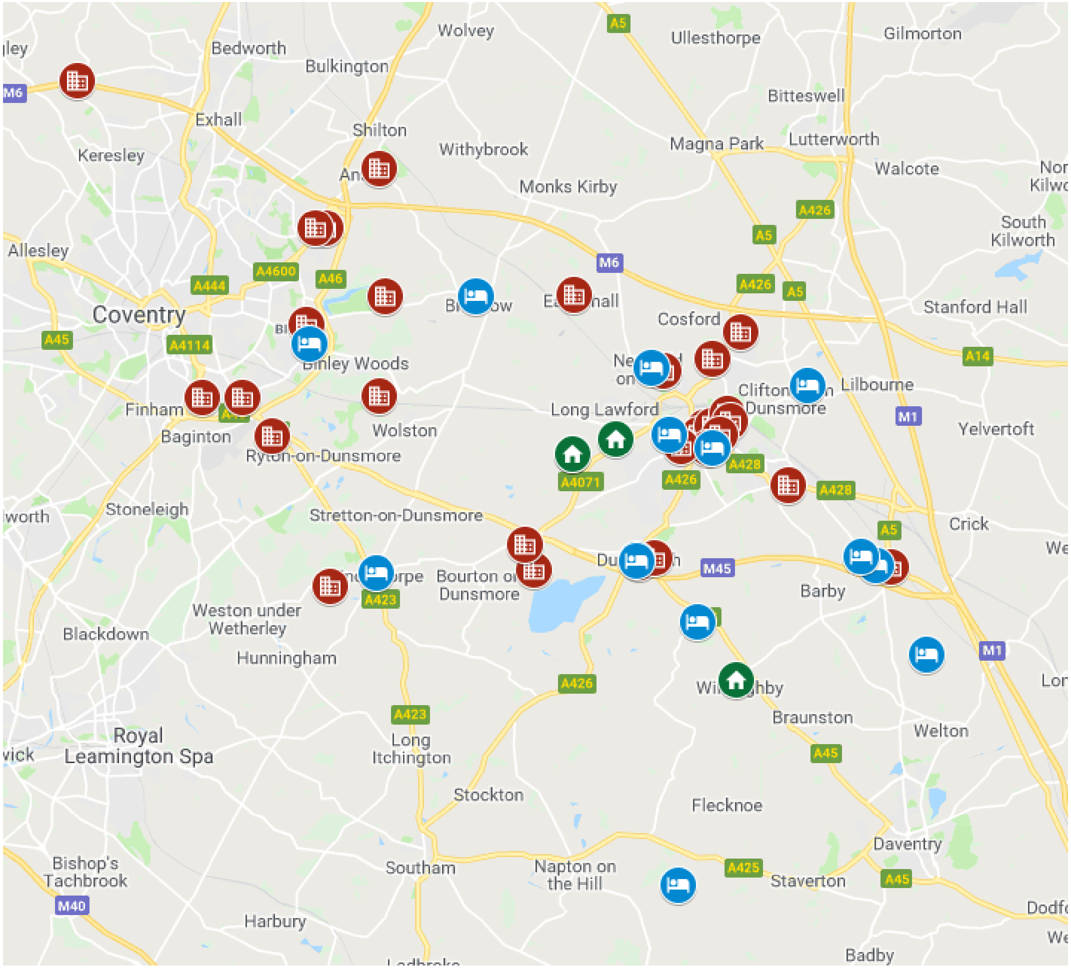
### Accommodation Summary

**Table 18: Accommodation Summary in RBC**

| Type | Guest Accomm. | Hotels | Self-Catering | TOTAL | Airbnb* |
|---|---|---|---|---|---|
| **Properties** | 17 | 32 | 10 | **59** | 55 |
| **Units** | 129 | 1,343 | 22 | **1,494** | 98 |
| **Capacity** | 261 | 2,688 | 56 | **3,005** | 210 |

* Some properties may be duplicated

### Accommodation Distribution




| Icon | Accommodation Type |
|---|---|
| | Self-Catering |
| | Hotel |
| | Bed & Breakfast |

### Observations

- RBC has just over 8% of the available accommodation in the county, but with around 14% of the units and capacity in the county.
- This reflects the fact that there as many hotels in the Borough as there are in Stratford-on-Avon DC, 32, meaning an average higher level of units per property.
- This represents 17% of the hotel capacity, meaning the average size of hotel is smaller than the average across the county.
- The Borough only has 10 self-catering operators, out of 311 across the county.
- There is 6.5% of the available Airbnb availability, suggesting that there is either a lack of demand, a lack of suitable property or lack of early adopters in this sector.

**Summary**

- A new Destination Management Plan has recently been completed.
- A visitor working group is supporting development between Rugby School, the Rugby Museum and the Rugby Museum and Art Gallery.
- With 50% of the borough being green belt, it hosts many day visitors.
- A potential hotel is cited for development on the Council Offices Site in the centre of Rugby.
- A weekend pass is being considered for local events as plenty of availability exists at the brand hotels that primarily host business visitors during the week, including the Ibis and Premier Inn.
- Development at Draycott Water, close to Dunchurch Park Hotel, is being discussed with Severn Trent Water
- A new professional theatre company in the town is having an impact, complimenting activity at Benn Hall.

**Actions for RBC**

- Work with the CWLEP to ensure a hotel development on the Council office, encouraging participation in IHIF if investment is required.
- Implement a specific plan around the need for C1 planning designations for visitor accommodation.
- Consideration of a hotel as part of Houlton development.
- Publicise a proactive plan advising support of rural and farm visitor accommodation in line with the National Planning Policy Framework, reflecting the rural nature of RBC
- Identify possible properties and developments to support the rise in activity holidays, particularly cycling.
- Demonstrate support for short-term let accommodation (e.g. Airbnb) but for those operating on a legally compliant and safe basis.
- Create action plan for properties to improve facilities for the ageing population and ways to enhance accessible facilities.

## Stratford-on-Avon District

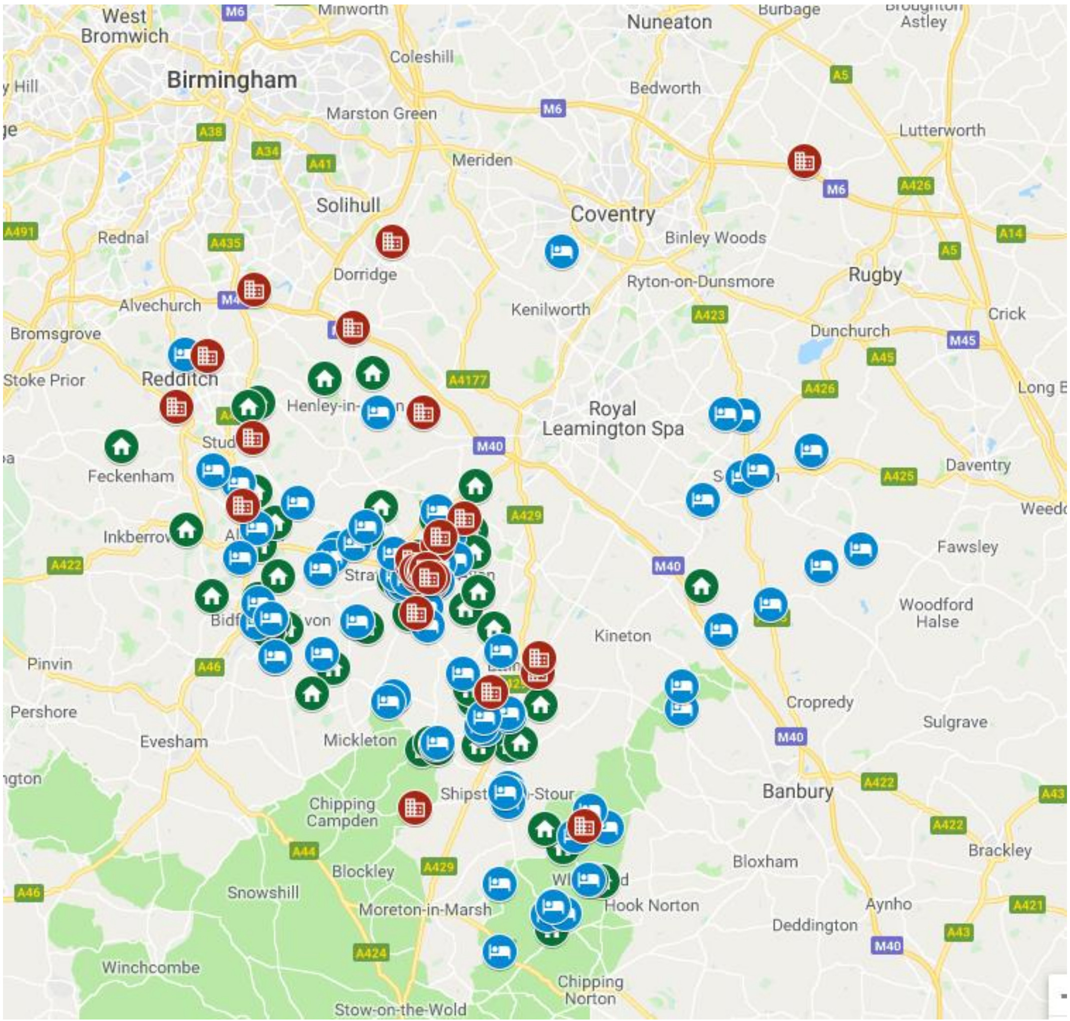
### Accommodation Summary

**Table 19: Accommodation Summary in SoADC**

| Type | Guest Accomm. | Hotels | Self-Catering | TOTAL | Airbnb* |
|---|---|---|---|---|---|
| Properties | 120 | 32 | 226 | **378** | 453 |
| Units | 684 | 1,719 | 471 | **2,874** | 804 |
| Capacity | 1,414 | 3,329 | 1,455 | **6,198** | 1,619 |

* Some properties may be duplicated

### Accommodation Distribution




| Icon | Accommodation Type |
|---|---|
| | Self-Catering |
| | Hotel |
| | Bed & Breakfast |

### Observations

- SoADC has 53% of the available accommodation in the county, but with only 29% of the capacity.
- This reflects the fact that the District has 73% of all the self-catering properties and capacity with 226 properties of 311.
- The District has the most Guest Accommodation of all the councils, with 120 properties representing 48% of the county total, but only 37% of the capacity, suggesting smaller properties than on average, or less family accommodation.
- The District has 32 hotels, the same as Rugby BC and half of the number in Warwick, 72 but with more than 4% more capacity than RBC, meaning larger hotels.
- 53% of the available Airbnb availability is in the district, and “home” rentals make up 59% of the properties and 70% of the capacity.

**Summary**

- A lack of business, conference and meeting space to accommodate larger groups is acknowledged
- More new RV / motorhome parks and storage is required
- Concerns about traffic in Stratford Upon Avon is an issue, there are plans for the A46 to be improved and widened, along with the creation of the western bypass to the Waitrose roundabout.
- A plan exists to for central development in Stratford Upon Avon's "Gateway Quarter"
- Potential visitor accommodation is possible on the  BHS store on Bridge Street and the old Stratford Picture House.
- A plan for zonal development in the "canal quarter" exists with new moorings and refurbishment.
- Need for more student accommodation.
- Historically rural businesses have struggled to expand in green belt areas due to restrictive planning legislation made expansion in these areas difficult.
- The new RSC costume centre supported by the CWLEP with a £1m investment.
- The Birthplace Trust, with a £500k investment from the CWLEP for Henley Street with a new bistro and arts centre.
- A new hotel at Dallas Burton Polo Fields, with 50 rooms is underway as is a new Gastro Pub in Southam.
- Local new visitor attractions include The Farm @ Snitterfield with major farm shop and farm experience, The Shakespeare Gin Distillery.
- Studley Castle has become a Warner Hotel, with rumours of Heythrop Park (Chipping Norton) also doing the same.
- Chiltern Railways have committed to more "non-stop" train service to Stratford upon Avon, without the need to change at Leamington Spa.
- More "vintage" trains services are being made available with operator's licences being granted to the Tysley development.

**Issues**

- There is a fundamental lack of "coach" tour guest accommodation in the region. There is not enough hotel availability to offer group space.
- The potential numbers that could be driven into Shakespeare's England is only limited by the space available and the capacity it can accommodate.
- Most international tours pass through the towns of Warwick and Stratford upon Avon but overnight further north. Tours that do stay locally often stay in Coventry and then commute to Stratford upon Avon and Warwick.

**Actions for SoADC**

- Implement a specific plan around the need for C1 planning designations for visitor accommodation.
- Influence plans for Kingston Grange and Long Marston developments to include C1 hotel accommodation
- Investigate the planning permission given to the Heritage Motor Museum to see if site still a possibility, in conjunction with Kingston Grange development.
- Discuss IHIF with CWLEP to drive investment if required
- Actively support rural and farm visitor accommodation in line with the National Planning Policy Framework, understanding the rural nature of RBC
- Identify properties and developments to support activity holidays, particularly cycling and walking.
- Demonstrate support for short-term let accommodation (e.g. Airbnb) but for those operating on a legally compliant and safe basis.
- Create action plan for properties to improve facilities for the ageing population and ways to enhance accessible facilities.

# Warwick District

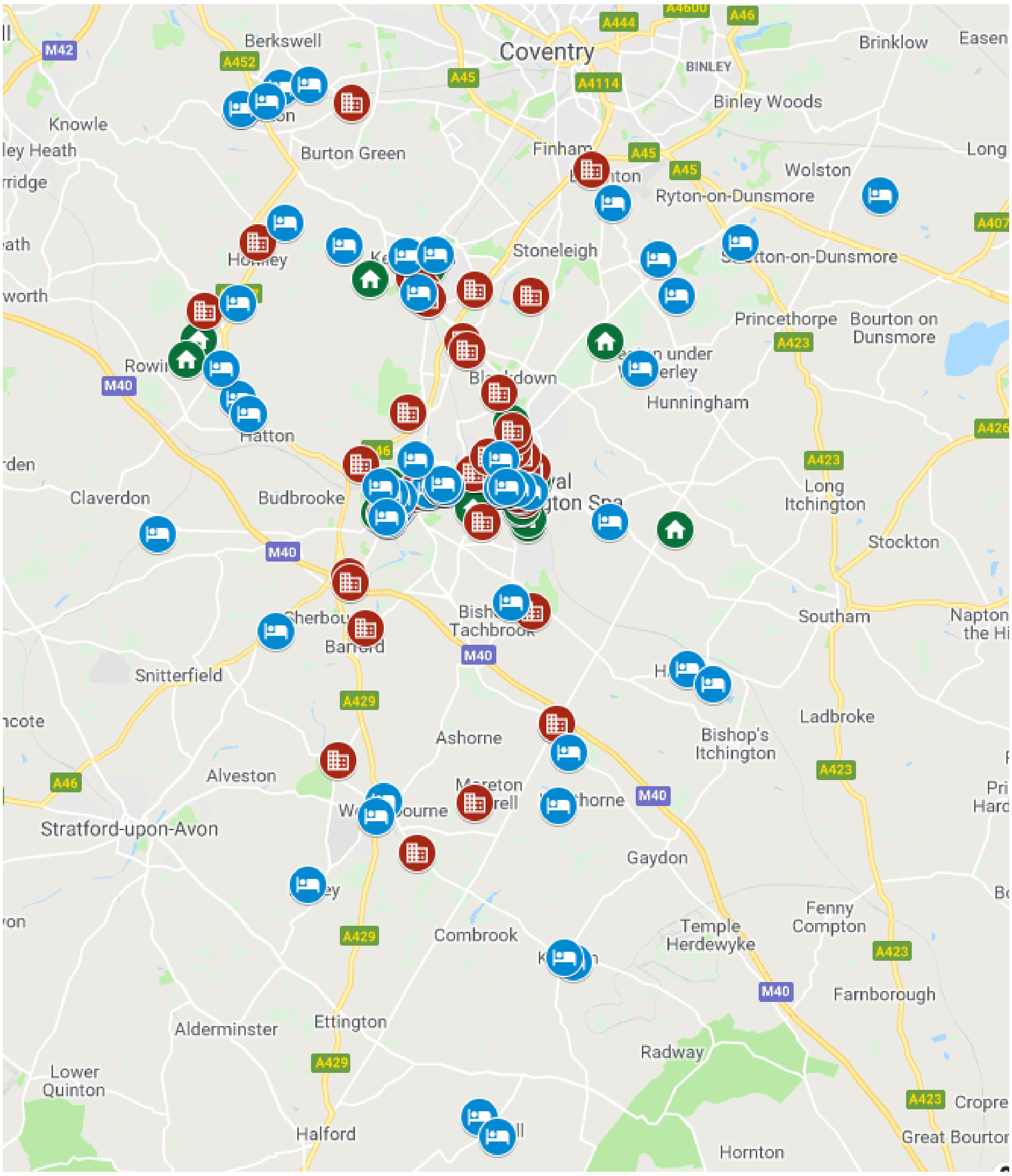
## Accommodation Summary

**Table 20: Accommodation Summary in WDC**

| Type | Guest Accomm. | Hotels | Self-Catering | TOTAL | Airbnb* |
|---|---|---|---|---|---|
| **Properties** | 62 | 57 | 57 | **176** | 295 |
| **Units** | 309 | 3,170 | 117 | **3,596** | 566 |
| **Capacity** | 1,382 | 5,405 | 326 | **7,113** | 1,188 |

* Some properties may be duplicated

## Accommodation Distribution




| Icon | Accommodation Type |
|---|---|
| | Self-Catering |
| | Hotel |
| | Bed & Breakfast |

**Observations**

- WDC has just under 25% of the available accommodation in the county, but with 32% of the capacity.
- The district has 25% of the guest accommodation and 36% capacity in this sector, meaning a good level of family accommodation available.
- There is over 37% of all the hotel capacity in the county, with over 5,400 beds available.
- Self-catering properties account for 18% of the properties and a similar percentage of the capacity.
- 35% of the available Airbnb availability; 61% of these are whole home rentals and this represents 75% of the capacity.

**Summary**

- Victoria Park, the home of the National Lawn Bowls Championships, will host the Bowls during the Commonwealth Games.
- Leamington Spa is developing the Creative Quarter, south of the river and near to the Pump Rooms and a seeking sites for a Boutique Hotel to support business tourism.
- Plans for a potential hotel site at Warwick Racecourse are struggling to find a developer – the site is at the far side (west) of the grandstand.
- A further site is in the Gallows Hill area of Bishops Tachbrook.
- Warwick DC understand the expansion of Airbnb and is proposing to make change of use planning permissions, required for Airbnb's. Furthermore, support of a Safe, Clean and Legal accreditation for these properties is under discussion.
- Support for students is also an issue. More student rooms are required and space to host VFR traffic is also required.

**Actions for WDC**

- Implement a specific plan around the need for C1 planning designations for visitor accommodation, especially around the C&W Gateway on the edge of Coventry, and Warwick Racecourse, especially supporting the coach touring market

- Consider whether additional accommodation / expansion of the existing hotel is required at Stoneleigh Park

- Consider hotel development around the Lower Heathcote / Gallows Hill developments. Discuss IHIF with CWLEP to drive investment if required.

- Actively support rural and farm visitor accommodation in line with the National Planning Policy Framework, understanding the rural nature of WDC

- Identify properties and developments to support the rise in activity holidays, particularly cycling and walking.

- Create a plan and implement support for short-term let properties operating on a legally complaint and safe basis.

- Create action plan for properties to improve facilities for the ageing population and ways to enhance accessible facilities.