HORSHAM DISTRICT

HOTEL & VISITOR ACCOMMODATION STUDY

Report of Key Findings

Prepared for:
Horsham District Council

July 2016

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EXECUTIVE SUMMARY

Study Purpose

The objective of the Horsham Hotel & Visitor Accommodation Study is to provide an assessment of the future potential for hotel and visitor accommodation development across Horsham District, with a particular focus on understanding the potential to secure new hotel provision in Horsham Town.

The Need and Potential for Additional Hotel & Visitor Accommodation Provision

The Horsham District Hotel & Visitor Accommodation Study shows good potential for tourist accommodation development in the Horsham District as a result of:

- The current shortage of hotel accommodation in Horsham Town to fully meet the requirements of local companies, and the projected growth in corporate demand for hotel accommodation in the town as the North Horsham Business Park and Health & Life Sciences Campus on the Novartis site are developed;
- Increased contractor demand for low priced accommodation as construction and infrastructure projects are progressed;
- The District being well placed to capitalise on the projected growth in the domestic short break and overseas tourist markets and the increasing demand for family and friend get togethers, celebrations and weekends away;
- The projected population growth in Horsham District that will drive growth in weddings business and visits to friends and relatives;
- The potential for Horsham District to capitalise on many of the current trends in tourist accommodation development in the UK.

Hotel & Visitor Accommodation Development Opportunities in Horsham Town

The study shows potential for the following in terms of hotel and visitor accommodation development opportunities in Horsham Town:

- Immediate potential for a further budget, upper-tier budget or limited 3 star hotel of potentially up to 80-100 bedrooms;
- A market gap for a boutique hotel in the town centre;
- Possible longer term potential for a further budget hotel by 2030, of around 60-70 bedrooms;
- Scope for pubs in the town centre to offer guest accommodation, primarily through the use of upper floor space;
- Potential for restaurants with rooms, again through the use of upper floors;
- Opportunities for new B&Bs to open in the town to replace those that have closed;
- Some additional serviced apartment provision, through the letting of residential apartments on a service apartment basis.

The Horsham hotel market is not strong enough, and unlikely to grow sufficiently to support the development of a full service 4 star hotel in or around Horsham.

Hotel & Visitor Accommodation Development Opportunities in the Rural Parts of Horsham District

The study shows potential for the following in terms of hotel and visitor accommodation development opportunities in the rural parts of the District:

- The upgrading, development and expansion of existing hotels, including the development of leisure and spa facilities;
- A further luxury or boutique country house hotel possibly, given a suitable property for conversion;
- Hotels on golf courses, if acceptable in planning terms, ideally of luxury standard. The proposed hotel at Slinfold Golf Club could meet this requirement;
- High quality pub accommodation, including more boutique inns;
- Restaurants with rooms;
- Accommodation at wedding venues;

- The upgrading of B&Bs, including some potentially to a boutique standard;
- New B&Bs, including some luxury, 5 star and boutique B&Bs, to replace those that close as their owners retire;
- High quality holiday cottages, including some:
    - Boutique self-catering properties;
    - Holiday cottage complexes with leisure facilities;
    - Large 'super' cottages that can cater for family and friend get togethers, celebrations and house parties;
    - 'Access Exceptional' holiday cottages designed for independent wheelchair users and their families.
- Small holiday lodge/ eco lodge complexes/parks, with lodges for ownership and/or rental, if acceptable in planning terms;
- Golf lodges on golf courses;
- Fishing lodges around fishing lakes;
- Treehouses;
- The expansion, improvement and development of existing touring caravan and camping sites;
- The expansion of existing holiday parks in terms of additional plots for owned caravan holiday homes;
- Possibly some new touring caravan and camping sites;
- Eco camping sites;
- Camping pod developments;
- Glamping sites;
- Spa resorts, health farms or wellness retreats;
- Another outdoor education centre or children's activity holiday centre, given a suitable property for conversion;
- Accommodation at vineyards;
- More accommodation in settlements in Horsham District that are outside the South Downs National Park but close to the South Downs Way in terms of pub accommodation, B&Bs, camp sites and possibly a network of camping pods subject to this supporting the aims and aspirations of the South Downs National Park Authority

Capitalising on the Opportunities – The Role of Horsham District Council

The Horsham Hotel & Visitor Accommodation Study shows potential for the development of a wide range of different types of visitor accommodation in Horsham District. The key question going forward is how Horsham District Council wishes to capitalise on these opportunities, to grow staying tourism in the District and the economic and employment benefits that an expanded visitor accommodation sector can deliver. There are a number of roles and interventions that the District Council can take, depending on how proactive it wishes to be and the budgets and staff resources if can allocate to supporting and accelerating visitor accommodation development in the District.

- **Strengthening planning policy and its application** in terms of:
    - A dedicated visitor accommodation development policy with supporting text that articulates the types of accommodation there is market potential for in the District, to provide clear guidance to developers and Development Management teams. This could be considered as part of the review of the Horsham District Planning Framework (HDPF).
    - A locational strategy that focuses hotel development in Horsham Town on the town centre, and for the rural parts of the District identifies the types of location where visitor accommodation developments of scale might be viewed more favourably.
    - Some flexibility towards developing visitor accommodation in the countryside in terms of an element of new-build accommodation development, with more clarity about the circumstances under which this could be considered.
    - Revisiting the need for a hotel and visitor accommodation retention policy that clearly articulates the evidence that applicants need to provide to support change of use applications for hotels and other types of tourist accommodation business.
    - Allocations for hotel use in the town centre, taking into account any potential at Park House, to overcome the challenge of higher value competing uses and promote the delivery of more town centre hotel supply to meet wider destination objectives.
    - A recognition of the possible need for on-site staff accommodation for some rural visitor accommodation businesses.

- Flexibility to consider enabling development to achieve the financially viable conversion of historic country house properties to hotels or other forms of tourist accommodation;
- Proportionate and affordable requirements for supporting information and technical studies, design requirements and planning conditions, so as not to overburden a potential tourist accommodation scheme with additional costs that push it to a point where it will not be viable. The use of planning conditions that relate to holiday use evidenced by guest registers rather than restrictions on occupancy and opening.
- Building these planning policy and development management recommendations into the Site Allocations DPD or future planning policies and potentially a hotel and visitor accommodation SPD or policy advice guidance note.

- Developing a **Hotel & Visitor Accommodation Investment Strategy for Horsham Town Centre**:

  - Feeding the findings of this study into the **Horsham Town Centre Vision** and the **Destination Management Plan**; (Note – an EU application is pending).
  - The feasibility of developing a property for use as a boutique hotel in Horsham;
  - Follow up with the hotel companies that expressed interest in Horsham as part of the developer testing exercise;
  - Giving due consideration to the District Council acting as developer/investor for one or more of the identified hotel opportunities in Horsham Town Centre, providing more opportunity to influence the scheme and make it happen for wider destination benefit;
  - Engaging with site and property owners to raise awareness of the hotel development potential and interest in the town;
  - Building a dialogue with the hotel brands interested in Horsham and hosting familiarisation visits to more fully understand their requirements and site preferences;
  - Engaging with pub owners and tenants and restaurant owners to make them aware of the potential for developing on-site accommodation.

- **Raising awareness of the opportunities** for tourist accommodation development in the District through:

- Publication of the report, or a version of it (possibly re-presented as a Hotel & Visitor Accommodation Development Prospectus) which will form part of the evidence base for the Site Allocations DPD, on the District Council's website;
- Circulation of the report/ Hotel & Visitor Accommodation Development Prospectus (or a weblink to it) to potentially interested land, property and business owners, developers and property agents.
- PR activity to gain local press and media coverage of the opportunities identified by the study
- A drop-in event, or series of accommodation development workshops to publicise the findings of the study and provide further information and advice to those that might be considering tourist accommodation development proposals in the District.

- A proactive approach to **identifying sites for larger scale tourist accommodation development schemes**, perhaps as part of the Site Allocations DPD process.

- The establishment of **pub accommodation and glamping development programmes**, ideally with other partners in Sussex.

- The provision of **business and marketing support** for tourist accommodation operators.

- **Action to grow the staying visitor market** in the District through:

  - The attraction of new companies with requirements for hotel accommodation;
  - The development of the visitor offer of Horsham Town Centre through the implementation of the Horsham Town Centre Vision and the Destination Management Plan;
  - The development of the visitor offer in the rural parts of the District in terms of attractions, provision for outdoor activities, and the retail and food and drink product of the District's smaller towns and villages;
  - Effective destination marketing through the new Destination Management Organisation (Visitor Economy Partnership) and participation in the County Council's West Sussex Weekends and Beautiful Outdoors marketing campaigns.

- **Ongoing monitoring** of how the District's tourist accommodation sector is developing and performing over time to establish ongoing priorities for the further development of tourist accommodation, and evaluate the impact of any interventions to proactively support the development of the sector. This can best be achieved through periodic in depth research, rather than ongoing surveys, which are very time consuming and costly to deliver.

Concluding Comments - Next Steps

The Hotel & Visitor Accommodation Study shows a strong and growing market for hotel and visitor accommodation across Horsham District, with frequent shortages of hotel accommodation in Horsham Town during the week, and insufficient provision of all forms of visitor accommodation to meet weekend and summer demand across the District. Going forward it is clear that additional hotel and visitor accommodation provision is needed to fully service corporate demand in Horsham Town and enable companies to do business effectively here; to satisfy demand from people attending weddings and visiting friends and relatives at weekends: and to allow the District to fully capitalise on the potential for staying tourism growth, especially in terms of short break demand.

While the market will deliver new supply, there is much that Horsham District Council can do to accelerate hotel and visitor accommodation development through a positive, flexible and enabling planning policy framework, and proactive interventions to raise awareness of the opportunities and provide business support and funding, including potentially direct investment in strategically important schemes that can give the Council a good investment return. It is now for the Council to decide how best to act on the study findings and recommendations as it moves forward with the development and implementation of the new Horsham Town Centre Vision, Destination Management Plan and Site Allocations DPD.

1. INTRODUCTION

1.1 Background to the Study

1.1.1. Horsham District Council has identified the further development of the visitor economy as offering good potential for future economic growth in the District and having an important contribution to make to its corporate priorities. The District Council has recognised that a sufficient supply of suitable visitor accommodation will be vital to achieving growth in the District's visitor economy. While the Council has some information on the current stock of hotel and visitor accommodation and conference facilities across the District it has no detailed information on current performance levels and market demand and no clear insight into the need for additional provision to meet current shortages and gaps in supply. The District Council also wishes to understand the likely impact of envisaged future economic, employment, tourism and population growth on the need for additional hotel, visitor accommodation and conference facility provision, and requires guidance on the interventions that it can make to support and accelerate the development of such facilities in the District.

1.1.2. The District Council is particularly interested in understanding the need and potential for new hotel provision in Horsham. It has anecdotal evidence of frequent shortages of hotel accommodation in the town, and believes that there could be potential for additional hotel provision here, including possibly a boutique hotel. The Council has commissioned consultants to prepare a Town Centre Vision Statement for Horsham. The Hotel & Visitor Accommodation Study will feed into this work regarding the potential for hotel and visitor accommodation development in the town centre. The Council is also in discussions with public sector landholders to assess the potential to develop a comprehensive redevelopment scheme for Hurst Road and requires a view on the potential for the inclusion of a new hotel here to inform future planning policy documents.

1.2 Study Objective

1.2.1. The objective of the Hotel & Visitor Accommodation Study is to provide an assessment of the future potential for hotel and visitor accommodation development across Horsham District, with a particular focus on understanding the potential to secure new hotel provision in Horsham.

1.2.2. The District Council specifically requires:

- An audit and review of the District's current hotel, visitor accommodation and conference facility offer by location, type and grade.
- An assessment of the current performance and usage of existing hotels and visitor accommodation businesses to identify shortages, gaps and, if it exists, overprovision.
- An assessment of the longer term visitor accommodation and conferencing needs of the District by type and location.
- Identification of the opportunities for new hotel and visitor accommodation to meet current shortages, fill gaps and satisfy future growth in demand, taking account of population, employment and tourism growth and the influence of the Gatwick Diamond area, the South Downs National Park and the Coast to Capital LEP Strategic Economic Plan.

1.3 Study Uses

1.3.1. It is envisaged that the study findings will be used to:

- Inform the Horsham Town Centre Vision Statement with regard to the potential for hotel and visitor accommodation development in the town centre.
- Inform the evolving Hurst Road development options work .
- Inform the emerging Site Allocations DPD regarding the need to allocate sites for hotel and visitor accommodation development.
- Advise the District Council on the interventions that it can make to accelerate investment in the development of hotels, visitor accommodation and conference facilities to capitalise on, and in turn support, economic and tourism growth in the District.

- Help inform the District Council's own property investment strategy and identify where strategic Council investment in hotel, visitor accommodation and conference facility provision can deliver financial returns to the Council alongside added value benefits to the District's economy. This may potentially include informing decisions on the future use for Park House,
- Assist the District Council in its engagement with farmers and other land owners who may be looking at development options for redundant buildings and land holdings as part of diversification strategies.
- Assist in the determination of planning applications for hotel and visitor accommodation development schemes.
- Provide information to assist the private sector in preparing business plans and planning and funding applications for tourist accommodation development projects.
- Support the provision of business advice and information to those contemplating the development of visitor accommodation in Horsham District.
- Put the District Council in a well-informed position to take advantage of the funding and joint working opportunities that are/will be available through the Coast to Capital LEP, Gatwick Diamond Initiative, Horsham, Lewes & Mid Sussex LEADER Programme, West Sussex County Council and South Downs National Park Authority to support hotel, visitor accommodation and conference facility development in Horsham District.
- Inform the implementation of the District Council's tourism branding project for the District, if it is successful in securing EAFRD funding from the Coast to Capital LEP.

1.4 Study Coverage

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

- Hotels – of all types;
- Inns/ pub accommodation;
- Guest houses and B&Bs;
- Restaurants with rooms;
- Self-catering holiday cottages;
- Holiday lodge developments, including fishing lodges, golf lodges and eco lodges;
- Touring caravan and camping sites;
- Static caravan holiday home parks;
- Glamping sites;
- Camping pod developments;
- Group and youth accommodation;
- Children's activity holiday centres;
- Country house wedding venues with accommodation;
- Residential conference centres;
- Spa resorts and wellness retreats.

1.4.2. A glossary of definitions for these different types of tourist accommodation is provided at Appendix 2.

1.4.3. In terms of geography, the study covers the whole of Horsham District with specific coverage of hotel and visitor accommodation development opportunities in Horsham. The study includes gaining an understanding of the South Downs National Park from an economic development and wider tourism perspective, together with the wider district relationship with this area, and its role as a gateway to the Park. However, it should be noted that the South Downs National Park is the Planning Authority for land within the National Park, and it is not for HDC to determine planning outcomes for this area. Where appropriate reference is also made to current tourist accommodation provision and known major tourist accommodation development projects in the areas that immediately surround the District.

1.5 Methodology

1.5.1. The study has involved the following modules of work:

a) A detailed audit of the current supply of all forms of visitor accommodation in Horsham District, and analysis to identify any clear gaps in current provision. The audit has taken as its starting point the accommodation lists that are available from the Horsham tourist information centre, which have been cross checked through interrogation of the main online accommodation search and booking websites, holiday cottage letting agency websites and other internet searches.

b) An audit of the current supply of conference facilities in the District.

c) A review of current proposals for new hotel and visitor accommodation provision in the District identified through interrogation of planning records and discussions with relevant District Council officers, particularly regarding pre-application proposals and emerging projects.

d) A survey of the managers or owners of hotels and visitor accommodation businesses across the District to gather up-to-date information on performance and market demand. This has included face-to-face interviews with the owners and managers of a number of the District's hotels and larger touring caravan and camping sites, and structured telephone interviews with a number of group accommodation businesses, holiday cottage letting agencies that have properties in the District, serviced apartment operators and residential conference centres. We have also undertaken a CATI (computer assisted telephone interviews) survey of B&Bs, guest houses, pub accommodation businesses, and self-catering establishments.

e) A review of national hotel and visitor accommodation development trends of relevance to the District.

f) A review of national trends and forecasts for staying tourist markets.

g) A review of relevant planning and economic development strategy and policy documents, and a consultation workshop and follow up telephone conversations with the relevant planning, tourism and economic development officers of the Council, to build an understanding of the strategic context for future growth in demand for hotel and visitor accommodation in the District.

h) Consultations with other relevant stakeholders, including West Sussex County Council, the Gatwick Diamond Initiative, the Coast to Capital LEP and the South Downs National Park Authority.

i) Discussions with the consultants that are undertaking the work on the Horsham Town Centre Vision Statement and Hurst Road opportunity area.

j) A telephone survey of national hotel companies and national and regional visitor accommodation operators to assess their interest in investing in Horsham District, and any barriers that they have identified to investing here

k) A review of potential hotel sites in Horsham to assess their suitability for development against the key site requirements of hotel companies.

l) A survey of Horsham companies to assess their requirements for hotel accommodation in the town, whether they experience any difficulty in meeting them, and their views on the need for a new hotel in the town.

1.5.2. The findings of these modules of research have been drawn together to identify the opportunities for hotel and visitor accommodation development across the District and requirements for District Council intervention to help bring suitable proposals forward.

1.6 Report Structure

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

- The current supply of hotel and visitor accommodation in Horsham District and how it has been changing and might change in the future in terms of current accommodation development proposals and pipeline schemes.
- The current performance and markets for the District's hotels and visitor accommodation businesses.
- The potential for future growth in demand for hotel and visitor accommodation in Horsham District.
- Hotel and rural tourist accommodation development trends that could be picked up in Horsham District.
- Private sector interest in hotel and visitor accommodation development in the District in terms of hotel company interest in Horsham and visitor accommodation development proposals that are coming forward in the District.

1.6.2. The report finishes with our conclusions about the potential for hotel and visitor accommodation development in the District and our recommendations on how the District Council can best support the future development of accommodation, formulated into a **Horsham District Hotel & Visitor Accommodation Acceleration Programme**.

2. HORSHAM DISTRICT HOTEL & VISITOR ACCOMMODATION SUPPLY

2.1 Current Supply

2.1.1 Our audit of the current supply of hotel and visitor accommodation in Horsham District took as its starting point the accommodation lists that are available from the Horsham tourist information centre. These lists were cross checked against the key online accommodation search and booking sites (booking.com, LateRooms, Tripadvisor, airbnb, Sawdays, Homeway, Holiday Lettings, Owners Direct, Premier Cottages, UK Parks, UK Campsite, Glamping UK, and Canopy & Stars) and holiday cottage letting agency websites (Cottages.com, Mulberry Cottages, English Country Cottages, Sykes Cottages, Unique Home Stays, Amberley House Cottages and Rural Retreats).

2.1.2. The audit identified a total of 208 tourist accommodation establishments in Horsham District offering approximately 6,202 bedspaces. The greatest bedspace capacity is in touring caravan and camping sites (which account for 32.3% of the District's total bedspace capacity), holiday parks (25% of all bedspaces), and hotels (16.5% of the District's total accommodation supply). Self-catering accommodation makes up 8.7% of the District's total tourist accommodation supply, while inns, guest houses and B&Bs, residential conference centres, and outdoor education centres each account for 3-4% of the total supply. Our analysis of the current Horsham District tourist accommodation supply by type of accommodation is set out in the table overleaf. We have analysed the District's accommodation supply in terms of those establishments that we believe fall within the South Downs National Park, and those that lie outside it. Full listings of the District's tourist accommodation businesses are provided at Appendix 1.

Table 1
HORSHAM DISTRICT TOURIST ACCOMMODATION SUPPLY - JULY 2016

Type of Accommodation	Total Estabs		Total Bedspaces		%
	Outside the South Downs National Park	Inside the South Downs National Park	Outside the South Downs National Park	Inside the South Downs National Park	Horsham District
Hotels	15	1	986	38	16.5
Inns	14	1	174	10	3.0
Restaurants with Rooms	0	0	0	0	0
Guest Houses/ B&Bs	40	9	242	28	4.3
Self-Catering	78	13	483	57	8.7
Holiday Lodge Parks	0	0	0	0	0
Caravan & Camping Sites	15	2	1648	360	32.3
Glamping Sites	8	1	107	8	1.9
Camping Pod sites	0	0	0	0	0
Holiday parks	3	0	1557	0	25.0
Residential Conference Centres	1	1	120	96	3.5
Wedding Venues with Accommodation	1	0	14	0	0.4
Spa Resorts/ Health Farms	0	0	0	0	0
Youth Hostels	0	1	0	56	0.9
Bunkhouse Barns	0	1	0	10	0.2
Residential/ Outdoor Education Centres	2	1	129	79	3.3
TOTAL	**177**	**31**	**5460**	**742**	**100**

2.1.3. Horsham District's tourist accommodation supply comprises the following;

- Two luxury country house hotels – Amberley Castle (a member of the Relais & Chateaux worldwide consortium of luxury hotels and restaurants), and the 5 star South Lodge Hotel at Lower Beeding, operated by Exclusive Hotels;
- A small, high quality country house hotel at Slinfold - Random Hall;
- Five independent 3 star hotels across the District;
- Three branded budget hotels – a Premier Inn and Travelodge in Horsham, and a Travelodge at Billingshurst;
- Four small ungraded hotels/ large guest houses at Horsham, Edburton and Pulborough;
- A walkers' hotel operated by HF Holidays – Abingworth Hall at Thakeham;
- 15 inns and pubs offering accommodation across the District;
- A range of guesthouses, B&Bs and farmhouse B&Bs across the District;

- Three serviced apartment operations in and around Horsham;
- A good choice of self-catering accommodation across the District including self-catering barn conversions and residential properties let out for holidays, short breaks and other short stay purposes;
- Golf lodges (7) for rental at Cottesmore Golf & Country Club;
- A Caravan Club club site at Slinfold;
- Two large 4 star touring caravan and camping sites – Sumners Ponds at Barns Green and Washington Caravan & Camping Park;
- A further large ungraded touring caravan and camping site at Henfield – Blacklands Farm Campsite;
- A number of smaller touring caravan and camping sites across the District, and five Caravan Club and Camping & Caravaning Club certificated sites;
- One touring caravan site (Larkins Park at Brook Green) that offers a mix of seasonal tourer pitches[1] and touring caravan pitches)
- Two large holiday parks – Honeybridge Park at Dial Post, with 150 touring caravan and camping pitches and 90 privately owned static caravans, and Raylands Country Park at Southwater, with 96 privately owned static caravans and a number of seasonal tourer pitches;
- Two smaller holiday parks – Downsview Park at Woodmancote, with 48 privately owned static caravans and lodges, and Luckista Grove at Pulborough, with 21 privately owned static caravan holiday homes;
- Ten sites that offer glamping units – bell tents, shepherd's huts, safari tents, yurts, tipis, and a converted 1950s bus and vintage truck. The most significant glamping sites in the District are Knepp Wildlife Safaris, with 9 glamping units, and Canfields Farm Feather Down Farm operation at Rudgwick, with 7 canvas glamping tents. Other sites offer one or two glamping units;
- One touring caravan and camping site (Sumners Ponds) that offers a small number of camping pods;
- A YHA youth hostel at Truleigh Hill (in the South Downs National Park);
- A bunkhouse barn at Hardham, near Pulborough (in the South Downs National Park);
- Two outdoor education centres – Gaveston Hall at Nuthurst and Lodge Hill Centre at Watersfield; (located in the South Downs National Park)

[1] Pitches that owners will leave their touring caravans on for the duration of the season for their periodic use

- Campus accommodation available outside of term times at Chichester College's Brinsbury Campus;
- Two residential conference centres – Roffey Park at Horsham and Wiston Park/ Wiston House near Steyning;
- A wedding venue with accommodation – Barnfield Barn at Mannings Heath.

2.1.4. In addition to these commercial accommodation businesses there are 53 places in Horsham District listed on the airbnb home sharing website. These are primarily individual bedrooms that people are letting out in their homes for short stay purposes. Most people purely let their spare bedrooms through the site. A few also offer breakfast. A number of listings are for entire homes let out on a self-catering basis.

2.1.5. The District has no restaurants with rooms, no spa resorts/health farms, and no significant holiday lodge parks or camping pod sites.

2.1.6. The wider surrounding parts of West and East Sussex include a number of luxury country house hotels:

- Gravetye Manor, East Grinstead – AA 4 Red star, 17 bedrooms, part of Relais & Chateaux;
- Alexander House Hotel & Spa, East Grinstead – 5 star boutique, 57 bedrooms, operated by Alexander Hotels;
- Ockenden Manor Hotel & Spa, Cuckfield – 28 bedrooms, operated by Historic Sussex Hotels;
- Ashdown Park Hotel & Country Club, Wych Cross, near Forest Row – 4 star, 106 bedrooms, operated by Elite Hotels.

Analysis by Location

2.1.7. The tables overleaf provide an analysis of Horsham District's current tourist accommodation supply by area in terms of numbers of establishments and bedspace capacity for each category of accommodation. This analysis shows the following:

- Key concentrations of accommodation are in and around Horsham and along the southern edge of the District within and immediately bordering the South Downs National Park, including Pulborough, Amberley, Storrington, Steyning, Bramber and Washington. Horsham and its immediate surrounding area account for just over 31% of the District's total supply of tourist accommodation bedspaces. The southern fringe of the District accounts for around a quarter of the District's accommodation supply.
- 12% of the District's accommodation supply lies within the South Downs National Park.
- Other focal points for accommodation are Dial Post, where the Honeybridge Park holiday park and touring caravan and camping site and Knepp Wildlife Safaris glamping site are located, and the Henfield area, which has two touring caravan and camping sites and the Downsview Park holiday park at Woodmancote. Dial Post accounts for almost 27% of the District's caravan, camping and glamping provision and just under 16% of the total accommodation supply. The Henfield area accounts for almost 18% of caravan, camping and glamping provision and 12.4% of total supply.
- The District's accommodation supply is otherwise spread across the other rural parts of the District.

Table 2
HORSHAM DISTRICT TOURIST ACCOMMODATION SUPPLY - JULY 2016
ANALYSIS BY LOCATION - ESTABLISHMENTS

Area	Hotels		Inns		Guest Houses/B&Bs		Self Catering		Caravan & Camp Sites/ Glamping		Residential Conference Centres/ Wedding Venues		Group Accom		TOTAL	
	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%
Horsham	9	56.4	3	20.0	13	26.5	23	25.3	5	16.6	2	66.7	1	20.0	56	26.9
Amberley	1	6.2	1	6.7	7	14.3	7	7.7							16	7.7
Ashurst							2	2.2							2	1.0
Billingshurst	1	6.2			3	6.1	1	1.1	2	6.7					7	3.4
Cowfold					2	4.1	1	1.1	1	3.3					4	1.9
Dial Post									2	6.7					2	1.0
Henfield	1	6.2	1	6.7	6	12.3	9	9.9	4	13.3					21	10.1
Partridge Green			2	13.3	1	2.0	2	2.2	2	6.7					7	3.4
Pulborough	3	18.8	2	13.3	7	14.3	21	23.1	1	3.3			3	60.0	37	17.8
Rudgwick			1	6.7	1	2.0	1	1.1	2	6.7					5	2.4
Southwater					2	4.1	1	1.1	1	3.3					4	1.9
Shipley			1	6.7			1	1.1	1	3.3					3	1.4
Steyning	1	6.2	3	20.0	4	8.2	13	14.3	6	20.0	1	33.3	1	20.0	29	13.9
Storrington			1	6.7	1	2.0	6	6.6							8	3.8
Washington					2	4.1	3	3.2	2	6.7					7	3.4
TOTAL	**16**	**100**	**15**	**100**	**49**	**100**	**91**	**100**	**29**	**100**	**3**	**100**	**5**	**100**	**208**	**100**

Table 3
HORSHAM DISTRICT TOURIST ACCOMMODATION SUPPLY - JULY 2016
ANALYSIS BY LOCATION - BEDSPACES[1]

Area	Hotels		Inns		Guest Houses/B&Bs		Self Catering		Caravan & Camp Sites/ Glamping		Residential Conference Centres/ Wedding Venues		Group Accom		TOTAL	
	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%
Horsham	718	70.1	32	17.4	76	28.1	191	35.4	694	18.8	134	55.4	100	36.5	1945	31.4
Amberley.	38	3.7	10	5.4	20	7.4	23	4.2							91	1.5
Ashurst							14	2.6							14	0.2
Billingshurst	52	5.1			22	8.2	16	3.0	172	4.7					262	4.2
Cowfold					6	2.2	4	0.7	2	0.1					12	0.2
Dial Post									978	26.6					978	15.8
Henfield	20	2.0	20	10.9	20	11.1	50	9.3	652	17.7					772	12.4
Partridge Green			14	7.6	6	2.2	16	3.0	7	0.2					43	0.7
Pulborough	120	11.7	20	10.9	34	12.6	110	20.3	25	0.7			118	43.1	427	6.9
Rudgwick			22	11.9	6	2.2	8	1.5	106	2.9					142	2.3
Southwater					8	3.0	4	0.7	384	10.4					396	6.4
Shipley			4	2.2			8	1.5	20	0.5					32	0.5
Steyning/Bramber	76	7.4	36	19.6	46	17.0	52	9.6	216	5.9	96	39.7	56	20.4	578	9.3
Storrington			26	14.1	8	3.0	36	6.7							70	1.1
Washington					8	3.0	8	1.5	424	11.5					440	7.1
TOTAL	**1024**	**100**	**184**	**100**	**270**	**100**	**540**	**100**	**3680**	**100**	**242**	**100**	**274**	**100**	**6202**	**100**

Notes:

1. Our research did not include a full audit of bedspace capacity for serviced accommodation, caravanning and camping provision and glamping sites. We have assumed 2 bedspaces per bedroom for hotels, inns, guest houses, B&Bs, and residential conference centres and wedding venues, and 4 bedspaces per touring caravan and camping pitch, static caravan and glamping unit. Our research identified the exact number of bedspaces per self-catering unit and group and youth accommodation establishment.

- Hotel provision is concentrated in and around Horsham, with 70% of hotel bedspaces located in this part of the District. The town itself has 156 hotel bedrooms and 312 hotel bedspaces, 30% of total hotel provision in the District. The 5-star South Lodge country house hotel is located to the south of the town at Lower Beeding. Horsham is also served by a number of 3 star hotels in the surrounding area. The Horsham Town hotel supply is listed below.

Table 4
HORSHAM TOWN HOTEL SUPPLY – JULY 2016

Hotel	Standard[1]	Rooms
Horsham Town		
Premier Inn Horsham	Budget	64
Travelodge Horsham Central	Budget	67
Springfields Hotel	Lower Grade	11
Wimblehurst Hotel	Lower Grade	14
Surrounding Area		
South Lodge Hotel, Lower Beeding	5 star Country House	89
Cisswood House Hotel, Lower Beeding	3 star	51
Cottesmore Golf & Country Club, Colgate	3 star	20
Ghyll Manor, Rusper	3 star	29
Random Hall Hotel, Slinfold	Small Country House	14

Note:
1. VisitBritain/ AA gradings or Hotel Solutions' assessment based on site visits and reviews of hotel websites and listings on booking.com and Tripadvisor

- There is a good spread of guest house and B&B accommodation across the District.
- There is a good choice of self-catering accommodation in most parts of the District.
- Other than Gaveston Hall at Nuthurst, group and youth accommodation is focused primarily in the southern part of the District, within or bordering the South Downs National Park.

Analysis by Standard

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

- Only a fifth of the District's tourist accommodation establishments are officially/independently inspected, graded or certificated.
- The District has two luxury country house hotels – Amberley Castle and South Lodge.
- Horsham District has no large 4 star, business class hotels.
- There is no boutique hotel in the District.
- Tripadvisor reviews show no major issues with the quality of the District's 3 star hotels.
- Reviews are generally positive for the District's small, lower grade hotels, although are more mixed for one hotel in Horsham.
- The quality of pub accommodation generally appears to be good, other than one pub in Horsham that does not have any en-suite bedrooms.
- There are no boutique inns in the District.
- Guest houses and B&Bs are generally receiving favourable customer reviews.

- There are no stand out luxury B&Bs in the District and no boutique B&Bs. There are no B&Bs in the District listed on the Alastair Sawday's Special Places website.
- The self-catering accommodation in the District appears to be of a good quality overall, although it is considered that there are some lower quality self-catering properties. The District has four 5 star holiday cottages and two boutique self-catering properties – House on the Brooks at Hardham (in the South Downs National Park), and The Whistle Stop in Henfield.

Table 5

HORSHAM DISTRICT TOURIST ACCOMMODATION SUPPLY - JULY 2016
ANALYSIS BY STANDARD/GRADE - ESTABLISHMENTS

Standard	Hotels		Inns		Guest Houses/B&Bs		Self Catering		Caravan & Camp Sites/ Glamping		Residential Conference Centres		Group & Youth Accom		TOTAL	
	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%	Estabs	%
Luxury	1	6.2													1	0.5
Boutique							1	1.1							1	0.5
5 star	1	6.2					4	4.4							5	2.4
4 star			1	6.7	8	16.3	12	13.2	3	10.0					24	11.4
3 star	5	31.3	1	6.7	2	4.1	5	5.5	2	6.7					15	7.1
2 star													1	20.0	1	0.5
Branded Budget	3	18.8													3	1.4
Ungraded	6	37.5	13	86.6	39	79.6	69	75.8	12	40.0					139	66.2
No national grading									9	30.0	4	100.0	4	80.0	17	8.1
Certificated Sites									4	13.3					4	1.9
TOTAL	**16**	**100**	**15**	**100**	**49**	**100**	**91**	**100**	**30**	**100**	**4**	**100**	**5**	**100**	**210**	**100**

Table 6
HORSHAM DISTRICT TOURIST ACCOMMODATION SUPPLY - JULY 2016
ANALYSIS BY STANDARD/GRADE - BEDSPACES

Standard	Hotels		Inns		Guest Houses/B&Bs		Self Catering		Caravan & Camp Sites/ Glamping		Residential Conference Centres		Group & Youth Accom		TOTAL	
	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%	Beds	%
Luxury	38	3.7													38	0.6
Boutique							2	0.4							2	0.1
5 star	178	17.4					30	5.5							208	3.3
4 star			22	11.9	32	11.8	77	14.3	1724	46.8					1855	29.8
3 star	328	32.0	20	10.9	28	10.4	46	8.5	424	11.5					846	13.6
2 star													56	20.4	56	0.9
Branded Budget	314	30.7													314	5.1
Ungraded	166	16.2	142	77.2	210	77.8	385	71.3	1382	37.6					2285	36.8
No national grading									115	3.1	242	100.0	218	79.6	575	9.3
Certificated Sites									35	1.0					35	0.5
TOTAL	**1024**	**100**	**184**	**100**	**270**	**100**	**540**	**100**	**3680**	**100**	**242**	**100**	**274**	**100**	**6214**	**100**

Analysis by Size

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

- The District's hotels are all relatively small. The largest is South Lodge, with 89 bedrooms. The Horsham Travelodge (67 bedrooms), Horsham Premier Inn (64 bedrooms) and Cisswood House Hotel (51 bedrooms) are the only other hotels with more than 50 bedrooms. The District has five small hotels/ large guest houses, including the Wimblehurst and Springfield Hotels in Horsham, the Random Hall country house hotel at Slinfold, Tottington Manor Hotel at Edburton(in the SDNP), and the Chequers Hotel at Pulborough.
- The District has five fairly sizeable inns - The George Inn Hotel at Henfield (10 bedrooms), The Queen's Head in Horsham (8 bedrooms), the Mucky Duck Inn at Tismans Common (11 bedrooms), The Castle Inn Hotel at Bramber (10 bedrooms), and the White Horse Hotel at Storrington (13 bedrooms). Other inns are relatively small, with 2-5 bedrooms.
- B&Bs and guest houses in the District most typically offering 1-3 letting bedrooms. This is typical for this type of accommodation. There are a few larger guest houses. The largest is Springwells in Steyning (11 bedrooms).
- The self-catering supply is predominantly in single units. The District has relatively few multi-unit self-catering operations and no large holiday cottage or holiday lodge complexes. The largest self-catering operations are the Carylls Country House serviced apartments at Faygate (18 apartments), Gatwick Country Lettings serviced apartments in Horsham (5 apartments), Cottesmore Lodges golf lodges at the Cottesmore Golf & Country Club (7 lodges), and Byre Cottages at Storrington (5 units).
- The majority of self-catering units in the District offer 1-3 bedrooms. There are only 5 units with 4 or 5 bedrooms. The District has only one large 'super cottage' property – Cedar Grange at Billingshurst, with 8 bedrooms, sleeping up to 16 people.
- The District has a mix of different sizes of touring caravan and camping sites, from 5-pitch certificated sites to large, full service caravan parks. The largest site is Honeybridge Park at Dial Post, with 150 touring caravan and camping pitches and 90 static caravan holiday homes. Sumners Ponds is also a large full service site, with 90 pitches. Other large, but more basic sites are Blacklands Farm

Campsite at Henfield (75 grass pitches) and the Washington Caravan and Camping Park (21 touring caravan pitches and grass pitches for up to 80 tents).

- Raylands Country Park at Southwater is the largest caravan holiday home park, with 96 static caravans. Downsview Park at Woodmancote and Luckista Grove at Pulborough are smaller holiday parks, with 48 and 21 static caravans respectively.
- Most of the glamping sites in the District have only one or two units. Knepp Wildlife Safaris (9 units), Canfields Farm (7 glamping tents), and Sumners Ponds (5 camping pods and one safari tent) are the only sites with more units.
- The District has a number of sizeable group and youth accommodation operations – Gaveston Hall at Nuthurst (100 bedspaces), Lodge Hill Centre at Watersfield (79 bedspaces)(in the South Downs National Park) and the YHA hostel at Truleigh Hill (56 bedspaces) (in the South Downs National Park);.

Table 7
HORSHAM DISTRICT HOTEL SUPPLY - JULY 2016 - BY SIZE

Number of Bedrooms	Hotels	%
1-10	2	12.5
11-20	5	31.2
21-30	4	25.0
31-40	1	6.3
41-50		
51-100	4	25.0
101-150		
TOTAL	**16**	**100**

Table 8

HORSHAM DISTRICT INNS SUPPLY - JULY 2016 - BY SIZE

Number of Bedrooms	Inns	%
2	2	13.3
3	1	6.7
4	2	13.3
5	5	33.3
6		
7		
8	1	6.7
10+	4	26.7
TOTAL	**15**	**100**

Table 9

HORSHAM DISTRICT GUEST HOUSE/ B&B SUPPLY - JULY 2016 - BY SIZE

Number of Bedrooms	Guest Houses/ B&Bs	%
1	9	18.5
2	17	34.7
3	12	24.5
4	8	16.3
5		
6	1	2.0
7	1	2.0
8		
10+	1	2.0
TOTAL	**49**	**100**

Table 10

HORSHAM DISTRICT SELF-CATERING SUPPLY - JULY 2016
BY SIZE OF OPERATION (NUMBER OF LETTING UNITS)

Number of Letting Units	Estabs	%
1	75	82.4
2	7	7.7
3	4	4.4
4	1	3.3
5-9	3	1.1
10-19	3	1.1
20+		
TOTAL	**91**	**100**

Table 11

HORSHAM DISTRICT SUPPLY OF TOURING CARAVAN & CAMPING SITES + GLAMPING - JULY 2016 - BY SIZE (NUMBER OF PITCHES)

Number of Pitches	Sites	%
1-4	7	23.3
5-10	10	33.3
11-25	4	13.3
26-49	4	13.3
50-100	3	10.0
100+	2	6.8
TOTAL	**29**	**100**

Accommodation with Leisure Facilities

2.1.9. Three of the District's hotels offer some form of leisure facilities and activities:

- South Lodge has a gym and offers golf at the hotel's sister property Mannings Heath Golf Club;
- Cisswood House Hotel has a leisure club with an indoor pool, sauna, spa bath and gym;
- Cottesmore Hotel, Golf & Country Club has a health club with a swimming pool, hot tub, sauna, steam room and gym. It also has tennis courts and offers golf to guests.

2.1.10. A few of the District's self-catering units have swimming pools, but the District has no self-catering complexes with leisure facilities.

2.1.11. None of the District's holiday parks or caravan and camping sites have indoor leisure facilities. Sumners Ponds has a number of fishing lakes. Honeybridge Park has a children's play area. Raylands Country Park has a tennis court.

2.1.12. Lodge Hill Centre at Watersfield (in the South Downs National Park) offers a range of over 30 outdoor activities, including a climbing tower, zip line, karting, mountain biking, archery, rifle shooting, tunnelling, and an adventure trail. Gaveston Hall has a swimming pool, tennis court, football field, games room and volleyball court, and is able to organise a range of outdoor activities in its grounds for groups.

2.1.13 Roffey Park has a swimming pool, sauna, jacuzzi and steam room for the use of delegates attending courses and conferences.

Conference Facilities

2.1.14. Seven of the District's hotels have conference rooms that can host conferences for up to 60-170 delegates. South Lodge has extensive conference provision, with 12 conference and meeting rooms and a video conferencing room. Cisswood House Hotel also has good conference facilities.

2.1.15. The District has two residential conference centres, capable of hosting conferences of up to 100-120 delegates. Roffey Park in Horsham is an international leadership institute. It offers a programme of leadership development courses and is also available for external conference bookings. It has 22 purpose-built meeting rooms, and 60 bedrooms. Wilton Park, near Steyning, is an executive agency of the Foreign and Commonwealth Office, offering an annual programme of nearly 65 conferences and events for debate on world political, security and economic issues. It also caters for commercial conferences, using Wiston House as the brand for this business. It has 4 meeting rooms and 48 bedrooms.

2.1.16. The Lodge Hill Centre outdoor education centre at Watersfield has a main meeting hall that can accommodate up to 180 delegates theatre style. It is supported by three adjoining syndicate rooms. The centre also caters for corporate team building events and away days.

2,.1.17. There are four non-residential conference venues in Horsham – the Horsham Training Centre at Central Sussex College, the Holbrook Club's Pavilion Room, and The Capitol, which has a meeting room and can accommodate conferences in its theatre, cinema and studio when there is availability in its events and performances diary, and the Billingshurst Centre which offers a number of meeting rooms

Table12

HORSHAM DISTRICT – CONFERENCE FACILITIES – JULY 2016

Venue	Number of Conference Rooms	Maximum Capacity	
		Theatre Style	Boardroom
Hotels			
South Lodge	12	170	50
Amberley Castle	3	45	30
Cisswood House Hotel	7	150	64
Ghyll Manor Hotel	4	120	40
Cottesmore Hotel, Golf & Country Club	3	90	40
Random Hall Hotel	1	60	30
Roundabout Hotel	3	60	30
Residential Conference Centres			
Roffey Park	22	120	40
Wiston House/Wilton Park	4	100	40
Outdoor Education Centres			
Lodge Hill Centre (Note – within SDNP)	4	180	50
Non-Residential Venues			
Horsham Training Centre – Central Sussex College	11	60	24
The Holbrook Club	1	200	
The Capitol	4	400	14
Billingshurst Centre	5	165	

Accessible Accommodation

2.1.13. Our audit of tourist accommodation in Horsham District has not included a full review of the provision of accessible accommodation across the District. However, from the research that we have undertaken such provision appears to be very limited at present. As far as we have been able to establish there are currently no accommodation establishments in the District that are inspected under the National Accessible Scheme (NAS). The Wimblehurst Hotel in Horsham is the only accommodation businesses in the District listed on the Open Britain accessible tourism website. The only other establishments that we have identified as advertising that they have bedrooms suitable for disabled guests are the Horsham Premier Inn, the Horsham and Billingshurst Travelodges, and the Mucky Duck Inn at Tismans Common, which advertises two wheelchair accessible bedrooms.

2.2 Recent Changes

2.2.1 While we have not been able to identify all of the changes that have taken place in Horsham District's tourist accommodation supply over the last 5 years, our research has identified the following changes that have taken place:

Hotels

- The Travelodge Horsham Central is the last new hotel to have opened in the District, we believe in 2011;
- Twelve of Amberley Castle's bedrooms were fully refurbished in 2013 and 2014. The hotel was acquired by Andrew Brownsword Hotels in October 2011, from Von Essen Hotels, which went into administration in April 2011.
- South Lodge has completed a major refurbishment of its ground floor public areas, restaurant and conference facilities, and is continually investing in bedroom refurbishment.
- The Horsham and Billingshurst Travelodges have been upgraded to the new Travelodge bedroom product.
- Ghyll Manor refurbished its restaurant in March 2015 and has upgraded its accessible bedroom.
- All of the bedrooms at the Chequers Hotel in Pulborough have been refurbished by the hotel's new owners.
- The Mannings Heath Hotel closed in June 2015, resulting in a loss of 19 bedrooms. The property has since reopened as the Brookfield Barn wedding venue, with 7 contemporary B&B rooms available for the use of wedding parties.
- Mill House Hotel at Ashington has closed, with the loss of 6 bedrooms.

Inns

- The Coach House at Cowfold has been converted to a local convenience store, with flats above.

B&Bs/Guest Houses

- The District seems to have lost a significant number of B&Bs, which do not appear to have been replaced by new establishments. A degree of churn is typical for this type of accommodation. B&B operators frequently enter the market pre-retirement with a view to running a B&B for a period of up to 10 years before they retire, however there appears to have been a net loss of B&B accommodation in Horsham District, with many more establishments closing than appear to have opened. Our research identified 20 previously operating B&Bs that are no longer trading. This reduction in B&B provision is very much a national trend, with fewer people entering the sector than are leaving it.

Serviced Apartments

- Serviced apartments are a relatively new type of accommodation in Horsham: Gatwick Country Lettings was first established in 2010, while Short Lets UK started to offer serviced apartments in Horsham in 2014.

Self-Catering

- There also appears to have been some flux in the District's self-catering accommodation supply. Our research identified four self-catering establishments that are no longer trading. While we have not been able to identify how many new self-catering businesses have opened, we think it likely that there has been a slight increase in self-catering provision in the District in the last 3 years.

Touring Caravan & Camp Sites

- Honeybridge Park has increased its number of hard standing touring caravan pitches and installed more electric hook up points to its grass pitches.
- Three touring caravan and camping sites opened in the District in 2011 – Fairoaks Farm Campsite at Wiston, Blacklands Farm Campsite at Henfield, and Larkins Park at Brooks Green.
- Sumners Ponds has invested in its café and reception building and opened a new fishing lake. It has also introduced glamping units (see below).

Glamping

- Knepp Wildlife Safaris introduced 8 glamping units to its site at Dial Post in 2013 and has added a ninth unit in 2016.
- Sumners Ponds introduced camping pods in 2010 and opened a safari tent glamping unit in 2015. It is adding 4 shepherd's huts in 2016.

Residential Conference Centres

- Roffey Park has undergone a phased refurbishment of all of its conference rooms between 2013 and 2015 and redeveloped under-utilised space into a new webinar suite and two additional conference rooms.

Group & Youth Accommodation

- Lodge Hill Centre at Watersfield (in the SDNP) added two woodland lodges in 2011, providing bunk-bedded accommodation for up to 23 children.
- The Truleigh Hill YHA hostel (in the SDNP) was refurbished in 2015.

2.3. Tourist Accommodation Schemes under Construction

2.3.1. Our research has not identified any tourist accommodation schemes that are currently under construction in Horsham District.

3. HORSHAM DISTRICT HOTEL & VISITOR ACCOMMODATION PERFORMANCE & MARKETS

3.1. Research Undertaken

3.1.1. In order to provide a clearer insight into hotel and visitor accommodation performance, markets and shortages in Horsham District we have completed two surveys of the managers and owners of accommodation businesses across the District. The surveys were conducted through face-to-face meetings and telephone interviews with the owners and managers of larger accommodation businesses (hotels, touring caravan and camping sites, holiday parks and holiday cottage letting agencies) and a CATI[1] survey of small accommodation businesses (B&Bs and guest houses, inns/pub accommodation operations, and individual self-catering properties). The businesses that took part in the survey of larger tourist accommodation establishments are listed at Appendix 3. The detailed findings of the survey of small accommodation businesses are reported at Appendix 5. We also obtained hotel performance data for some hotels from our contacts at hotel company head offices.

3.1.2. The findings of the accommodation business surveys are set out in the following sections for each type of accommodation.

3.1.3. In order to provide a more in depth understanding of current and potential future corporate demand for hotel accommodation in Horsham Town we also undertook a survey of major companies located in and around Horsham. The key findings of this survey are reported under the Hotel section below. The full list of companies interviewed is give at Appendix 4.

[1] Computer assisted telephone interviews

3.2. Hotels

3.2.1. Hotel performance and markets vary significantly for each type of hotel. We set out below our findings for luxury country house hotels, independent 3 star hotels and budget hotels.

Luxury Country House Hotels

3.2.2. The District's luxury country house hotels trade broadly in line with these types of hotel in the South East, which generally achieve relatively low average annual room occupancies (typically 55-65%), but very high average room rates (often £150-200 +). They achieve very strong weekend occupancies, particularly in the summer months, and frequently fill and turn business away at weekends. Midweek occupancies are generally much lower and fluctuate depending on residential conference business. Midweek denials are rare, other than when hotels have a large conference in.

3.2.3. The key market for luxury country house hotels is leisure break customers, both during the week and at weekends. These types of hotel are very much destination hotels for leisure breaks. They attract strong demand for celebrations such as milestone birthdays and wedding anniversaries.

3.2.4. The other key midweek market for larger country house hotels is residential conferences, particularly for London-based companies, some of which will fly in international delegates through Gatwick.

3.2.5. Luxury country house hotels trade only marginally in the local corporate market, and very much at the top end: these are expensive hotels to stay in.

3.2.6. The other key weekend markets for luxury country house hotels are weddings and people attending events, including Goodwood Festival of Speed, Goodwood Revival, Glorious Goodwood, Glyndebourne, and the Longines Royal International Horse Show at Hickstead.

3.2.7. Occupancies have been fairly stable for the District's luxury country house hotels over the last three years. They have seen some growth in leisure break and weddings business, but one hotel has seen a slight decline in residential conference demand. Average room rates have increased in the stronger leisure break and weddings market. The managers of the District's luxury country house hotels are generally positive about the prospects for continued growth in room rates, and expect to see some improvement in occupancy.

Independent 3 Star Hotels

3.2.8. The District's independent 3 star hotels[1] are currently trading broadly in line with the typical performance of this type of hotel: we have calculated an estimated average annual room occupancy for the District's independent 3 star hotels of 65% in 2015, and an average annual achieved room rate of £63.

3.2.9. The District's independent 3 star hotels reported strong midweek occupancies, particularly between April and October. Most of the District's 3 star hotels frequently fill and turn business away during the week in these months, particularly on Monday, Tuesday and Wednesday nights.

3.2.10. Friday and Saturday night occupancies are strong between April and October, with most hotels usually fully booked and turning business away on these nights at these times of year. Some hotels also achieve high weekend room rates, particularly on Saturday nights. Weekend occupancies are low in the winter. Sunday nights are generally very quiet.

[1] Sample: Ghyll Manor, Rusper; Cottesmore Hotel, Golf & Country Club; Roundabout Hotel, West Chiltington; Wimblehurst Hotel, Horsham; Springfields Hotel, Horsham; Chequers Hotel, Pulborough – Cisswood House Hotel and the Old Tollgate Hotel at Bramber did not take part in the survey

3.2.11. The main midweek market for the District's 3 star hotels is local corporate demand. Hotels in and around Horsham cater primarily for business from Horsham companies. Some also attract an element of corporate business from Crawley and Gatwick. Hotels in the south of the District attract corporate business primarily from Pulborough and Worthing. Contractors are a secondary source of midweek business for some hotels. Only one 3 star hotel attracts an element of residential conference business, in terms of a series training course that it hosts. Three hotels reported attracting some midweek leisure break business during the summer.

3.2.12. Wedding parties are the main weekend market for the District's 3 star hotels. A few of the larger hotels also attract some weekend break business. Key drivers of this demand are golf and spa breaks, and the South Downs, Petworth, Arundel and walking for hotels in the south of the District. Leisure break business is largely rate driven, and booked primarily through booking.com. Some hotels also use deal/ voucher sites such as Groupon, Travelzoo and Living Social to generate leisure break business. The three major events at Goodwood generate strong weekend demand for the District's independent 3 star hotels.

3.2.13. Occupancies have generally improved for 3 star hotels over the last 3 years, as a result of stronger corporate business, an increase in weddings demand, and growth in leisure break business for hotels that have targeted it through OTAs[1] and deal/voucher sites. Some hotels have also seen an improvement in their performance following investment and as a result of better marketing and rate management. The managers and owners of independent 3 star hotels are generally positive about the potential for future rate growth, but only expect to see slow growth in occupancy.

[1] Online Travel Agents such as booking.com. LateRooms, Expedia

Budget Hotels

3.2.14 Budget hotels in Horsham District are currently trading at very high levels of occupancy and consistently turning away significant business, both during the week and at weekends. On the basis of our research we have calculated an average annual room occupancy for the District's budget hotels of 85.6% in 2015. All budget hotels consistently fill and turn substantial business away on all four midweek nights (Monday to Thursday), and Friday and Saturday nights between April and October. Weekend occupancies are lower in the winter. Achieved room rate performance is also strong for the District's budget hotels compared to national norms. Budget hotel occupancies have increased in the District over the last three years, largely due to growth in weekend demand from wedding parties.

3.2.15. Midweek markets for the District's budget hotels are a broadly even mix of local corporate business, primarily from Horsham companies, and demand from contractors and workmen working on local construction projects. The District's budget hotels also attract some midweek business in the summer months from families staying for leisure purposes.

3.2.16. The primary source of weekend business for the District's budget hotels is wedding parties. People visiting friends and relatives are a secondary weekend market. Other lesser sources of weekend demand are families staying for leisure breaks, overseas tourists and event visitors. As with the other types of hotel, the three major events at Goodwood are the main events that generate strong demand for the District's budget hotels. They also attract some demand from events held in Horsham, including the Piazza Italia festival held over the Easter Bank Holiday and events and sports competitions at Pavilions in the Park leisure centre in Horsham.

Corporate Demand for Hotel Accommodation in Horsham Town

3.2.17. Our survey of Horsham companies showed varying levels of demand for hotel accommodation in the town. Some companies have only occasional requirements for hotel accommodation for directors and staff attending meetings or visiting from other sites. Others have more consistent and significant requirements for people attending training courses or coming for interviews. Demand fluctuates for other companies. Companies are primarily using the Premier Inn, Travelodge and Springfields Hotel, as these hotels are well located and suitably priced for their needs. Most companies want town centre hotels that are as close as possible to their offices. The Premier Inn is also favoured for international visitors travelling through Gatwick and connecting to Horsham by train. Some companies also use Cisswood House Hotel, Cottesmore Golf & Country Club and Ghyll Manor, usually when they are unable to get into the hotels in the town.

3.2.18. Companies and their visitors often have difficulty in booking into hotels in the town at the last minute. One company also commented about the high room rates charged by the Premier Inn for last minute bookings. Two companies experience problems for block bookings for a number of rooms for people attending training courses. One company is having to use a hotel in Hickstead as it is unable to secure its requirement for bedrooms in Horsham.

3.2.19. A number of companies identified a need for a new hotel in Horsham to alleviate current problems with hotel availability in the town and provide greater choice. The preference was firmly for a midmarket hotel at a price point of £80-100 B&B. There is only limited interest in a higher quality/ more expensive hotel. Corporate demand in Horsham appears to be largely price sensitive. This is particularly the case for the charities based in the town.

3.2.20. There is no need for a new hotel to provide conference facilities, as local companies have their own in-house training and meeting facilities although day facilities may become more pressing with more sharing of business spaces / hot desking. Some companies require a hotel with a restaurant. This was not an issue for other companies, provided that a new hotel has good access to the town centre. There is no need for a new hotel to provide leisure facilities, but on-site parking is seen as important. A number of companies commented about unsatisfactory parking arrangements for the Travelodge, which deters them from using this hotel.

3.2.21. A location in the town centre or close to the station would be preferred by companies for a new hotel in the town.

3.3. B&Bs and Guest Houses

3.3.1. B&B and guest house performance varies according to the business objectives, lifestage, lifestyle and personal circumstances of owners. Our survey of B&B and guest house owners (reported in full at Appendix 5) shows evidence of strong B&B/ guest house performance in the District, with 60% of those interviewed achieving average annual room occupancies of over 50%, and a fifth reporting annual room occupancies of over 70%. Other B&B/ guest house owners are choosing to operate at much lower levels of occupancy for a variety of reasons. Many B&B/ guest house owners have been building up their occupancy levels through repeat business, recommendations and marketing, while others are winding down their business in the run up to retirement or due to ill health or other personal circumstances.

3.3.2. Our survey of B&B and guest house owners found evidence of frequent shortages of this type of accommodation on Friday and Saturday nights between April and October, and during the week in the peak summer months of June, July, August and September. The survey also showed occasional shortages of B&B and guest house accommodation in the winter, both during the week and at weekends.

3.3.3 Key markets for B&Bs and guest houses (and those that owners most see as offering future growth potential) are people attending weddings and family parties at the weekend and business visitors and contractors during the week. Other important markets are people coming for short breaks and event visitors, in particular people coming for the three main events at Goodwood. B&Bs and guest houses along the South Downs Way attract good demand from people walking the route.

3.4. Inns/ Pub Accommodation

3.4.1. The performance of inns and pub accommodation establishments varies depending on the quality of accommodation on offer and the business objectives and interest of pub landlords and tenants. Our survey of inns and pub accommodation businesses provides evidence of strong performance for this type of accommodation in the District, with 70% of those interviewed reporting annual room occupancies of over 50% in 2015. There were however also a number of establishments trading at much lower levels of occupancy.

3.4.2. The survey shows evidence of shortages of pub accommodation in the District on Friday and Saturday nights between April and October, and during the week between June and September.

3.4.3. The key markets for pub accommodation are the same as for B&Bs and guest houses: people attending weddings and family parties at the weekend and business visitors and contractors during the week. Other markets are people coming for short breaks and visitors to the main Goodwood events. Inns along the South Downs Way attract good demand from walkers.

3.5. Serviced Apartments

3.5.1. Existing serviced apartment operations in Horsham Town are trading well: they reported average annual apartment occupancies of 75-85% in 2015. They attract strong demand for most of the year, other than in January and February and in the summer, when corporate demand dips. Their key market is long stay corporate guests working in Horsham. These are generally people working on projects and sometimes corporate visitors from overseas. The other key market for the District's serviced apartment operations is people that require temporary housing either while relocating to the area or while work is being undertaken on their home e.g. as part of an insurance claim following damage.

3.5.2. While current performance is strong, this is based on a limited current supply of serviced apartments in Horsham. Existing operators do not believe that there is a significant market for serviced apartments in the town, and are not looking to quickly or significantly expand their current operations here. The focus of expansion is Crawley, where the serviced apartment market is much stronger.

3.6. Self-Catering Accommodation

3.6.1. Our survey of holiday cottage letting agencies that are represented in Horsham District showed strong demand for all sizes and standards of self-catering property in all parts of the District. Existing agency-let self-catering properties are consistently full with full week lets during school holiday periods, May, June and September, and the Christmas and New Year period. At other times of the year there is strong demand for weekend breaks, other than during January and February, when weekend demand is weaker and more variable.

3.6.2. Holiday cottage agencies attract a mix of holiday and short break business, from both the UK and overseas, with occasional demand from people visiting friends and relatives, and some long let demand from people working in the area or between houses while relocating. Demand is growing for short breaks, long lets to people relocating to the area, and from overseas tourists.

3.6.3. Holiday cottage letting agencies reported strong demand for large 'super cottages' that are accessible to the London market for family and friend get togethers and celebration weekends, and a general shortage of suitable properties to satisfy this market. They also reported strong demand for holiday cottage complexes with leisure and for luxury, 5 star and boutique self-catering properties, and a shortage of wheelchair-accessible properties. All of the letting agencies that we spoke to are looking for additional properties in and around Horsham District and in the South Downs National Park.

3.6.4. Our survey of small self-catering accommodation establishments also showed strong demand for self-catering accommodation in the District, with 87% of the self-catering businesses that we spoke to reporting an average annual unit occupancy of more than 50%, and 40% recording a unit occupancy of over 70% in 2015. The survey showed frequent shortages of self-catering accommodation between June and September, and to a lesser extent at weekends in the shoulder months of April, May and October. Key markets are people staying for short breaks and longer holidays. Secondary markets are people attending weddings and family parties and overseas tourists. Properties along the South Downs Way also attract demand from walkers. Business visitors are a key market for some. The operators of small self-catering businesses are generally positive about either maintaining or increasing their current levels of demand, with the short break market, overseas tourists and business visitors seen as offering the strongest prospects for future growth.

3.7. Touring Caravan and Camping Sites

3.7.1. Our survey of touring caravan and camping sites in the District showed strong weekend demand between May and September, with most sites often filling and turning business away at these times. Denials are very high for Bank Holiday weekends. We also found evidence of strong midweek demand for touring caravan and camping sites during the summer school holidays, with some sites frequently filling throughout the week at this time of year. Weekend demand remains reasonably strong in April and October, if the weather is good. Midweek demand is much lower however, and pitch occupancies are very low in the winter. There is strong demand from caravanners and motor homers for hard standing pitches. One site reported strong demand for seasonal tourer pitches, where touring caravan owners leave their van on a site for their periodic use during the season.

3.7.2. The key market for touring caravan and camp sites is weekend breaks by couples and families. There is a strong local weekend market from Horsham, Crawley and Burgess Hill, and strong weekend demand from London, Brighton and Worthing.

3.7.3. Other lesser markets for the District's touring caravan and camp sites are:

- Longer family holidays of up to 1-2 weeks during the summer school holidays;
- Dutch, German, Swiss and French tourers stopping off for a night or two;
- People visiting friends and relatives;
- Family and friend groups having a weekend away together;
- People attending events, including Goodwood Festival of Speed, Goodwood Revival, Brighton Festival, Horsham Piazza Italia, and the Sumners Ponds Model Show;
- Workmen in the winter.

3.7.4. Most of the District's touring caravan and camp sites reported an increase in pitch occupancy over the last 3 years, as a result of repeat visits and recommendations; investment; and more people taking holidays in the UK. One site operator reported some growth in shoulder season and winter trade. Others did not feel that their season had extended, and see little scope for it to do so going forward.

3.8. Holiday Home Parks

3.8.1. Our discussions with holiday home park operators showed strong demand for caravan holiday home ownership in the District. All three of the operators that we spoke to are currently at full capacity for holiday home ownership and two have waiting lists of potential new owners that would like to come onto their site. Two operators reported stronger demand for caravan holiday home ownership than holiday lodge ownership. They also reported strong demand from overseas owners that want to use a holiday home as a base when they return to the area to visit family and friends.

3.9. Glamping Sites

3.9.1. Our research into the demand for glamping in the District shows strong weekend break demand for this type of accommodation from April to September, with glamping operations generally fully booked on Friday and Saturday nights, and turning business away on these nights, especially in the main summer months. Depending on the size and type of glamping unit, weekend break customers are either couples or families travelling from London or Brighton. Midweek demand is not as strong for all glamping operations. Some are fully booked with full week lets for family holidays in the summer school holidays in July and August. Midweek demand is much lower in the shoulder months. Glamping tends to be largely seasonal, particularly for canvas glamping units. Shepherd's huts and camping pods with heating attract some winter demand.

3.10. Group & Youth Accommodation

3.10.1. Our discussions with group and youth accommodation establishments in the District showed strong demand from school groups during school term times, particularly from primary schools, but also some secondary schools and French, Dutch, Belgian, German and Spanish schools bringing pupils to learn English. The District's outdoor education centres have schools that they work with in West Sussex, Surrey, London and other parts of the South East that use them each year for residentials of 2-4 nights. One centre advised that it is largely at full capacity for school groups and has to turn away new schools that want to use it.

3.10.2. Weekend demand is strong between March and November from youth, family, religious, charity and special interest groups e.g. walking groups, cyclists, dance groups. Two centres reported that they are frequently fully booked for weekends and have to turn group bookings down as a result.

3.10.3. Truleigh Hill YHA (in the South Downs National Park);also caters for individual hostellers, particularly during the summer months. It attracts strong demand from walkers and cyclists using the South Downs Way. It generally has to turn away people that have not pre-booked.

3.11. Residential Conference Centres

3.11.1. The Wilton Park/Wiston House and Roffey Park residential conference centres both focus primarily on their own conference, events, and training course programmes during the week, but have some spare capacity to take commercial conference bookings. Both centres attract residential conference business from companies based in Horsham, Crawley and London. This market is highly seasonal, peaking in February/March, May/early June, and September to early December. Companies often want the same dates for conferences in these months, but can be persuaded to look at alternatives. In some cases, commercial conference bookings have to be denied, more so for one centre than the other. Both conference centres generate business for nearby hotels when they are unable to accommodate all conference delegates, speakers, trainers and organisers in their own on-site bedrooms.

3.11.2 The two conference centres cater for exclusive use weddings at weekends. One also attracts some weekend residential conferences. Wedding demand is strongest between April and October, although demand for winter weddings has increased for one centre. Accommodation demand from weddings varies significantly depending on the wedding.

4. THE POTENTIAL FOR GROWTH IN DEMAND FOR HOTEL & VISITOR ACCOMMODATION IN HORSHAM DISTRICT

4.1 The Strategic Context

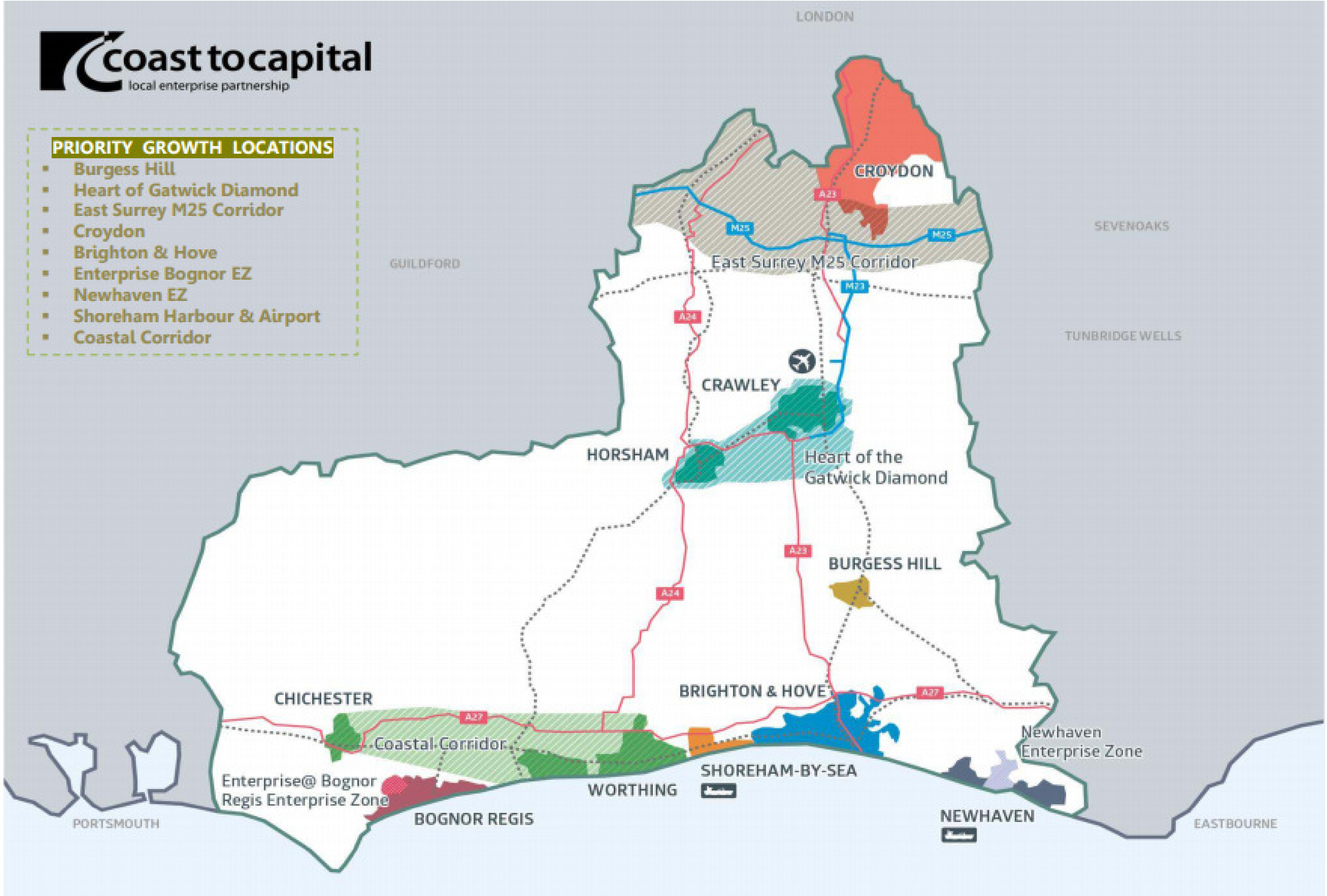
Coast to Capital LEP Strategic Economic Plan & Growth Deal

4.1.1. Horsham is part of the Coast to Capital LEP area. The LEP has secured a Growth Deal with Government to deliver a 6-year investment programme in jobs, infrastructure and transport. The Deal is worth over £200m, starting with investment of £38m in 2015/16, delivering 14,000 jobs, 4600 new homes and 190,000 sq m of employment space.

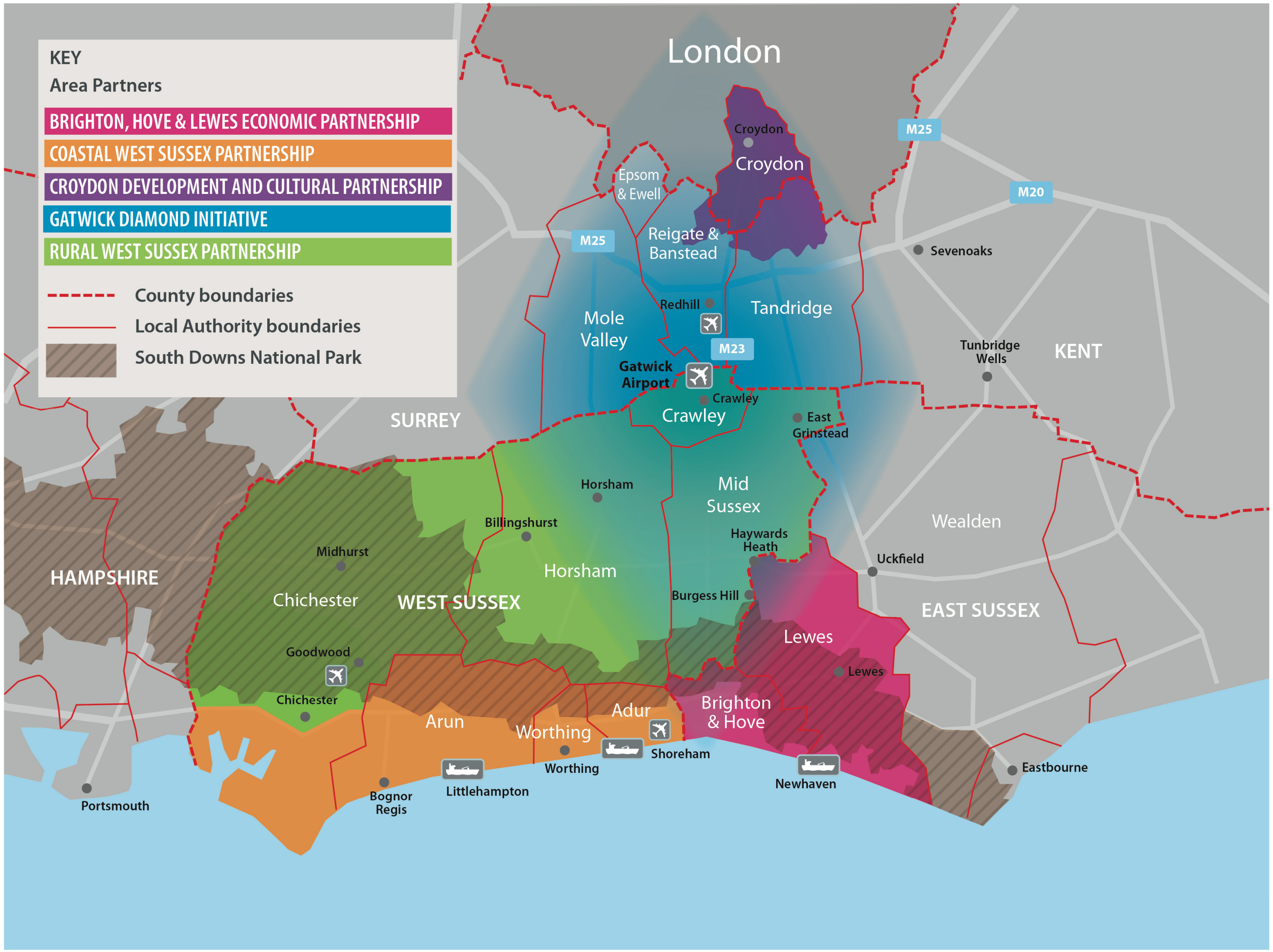
> *Our vision is that Coast to Capital will deliver exceptional growth and productivity gains to deliver economic performance to rival the best in Europe and the rest of the World.*
> *Our mission is to remove all the barriers to achieving economic performance.*
> *Our goal is to create an additional 100,000 jobs in the private sector by 2035.*

4.1.2. The Growth Deal will deliver the Strategic Economic Plan, also levering in private sector and European funding. The SEP identifies six strategic priorities encompassing place-based and hard infrastructure issues, business and sector issues, the workforce and communities. It identifies growth locations and transport investment schemes, and focuses on sectors with competitive advantage – creative, digital and IT, advanced engineering, environmental technologies, business and financial services, healthcare and life sciences, and food and tourism. It also identifies digital infrastructure – both physical connections and skills, particularly amongst small businesses - as key to driving growth. The importance of the rural economy is highlighted, as is support for rural tourism.

4.1.3. Horsham is identified in the SEP as a priority growth location, being part of the Heart of the Gatwick Diamond area (see map overleaf).


coast to capital
local enterprise partnership
PRIORITY GROWTH LOCATIONS
Burgess Hill
Heart of Gatwick Diamond
East Surrey M25 Corridor
Croydon
Brighton & Hove
Enterprise Bognor EZ
Newhaven EZ
Shoreham Harbour & Airport
Coastal Corridor
LONDON
CROYDON
East Surrey M25 Corridor
SEVENOAKS
GUILDFORD
TUNBRIDGE WELLS
CRAWLEY
HORSHAM
Heart of the
Gatwick Diamond
BURGESS HILL
BRIGHTON & HOVE
CHICHESTER
Coastal Corridor
Newhaven
Enterprise Zone
SHOREHAM-BY-SEA
WORTHING
Enterprise@ Bognor
Regis Enterprise Zone
BOGNOR REGIS
NEWHAVEN
PORTSMOUTH
EASTBOURNE
M25
M23
A23
A24
A27

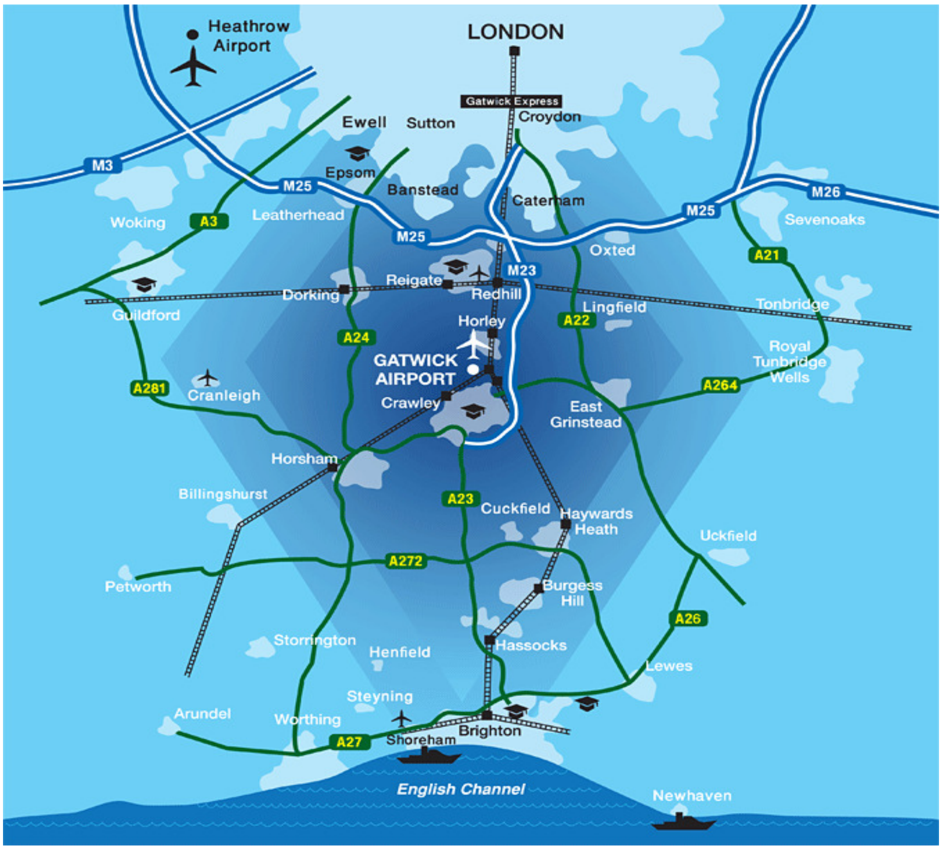
Coast to Capital Area Local Partnerships



4.1.4. In the Heart of the Gatwick Diamond priority area, the Growth Deal will create 5,000 jobs, 3,300 homes and 78,000 sq m of employment space, through investment of £392m[1] The focus is around improving transport infrastructure to release land for housing and employment growth, enhancing and protecting employment locations, and town centre regeneration and expansion. The key investment for Horsham is sustainable transport and road improvements, helping to deliver around 2,500 homes, 46,450 sq m of commercial employment space, and 4,000 jobs.

The Gatwick Diamond Initiative

4.1.5. The Gatwick Diamond Initiative is a business-led private/public sector partnership seeking to address the economic needs of the area and position it a as world class destination to do business. The area extends north-south from the edges of London to Brighton, and east-west from Horsham to East Grinstead. It is home to 45,000 businesses including many UK and European headquarters, with Gatwick Airport at its heart.



[1] Coast to Capital Strategic Economic Plan, March 2014, p56

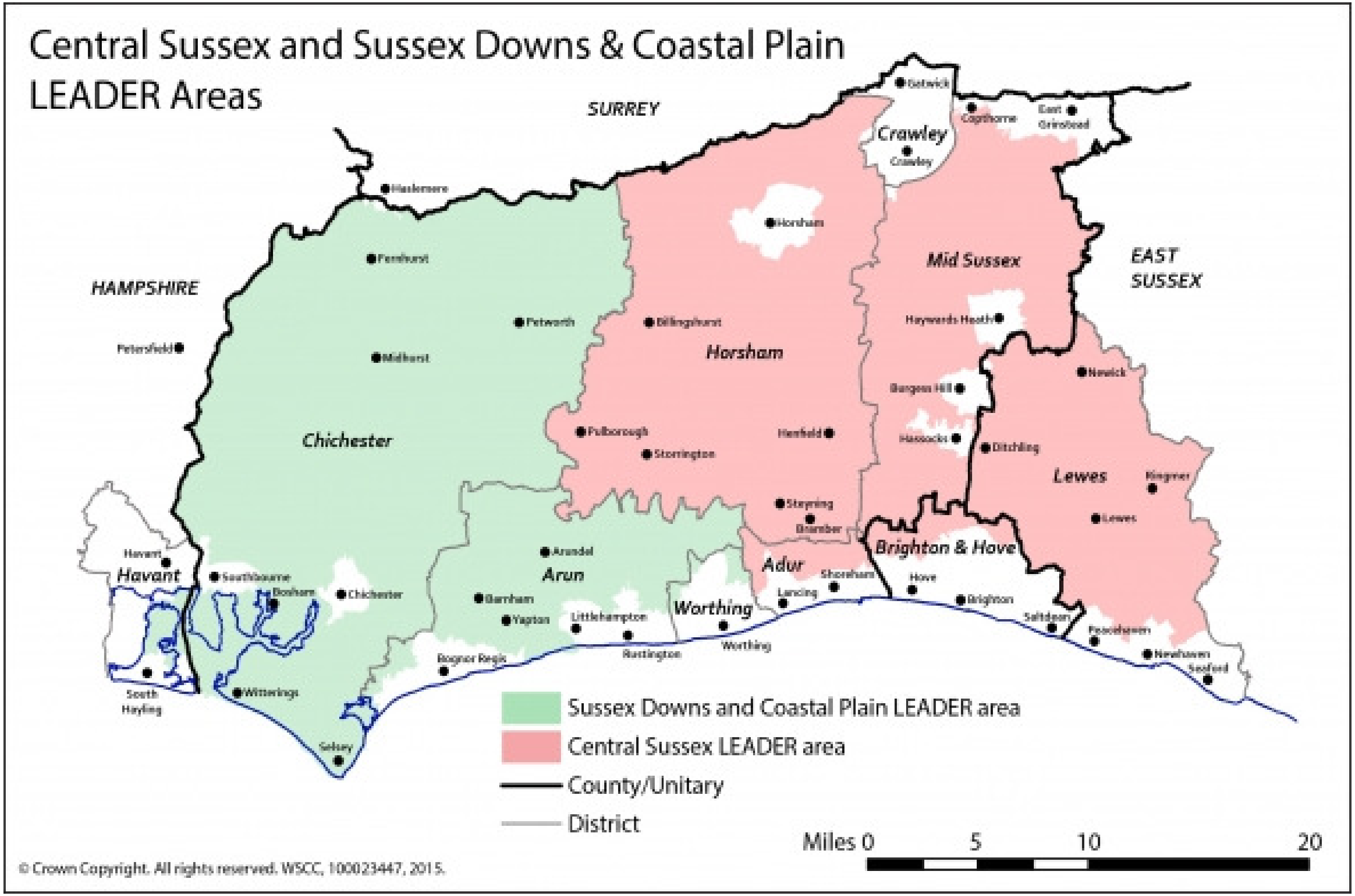
4.1.6. The focus of the Gatwick Diamond Initiative is on high growth, knowledge-driven economic growth activity. There are six industry sectors where the area has particular strengths – aviation, aerospace and defence; advanced manufacturing and engineering; financial and professional services; life sciences, health technologies and medical devices; environmental technologies; and food and drink. The Business Plan seeks to support growth through the provision of new infrastructure – employment space, housing, transport – improved connectivity, and promotion to raise the area's profile and attract new businesses. The target for growth is a 3% annual increase in GVA, which has consistently been achieved, even through the recession. Horsham is home to a number of companies playing a significant role in delivering growth in the priority sectors of the Gatwick Diamond, including Royal Sun Alliance, Sony, Trend Control Systems, AJW Aviation, Creative Assembly and Cmed. Key projects in the District that will help to meet the Gatwick Diamond objectives include North Horsham Business Park, the feasibility of developing a new parkway rail station (i.e. park and ride) at North Horsham which is an aspiration of the LEP, and a Health & Life Sciences Campus on the Novartis site.

Rural West Sussex

4.1.7. The southern parts of Horsham District fall within the Rural West Sussex economic partnership, which extends west to the Hampshire border, and takes in much of the South Downs National Park. Its rural economy group has developed a strategy and action plan focusing on themes of promotion and investment, funding and finance, and business engagement and skills. Sector specialisms in Rural West Sussex centre around land management and land based industries; food and drink; tourism; and digital and creative industries. Tourism strengths are identified as the natural environment – providing opportunities for walking, cycling, horse-riding and golf; high class sporting venues and events such as Goodwood and international polo at Cowdray Park; and heritage attractions. Specific sustainable tourism initiatives identified in the Rural Forum Action Plan include linking tourism opportunities with the promotion of food and drink; joint working with tourism companies and attractions to extend the season; and a cycling tourism project with European partners which also encourages stays in the area and eating local food.

Central Sussex LEADER Programme

4.1.8. The LEADER programme scheme is part of the Rural Development Programme for England and funded by the European Agricultural Fund for Rural Development. The rural parts of Horsham are covered by the Central Sussex LEADER area, which also extends to Lewes and Mid-Sussex. The two LEADER groups in Sussex have £3.2m of funding to support rural businesses and projects over the 5 years to 2020. Boosting rural tourism is a priority for LEADER funding; schemes of up to £50,000 can be considered, with grants of up to 40%, covering equipment purchase, construction/property improvements, and marketing/website development. The priorities for the Central Sussex LEADER area are to deliver a vibrant economy with quality jobs; a robust land-based sector; and a great place to live work and visit. The development of a sustainable visitor economy is one of 7 objectives, alongside promoting and strengthening the role of the food and drink sector in the visitor economy.


Central Sussex and Sussex Downs & Coastal Plain LEADER Areas
SURREY
HAMPSHIRE
EAST SUSSEX
Crawley
Mid Sussex
Horsham
Chichester
Lewes
Arun
Adur
Worthing
Havant
Brighton & Hove
Gatwick
Haslemere
Fernhurst
Petworth
Midhurst
Petersfield
Billingshurst
Pulborough
Storrington
Henfield
Steyning
Bramber
Haywards Heath
Burgess Hill
Hassocks
Ditchling
Newick
Lewes
Ringmer
Arundel
Barnham
Yapton
Littlehampton
Rustington
Bognor Regis
Chichester
Bosham
Southbourne
Witterings
Selsey
Havant
South Hayling
Shoreham
Lancing
Hove
Brighton
Saltdean
Peacehaven
Newhaven
Seaford
Sussex Downs and Coastal Plain LEADER area
Central Sussex LEADER area
County/Unitary
District
Miles 0
5
10
20
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The Horsham Growth Agenda

4.1.9. The vision for the economy in the Horsham District Planning Framework is to be:

> 'A vibrant economy that recognises both the wider context of the South Downs National Park and the Gatwick Diamond, building upon the established transport connections, and the niche market offer within Horsham.

Horsham is a predominantly rural District – 85% is rural, with large areas of attractive landscape including the High Weald in the north and the South Downs National Park in the south. Sustainable development is therefore very much part of forward development strategies, seeking to balance economic, social and environmental needs and the tensions of a mixed urban/rural environment to both capitalise on the opportunities for growth – particularly from Gatwick – whilst maintaining the uniqueness of Horsham and its District alongside protecting the quality of the area's environmental, landscape and heritage character.

4.1.10. In terms of the quantum of growth:

- 16,000 new homes are being planned for the period up to 2031
- During this time the population is forecast to increase by 17,319 from 131,540 in 2011 to 148,859 in 2031 (a 13.2% increase over the 20 year period)
- A range of employment growth forecasts have been prepared[1], which would result in employment growth 2011-2031 from a baseline (2013) of 60,100 of 8890, with a higher growth scenario at 12720, potentially increasing to 15,135 jobs if additional employment sites were available. In all cases offices represent +/- 50% of these jobs (4170/6260/8810 respectively)
- GVA growth averaging 2.5% p. a[1].

[1] Northern West Sussex Economic Growth Assessment, Nathaniel Lichfield & Partners, April 2014

4.1.11. Already the key centre of the District with a population of 55,000, Horsham town will be the focus of much of this growth, with key development sites being land West of Horsham/South of Broadbridge Heath (2000 homes), Land North of Horsham (around 2500 homes), land north of Horsham Business Park (500,000 sq ft) the planned Health & Life Sciences Campus at the Novartis site, as well as other sites coming forward via the Horsham Town Centre Vision including Hurst Road.

4.1.12. The Horsham District Economic Development Strategy 2013-2023 identifies 6 headline economic objectives. Promoting Horsham as a first choice business and visitor destination is one of these, alongside attracting high growth businesses, planning for new employment space, and developing economically vibrant town centres. The strategy identifies the potential to attract greater numbers of tourists and day visitors, as well as the opportunity to create a significant number of new employment and new business opportunities for residents. Maximising the District's awareness as a visitor destination will be delivered through working in partnership with attractions, but also by supporting pro-active town centre management and business favourable neighbourhood planning. Events are identified as an important part of raising the profile of the area for visits and animating the towns, villages and countryside; the largest is the Horsham Piazza Italia Easter Weekend which has regional draw attracting 20,000-30,000 visitors, plus various food and drink and arts festivals which are held across the District.

Major Projects

4.1.13. Significant projects both within the District and just beyond its borders with the potential to drive growth in demand for hotel and visitor accommodation in Horsham District include:

- **North Horsham Business Park**

  The North Horsham Business Park forms part of the land north of Horsham development area allocated as an urban extension to the town. It is located to the north of the A264 to the north of the town. The total scheme will deliver around 2,500 homes, 500,000 sq ft of commercial employment space, and potentially 4,000 jobs. It allocates land for a new parkway railway station to improve access to Gatwick Airport and the rest of the Gatwick Diamond area. The business park will offer high quality employment space -aimed at headquarters office uses – in the professional services, business and finance, advanced engineering, environmental and medical devices/ healthcare technology sectors. It is understood that a planning application is imminent; the development roll-out is expected to be undertaken over a 10-15-year period.

- **Delivering the Horsham Town Centre Vision**

  Work is currently underway to develop a Town Centre Vision for Horsham with intent to 'build on existing success and suggest imaginative and dynamic commercially viable options to uplift areas of weakness and identify realistic development options for key sites to engage stakeholders in future development opportunities to support Horsham's broader town centre vision'[1]. Developing the night time economy is a particular concern identified in the brief, as well as maintaining the town centre as a hub for culture and the creative arts, and building on its distinctiveness as a destination, including its historic character and niche retail, eating and drinking offer. New development on key sites in Horsham will have the ability to generate demand for hotels, but also to incorporate hotel uses in mixed use schemes. Alongside

[1] Horsham Town Centre Consultancy Brief, Horsham District Council, November 2015.

the Vision work, consultants Bilfinger GVA are also producing development options for the Hurst Road area of Horsham, where land in multiple ownerships – many of which are public sector – could be developed as a strategic scale mixed use scheme, again which could generate hotel demand – particularly office/business uses – and potentially incorporate a hotel as a development option. Given the difficulty of securing affordable sites for hotel development/conversion in Horsham, these are both important pieces of work with the ability to influence land use and facilitate hotel development.

- **Novartis – Health & Life Sciences Campus**

  The 19-acre site formerly occupied by pharmaceutical company Novartis, is to be developed as a centre of excellence hub for health and life sciences, being led by West Sussex County Council. The scheme could potentially create up to 1,000 new jobs. One third of the site is to be developed for housing to help fund the development. A development partner is currently being sought, with a timeframe for development over the next 3 years, and first occupiers on site potentially in mid-2017.

- **North West and South Horsham Urban Extensions**

  Strategic allocations have been made at North Horsham (around 2500 homes) and Southwater (around 600 homes) for major housing development and associated infrastructure and work has now commenced in Southwater. Alongside these are numerous other smaller scale housing developments across the district. These sites, particularly the larger sites, are likely to generate demand for hotel accommodation from construction and other project workers during the planning and construction phases of development, and beyond this from the communities themselves.

- **Transport & Infrastructure Improvements**

Horsham gains considerable benefits from its proximity and access to surrounding areas, notably Gatwick, in terms of both business and leisure markets. A possible new parkway station at North Horsham would provide direct links to Gatwick for both residents and corporate users based/visiting here. There is a whole raft of improvements to surrounding roads, the provision of schools, healthcare, a green infrastructure network and other services, all of which will require labour to be brought into the area, leading to an increased demand for hotel bedrooms during the construction phase.

- **Gatwick Airport Expansion**

Gatwick Airport has been expanding rapidly. In 2010 it had 32 million passengers per annum, of which 7.5% were business travellers. By 2015 numbers had increased by 8 million to 40mppa, of which 20% were business travellers. Direct flights have also been introduced to New York and Toronto - and in 2016 twenty new long haul routes are being added. The existing airport has a capacity in the short to medium term of around 45mppa, increasing to around 50mppa by 2050 as a result of peak spreading, larger aircraft and raising the movement rate on the runway. A second runway would enable a doubling of capacity to 560,000 air traffic movements (ATMs) from 2025, and up to 95mppa. The proposals for a second runway at Gatwick as opposed to a 3rd runway at Heathrow are still in abeyance. Whilst the Davis Commission came down in favour of Heathrow a challenge to the report means that this is being revisited, with particular concerns around the environmental impacts at Heathrow.

Tourism

4.1.14. Tourism is a corporate priority and growth of the visitor economy features in the economic strategy. The Tourism function within **Horsham District Council** is split between policy and economic development, and viewed as a joint brief. There is no tourism strategy as such or destination management plan currently. Tourism-related actions are dealt with by several different people, depending on whether it concerns the rural parts of the Borough, Horsham town itself, or specific activities such as tourist information or events and festivals.

4.1.15. The Council has made an outline application to the EAFRD fund via the LEP for £76,000. The funding will be used to appoint a Tourism Development Officer for 18 months to develop a Destination Management Plan and a Destination Management Organisation/Visitor Economy Partnership to oversee the delivery of the DMP. The strategy will provide evidence to apply for the second round of EAFRD funding of up to £30,000 to start delivering the actions identified in the DMP. There is also an outline LEADER bid which is progressing to full application for £20,000 for 5 new visitor information signs in rural car parks across the District.

4.1.16. At the county level, **West Sussex County Council** does not have a tourism function, but promotes the visitor economy from an economic development perspective. The Beautiful Outdoors marketing campaign promotes West Sussex as an active outdoors destination, particularly for walking and cycling, and is aimed at the 25-45 age group in London and the South East. £250,000 has been invested in this 2-year campaign. The West Sussex Weekends website promotes days out and weekend breaks. In 2016 it will have an additional focus on food and drink and coastal activities. Alongside this campaign, the County Council has tried to find and encourage walker and cyclist friendly visitor accommodation; in the South Downs National Park it is understood this has been supported by some grant aid e.g. for cycle stands. There has also been some concern that many of the small accommodation providers do not have websites or online marketing skills, which are important to this target market, which running digital development workshops would help. £335,000 of LEP Sustainable

Transport Funding has been put into enhancing the cycling and walking offer, particularly in terms of surface improvements and signage.

4.1.17. **South Downs National Park Authority** has developed a Sustainable Tourism Strategy to cover the period 2015-2020. The Strategy's objectives are to:

- Improve the visitor experience and sense of identity;
- Diversify the tourism offer;
- Share the benefits of tourism more widely;
- Embed sustainability best practice;
- Change travel behaviours;
- Develop greater custodianship of the National Park;
- Increase visitor spend.

4.1.18. Business development is one of three areas of work driving partnership working – working with tourism service providers to diversify and improve the tourism offer of the National Park to provide a quality experience, and to embed sustainability best practice. The SDNPA is acting as a facilitator to help business access programmes, projects, grants and training. Business development priorities include:

- A camping and glamping accommodation development programme along the South Downs Way.
- Supporting Tourism South East's Great Country Pubs initiative to protect rural pubs from being lost to alternative uses, and help them become sustainable financial businesses.
- Creating a Sustainable Destination Partnership business association.
- Various online portals and packages to provide training and resources around sustainable tourism business practices, destination promotion, food and drink networking, grants and advice.

Planning Policy

4.1.19. The Horsham District Planning Framework was adopted in November 2015. The spatial strategy centres around sustainable growth, focusing development in and around Horsham, bringing forward strategic development sites to provide for housing and employment needs, whilst maintaining the district's unique rural character, built heritage and environmental resources.

4.1.20 The main tourism policy contained in the HDPF is Policy 11 – Tourism and Cultural Facilities.

Policy 11

Tourism and Cultural Facilities

Measures which promote tourism and enhance local cultural facilities, including recreation based rural diversification, will be encouraged. Any development should be of a scale and type appropriate to the location and should increase the range, or improve the quality of accommodation, attraction or experiences for tourists, day visitors, business visitors, and residents in the District. Support will particularly be given to proposals which:

1. **Reinforce the local distinctiveness and improve existing facilities;**
2. **Focuses major tourism and cultural facilities in Horsham town centre;**
3. **Seek to ensure that facilities are available within the towns and villages in the district and are in keeping with their relationship with the urban area and countryside around them especially in and around the High Weald AONB and the South Downs National Park;**
4. **Develop the opportunities associated with rural diversification and rural development initiatives, particularly where they assist farm diversification projects, benefit the local economy, or enable the retention of buildings contributing to the character of the countryside; and**
5. **Do not result in the loss of a cultural resource.**

4.1.21. This is a generally permissive policy, subject to scale and impact. The supporting text:

- Recognises that Horsham needs more accommodation to expand the visitor economy and reduced dependence on day visits.
- Encourages the retention of existing facilities
- Encourages new development that facilitates sustainable tourism and economic growth
- Supports tourism as a means to rural diversification

4.1.22. Other policies of relevance to hotel and visitor accommodation development include:

- Policy 5, Horsham Town Centre – strengthening Horsham's role as an economic, cultural and leisure centre, including the development of the evening economy.
- Policy 6 - Re-developing the Broadbridge Heath opportunity area, including potential for a hotel/ pub/restaurant with budget bedrooms.
- Policy 7, Economic Growth:
  - Retaining key employment areas for employment uses;
  - Allocating land for a high quality business park at North Horsham;
  - Promoting the district as an attractive place to stay and visit to increase the value of the tourism economy
- Policy 8, strategic allocation of the Novartis site – whilst this will not now be developed as a University Quarter, a Health & Life Sciences Campus is to be developed here.
- Policy 9, Employment Development – which protects employment sites from redevelopment for alternative uses, including hotels.

4.1.23. In terms of the application of these policies, whilst they generally represent a reasonably flexible framework for hotel and visitor accommodation development, we would offer the following comments:

- There is no hotel/visitor accommodation retention policy, though in theory the employment retention policy could be used in such instances of hotels wanting to change use. However, there have been some losses that we suspect could have had a future in the sector, an example being Ye Old Kings Head in Horsham. The pressure from higher value residential and commercial uses in Horsham is intense and a temptation to exit.
- The policies point towards only permitting small scale development in the countryside, which is likely to limit development options such as groups of holiday lodges and holiday lodge parks, even outside the National Park/AONB. Even in smaller scale rural developments of visitor accommodation, there may be a need for some new building and not just the conversion of existing property.
- The refusal of an enabling development at the Cisswood House Hotel is an example of inappropriate scale of development in a remote location, but the majority of applications we reviewed through the planning system appear to have been permitted. An exception is the Roundabout Hotel in West Chiltington, which was refused planning permission for a swimming pool, spa treatment rooms and 5 additional guest bedrooms in October 2015, despite officer recommendation for approval.
- Conditions attached to planning applications can limit the operation of visitor accommodation businesses and impact on their viability. Examples include limiting opening to a 10-month period, and restricting the letting of a holiday unit to a maximum of 28 days in any one occupancy. Whilst the purpose understandably is to avoid the unit becoming used as a permanent residence, it also restricts the ability of the operator to take a longer let during the winter months, which can be critically important to viability. There are more preferable ways to do this, such as applying a legal condition of letting only for holiday use and the maintenance of a register of occupants.
- CIL is anticipated to be introduced at the end of 2016, but will not apply to hotels/visitor accommodation.

- Whilst a national rather than a local policy, the application of Permitted Development Rights has had a major impact on the take up of office premises in Horsham for change of use to residential. This has proved a major barrier to entry for hotel developers and operators looking for sites and premises in the town, and has impacted on values, moving them beyond the level at which hotel development would be viable.

4.1.24. In terms of other policy and plan documents:

- A **Site Allocations DPD** is to be prepared in 2016, with early consultation likely late 2016. This study will inform the preparation of this document in terms of the need/desirability of site allocations for hotels/visitor accommodation;
- The **Horsham Town Centre Vision** currently being prepared by consultants Bilfinger GVA will feed into a subsequent **Horsham Town Centre SPD** that will also guide the development of key sites in the town centre, some of which could incorporate hotel accommodation.

4.1.25. The Horsham District Planning Framework, adopted November 2015 applies only to those parts of Horsham District that are outside the South Downs National Park. The southern parts of the District that are within the National Park will be covered by the South Downs National Park Plan, which is currently in preparation by the SDNPA, which is a separate planning authority. In the interim, the 2007 Horsham Core Strategy provides the policy framework for this area and Horsham District Council planners have delegated authority from the National Park to determine minor applications on their behalf. This is a matter for the National Park not HDC.

4.2 National Demand Trends & Forecasts

4.2.1. Appendix 6 provides a summary of national tourism market trends and forecasts. Key trends of relevance to tourist accommodation development in Horsham District are as follows:

- The continued growth in demand for domestic short breaks from the emptynester, family and Generation Y markets[1]
- The growth in leisure trips linked to visits to friends and relatives.
- The increasing interest in activity holidays and breaks and spa breaks.
- The growth in intergenerational family holidays and breaks.
- The trend for families and friends to get together for celebration weekends, reunions and weekends away.
- The growing market requirement for high quality, distinctive and contemporary accommodation.
- The increasing importance of online marketing and booking channels and social media for short break decision making and planning, enabling accommodation businesses to reach customers much more cost effectively than they have ever been able to before.
- The potential for growth in wine tourism.

4.3. Growth Prospects by Market

4.3.1. There is likely to be strong growth in **corporate demand** for hotel accommodation in Horsham Town over the next 5-10 years, given the planned development of the North Horsham Business Park and Health & Life Sciences Campus on the Novartis site, which are likely to attract new companies with requirements for hotel accommodation.

4.3.2. There is no evidence to suggest an increase in hotel-accommodated **residential conference business** from Horsham companies, as most of them have in-house training and meeting facilities. There could however be some potential for high quality destination hotels in the District to attract residential conference business from London-based companies, particularly if they have international delegates that they

[1] Also known as the Millennial Generation – people born in the 1980s and 1990s who are now in their 20s and 30s

want to fly in through Gatwick. Luxury destination hotels in the District are well located to service this market.

4.3.3. **Contractor demand** for budget-priced hotel accommodation is set to grow substantially in Horsham Town, given the planned construction and infrastructure projects in and around the town.

4.3.4. Demand for **leisure breaks** could grow in the District as the UK leisure break market grows, the South Downs National Park becomes more established as a visitor destination, and given the development of Horsham town centre's visitor, cultural and evening offer, and stronger promotion of the town as a place to come for a weekend away. The District and town are well placed to attract demand from the emptynester[1], family and Generation Y[2] markets. Hotels and other visitor accommodation businesses can drive leisure break business through the increasing number of online travel agents, voucher and deal sites, and other third party websites and agencies, alongside their own marketing direct to their existing customers and participation in the West Sussex short break marketing campaigns. High quality, distinctive, contemporary tourist accommodation businesses that provide good food and perhaps spa or leisure facilities often generate their own leisure break business due the quality of their offer, acting very much as the destination and primary draw for a leisure break guest.

4.3.7. **Overseas tourist demand** for tourist accommodation in Horsham District should grow as inbound tourism to the UK increases. The District is well placed to capitalise on this growth because of its proximity to London, ease of access from Continental entry points, and product in terms of attractive countryside. The strongest potential for the District is probably in terms of attracting Dutch, German, Swiss and French touring caravanners and motor homers.

4.3.8. Demand from **wedding parties and people visiting friends and relatives** should grow as the District's population increases.

[1] People in their 50s and 60s whose children have left home
[2] Also known as the Millennial Generation – people born in the 1980s and 1990s who are now in their 20s and 30s

4.4. Projected Hotel Development Requirements – Horsham Town

4.4.1. In order to provide an indication of the number of new hotel bedrooms that might be needed in Horsham Town over the next 15 years, we have prepared projections of possible future growth in hotel demand in the town to 2020, 2025 and 2030. The projections assume that growth will be unconstrained by site availability and planning policy. The methodology and assumptions used for the projections are described in detail at Appendix 7. The results of the projections are set out in the table below.

Table 13
HORSHAM TOWN
PROJECTED REQUIREMENTS FOR NEW HOTEL DEVELOPMENT – 2020-2030

Year	Projected New Rooms Required		
	Low Growth	Medium Growth	High Growth
2020	92	98	105
2025	105	118	132
2030	118	139	162

4.4.2. These projections and the other findings of our research show the following market potential for hotel development in Horsham Town through until 2030:

- Immediate potential for a further budget or midmarket hotel, of probably up to 80-100 bedrooms. A limited service hotel should be adequate to meet the market requirement: there is no particular need for a new hotel to provide conference or leisure facilities. Some corporate users will require a restaurant however.
- Potential for a small boutique hotel of up to 30-40 bedrooms. To cater for the top end of the corporate business and attract midweek and weekend leisure break business. While our survey of Horsham companies did not show a particular need for a more expensive hotel in the town, we believe that there is a market gap for a higher quality hotel in Horsham, which can most appropriately be met by a boutique hotel.
- Longer-term potential for a further budget hotel, perhaps of up to 60-70 bedrooms, given strong market growth.

5. RURAL TOURIST ACCOMMODATION DEVELOPMENT TRENDS

5.1. Key Trends of Relevance to Horsham District

5.1.1. Appendix 8 provides detailed information on trends in rural tourist accommodation development in the UK, with examples of accommodation developments that illustrate each trend. Trends that are of most relevance to Horsham District and that could be picked up here are as follows:

- The continuing success and expansion of the Premier Inn and Travelodge budget hotel chains;
- The development of boutique hotels, inns, restaurants with rooms, B&Bs and self-catering accommodation in market towns and rural areas – a trend that has yet to emerge in Horsham District;
- The potential development of luxury and boutique country house hotels, given suitable properties for conversion;
- The development of hotel spas;
- The development of hotels and holiday lodges (for ownership and/or rental) on golf courses;
- The continuing conversion of redundant farm and rural buildings to holiday cottages and holiday cottage complexes, in some cases with leisure facilities;
- The development of large 'super' cottages that can cater for the growing demand for family and friend get togethers and celebrations;
- The development of holiday lodge complexes and small-scale holiday lodge parks;
- The development of fishing lodges around fishing lakes;
- Eco camping;
- The increasing provision of camping pods;
- The rapid development of glamping;
- The provision of accommodation at vineyards.

6. INTEREST IN HOTEL & VISITOR ACCOMMODATION DEVELOPMENT IN HORSHAM DISTRICT

6.1 Introduction

6.1.1. Interest in hotel and visitor accommodation development across Horsham District has been tracked in 3 ways:

- Via a survey of hotel developers, investors and operators, to test the brands and locations they might consider for various locations within the District;
- A review of hotel and tourist accommodation proposals that have come through the planning system over the past 5 years, covering all forms of accommodation, serviced and non-serviced;
- Consultation with existing accommodation operators in the District about any plans they might have to invest in their properties, to up-grade, re-position or expand, or to develop additional visitor accommodation properties.

6.2 Hotel Developer Interest in Horsham District

Background

6.2.1. As part of the Hotel & Visitor Accommodation Futures Study for Horsham District, we have undertaken a focused module of work to test hotel developer and operator interest in being represented in the District. Of particular concern to the Council was potential interest in developing and operating a hotel at Hurst Road, the target for which was full-service hotel brands, and for the provision of a small boutique hotel. However, an element of the sample was also to be focused on those hotel companies that might consider other locations in Horsham town centre and its surrounds.

6.2.2. The testing was undertaken through initial email contact followed up by structured telephone interviews with target hotel companies. The consultations also probed hotel company perceptions of Horsham as a hotel investment location, the conditions needed to make their brands work on any given site, and how Horsham and its potential hotel locations match to these requirements.

6.2.3. By way of context, we provide at Appendix 9 some 'scene setting' in terms of the impact of the performance of the economy on hotel development, followed by an outline of hotel business models and funding routes, which should help to explain the hotel developer and operator responses, particularly in terms of the challenges faced to get new hotels off the ground.

Sampling and Approach

6.2.4. A sample of 17 hotel developers, operators and investors was drawn up. Given the size of Horsham and the scale of some of the opportunities, this also included companies operating quality inns. In determining which to target, we took account of the market findings but also the Council's aspirations for hotels in Horsham town centre. The target companies are listed below:

- Accor
- Bespoke
- Beyonder/SACO
- Bridge Street Worldwide
- Cathedral Hotels
- Fullers
- Greene King
- Hall & Woodhouse
- Hilton
- Intercontinental Hotel Group (IHG)
- Limewood Group/The Pig
- Moxy
- Nicholas James Group
- Premier Inn
- Taylor Walker
- Travelodge
- Village

6.2.5. A number of these hotel companies operate multiple brands, ranging from budget through to luxury, enabling a wider view on potential to be gleaned and also some insight into the requirements for hotels at different levels in the market, particularly in terms of performance (occupancy and achieved room rate).

Horsham as a Hotel Investment Location

6.2.6. There were mixed messages in terms of Horsham's strengths and weaknesses as a hotel investment location:

- At an overall level, there was generally limited knowledge about the area or demand drivers here.
- Whilst proximity and accessibility to Gatwick was seen as an advantage, it is also perceived that Gatwick has a significant stock of hotel accommodation, at times in oversupply and not generating strong rates.
- The size of Horsham's population was an issue for several consultees. Hotel developers normally target towns and cities of at least 100,000 population for their larger 100+ room hotel models and particularly their upscale brands. In their experience it is destinations of this scale that will have sufficient business and leisure demand drivers to support such hotels. At a population of 55,000, Horsham falls well short of this, and the breadth and depth of the corporate market, particularly at the top end, would seem to be an issue.
- Smaller boutique hotel operators and those operating gastropubs with boutique bedrooms do not necessarily demand the scale of population and corporate base needed by operators of larger hotels however;
- The affluence of the local population is of particular interest to these smaller, boutique operators, as they generate a significant proportion of their income from their food and beverage operations, including weddings and functions.

6.2.8. It is important to understand that the viability of any hotel development will be a function of the development cost, the occupancy rate (how full the hotel is throughout the year), and the achieved room rate (the average rate per room let, taking into account discounts on the published tariff). Most hotel companies have performance targets in each of these areas.

- Occupancy targets are typically to achieve 70-75% plus by year three of operation. For budget hotels, the target may be slightly higher than this, around the 80% level. Boutique hotels – many of which are smaller units appealing to niche, high value, business and leisure markets – commonly aim at occupancies in excess of this and can achieve 85-90%.

- Achieved room rate targets range from £45 - £55 (net of VAT) for budget hotels, to £85 - £95 for 4 star hotels. In general, budget hotel discounting is limited, though many now offer reduced weekend rates, particularly where the leisure market is weak. At the top end of the market, boutique hotels average £100 - £125, luxury brands often considerably in excess of this.

Table 14
HOTEL DEVELOPMENT PERFORMANCE TARGETS

Hotel Type	Occupancy	Achieved Room Rate
Budget Hotels	80%	£45 - £55
Upper Tier Budget Hotels	75%	£60 - £75
3 Star Hotels	70-75%	£75 - £85
4 Star Hotels	70-75%	£85 - £95+
Boutique Hotels	85-90%	£100 - £125

Source: Hotel Solutions

6.2.9. Whilst Horsham town is a proven market for budget hotels, which trade at high levels of occupancy, the market for higher rated, more up-scale and full service hotels is unproven. There are hotels of higher quality elsewhere in the District, including some very high quality and exclusive hotels, but these are really destination hotels drawing from their strategic location and catchment including London, rather than serving a local market.

Interest by Company, Brand and Standard

6.2.10. There was no hotel company interest at 4 star level in Horsham. Branded 4 star hotels are only really being developed in major cities with the critical mass of corporate demand and volume of leisure business that is required to fill a hotel of 100-150 rooms year round. The only branded full service interest we established was for Hilton Garden Inn, though they indicated further research would be required to determine whether this or their upper tier budget brand Hampton by Hilton would have the best fit with the market – or indeed there could be some incentive to underpin a more upscale offer.

6,2,11, There was potential interest in the provision of a small boutique hotel from a number of sources:

- Bespoke Hotels, who had good market knowledge, but would need to be able to get up to around 40 rooms for a boutique hotel operation to be viable.
- Greene King, who operate Loch Fyne restaurants with Milsoms boutique hotels, would operate with a smaller number of rooms, but would need to drive significant levels of restaurant business to make this work, the hotel being an adjunct to this;
- Fullers.

6.2.12. There was further budget hotel interest from Premier Inn and potentially Ibis, and upper-tier budget interest for an Express by Holiday Inn, or possibly a Hampton by Hilton. Clearly Premier Inn are well established in Horsham and know the market, and have confidence that another site would work for them. Their preference would be for a town centre site, not too close to the existing Premier Inn, potentially in a town centre development area such as Piries Place. At least one hotel company has looked at Horsham in the past. The interest from budget operators reflects we feel the nature and scale of the town but also the price-sensitive nature of the market here.

6.2.13. No responses were received from national branded aparthotel/serviced apartment operators. Again we suspect this is an issue of critical mass, with any serviced apartment opportunity more likely to be taken up by local independent operators.

Concluding Remarks - Hotels

6.2.16. Whilst Horsham District Council has aspirations for a full service 4 star hotel at Horsham, such hotels are expensive to deliver, and require high-rated demand at volume to make them stack up. The size of Horsham as a town and the limited scale of corporate demand drivers would make this difficult to achieve. A limited service or possibly 3 star hotel is a possibility, but requires further work for operators to research demand, and could require some form of incentive to deliver, possibly through an advantageous land deal. Many of the hotel brand owners we spoke to require investors to come on board in any development; some can readily bring these, but for others, or in more challenging locations, this can be difficult to achieve. The District Council could consider an investment role if achieving a quality, full service hotel was felt to be of sufficient priority. Several local authorities across the UK have now gone down this route to secure a strategically important hotel and/or generate a new revenue stream or investment return for the council.

6.3 Other Visitor Accommodation Developer Interest

6.3.1. Feedback on potential developer/operator interest for other types of visitor accommodation development is based in part upon the extensive testing undertaken for the South Downs National Park study in 2014/15 (which probed the West Sussex parts of the National Park), supplemented by additional testing of new brands and to fill perceived gaps relative to the identified potential for Horsham, plus the review of Horsham District planning applications and proposals, the latter enabling local/independent developer and operator interest to be picked up.

6.3.2. The strengths of this area as perceived by visitor accommodation developers/operators are:

- Proximity to London and the wider Home Counties in terms of a significant and affluent catchment population, particularly for short breaks and additional holidays – and particularly important for high end offers like glamping, luxury hotels and boutique inns;
- Good accessibility by road and rail to London and the South Coast;
- The South Downs National Park, as a known visitor destination of appeal for its countryside, coast, heritage and potential for outdoor activities.

6.3.2. However, there was also a perception in relation to areas covered by the National Park, of potential difficulties in relation to planning for visitor accommodation development schemes. Some of this was founded on experience in the National Park/former AONB, others based on a broader perception of likely development constraint given the natural beauty and sensitivity of the landscape. Many of the forms of visitor accommodation development we have tested - glamping, caravan and camping, holiday lodges, rural pubs/inns, children's residential activity centres, destination hotels - require a countryside setting which could provide an opportunity for land in Horsham District that is outside the National Park, but forms part of its gateway.

6.3.3. Visitor accommodation developer and operator interest by type of accommodation is summarised in the table below.

Table15
DEVELOPER/OPERATOR/INVESTOR INTEREST IN OTHER TYPES OF ACCOMMODATION

Type	Developer/Operator/Investor/Agent Interest
Pub accommodation	National pub restaurant chain Independent pub owners/operators
Holiday lodge parks	Interest from two national holiday lodge park investors/developer/operators Interest from a national holiday lodge park operator requiring a local development partner Independent developer/operator interest
Holiday lodges	Independent developers/operators
Holiday cottages	Independent developers/operators
Touring caravan & camping sites	Independent developers/operators
Glamping	Interest from a national glamping chain Independent developers/operators
Children's residential activity centres	Interest from a regional children's education centre developer/operator (via agent)

6.4 Sites for Hotel Development in and around Horsham

6.4.1 The key issue around sites for hotel development in Horsham Town is to do with competition from alternative, higher value uses, in particular residential. This has seen a number of office properties that could have been suitable for hotel development being acquired for conversion to residential apartments/retirement homes, and hotel uses significantly out-bid by these uses on value. Permitted development rights have facilitated this in terms of the conversion of office uses to residential.

6.4.2 In terms of prioritising sites for hotel development in Horsham Town Centre, the Council should consider whether there are any opportunities on their own land holdings. The former Waitrose site at Piries Place is also a strong opportunity for a budget or upper tier budget hotel development, possibly as part of a mixed use scheme.

6.4.3 Sites on the outskirts of Horsham could have appeal to hotel operators, particularly if town centre sites prove hard to deliver and make viable, and – particularly if they are developments of scale i.e. 100+ bedrooms – but hotel development on the outskirts of the town could undermine the potential to secure new hotels in the town centre.

6.5 Tourist Accommodation Development Proposals

6.5.1 Intelligence about tourist accommodation development proposals in Horsham District has been gathered primarily through interrogation of the District Council's planning application records system, and our discussions with the District's hotel and visitor accommodation managers.

6.5.2. Appendix 10 provides a listing of the tourist accommodation development proposals that we have identified, and that as far as we have been able to establish have not so far been progressed.

6.5.3. The table below summarises these proposals by type and number. These are mostly small scale schemes: individual self-catering conversions, small numbers of holiday lodges or glamping units; additional facilities at hotels, pubs and caravan sites. The one notable scheme of scale was a 70 bedroom golf lodge at Slinfold Park Golf Club. The number of schemes was dominated by self-catering/holiday let conversions.

Table16

SUMMARY OF HOTEL & VISITOR ACCOMMODATION PROPOSALS
HORSHAM DISTRICT

Type of Visitor Accommodation	Number of Schemes	Type of Scheme
Hotel	4	Refurbishment, spa and leisure facilities, function space, the addition of bedrooms, and the addition of lodges
Inn	2	Addition of bedrooms, function facilities
Self-catering	31	Mostly individual units, barn/ ancillary building conversions
Touring caravan & camping	4	Extensions for additional pitches, hard standing pitches, toilet and shower blocks
Holiday parks	1	Conversion of tent pitches to caravan holiday homes, increase hard standing pitches for tourers and motorhomes
Glamping	3	Safari tents, shepherd's huts, shower blocks 2-10 units
Holiday lodges	2	Small groups of eco lodges (6-8)
Group & youth accommodation	1	Additional accommodation and disabled facilities
TOTAL	**48**	

6.5.4. Our research has also identified the following proposed hotel development schemes in locations immediately surrounding the District, including two potentially significant golf hotel projects:

Table 17
PROPOSED HOTEL DEVELOPMENT SCHEMES IN LOCATIONS SURROUNDING HORSHAM DISTRICT (AS AT JULY 2015)

Proposed Hotel/Site	Standard	No. Rooms	Details
Alfold, Surrey			
Wildwood Golf & Country Club	4 star Golf	84	Planning permission granted for an 84-bedroom hotel with spa and conference facilities + 39 woodland lodges. The scheme is to be progressed as a partnership with Hilton Hotels. Total investment £30m.
Burgess Hill			
Travelodge The Martlets	Budget	63	Hotel proposed as part of a major retail and leisure mixed-use development scheme in Burgess Hill town centre. Work is due to commence on the project in 2016.
Crawley			
Former GSK site, Manor Royal	n/k	130	Outline permission granted for a mixed use employment park, including a 130-bedroom hotel
Ockley, Surrey			
Gatton Manor	3 star (potentially 5 star)	20	Planning permission for 20 serviced hotel apartments. The owners of the golf club are understood to be currently looking at options for a more significant development of the hotel to provide a larger, luxury 5 star hotel

6.5.5. The Emerging SDNP plan sets out the SDNPs current aspirations for a sustainable mixed use eco resort development at the Shoreham Cement Works site. The draft policy is set out in the South Downs Local Plan (preferred Options) - Strategic Site policy SD 32. The plan is currently at an early stage of preparation and has not yet been subject to independent Examination.

7. CONCLUSIONS & RECOMMENDATIONS

7.1. Tourist Accommodation Development Opportunities in Horsham District

7.1.1. The Horsham District Hotel & Visitor Accommodation Study shows good potential for tourist accommodation development in the Horsham District as a result of:

- The current shortage of hotel accommodation in Horsham Town to fully meet the requirements of local companies, and the projected growth in corporate demand for hotel accommodation in Horsham Town as a result of the development of the North Horsham Business Park and the Health & Life Sciences Campus on the Novartis site;
- The likelihood of increased contractor demand for low priced accommodation as construction and infrastructure projects are progressed;
- The District being well placed to capitalise on the projected growth in the domestic short break and overseas tourist markets and the increasing demand for family and friend get togethers, celebrations and weekends away, due to:
    - Its ease of access to sizeable catchment populations in London, the South East and the South Coast;
    - Its attractive countryside, and the pulling power of the South Downs National Park;
    - The potential future development of the visitor offer of Horsham town centre through the implementation of the Town Centre Vision and Destination Management Plan (once they are in place), and stronger promotion of the town as a weekend break destination.
- The projected population growth in the District that will drive growth in weddings business and visits to friends and relatives;
- The potential for the District to capitalise on many of the current trends in tourist accommodation development in the UK.

Hotel & Visitor Accommodation Development Opportunities in Horsham Town

7.1.2. The study shows potential for the following in terms of hotel and visitor accommodation development opportunities in Horsham Town:

- Immediate potential for a further budget, upper-tier budget or limited 3 star hotel of potentially up to 80-100 bedrooms. This could be in terms of an Express by Holiday Inn or Hampton by Hilton upper-tier budget/limited service 3 star hotel, or perhaps a second Premier Inn;
- A market gap for a boutique hotel in Horsham Town Centre;
- Possible longer term potential for a further budget hotel by 2030, of around 60-70 bedrooms;
- Scope for pubs in the town centre to offer guest accommodation, primarily through the use of upper floor space;
- Potential for restaurants with rooms, again through the use of upper floors;
- Opportunities for new B&Bs to open in the town to replace those that have closed;
- Some additional serviced apartment provision, through the letting of residential apartments on a service apartment basis. We do not believe that there is sufficient demand in Horsham to support a purpose-built serviced apartment complex or aparthotel.

7.1.3. The Horsham hotel market is not strong enough, and unlikely to grow sufficiently to support the development of a full service 4 star hotel in or around Horsham.

Hotel & Visitor Accommodation Development Opportunities in the Rural Parts of Horsham District

7.1.4. The study shows potential for the following in terms of hotel and vissitor accommodation development opportunities in the rural parts of the District:

- The upgrading, development and expansion of existing hotels, including the development of leisure and spa facilities;
- A further luxury or boutique country house hotel possibly, given a suitable property for conversion;
- Hotels on golf courses, if acceptable in planning terms. The proposed hotel at Slinfold Golf Club would meet this requirement, particularly given the proposed hotel at Wildwood Golf & Country Club at Alfold, and the potential expansion of Gatton Manor at Ockley, both just outside the District in Surrey. New golf holtels should ideally be of a luxury standard in order to compete effectively for residential conference business from London-based companies and weddings business at weekends;
- High quality pub accommodation, including more boutique inns;
- Restaurants with rooms;
- Accommodation at wedding venues;
- The upgrading of B&Bs, including some potentially to a boutique standard;
- New B&Bs, including some luxury, 5 star and boutique B&Bs, to replace those that close as their owners retire. The District has lost a lot of B&Bs in recent years, which have not been replaced by new ones;
- High quality holiday cottages, including some:
    - Boutique self-catering properties;
    - Holiday cottage complexes with leisure facilities;
    - Large ‘super’ cottages that can cater for family and friend get togethers, celebrations and house parties;
    - ‘Access Exceptional’ holiday cottages designed for independent wheelchair users and their families.
- Small holiday lodge/ eco lodge complexes/parks, with lodges for ownership and/or rental, if acceptable in planning terms;
- Golf lodges on golf courses;
- Fishing lodges around fishing lakes;

- Treehouses;
- The expansion, improvement and development of existing touring caravan and camping sites;
- The expansion of existing holiday parks in terms of additional plots for owned caravan holiday homes;
- Possibly some new touring caravan and camping sites;
- Eco camping sites;
- Camping pod developments;
- Glamping sites;
- Spa resorts, health farms or wellness retreats;
- Another outdoor education centre or children's activity holiday centre, given a suitable property for conversion;
- Accommodation at vineyards;
- More accommodation along the South Downs Way in terms of pub accommodation, B&Bs, camp sites and possibly a network of camping pods – soemthing that the South Downs National Park Authority is looking at.

7.2. Capitalising on the Opportunities – The Role of Horsham District Council

7.2.1. The Horsham Hotel & Visitor Accommodation Study shows potential for the development of a wide range of different types of visitor accommodation in Horsham District. The key question going forward is how Horsham District Council wishes to capitalise on these opportunities, to grow staying tourism in the District and the economic and employment benefits that an expanded visitor accommodation sector can deliver. There are a number of roles and interventions that the District Council can take, depending on how proactive it wishes to be and the budgets and staff resources it can allocate to supporting and accelerating visitor accommodation development in the District.

7.3. Planning Policy and Its Application

7.3.1. The District Council clearly has a vital role to play as the planning authority for the District (outside the National Park). A positive, flexible and enabling planning framework for hotel and visitor accommodation development in the District will be vital to realising the opportunities that this study identifies.

7.3.2. There is currently no tourist accommodation policy in the Horsham District Planning Framework. Applications are assessed against a generic tourism development policy (Policy 11, Tourism and Cultural Facilities). Whilst this is a generally permissive policy covering all forms of tourism development, the policy and supporting text have not been informed by the sort of evidence base now available through this Hotel & Visitor Accommodation Study, and so lack clarity about what types of tourist accommodation there is market potential for in the District and where new accommodation can most appropriately be located. In the review of the Planning Framework that will commence within three years, there is a potential opportunity to strengthen this with a dedicated hotel and visitor accommodation development policy and supporting text that articulates the types of visitor accommodation that the Council would like to encourage. This would provide clear guidance to the accommodation development community and Development Management Team.

7.3.3. In terms of locational strategy for visitor accommodation development:

- In relation to Horsham Town, a focus on the town centre for hotel development and continued application of the sequential test will ensure that hotel development in out of centre locations does not undermine the potential to secure additional hotel provision in the town centre. Our research suggests that this should be the priority both in terms of meeting the requirements of local companies and satisfying the Council's objectives for strengthening the town centre economy. There is potential to secure an 80-100 bed hotel in the town centre, which could be impacted by the development of a significant hotel at Land North of Horsham, should such a proposal come forward. This could be difficult to resist however, if town centre sites are not available, viable and deliverable. We do not see the development of a pub/restaurant with hotel bedrooms at Broadbridge Heath as impacting in the same way, as this would likely be a smaller scale hotel.

- In relation to the rural area, identifying the types of site where tourist accommodation developments of scale might be viewed more favourably would help direct and steer potential development interest e.g. woodland or valley sites; sites requiring remediation, such as quarries or other brownfield sites; sites that are well screened and landscaped; non-natural, already developed sites such as golf courses; sites where there are already established uses/ activities such as wedding venues, fishing lakes, equestrian centres, vineyards and visitor attractions.
- Given the constraints on development in the South Downs National Park there is an opportunity for Horsham District Council to take a more flexible approach to supporting the development of appropriate forms of visitor accommodation in the southern half of the District that can service National Park-driven demand.

7.3.4. There is currently no hotel/visitor accommodation retention policy in the Horsham District Planning Framework. It could be worth re-visiting the need for a retention policy in the review of the Horsham District Planning Framework alongside any evidence or testing of whether the employment protection policy is enough to protect future loss. Pressure on existing supply, particularly in the face of new hotel development within and beyond the District, alongside the strength of the higher value residential property market could see some hotels that the District Council might wish to see retained coming forward for change of use. A specific hotel and visitor accommodation retention policy would provide the opportunity to strengthen the District Council's position on this, and to define more clearly the criteria and evidence requirements for the assessment of change of use applications for hotels and tourist accommodation establishments, particularly in relation to evidencing non-viability. There are two aspects to this to consider:

- Evidence of marketing for sale for the existing use for a minimum period of time, with a reputable specialist agent, at a realistic price that reflects the value of the business;
- Evidence of non-viability, in terms of poor performance, lack of market demand, or extraordinary levels of cost, in the face of a clear demonstration that the business has been well-managed and marketed and all reasonable efforts have been made to find a viable future for the business.

7.3.5. Hotel Solutions has undertaken detailed work for previous local planning authority clients to assist them in framing hotel and tourist accommodation retention policies, and would be happy to provide further advice if required.

7.3.6. Our research has shown that securing sites and properties for hotel development in Horsham Town has proved a challenge to hotel developers, investors and operators. The challenge of demand from higher value competing uses, particularly residential, facilitated by Permitted Development Rights, has seen hotel uses squeezed out of schemes and deals on value. Where the Council owns property, there is a real opportunity to influence the market, though Councils themselves are under pressure to maximise the return they can secure from their estates in terms of income and sales. Taking into account these competing pressures and challenges, the allocation of one or more sites for hotel development, including the provision of a boutique hotel, in Horsham, in line with the identified potential, would aid the delivery of the additional town centre hotel supply that the Council has indicated it desires to help develop the night time and visitor economies and underpin town centre vitality. Town Centre sites including Hurst Road are well located to serve the associated business uses and benefit from proximity to the railway station.

7.3.7. There are four other issues that should also be considered in relation to planning:

1. Many types of visitor accommodation require some form of permanent on-site staff accommodation to support year round operation, improve the quality of service to the customer, provide security, meet other health and safety obligations, and assist in attracting and retaining key staff. This can apply across the range of visitor accommodation offers, from hotels to holiday lodge developments and caravan and camping sites. Flexibility to accommodate on-site staff needs should be built into the policy/development management framework, and can be tied to this use through legal agreement/planning conditions.

2. The conversion of country house properties to hotels or other types of tourist accommodation can be a challenge in terms of viability. The planning system can help in exceptional circumstances by permitting an element of enabling development to help fund a scheme. We have come across examples of such permissions, particularly where historic properties are being developed or brought back into use, so securing a long term future for an important heritage building. A planning policy approach that is flexible enough to consider such enabling development where appropriate would be helpful therefore.

3. An issue commonly raised by those putting forward hotel and visitor accommodation development proposals is the requirements of local planning authorities for supporting information and technical studies, the cost of which can be prohibitive for smaller schemes. These need to be proportionate and affordable. Similarly, the cost implications of design requirements and planning conditions can sometimes be so significant that they can push schemes beyond the point of viability. Planning officers need to understand the cost implications of such requirements and try to achieve policy aims without over-burdening a potentially viable accommodation development scheme.

4. Planning conditions that restrict opening periods and occupancy by any single user are unintentionally limiting the ability of tourist accommodation businesses to take longer lets, particularly out of season, and to operate on a year round basis, as the market is increasingly demanding. Where these conditions are being used to prevent permanent residential use, we recommend they are replaced by legal agreement (Planning Obligations) to let only for holiday purposes, and evidenced through the keeping of guest registers.

7.3.8. Building the above recommendations into the review of the Horsham District Planning Framework is a longer term action, given that this process may not start for 3 years. There are other options worthy of consideration alongside/in advance of this, which include:

- The allocation of sites for hotel and larger scale visitor accommodation development in the Site Allocations DPD which will be put together later in 2016;
- The development of a Tourist Accommodation SPD, which could incorporate all of the above recommendations, whereas some of the other routes will only take forward certain elements of the planning recommendations, most notably in relation to Horsham Town Centre. However, we appreciate that there are time and resource implications around preparing an SPD, and the benfits of doing so need to be weighed against these costs.
- An alternative would be to produce a policy advice note based on the evidence in the study to support Development Management Team in determining relevant applications. How well decisions might stand up to challenge based upon these different routes should be part of the consideration moving forward, alongside time and resource issues.

7.4. More Proactive Interventions – A Hotel & Visitor Accommodation Investment Action Plan for the District

7.4.1. There a number of roles that Horsham District Council could play to support and accelerate investment in hotel and visitor accommodation development in the District, both independently and/or with partners in Sussex, as part as a forward Hotel and Visitor Accommodation Investment Action Plan.

a) A Hotel & Visitor Accommodation Investment Strategy for Horsham Town Centre

7.4.2. There are a number of actions that the District Council can take to support and accelerate hotel and visitor accommodation development in Horsham Town Centre in terms of:

- Feeding the findings of the Hotel & Visitor Accommodation Futures Study into the Horsham Town Centre Vision and Destination Management Plan for the town.
- Making a decision on whether or not to prioritise Park House for hotel development. It is probably the best chance of securing a boutique hotel for the town, being an attractive building with grounds, in a strong location, with parking, and in Council ownership. It is however recognised that it may be more valuable for an office or residential uses which the Council will need to consider, but at the current time there are unlikely to be other such suitable opportunities for a boutique hotel in Horsham town centre.
- If the decision is to prioritise Park House for a boutique hotel conversion, the next step will be to progress a marketing exercise, to include follow up with the hotel companies that we spoke to that expressed interest in boutique hotel development in the town.
- If the decision is made to prioritise Park House for Hotel development, the District Council might also wish to consider whether it could play a role as the developer/investor for the conversion of Park House to a boutique hotel, perhaps with a view to leasing the completed hotel to a suitable hotel operator, and thereby generating an ongoing source of revenue for the Council. Local authorities across the UK are increasingly looking at hotel investment for this reason. Some have taken our Public Works Loans to fund hotels that they then lease to hotel companies, with the rental income

repaying the loan and generating a surplus for the Council. This approach has mainly been applied to budget hotel development, with Travelodge and Premier Inn having the covenant strength to take out a lease and satisfy investor requirements. We have provided at Appendix 13 a review of how local authorities and public sector bodies in the UK have started to invest in hotel development schemes. Engaging with site and relevant office building owners to make them aware of the potential for hotel development in Horsham and the hotel company interest in the town.

- Arranging familiarisation visits with target budget and upper-tier budget/limited service 3 star hotel brands (Premier Inn, Express by Holiday Inn and Hampton by Hilton) as a follow up to our contact with them, to begin to build a dialogue with them, better understand their requirements and get their input on potential hotel sites.
- Considering a potential role as developer/investor for a new budget or upper-tier budget/ limited service 3 star hotel in the town.
- Engaging with pub landlords and tenants and restaurant owners to make them aware of the potential for them to provide accommodation.

b) Raising Awareness of the Opportunities

7.4.3. A key role for the District Council to play is to raise awareness of the opportunities for tourist accommodation development that the Hotel & Visitor Accommodation Study has identified potential for in Horsham District. This can be achieved by one or more of the following options:

- Publication of the report, and/or a version for hotel businesses for information (possibly re-presented as a Hotel & Visitor Accommodation Development Prospectus) which will form part of the evidence base for the Site Allocations DPD, on the District Council's website;
- Circulation of the report / Hotel & Visitor Accommodation Development Prospectus (or a weblink to it) to land and property owners; farmers; the owners of existing hotels and tourist accommodation businesses; property developers; pub owners and pub companies; golf course, wedding venue, visitor attraction, fishing lake and vineyard owners; holiday lodge park developers; and hotel, leisure and commercial property agents.

- PR activity to gain local press and media coverage of the opportunities identified by the study
- An event, or series of events to publicise the findings of the study and provide further information and advice to those that might be considering tourist accommodation development proposals in the District. These could take the form of a series of accommodation development workshops covering different types of accommodation, which could also promote the funding opportunities available through the LEADER Programme; the accommodation development initiatives that the South Downs National Park Authority is looking at, particularly in terms of encouraging the development of accommodation along the South Downs Way; and the marketing opportunties through Horsham District Council's Destination Management Organisation (if the EAFRD funding is secured) and West Sussex County Council's West Sussex Weekends and Beautiful Outdoors marketing campaigns working together.

c) Identifying Sites for Larger Scale Tourist Accommodation Development Schemes

7.4.4. The Hotel & Visitor Accommodation Study shows potential for a number of tourist accommodation offers of scale – holiday lodge parks, golf and fishing lodge developments, activity holiday centres, and touring caravan and camping sites – which will require a countryside location. Given the economic and employment benefits that such accommodation developments can generate for the District's rural areas, but accepting the sensitivities about developments of scale in the countryside, there could be merit in the District Council taking a more proactive approach, perhaps as part of the Site Allocations DPD process, to identifying suitable sites where larger-scale tourist accommodation development projects would be acceptable in planning terms, and then working with land owners and accommodation developers and operators to bring forward suitable accommodation schemes.

d) A Pub Accommodation Development Programme

7.4.5. The Hotel & Visitor Accommodation Study shows potential for additional high quality pub accommodation and boutique inns in Horsham District. There is relatively little of this type of accommodation in the District. Such accommodation is finding a strong market elsewhere in the South East. Encouraging the development of pub accommodation is a good way of increasing the District's serviced accommodation supply, at the same time as helping to ensure the commercial sustainability and future of pubs. There could therefore be scope for the District Council to progress some form of Pub Accommodation Development Programme for the District, perhaps with other partners in Sussex. Such a programme might include:

- User-friendly business development guidance for pub owners and tenants on rooms development, including key performance indicators and case studies to inform the business planning process. Hotel Solutions has previously prepared similar guidance for Tourism South East as part of its Great Country Pubs project that could be built upon, up-dated and enhanced;
- Workshops for pub landlords on accommodation development project planning, welcome, and marketing;
- Provision of, or funding for/towards specialist consultancy and professional support to work up and progress pub accommodation development projects;
- Targeting breweries and pub companies to inform their pub development teams of the potential for pub accommodation development;
- Working with 'Pub Is The Hub' to develop some of the identified opportunities and explore other potential support available.

e) A Glamping Development Programme

7.4.6. Glamping is rapidly growing in popularity in the UK. Glamping businesses that have opened have quickly found a strong market. There is scope for significant expansion of this type of accommodation, which could be appropriate to encourage in the rural parts of Horsham District. There could therefore be merit in the District Council also progressing some form of Glamping Development Programme, again perhaps with other partners in Sussex. Such a programme might include the following:

- A Glamping Development Advice Sheet with guidance on the various types of accommodation this covers; the rationale and potential for development; typical performance indicators; planning and legal requirements; sources of advice; and suppliers;
- A glamping exhibition of the suppliers of bell tents, yurts, tipis, wigwams, camping pods etc. which would also present an opportunity for supply chain development in terms of supporting existing, and encouraging the development of new, glamping product suppliers.
- Training workshops for people considering setting up a glamping operation covering issues such as planning, customer expectations, set up costs, running costs and marketing.

f) Business and Marketing Support for Tourist Accommodation Operators

7.4.7. The provision of tailored business support and quality improvement initiatives would be beneficial for existing and prospective tourist accommodation operators across the District and would contribute to capitalising on the accommodation development opportunities identified in the Hotel & Visitor Accommodation Study. This could include:

- Training seminars and workshops e.g. setting up and running a B&B; setting up a glamping site; developing high quality self-catering; opening pub rooms; Walkers & Cyclists Welcome training; Green Tourism Business training; and marketing/digital marketing courses;
- Business advice surgeries;

- Provision of, or funding for/towards specialist consultancy and professional support to work up and progress tourist accommodation development schemes;
- Business networking;
- Quality awareness days;
- Quality awards schemes;
- Retention of a PR consultant to generate press and media coverage for existing and new high quality, distinctive accommodation businesses.

7.4.8. The provision of such support could be progressed by the Council either independently or with other partners in Sussex.

g) Growing the Market

7.4.9. Alongside encouraging and supporting the development of hotel and visitor accommodation in the District, it will also be important for the District Council to support existing and new accommodation businesses by taking steps to help grow the staying visitor market in the District through:

- The attraction of new companies with requirements for hotel accommodation;
- The development of the visitor offer of Horsham town centre through the implementation of the Town Centre Vision and Destination Management Plan;
- The development of the visitor offer in the rural parts of the District in terms of attractions, provision for outdoor activities, and the retail and food and drink product of the District's smaller towns and villages;
- Effective destination marketing through the new Destination Management Organisation (if the EAFRD funding is secured) and participation in the County Council's West Sussex Weekends and Beautiful Outdoors marketing campaigns.

h) Keeping a Finger on the Pulse

7.4.10. The Hotel & Visitor Accommodation Study provides a snapshot of the District's accommodation sector and its development potential at one point in time. Moving forward it will be important for the District Council to monitor how the sector is developing and performing over time to establish ongoing priorities for the further development of hotel and visitor accommodation, and to evaluate the impact of any interventions to proactively support the development of the sector. This can best be achieved through periodic in depth research, rather than ongoing surveys, which are very time consuming and costly to deliver.

7.5. Concluding Comments – Next Steps

7.5.1. The Hotel & Visitor Accommodation Study shows a strong and growing market for hotel and visitor accommodation across Horsham District, with frequent shortages of hotel accommodation in Horsham Town during the week, and insufficient provision of all forms of visitor accommodation to meet weekend and summer demand across the District. Going forward it is clear that additional hotel and visitor accommodation provision is needed to fully service corporate demand in Horsham Town and enable companies to do business effectively here; to satisfy demand from people attending weddings and visiting friends and relatives at weekends: and to allow the District to fully capitalise on the potential for staying tourism growth, especially in terms of short break demand. While the market will deliver new supply, there is much that Horsham District Council can do to accelerate hotel and visitor accommodation development through a positive, flexible and enabling planning policy framework, and proactive interventions to raise awareness of the opportunities and provide business support and funding, including potentially direct investment in strategically important schemes that can give the Council a good investment return. It is for the Council to decide how best to act on the study findings and recommendations as it moves forward with the development and implementation of the new Horsham Town Centre Vision, Destination Management Plan and Site Allocations DPD.