CONTENTS

1. BACKGROUND AND SCOPE OF THE STUDY

1.1 In 2001, St Albans City and District Council commissioned a consultant to undertake a review of hotel provision in the District and to assess future need for further hotel accommodation. This work was completed in January 2002 and was used to inform the Council's consideration of possible sites for meeting existing and future demand for additional overnight accommodation in the District Local Plan Second Review. The Planning and Compulsory Purchase Act 2004 introduced major changes to the planning system and the Second Review of the adopted Local Plan was subsequently abandoned, in order for work to begin on the preparation of new style Development Plan Documents, which will collectively form part of the Local Development Framework for the St Albans District.

1.2 The Council is now building its evidence base for the production of its Development Plan Documents. Given the dynamic nature of the hotel industry, it was considered necessary for the findings of the 2002 study to be revisited, before decisions could be taken on whether specific sites should be allocated for meeting identified need for hotel development.

2. METHODOLOGY

2.1 Once again, the District Council has undertaken a detailed review of the serviced accommodation in the District and has sought to evaluate supply and demand for hotels and bed and breakfast establishments, both now and in the future.

2.2 Statistical information (such as occupancy data, visitor information, tourism expenditure) was primarily obtained from the East of England Tourist Board and St Albans Tourist Information Centre. Detailed interviews held with hotel managers in the District have given a good insight into the local hotel market, whilst information obtained from leading hotel consultancies, commercial agents and hotel operating companies has shed light on key trends in the UK hotel market.

2.3 The study has also involved liaison with Council Officers, including the economic development manager and the tourism officer. Discussions with the latter were particularly useful in understanding the spatial planning implications of the Council's Tourism Strategy.

2.4 The problems inherent in forecasting current and future demand for hotel accommodation are well documented. There are many factors which influence the hospitality industry and hotels are often susceptible to fluctuations in demand, for example due to economic downturns (both national and international), or unforeseen events such terrorism, environmental incidents etc. Generally speaking, economists use occupancy statistics to assess trends in demand for hotel accommodation and, as mentioned above, we have obtained relevant occupancy information from the East of England Tourist Board which has allowed trend-based comparisons to be made between occupancy levels in the district, the county and the region. However, paragraph 5.16 explains that statistics must be treated with caution due to very small sample sizes for some months. As there is no definitive way of assessing current and future demand apart from occupancy statistics, we have sought to collate information (statistics and experts' views) from a range of different sources in order to come to some conclusions.

2.5 The Council has recently commissioned consultants to undertake an Employment Land Review of Central Hertfordshire (this is a jointly funded project with Welwyn Hatfield Council and Hertsmere Borough Council). The study will assess predicted future growth in the employment market and, given that there is a strong correlation between business development and demand for hotel accommodation, the findings will have significance for the quantitative assessment of need for additional hotel bedspaces in St Albans District.

3. POPULATION AND ECONOMIC PROFILE OF THE DISTRICT

Population

3.1 St Albans District has the second largest population in Hertfordshire (132,200 according to the 2004 Mid Year Estimates), which equates to just under 13% of the total population of Hertfordshire. The District's overall population is projected to increase substantially by nearly 20% over the 25 year period from 2003 to 2028. (Source: Hertfordshire County Council). St Albans has predicted high growth because its migration estimates have been high in the preceding period, mainly attributable to international migration. International migration is the most imprecise element of population projection, and therefore the above percentages should be viewed with caution.

3.2 It should be noted that the draft East of England Plan has assumed lower projected population growth figures for St Albans District, which are considered to be more realistic.

Transport and Communications

3.3 St Albans is served by a comprehensive road network including the A1(M), M1, M10 and M25 motorways. St Albans is also accessible by public transport to London, with Kings Cross Thameslink only 20 minutes away by train. The Silverlink branch line (the Abbey Flyer) connects the smaller St Albans Abbey Station with Watford Junction (trains every 45 minutes until 21.52). London Luton Airport is approximately 10 minutes away from Harpenden by train or car, whilst the Thameslink line offers direct train access from both St Albans City and Harpenden stations to Gatwick Airport.

3.4 Whilst access to and from St Albans is good, getting around the District is becoming increasingly difficult with traffic congestion in St Albans and Harpenden, particularly during peak hours.

Employment

3.5 In 2003 there were 7692 business units within the St Albans District. Although the vast majority of the businesses fell within the '1-10 employees' category, there were also several large businesses (employing 200+ people) located within the District. These tend to be attracted to the area by its proximity to London and the excellent transport and communication links.

Number of Businesses in St Albans, 2003				
	1 to 10 employees	11 to 49 employees	50 to 199 employees	200+ employees
Agriculture & Fishing	*	*	0	0
Energy and Water	*	*	*	0
Manufacturing	307	56	*	*
Construction	469	28	*	0
Distribution, hotels & restaurants	1243	232	39	*
Transport & communications	181	30	*	*
Banking, Finance & Insurance	3834	139	39	*
Public Administration, Education & Health	223	149	60	*
Other Services	533	36	*	*
Total:	**6809**	**675**	**182**	**26**

Source: Annual Business Inquiry 2003

** This information is confidential to protect the identity of individual enterprises who have made statistical returns.*

Employees in Employment in St Albans					
Sector	**1999**	**2000**	**2001**	**2002**	**2003**
Agriculture & Energy	600	500	800	900	600
Manufacturing Industries	4,000	3,500	2,900	2,700	3,500
Construction	2,600	3,500	3,600	2,600	2,200
Distribution, Hotels & Restaurants	14,600	14,400	15,000	14,600	14,800
Transport & Communications	3,200	3,000	3,700	3,500	3,100
Banking, Finance and Insurance	18,200	18,100	17,000	14,900	16,000
Public Admin, Education & Health	12,200	11,500	12,000	12,500	12,300
Other Service Industries	2,400	3,500	3,200	3,200	3,500
Total	**57,800**	**58,000**	**58,200**	**54,900**	**56,000**

Source: Annual Business Inquiry (all figures rounded to the nearest 100)

3.6 The total number of employees in employment in St Albans District was 56,000 in 2003, a fall of 2,200 since 2001. The greatest number of employees work within the Banking, Finance and Insurance sector (29%), followed closely by Distribution, Hotels and Restaurants (26%) and Public Administration, Education and Health (22%). However, whilst the numbers employed in the latter two sectors has remained fairly stable since 1999, there has been a decline in the numbers employed in Banking, Finance and Insurance (a fall of 2200 over the four years).

3.7 According to the 2001 Census there were approximately, 23,000 people coming into the St Albans District to work, of which the vast majority (almost 75%) commute in from other local authority areas in Hertfordshire or from Bedfordshire.

Growth in Commercial Floorspace

3.8 The 2002 Hotels Study suggested that recently completed city centre developments (and those with planning permission) would result in an additional 23,400 sq m of office floorspace, generating over 1100 jobs. However, of the seven office development schemes proposed, only four were actually built (comprising 13,600 sq m office floorspace) and the remaining sites have either been lost to housing development or are currently being considered for housing.

3.9 In terms of the other commercial developments mentioned in the earlier study, the retail developments at Griffiths Way and Barnet Road, London Colney have been implemented, as has part of the office development at the former United Glass site, Porters Wood Industrial Estate and the industrial warehousing development at Colney Street (see table below). However, planning permission has recently been granted for a residential scheme (183 dwellings) on the former Kwik Save site in Frogmore.

3.10 The following table includes details of recent and planned office and commercial development in St Albans City and District. Evidence suggests that, in the last few years, there has continued to be growth in office and commercial floorspace across the District. Whilst this may indicate possible future demand for hotel accommodation, it is likely that the majority of this office growth will comprise small businesses rather than the larger businesses (particularly regional and national headquarters) which tend to generate more hotel demand.

Recent and Planned
Office and Commercial (Manufacturing, Warehousing or Retail) Development

Site	Floorspace Sq m Gross	Details
Eywood Road/St Stephen's Hill (former Thomas Mercers site)	4,880 sq m 4,810 sq m	Office development. Phase 1 completed and Phase 2 under construction.
55 Victoria Street, St Albans	1,490 sq m	Erection of a 3 storey office

		building. Not yet started.
Former Mascoprint site, Campfield Road, St Albans	1,625 sq m	Office development. Completed.
Former Odeon Cinema, London Road, St Albans	(2,325 sq m)	Outstanding planning permission for office development. However recent planning appeal for housing development.
Former United Glass site, 17-21 Porters Wood, St Albans	1,474 sq m 4,821 sq m	Redevelopment for offices. Phase 1 completed. Phase 2 now begun.
Former Waters Garage site, 220 London Road, St Albans	(1,336 sq m)	Outstanding planning permission for offices, but a housing scheme is likely here.
63 High Street, Harpenden	1,280 sq m	Outstanding planning permission for office development.
Station House site, Station Road, Harpenden	680 sq m	Office development currently under construction.
Former Cherry Electrical site, Coldharbour Lane, Harpenden	3,034 sq m	Two storey office development under construction.
Iradion House, Southdown Industrial Estate, Harpenden	1,410 sq m	Planning permission for the demolition of existing and the erection of 8 industrial units. Not started.
Rothamsted Experimental Station, Harpenden	7,416 sq m	New research laboratory now completed.
Rear of the Former Kwik Save site, Frogmore	9,800 sq m	Redevelopment for B1, B2 and B8 completed.
Land at Old Parkbury Lane, Colney Street	8,157 sq m 16,815 sq m	Mixed use development (B1, B2 and B8). Phase 1 completed and Phase 2 under construction.
Christopher Place Shopping Centre, St Albans	N/A	Refurbishment of the centre has attracted a number of quality retailers and is now fully let.

Source: St Albans City & District Planning Records

3.11 Discussions are continuing with regard to the possibility of a mixed use scheme (multiscreen cinema, housing and A3 restaurants) on the Bricket Road car park site. In additional, developers are keen to discuss options for the future development of both the Radlett Aerodrome and Harperbury Hospital sites.

House Prices

3.12 The table below gives an indication of house prices across Hertfordshire in the first quarter of 2005. Compared with other Districts and the county average, the prices in St Albans District are high:

Average House Prices for the First Quarter of 2005				
Postal Town	Detached	Semi-detached	Terraced	Flat/ Maisonette
St Albans	432,400	308,500	245,200	201,600
Harpenden	643,400	367,800	258,500	153,900
Watford	415,300	227,100	194,200	165,700
Stevenage	327,800	198,400	161,400	109,500
Hertfordshire Average	**474,500**	**261,900**	**201,200**	**158,100**

Source: Hertfordshire County Council

Tourism

3.13 The City of St Albans has a long and varied history, with plenty to attract visitors, particularly those on day trips. The 2002 hotels study highlighted in detail some of the many reasons why St Albans can consider itself a tourist-historic city. Of perhaps most interest to tourists are St Albans Cathedral and the City's Roman heritage, including the impressive Verulamium Museum. Other attractions include the Museum of St Albans, the Clock Tower, the Roman Hypocaust and the twice weekly street market. St Albans city centre also boasts a selection of small speciality shops and a plethora of places to eat and drink, particularly in the 'Cathedral Quarter'.

3.14 The East of England Tourist Board produced a study outlining the Economic Impact of Tourism in St Albans (2002). Key findings of this study were as follows:

- Despite all that St Albans has to offer, there were significantly more day visitors than staying visitors. In 2002, the total number of visitors staying overnight in the District was 319,000, whereas the total number of day visits was estimated at 3,312,000.

- Of those staying overnight, only 28% stayed in serviced accommodation, compared with 62% who stayed in the homes of friends and relatives.

- The total expenditure associated with day and overnight visits to the area was £146,156,000. Of this £44,414,000 was related to staying visits and £101,742,000 to day visitors.

- Of the total number of visitors staying in St Albans, 274,000 (86%) were from the UK and 45,000 (14%) were from overseas.

- Overall (i.e. overseas and UK visitors) 39% of staying visitors were on holiday, 37% were on visits to friends and relatives and 21% were on business trips. Interestingly, only 7% of overseas staying visitors were on holiday, but 38% were on business, compared with 18% of UK residents citing business as the purpose of their visit.

Visits to Tourist Attractions in St Albans						
Attractions	**2000**	**2001**	**2002**	**2003**	**2004**	
St Albans Cathedral	318,500	316,600	280,979	247,600	200000	E
Verulamium Museum	88,799	89,315	79,774	78,988	79146	
Museum of St Albans	17522	17845	21360	15602	15082	
Clock Tower	5700	6208	6892	5628	5716	
Redbournbury Watermill	2500	3000	4000	4500	5000	E
St Albans Organ Museum	3550	4369	4782	3842	3880	
De Havilland Aircraft Heritage Centre	12500	6245	6306	5500	6000	E

E = Estimated figures

Source: East of England Tourist Board

3.15 From the above table, it is clear that the most important tourist attraction in the District is St Albans Cathedral, although even here we have seen a significant decline in visitors since 2000. Whilst some of the tourism figures are purely estimates, it would appear that declining visitor numbers have been experienced at several of the attractions. There has, however, been a modest increase in visitors to Redbournbury Watermill.

3.16 Some time ago, the Royal National Rose Society was granted planning permission to extend its Gardens of the Rose in Chiswell Green to 60 acres and to build research and development and visitor facilities on this site. However, these improvements were never implemented and the Gardens have been closed throughout 2004 and 2005. Major refurbishment and restoration works are planned to begin in Autumn 2005. These works will be funded by the sale of land under the ownership of the Royal National Rose Society to a company that has secured planning permission to build a ‘Butterfly World’ biodome on site.

3.17 It is hoped that the Gardens of the Rose will be back open in Summer 2006 and that the Butterfly World attraction will be open by 2008, attracting up to 250,000 visitors per annum. This will be a huge boost to the tourism offer in the District and could have a major impact on the local area, as other successful visitor attractions like The Eden Project in Cornwall have done.

4. HOTEL SUPPLY

Accommodation Grading Schemes

4.1 In 1998 the English Tourist Board, RAC and AA harmonised their accommodation grading schemes. Previously the RAC and AA both used the 'stars' grading scheme, whilst the Tourist Board used a completely separate scheme, which graded all accommodation from B&Bs to large luxury hotels using a 1-5 scale scheme known as 'Crowns'. The harmonised scheme now grades hotel accommodation by 'Stars', whilst guesthouses, inns and bed & breakfasts are graded using 'Diamonds'. (See Appendix 2 for a full explanation of the schemes).

4.2 It should be noted that the National Tourist Boards of England, Scotland and Wales, together with the AA and RAC have recently announced plans to rate all serviced accommodation using a common set of standards (represented by stars ranging from one to five). This is the first time that a single method of assessing and rating serviced accommodation will be used by these organisations and it will be introduced progressively following the start of assessments of individual establishments in January 2006.

4.3 Serviced accommodation will be divided into three categories (hotel, guest accommodation and budget hotel), each with its own specific set of criteria and standards for rating.

Types of Overnight Accommodation in the District

4.4 We have attempted to categorise the establishments listed in Appendix 1 into different types of overnight accommodation, in order to assess existing supply and make assumptions about future demand. These categories are broadly based on the grading system explained above. Whilst establishments could have been categorised solely on the basis of pricing, this would be slightly misleading because rates in St Albans tend to be higher in comparison with other areas of the country, due to factors such as: good accessibility and proximity to London.

4.5 The findings of this report, refer to the following types of facility:

<u>Quality Hotels (4 star with conference facilities)</u>

4.6 There are 2 hotels within this category, Sopwell House Hotel and Thistle Hotel, both in St Albans. Their target markets are the business market (particularly conferences and training), leisure breaks and weddings. The hotels have gyms and spa facilities with paid membership open to the general public as well as staying guests.

<u>Smaller 'boutique style' hotels (typically 3 star hotels)</u>

4.7 These hotels are generally smaller in size and have less facilities, but are not necessarily of poorer quality. They tend to be in more central locations and most have smaller conference and training and leisure facilities. This style of hotel is popular with business people during the week and with independent travellers at weekends. The 6 hotels in this category can all cater for weddings and other social functions. For statistical purposes we have included the Ramada hotel here, although strictly speaking it is a larger property with 137 rooms.

Budget Hotels (typically 1 or 2 star)

4.8 Budget hotels account for approximately 12% of the hotel market in the UK and yet the City and District has limited provision of budget hotel accommodation, with no properties officially graded as 1 or 2 star facilities. Nevertheless, the Moor Mill Travel Inn, the Pre Hotel and the White Hart Hotel (all currently ungraded) ought to be included under this category. Similarly, we have included the Ardmore House Hotel and the Apples Hotel here, despite both being given an official four diamond guesthouse grading. Key markets for budget accommodation are in-commuters, people on business, passing trade and building/fitting staff. Central locations, consistency of product, good reservation systems and competitive prices are the main attractions of budget hotels, with operators themselves often seeking sites which have good accessibility to motorway junctions and the railway network.

Bed and Breakfast and Guesthouse Accommodation

4.9 This category of accommodation serves a similar market to the budget hotels above, although generally caters for more leisure visitors than people on business. Most of the 35 bed and breakfast and guesthouse establishments in the District are centrally located, which makes them attractive to those on weekend breaks or visiting friends and family and also to construction workers and shop fitters based in the District for a short period. Under this category we have included all the properties with official diamond gradings (except the Apples and Ardmore House Hotels mentioned above). We have also included the Colney Fox, Lower Red Lion and Tin Pot (public houses) and Old Cottage bed & breakfast in Harpenden, all of which are currently ungraded.

Summary of Overnight Accommodation in St Albans District

4.10 Analysts sometimes use the total number of bed spaces as a basis to assess demand and supply for overnight accommodation in an area. However, for St Albans District it is more appropriate to use bedrooms rather than bed spaces as a measure. This is because weekday occupancy outstrips weekend occupancy, mainly due to business travel. When customers stay on business in any given location they rarely share rooms. Double, twin and sometimes even family rooms/suites therefore tend to have single occupancy during the week.

4.11 At present there are 944 bedrooms across all the types of overnight accommodation in the St Albans District (see Appendix 1 for full details) broken down as follows:

Type	Total No. of Rooms	% of Total Room Stock
Quality Hotels (4* with conference facilities)	239	25
Smaller ‘boutique style’ hotels (typically 3* hotels)	444	47
Budget Hotels (typically 1 or 2*)	124	13
Bed & Breakfast/Guesthouses	137	15
Total stock	**944**	**100.0**

4.12 The spatial requirements for bed and breakfast and guesthouse accommodation are very different to those for hotels. Accommodation tends to be located within family homes or is achieved through conversion of existing (mainly residential) properties rather than requiring large, new build premises. Consequently we have decided to focus on just hotel supply for the purposes of our quantitative analysis of existing and future need. However, we will also consider whether there is a need for a policy in the emerging Development Control Policies Development Plan Document (DPDs) to protect existing bed & breakfast/guesthouse establishments or to encourage new businesses to set up. Similarly, the Study does not include any assessment of the need for other types of visitor accommodation in the District, such as camping and caravanning sites or hostels. Again, this will need to be considered as part of work on our DPDs.

4.13 The above table clearly demonstrates that almost half of the District’s overnight accommodation falls within the smaller, boutique style category (i.e. three star hotel accommodation). The smallest provision is within the budget market, with only 126 bedrooms accounting for just 13% of total accommodation in the District.

4.14 In terms of geographical spread, Map 1 demonstrates that existing hotel provision in the District is fairly well distributed, although there are gaps to the south of the A414 and there is no budget accommodation (apart from bed and breakfast and guesthouses) within St Albans City Centre or Harpenden town centre. Most of the smaller hotel establishments are accessible by public transport and are well served by road. The larger hotels with conference facilities are generally located further out from the main centres and lie within the Metropolitan Green Belt. Although technically accessible by public transport, the majority of their customers arrive by car.

Conference Facilities

4.15 The table overleaf gives details of existing hotel conference facilities in the St Albans District.

Hotel	Conference Facilities	No. of Delegates	Conference Floorspace
Sopwell House Hotel, Sopwell Lane, St Albans	17 rooms of various sizes	Largest room can accommodate 400 people (theatre style)	1340 sq m
Thistle Hotel, Chiswell Green, St Albans	14 meeting rooms	Seat roughly 500 people in total (largest room seats 50 people theatre style)	697 sq m
Ramada, Hemel Hempstead Road, Redbourn	6 flexible conference rooms	Largest room holds 75 delegates	316 sq m
Quality Hotel, London Road, St Albans	5 meeting rooms	Can accommodate up to 200 delegates	307 sq m
Corus Hotel, Southdown Road, Harpenden	7 meeting rooms (some flexible)	Garden suite can accommodate 150 people (theatre style)	243 sq m
Glen Eagle Manor, Luton Road, Harpenden	4 flexible rooms	Can accommodate up to 150 delegates	161 sq m
Comfort Hotel, Holywell Hill, St Albans	3 meeting rooms	Can accommodate 2 to 40 delegates	-
St Michael’s Manor, Fishpool Street, St Albans	3 meeting rooms	Can accommodate up to 30 delegates	76 sq m
Ardmore House, Lemsford Road, St Albans	3 meeting rooms	Can accommodate from 2 to 50 delegates	-

4.16 Sopwell House offers the largest amount of conference facilities within the District. The only recent extension to the District’s offer was at the Quality Hotel in London Road (an extra 69 square metres conference floorspace built in 2005). Planning permission for an extension to the conference facilities at the Thistle Hotel in Chiswell Green remains unimplemented, but would result in an extra 650 sq metres floorspace.

4.17 Generally, conference facilities are found in the District's larger hotels and the geographical spread of existing facilities is good, except for some gaps in provision in the south of the District. Future development opportunities at Sopwell House, Ramada Jarvis and Thistle, St Albans are restricted by the Metropolitan Green Belt, whilst the age and architectural quality of some of the District's hotels also restrict expansion opportunities to some extent.

Recent Changes in Hotel Supply in St Albans City & District

4.18 There has not been any substantial increase in hotel supply within the St Albans District over the past few years. The only major building works have been at the Quality Hotel in London Road which involved the construction of an extra 38 guest bedrooms, general refurbishment, upgrading of existing conference facilities and installation of a new swimming pool, sauna and gym. In addition, 8 new rooms are currently being constructed at St Michaels Manor in Fishpool Street, which will bring the total number of guest bedrooms to 30. In 2002, planning permission was granted for conversion of part of the Apples Hotel to residential accommodation, reducing the number of guest rooms to 6. There has also been a recent extension to the Ardmore House Hotel, which replaced an existing marquee with permanent conference and venue facilities.

4.19 There have been one or two recent planning applications for conversion of properties to bed and breakfast accommodation. However, there are generally more establishments closing down each year than starting up. This is often due to personal circumstances, so is not necessarily an indicator of poor market conditions. Nevertheless, very high residential values in the District make conversion from bed and breakfast/guesthouse establishments to private dwellings an attractive proposition.

Hotel Supply in Neighbouring Districts

4.20 Appendix 3 provides an overview of existing hotel stock in neighbouring Districts. As a very broad estimate (bearing in mind that the list of hotels in Appendix 3 cannot be considered exhaustive) the stock in towns close to St Albans District is in the region of 4500 bedrooms.

4.21 It is interesting to see that there has been a considerable amount of hotel construction activity in neighbouring Districts over the past few years. The following list sets out recent additions to hotel stock :

- A 116 bedroom hotel (Express by Holiday Inn) at the former John Dickinson Papermill Site in Apsley, Hemel Hempstead.
- A 100 bedroom hotel (Premier Travel Inn) under construction as part of a mixed use Riverside Development scheme (Plough Roundabout, Hemel Hempstead town centre). Due to open in November 2005.
- A 120 bedroom hotel (Days Inn) in the centre of Luton opened earlier in 2005.
- Two Premier Travel Inns in Welwyn Garden City and Hatfield (90 and 40 bedrooms respectively).

- Three hotels serving London Luton Airport - 147 bedroom (Express by Holiday Inn), 129 bedroom (Premier Travel Inn) and 92 bedroom (Ibis Hotel).
- A 120 bedroom hotel (Premier Travel Inn) on the corner of Elstree Way and Warwick Road, Borehamwood.
- The Grove Hotel (211 rooms) at Chandlers Cross in the District of Three Rivers.

4.22 All of the new hotels can be categorised within the budget hotel sector and Whitbread (who are owners of Premier Travel Inn) seem to be have been the most proactive in terms of new development in neighbouring districts, opening 5 new establishments. Much of the hotel demand has been associated with the expansion of Luton Airport and the development of major new employment sites such as the former Aerodrome site (Hatfield) and Leavesden Park (Watford).

5. HOTEL DEMAND

Types of Overnight Visitors

5.1 Demand can be broadly categorised as business or leisure. Both have distinct requirements.

Business

5.2 Of the total number of staying visitors in 2002, 21% were on business (18% of UK staying visitors and 38% of overseas staying visitors).

5.3 According to the 2001 Census there were approximately, 23,000 people coming into the St Albans District to work. Whilst this might imply that there is significant demand for overnight accommodation, when one looks more closely at the figures it is clear that the vast majority (almost 75%) commute in from other local authority areas in Hertfordshire or from Bedfordshire. Consequently, it is unlikely that many of these in-commuters will be staying overnight in the District.

5.4 As previously highlighted, the average house prices within the district are extremely high and the cost of living in the District makes recruitment and retention of staff difficult. Consequently, firms often have to employ consultants or temporary agency staff to cover vacant posts or to carry out specific pieces of work. Given the temporary nature of this type of contract, employees often prefer to stay in local hotels or bed and breakfast accommodation during the week and return home at weekends. It is this type of worker, together with those people who are attending one off meetings or conferences in the District, who are more likely to require overnight accommodation.

5.5 It is generally accepted that a correlation exists between let office space and demand for hotel accommodation, particularly in the banking, financial and insurance sectors where multinational companies often require accommodation for their staff or clients. With new development taking place in the office, residential or retail markets within the district, there also tends to be a corresponding increase in demand for budget accommodation (predominantly bed and breakfast) from construction workers and fitting staff staying overnight during the week.

5.6 It is the larger hotels in the District which cater primarily for the business sector, particularly those with in-house conference and training facilities. St Albans' proximity to London and its transport infrastructure makes it an attractive location for people who need easy access to the Capital. Similarly, the hotels in the District are well placed to serve airport staff, flight crew and passengers from Luton Airport.

5.7 Demand for overnight accommodation from the business sector is predominantly during the week rather than at weekends. The occupancy statistics set out later in this report suggest that it is the business market rather than the leisure market which is strongest in St Albans. This is supported by the views of the hoteliers already operating in the District.

Leisure

5.8 Leisure demand for hotel accommodation is mainly at weekends and is generated by weddings and other social functions, visiting friends and relations or leisure/sporting breaks. Leisure breaks are becoming increasingly popular and although one of the smallest sectors of demand within the broader hotel sector, there is scope for continued growth. As demand at the weekend for all kinds of accommodation is generally lower than during the midweek period, most accommodation providers in the district have a split rate structure with weekend rates lower than midweek rates.

5.9 Analysts suggest that the luxury leisure market is becoming increasingly competitive and customers expect more facilities (such as spas and gymnasiums), whilst also seeking better value for money and good accessibility.

5.10 At the other end of the market, the high prices of residential properties in and around St Albans mean that people may only be able to afford smaller houses with less space to accommodate friends and family (who themselves are a high percentage of staying visitors to the district). This generates additional demand for budget accommodation.

What is happening in the St Albans Hotel Market?

5.11 Generally speaking, the existing hoteliers within the District consider business to be relatively stable at present, although some hotels have noticed a decrease in demand/business over the last few years. One manager suggested that this may have been partly due to companies deciding to look elsewhere for overnight accommodation when they had regularly struggled to find vacancies within the St Albans District. Certainly, hoteliers are concerned about the influx of budget hotels in the surrounding area, which appeal to companies with increasingly tight travel budgets who are seeking overnight accommodation. There seems to be optimism about the prospects for the local hotel sector, although to a certain extent this is dependent on external factors such as events and market trends in London, growth in the business sector locally and projected growth at London Luton Airport.

5.12 When asked about the strengths of St Albans as a hotel location, managers of existing hotels in the District unanimously agreed that the greatest strength was the City's location, in close proximity to London and with access to an excellent transport network. In terms of trade, the corporate business and conference markets were the strongest, followed by weddings and other social events. Perhaps surprisingly, very little business was being generated by tourism, although some respondents considered that St Albans had the potential to become a tourist hotspot. Generally, hoteliers felt that there was already a good mix in hotel accommodation within the District (prices, facilities etc) and there was not perceived to be any significant shortfall in hotel accommodation in any specific market sector, apart from perhaps conference facilities.

5.13 In terms of weaknesses, hoteliers felt that the following acted as deterrents to people seeking overnight accommodation in the St Albans District:

- High room rates (highest price for double room mid week is £185 and the average price of a double room in a 3 or 4 star establishment mid week is approximately £145. Budget accommodation is in the region of £60 per night);
- Lack of parking provision and high cost of car parking within the District;
- Ongoing road works and traffic congestion.
- Perceived problem of unruly behaviour at night in the main centres.

5.14 The hotels themselves are facing increasing competition from all sectors, particularly the numerous budget hotels being built on strategic sites close to main road networks in neighbouring districts, but also from new quality establishments such as The Grove, just outside Watford.

5.15 All respondents felt that St Albans was not promoted very well as an overnight destination, despite having lots to offer and that the City did not make the most of its history to attract more tourism. It was also suggested that there needed to be better co-ordination between the Council and the hotels to promote the District to potential visitors.

Occupancy Trends

Average Hotel Room Occupancy

	St Albans District		Hertfordshire		East of England	
	Weekday %	Weekend %	Weekday %	Weekend %	Weekday %	Weekend %
January 2002	69	30	71	40	55	34
February 2002	76	29	75	44	64	45
March 2002	-	-	80	42	62	45
April 2002	-	-	77	54	64	49
May 2002	-	-	79	53	65	56
June 2002	69	43	70	52	68	57
July 2002	75	50	69	49	71	61
August 2002	62	48	71	60	67	64
Sept 2002	65	67	79	57	75	59
October 2002	-	-	79	49	69	55
November 2002	86	51	87	56	67	51
December 2002	59	44	60	43	56	41
Average 2002	**70**	**45**	**75**	**50**	**65**	**51**
January 2003	-	-	68	29	56	32
February 2003	38	64	56	57	61	48
March 2003	72	44	81	45	66	44
April 2003	54	43	66	44	61	52
May 2003	-	-	74	58	67	60
June 2003	75	51	73	50	73	56
July 2003	69	62	75	62	72	64
August 2003	56	57	68	63	66	64
Sept 2003	72	56	83	63	75	63
October 2003	76	57	84	58	75	63
November 2003	84	37	81	50	64	46
December 2003	52	20	67	53	53	42
Average 2003	**65**	**49**	**73**	**53**	**66**	**53**
January 2004	44	25	78	42	56	35
February 2004	66	29	73	33	59	40
March 2004	75	40	79	41	65	44
April 2004	53	32	71	47	60	51
May 2004	72	48	76	49	62	52
June 2004	76	55	91	55	74	58
July 2004	74	60	78	59	69	63
August 2004	51	46	85	65	72	68
Sept 2004	82	66	88	66	75	64
October 2004	65	38	83	47	70	53
November 2004	47	18	78	40	60	45
December 2004	45	29	54	36	49	42
Average 2004	**62**	**40**	**78**	**48**	**64**	**51**

Source: East of England Tourist Board

Annual Occupancy Rates			
Year	**St Albans District**	**Hertfordshire**	**East of England**
1999	69	66	57
2000	69	65	57
2001	59	63	59
2002	60	64	59
2003	58	65	60
2004	53	66	59

Source: East of England Tourist Board

5.16 Although they are useful when assessing trends in occupancy levels, the East of England Tourist Board warns that the above statistics should be treated with caution as there are a number of variables that can affect them. For example, in some months, the sample can radically drop to just a handful of establishments.

5.17 As with most districts within the UK, St Albans has seasonal peaks and troughs in occupancy levels and there is a heavy reliance on the weekday market, suggesting that the business market has a significant impact on demand for overnight accommodation.

5.18 Whilst in the last Hotels Study the average annual occupancy rates for the St Albans District were consistently higher than the Hertfordshire and East of England averages, this was not the case for 2002-2004. The above table demonstrates that the St Albans District averages for weekdays and weekends were lower than the county and regional averages for this period, except for weekdays in 2002 where the average occupancy rate for St Albans was 70% compared with 65% for the East of England region.

5.19 Average occupancy levels for Hertfordshire and the East of England region have remained relatively stable since 1999, but levels appear to have fallen within the St Albans District. The Hertfordshire figures should be treated with caution as there were some inconsistencies in terms of the sample sizes and several months where no statistics were available at all for some of the other Districts in the County. Nevertheless, it appears that there may have been factors specifically affecting the St Albans hotel market over that period.

5.20 It is probable that a combination of factors, rather than a single factor have caused occupancy levels in St Albans to fall. Whilst there has only been a very small increase in hotel provision within the St Albans District itself over the past few years, there has been a significant increase in hotel development in neighbouring Districts, which may well have met some of the local demand for overnight accommodation. However, this is only likely to be the case in towns in the immediate vicinity, as people are reluctant to travel distances to reach their final destinations unless absolutely necessary.

5.21 It is possible that issues such as ongoing traffic congestion and roadworks could have put some people off staying in the St Albans District, but generally speaking falling occupancy levels are more likely to be attributed to a downturn in the national economy. Hotel prices are particularly high in St Albans (see paragraph 5.13) and given that the stock of budget hotel accommodation in the District is relatively small, it may be that companies have chosen to book more reasonable accommodation for essential business travel. Additionally, given the good travel links between St Albans and London, it is possible that there has been a knock-on effect as the Capital recovers from falls in confidence from overseas visitors, particularly those from the United States. Certainly the declining visitor numbers at some of the District's main attractions are a cause for concern for the local tourist industry.

5.22 Interestingly, the second table shown on page 4 indicates that the number of employees working within the St Albans District fell by 3.1% between 1999 and 2003. The largest falls were experienced within the manufacturing, construction and banking, finance & insurance sectors, all of which tend to generate demand for overnight hotel accommodation. Labour market statistics produced by NOMIS also suggest that there was a fall in the number of VAT registered companies within St Albans District from 6,070 in 1998 to 5,720 in 2003, which may have had an impact on hotel demand. A further reason for a decline in hotel occupancy levels could be the slow down in office building rates over recent years, which in turn will have had a knock-on effect in terms of demand for overnight accommodation from construction workers, fitters etc.

5.23 Over the last year, the Tourist Information Centre (TIC) has seen a significant drop in accommodation bookings. However, the figures collected on an annual basis do not reflect the true picture, as a very high proportion of bookings are now made by individuals or companies either using the internet or dealing with the hotels directly rather than via the TIC.

Future Prospects for the Hotel Sector

5.24 Hospitality is a volatile industry, which is susceptible to major peaks and troughs in demand. It was a difficult time for the hotel sector between 2001 and 2003, with incidents such as foot and mouth disease, health scares, the Iraq war and particularly the terrorist attacks in the United States affecting demand. Since then, the hotel sector has recovered to some extent and market commentators believe that medium term prospects for the hotel sector are encouraging, driven by growth in consumer consumption, low interest rates and a recovery in international travel. Generally though, many hoteliers are finding it hard to increase their average occupancy levels and more modest growth has been predicted for 2005 after significant growth in 2004 where RevPARs (i.e. total of all hotel revenues divided by the total fixed bedroom stock) grew by around 8%. Indications are that the UK market will see RevPAR growth at around 4 to 5% over the next three years.

5.25 Continued fear of terrorism remains a factor and the recent terrorist attacks in London are likely to have had an effect on occupancy levels in the capital.

However, one would expect areas outside London, where hotels rely more heavily on domestic travel, to be less affected by events. It is too early to tell exactly what the end result will be of the terrorist attacks for London and beyond. Whilst there is likely to be some weakening of demand, particularly in terms of international leisure travel, it is the business sector which underpins demand for hotel accommodation in the Capital and for commerce it tends to be ‘business as usual’. Similarly, domestic travel has historically proved more resilient.

5.26 Overall, it is the UK economy which remains the most important factor affecting demand for hotel accommodation, according to TRI Hospitality Consulting. In a recent survey, the improving prospects for global economic indicators were ranked as the most important external consideration on business prospects. Events such as terrorist attacks usually only have a short term effect and the main driver for the performance of hotels is the economy, especially the strength of corporate spending.

5.27 Notwithstanding the above, a high proportion of hotel business is generated by local employers rather than the leisure market and this type of business tends to be less susceptible to fluctuations in the economy.

5.28 In terms of future prospects for specific hotel markets:

Budget Sector:

5.29 The hotel market continues to be driven by the budget sector with an increased number of brands coming into an already tight market. When one considers that in the USA and France, budget hotels comprise 25% of the total hotel market, compared with less than 15% in the UK, there still appears to be opportunity for growth within the sector.

5.30 Economists are predicting continued growth in the budget market. This will be fuelled partly by the boom in online room booking, which doubled to 20% between 2001 and 2003. Indeed, operators such as Travelodge have set targets for achieving 30% of all bookings online by 2005. Other possible reasons for predicted growth in the budget sector include increases in domestic tourism, the growing popularity of backpacker style holidays and an increasing number of companies taking a more frugal approach to booking overnight accommodation for their staff.

5.31 The main constraint to growth in the budget hotel sector is the availability of affordable sites. Most budget hotels are situated near main roads, within motorway service areas or in other accessible locations. However, town or city centre sites are also now at a premium. It is likely that budget hotels will become larger and more upmarket, as traditional sites become harder to find. In order to compete with three star hotels and guesthouses, these hotels are beginning to offer more facilities and they are now likely to be 80 bedrooms or more. Pricing structures are also changing, with more budget operators offering discounts to people booking early or online. Prices per night have been increasing especially in city centres, sometimes up to £70 or £80. There appears to be more regionally based pricing, together with pricing based on time of stay, time of week or season. Nearly all budget hotels are now offering parking to attract the business traveller, tourists and families who are travelling long distances.

Boutique-style Sector:

5.32 Contrary to forecasts suggesting the demise of the boutique style hotel, this sector seems to be going from strength to strength in the UK and there is predicted to be continued expansion particularly outside London. However, it is coming increasingly difficult to differentiate between boutique and main stream hotels. Boutique style hotels tend to be smaller properties, with fewer than 50 bedrooms. They are usually located in city centres, but are increasingly found in rural and regional locations. The traditional key players include Malmaison and Hotel Du Vin, but larger chains such as Hilton are testing the market and new brands like Dakota (launched in 2004) now offer boutique budget facilities. Whilst prospects are considered good for the boutique sector, when there is an economic downturn, it is this sector which tends to suffer declining customer numbers to the greatest extent.

Luxury Sector:

5.33 In March 2005 Visit London predicted that luxury hotels would be one of the fastest growing sectors in the Capital in the next five years. Clearly the terrorist attacks in New York and London will have had an impact on confidence in the hotel industry. The American business travellers have now returned, but the high spending American tourists staying in luxury accommodation have not come back so quickly, although to some extent they have been replaced by visitors from Russia, Europe and the Far East.

5.34 Nationally there has been very little 4 star hotel development outside of airport and city centre locations over the past year or so and it is not anticipated that this will change in the foreseeable future. Where development has taken place, greater emphasis has been on meeting customers' high expectations, for example through the introduction of facilities such as spas, which are growing in popularity and help to offer hotels a competitive edge. Hotels are, however, wary of investing a large amount of money on spa facilities in case they are just a fad.

Future Hotel Development in the St Albans District

5.35 In 2004, planning permission was granted for a 90 bedroom extension to the Thistle Hotel, Chiswell Green, together with new conference facilities. This permission is yet to be implemented, but would result in a total of 207 bedrooms on site.

5.36 Sainsbury's Supermarkets Ltd are currently seeking reserved matters approval for an outline budget hotel scheme at Colney Fields, London Colney, which was allowed on appeal in July 2004. The proposed site lies partly within the Borough of Hertsmere and partly in the District of St Albans. It is proposed that the hotel would have 96 rooms, with an ancillary restaurant, meeting rooms, offices and associated car parking.

5.37 Following consultation with various hotel operators not currently represented in the St Albans District, there continues to be interest in sites for new development. This is primarily in the budget sector, where companies are ideally seeking sites in central St Albans or close to major motorway junctions. In addition to the well known hotel operators, there have been some new entrants to the market, who are growing rapidly and seeking new sites, potentially in the St Albans area.

Future Hotel Development in Neighbouring Districts

5.38 In addition to the existing hotel stock in towns close to St Albans (see Appendix 3), Appendix 4 provides information on planned new hotel development in neighbouring Districts. If all the planning permissions and development proposals identified in Appendix 4 were implemented, this would result in a significant increase in the stock of overnight accommodation in the locality.

Future growth in the office/business/commercial markets in St Albans and in neighbouring districts

5.39 The District Council has recently commissioned consultants jointly with Welwyn Hatfield District Council and Hertsmere Borough Council to undertake an Employment Land Review covering all three local authority areas. The findings of this study will prove invaluable in assessing whether there is projected to be a significant increase in business floorspace in the St Albans area, which will influence demand for additional hotel bedrooms between now and 2021.

Tourism Initiatives and Major Events

5.40 The current Tourism Strategy for St Albans City and District covers the period 2003 to 2005. The vision for tourism in the District is that:

> '*...over future years the industry will continue to attract its existing markets and also increasingly attract new markets with genuine growth potential. The tourism product within the City and District will be of a better quality in line with market demands. The key themes of culture, heritage, speciality shopping and the surrounding rural attractions will be utilised within the market development. A new initiative will be introduced to try to encourage conferences and group visitors and to promote St Albans as a day out for the family. Visitor satisfaction and sustainability will be ensured through a quality environment in which visitors are welcomed to the area. There will be improved visitor management and information and the spread of visitors around the District is to be encouraged.'*

5.41 The Tourism Strategy sets the direction for the development, promotion and management of tourism within St Albans City and District. It includes seven key objectives, as follows:

- Objective 1 To maintain existing market share and create additionality within core markets;
- Objective 2 Create new market demand;
- Objective 3 To improve the quality of the existing tourism product;
- Objective 4 To develop new tourism products;
- Objective 5 To provide a high quality environment;
- Objective 6 To improve visitor management;
- Objective 7 To improve the collection and use of key tourism indicators.

5.42 The Strategy then sets out specific action points for achieving these objectives, such as promotional campaigns, creating a strong brand image for the District, marketing of special events, production of an annual Visitors Guide etc.

5.43 Raising the profile of tourism in St Albans District and encouraging more visitors is clearly high on the Council's corporate agenda and, if successful, is likely to have an impact on future hotel needs (of the type attractive to the leisure and tourism market). The Tourism Strategy states that the Council will continue to undertake volume and value economic impact analysis on a three yearly basis (see Action point 7.1). This information will give a clear indication as to the strength of the local tourism market, following implementation of the detailed action points in the Tourism Strategy. In addition, the Strategy itself will need reviewing next year and will include an assessment of achievements over the period 2003-2005.

5.44 Graduation ceremonies for the University of Hertfordshire are held annually at St Albans Cathedral for a week in November. Overnight accommodation is always fully booked, but there is no knock-on effect for the rest of the year. Similarly, demand for accommodation tends to increase for other annual events such as the International Organ Festival and the Herts County Show, but again there are no more lasting effects on occupancy levels.

5.45 The success of the London Olympic Bid is predicted to have a positive effect on the UK hospitality industry. However, analysts are warning that the Olympics could result in an increase in speculative hotel development, which may lead to an oversupply of hotel accommodation after the Games, as has been seen in other Olympic host cities. Whilst most of the demand will be for sites in East London, it is possible that there may be a slight knock-on effect for districts such as St Albans.

6. QUANTITATIVE AND QUALITATIVE NEED

Quantitative Need

6.1 The last Hotel Study (2002) identified extremely high hotel occupancy rates for the St Albans District. It was suggested that bringing down occupancy levels to the regional level could be achieved through increases to existing room stock and estimates were made as to how many extra bedrooms would be required.

6.2 In addition, growth in office developments was predicted to be high and there was perceived to be a strong correlation between increases in office floorspace and increased demand for hotel accommodation. To quantify future need for hotel bedrooms, the consultant suggested that, in order to keep up with demand, total room stock would need to increase at the same level as projected growth in non-manufacturing output (which was assumed to be 3.8% in 2000).

6.3 Discussions with leisure analysts have confirmed that using occupancy rates to calculate existing and future need for overnight accommodation is the industry norm. However, as highlighted in paragraphs 5.16 to 5.23 above, occupancy levels in the St Albans District have been below the county and regional levels for the past few years. Whilst this alone could perhaps suggest that there is currently no unmet demand for hotel accommodation in the District, the figures must be treated with caution. In the process of undertaking this study, we have obtained quantitative and qualitative information from a variety of different sources to give a much broader picture of the local hotel sector.

6.4 The previous hotel study also suggested that increases in tourism expenditure locally on overnight accommodation could be used to assess demand (subject to adjustments being made to reflect increases in hotel rates over the given period). However, statistics from the East of England Tourist Board suggest that spending on overnight accommodation in the St Albans District actually fell slightly between 2001 and 2002 when information was last collected. Statistics also confirm that tourism in St Albans is predominantly focused on day trips, so demand for overnight accommodation from tourists is actually quite low.

6.5 It is true that neighbouring Districts have seen significant increases in hotel stock and that there have been some modest increases in existing provision in St Albans, together with outstanding planning permissions for an extension to the Thistle Hotel in Chiswell Green and for a new budget hotel at Colney Fields, London Colney, which could be considered to meet current demand for hotel accommodation. Nevertheless, medium term prospects for growth in the UK hotel industry are promising and there certainly appears to be continued interest, particularly from the budget hotel sector, for new hotel sites in the St Albans District.

6.6 Whilst there is no clear evidence of an existing shortfall in hotel accommodation in the St Albans District, the Council's Development Plan Documents will cover the period to 2021 and judgements must be made as to whether sites need to be identified to meet any future growth in local demand for hotel accommodation.

6.7 The office market has been slow for some time across the South East and certainly the high growth in office floorspace anticipated in the last Hotels Study (2002) never came to fruition. It seems prudent to wait until the Employment Land Review has been completed before any quantitative estimates are made for future hotel demand. This is because evidence suggests that the strongest demand for hotel accommodation in St Albans is from the business sector and it has been demonstrated that parallels can be drawn between the likely scale of employment growth in the District and increases in demand for overnight accommodation, particularly those with conference and banqueting facilities.

Qualitative Need

6.8 Discussions with hotel operators and agents suggest that the budget hotel market is very buoyant at the moment and is likely to see continued growth over the next few years. Certainly there is demand for suitable sites from well known budget operators not yet represented in the St Albans area and there is currently a shortfall in this type of accommodation in the District. Consequently, development of new budget accommodation in central locations or on sites with road/motorway access ought to be encouraged, subject to acceptability of proposals in terms of their impact on the Green Belt.

6.9 With polarisation of the UK hotel market between budget and quality hotels, mid market hotels are being left somewhat exposed and there is predicted to be little growth in this sector. In any case, the existing supply of three star hotel accommodation in the St Albans District would appear to meet current and future demand.

6.10 Whilst analysts suggest the prospects for four star hotels are good, there is no strong evidence of a current shortfall in this type of accommodation locally. However, there may be a qualitative need for a high quality four star business hotel with conference facilities. The extent of this need will be assessed once the outcomes of the Employment Land Review are known. To be financially viable, an operation of this nature would require a minimum of around 120 bedrooms and would expect to provide on-site preferably surface parking for all customers. Location would be a prime factor, with operators attracted to locations with road/motorway access, preferably close to the M25.

Locational Requirements

6.11 Map 1 demonstrates that existing hotel provision in the District is fairly well distributed, although there are gaps to the south of the A414 and there is no budget accommodation (apart from bed and breakfasts and guesthouses) within St Albans City Centre or Harpenden town centre.

6.12 Sites in the south of the District are clearly attractive to the hotel sector. They enjoy close proximity to the strategic road network (M25, M1, M10 and A1(M)) and easy access to London, Gatwick Airport and the south coast on the Thameslink railway line. In addition, the Silverlink line from St Albans Abbey links settlements in the south of the District with Watford Junction. Any new four star hotel with conference facilities would be best located to the south of the A414, close to motorway and transport links. New budget hotel accommodation would also benefit from being located in the south of the district or within central St Albans, where accessibility is good.

6.13 London Luton Airport currently handles over 7 million passengers per annum (with 9 million expected in 2005) and the airport operating company has significant plans to expand capacity at the airport. Central Government's Aviation White Paper suggested that there could be as many as 30 million passengers using the airport per annum by 2030. Whilst there may be a knock-on effect in terms of hotel demand in the north of the St Albans District (Harpenden and the surrounding area), there has recently been a large injection of new hotel floorspace in the Borough of Luton which caters for airport passengers and generally speaking, people want to stay as close to the airport as possible in order to avoid unexpected delays when they fly. In addition, congestion through Harpenden and along the A1081 is already a problem, particularly following accidents on the M1 motorway. Consequently, it is not considered appropriate to seek further hotel accommodation in this area at the present time.

6.14 Similarly, whilst there has been significant employment growth in neighbouring areas such as the Hatfield Aerodrome site, Leavesden and Hemel Hempstead, all these areas have also seen corresponding increases in hotel bedrooms to meet demand.

6.15 The quantitative and qualitative findings of this study will influence further work by the District Council on the need to allocate sites for future hotel development in our Development Plan Documents. Preliminary work has highlighted the difficulties inherent in finding suitable and available sites within the existing settlements of the District. Sites outside these settlements will almost always lie within the Metropolitan Green Belt, where planning permission is much more difficult to secure and where the exceptional need for further hotel accommodation must be demonstrated to outweigh the impact of inappropriate development in the Green Belt.

APPENDIX 1

Accommodation in St Albans City and District

Name & Address of Establishment	Location	Grading	Number of Rooms
Sopwell House Hotel, Cottonmill Lane	St Albans	★★★★ silver	128
Thistle St Albans, Watford Road	St Albans	★★★★	111
Ramada Hotel, Hemel Hempstead Road	Redbourn	★★★	137
Quality Hotel, 232-236 London Road	St Albans	★★★	81
Corus Hotel Harpenden, Southdown Road	Harpenden	★★★	76
Glen Eagle Manor Hotel, 1 Luton Road	Harpenden	★★★	60
Comfort Hotel, Ryder House, Holywell Hill	St Albans	★★★	60
St Michaels Manor, Fishpool Street	St Albans	★★★	30
Total Hotel Rooms (Star grading)			**683**
Ardmore House Hotel, 54 Lemsford Road	St Albans	◆◆◆◆	40
Apples Hotel, 133 London Road	St Albans	◆◆◆◆	6
Riverside, 24 Minister Court	Frogmore	◆◆◆◆ silver	4
The Silver Cup Public House	Harpenden	◆◆◆◆	4
Wren Lodge, 24 Beaconsfield Road	St Albans	◆◆◆◆	4
Greens, 56 Sandpit Lane	St Albans	◆◆◆◆	4
Fleuchary House, 3 Upper Lattimore Road	St Albans	◆◆◆◆ silver	3
Braemar House, 89 Salisbury Road	St Albans	◆◆◆◆	3
Fern Cottage, 116 Old London Road	St Albans	◆◆◆◆	3
Hall Barn, 20 Sun Lane	Harpenden	◆◆◆◆	3
Holly Dene, Bowers Heath	Harpenden	◆◆◆◆	3
22 Ardens Way	St Albans	◆◆◆◆	2
178 London Road	St Albans	◆◆◆◆	2
Tresco, 76 Clarence Road	St Albans	◆◆◆◆	2
The Avalon Hotel, 260 London Road	St Albans	◆◆◆	14
The Black Lion Inn, 198	St Albans	◆◆◆	14

Fishpool Street			
Milton, 25 Milton Road	Harpenden	◆◆◆	5
Avona, 478 Hatfield Road	St Albans	◆◆◆	3
The Conifers, 42 Thamesdale	London Colney	◆◆◆	3
Carousel Guest House, 122 Hatfield Road	St Albans	◆◆◆	3
5 Cunningham Avenue	St Albans	◆◆◆	3
16 York Road	St Albans	◆◆◆	3
7 Marlborough Gate	St Albans	◆◆◆	3
55 Charmouth Road	St Albans	◆◆◆	2
2 The Limes, Spencer Gate	St Albans	◆◆◆	2
16 Broom Leys, Marshalswick	St Albans	◆◆◆	2
St Anne's Guest House, 44 St Anne's Road	London Colney	◆◆◆	2
32 Gurney Court Road	St Albans	◆◆◆	2
36 Potters Field	St Albans	◆◆◆	2
8 Hall Place Gardens	St Albans	◆◆◆	2
35 Chestnut Drive	St Albans	◆◆◆	1
Mrs Kent, 5 Approach Road	St Albans	◆◆	3
The White House, 28 Salisbury Avenue	St Albans	◆◆	3
Total B&B/Guest house Rooms (Diamond Grading)			**155**
Moor Mill Premier Travel Inn	Frogmore	Ungraded	56
Colney Fox	London Colney	Ungraded	14
Pre Hotel	St Albans	Ungraded	11
The White Hart Hotel, 25 Holywell Hill	St Albans	Ungraded	11
Lower Red Lion, Fishpool St	St Albans	Ungraded	7
The Tin Pot Public House	Gustard Wood	Ungraded	4
The Old Cottage, 417 Luton Road	Harpenden	Ungraded	3
Total Other Accommodation (Ungraded)			**106**
Total Number of Serviced Rooms in District			**944**

APPENDIX 2

Hotels, B & Bs and Guest Accommodation Inspection Schemes

In response to consumer demand, the Automobile Association, English Tourism Council and the RAC have joined forces to create one **new** overall rating scheme for serviced accommodation, using Stars to represent hotels and Diamonds for Guest Accommodation (guesthouses, inns, farmhouses, bed & breakfast). The new scheme puts greater emphasis on quality in hotels and guest accommodation, particularly in areas of cleanliness and guest care.

★ Serviced Accommodation: Stars (AA, ETC, RAC)

Star ratings symbolise the level of service, range of facilities and quality of guest care that you can expect. Hotels are required to meet progressively higher standards as they move up the scale from one to five Stars. The gradings are:

- **One Star:** Practical accommodation with a limited range of facilities and services, but a high standard of cleanliness throughout. Restaurant/eating area. 75% of bedrooms will have en-suite or private facilities.

- **Two Stars:** Better equipped bedrooms, all with en-suite/private bathroom and a colour TV. A lift is normally available.

- **Three Stars:** High standard of services and facilities, including larger public areas and bedrooms, a receptionist, room service and laundry.

- **Four Stars:** Accommodation offering superior comfort and quality; all bedrooms with en-suite bath, fitted overhead shower and WC. Spacious well appointed public areas. More emphasis on food and drink. Room service of all meals and 24 hour drinks, refreshments and snacks. Dry cleaning service available. Excellent customer service.

- **Five Stars:** A spacious, luxurious establishment offering you the highest international quality of accommodation, facilities, services and cuisine. There will be a range of extra facilities. You will feel very well cared for by professional attentive staff providing flawless guest services.

Serviced Accommodation: Diamonds (AA, ETC, RAC)

Diamond ratings for guest accommodation reflect visitor expectations of this sector, where quality is seen as more important than facilities and services. As a result guest accommodation is required to meet progressively higher standards of quality and guest care as they move up the scale from one to five Diamonds. The gradings are:

- **One Diamond:** Clean and comfortable accommodation, providing breakfast and helpful service.

- **Two Diamonds:** An increased level of quality and comfort, with great emphasis on guest care.

- **Three Diamonds:** Well maintained, practical décor, a good choice of breakfast dishes, a higher degree of customer care and at least 40% of the bedrooms will have private or en-suite bathrooms.

- **Four Diamonds:** An even higher level of quality and comfort. Good level of customer care.

- **Five Diamonds:** Excellent quality in furnishing and rooms. At least 80% of bedrooms will have en suite/private bathrooms. Excellent levels of customer care.

APPENDIX 3

Existing Hotel Accommodation in Neighbouring Districts

[NB: This is not an exhaustive list of overnight accommodation, as it does not included bed and breakfast establishments or smaller guesthouses and for larger Boroughs, such as Dacorum, only those towns in close proximity to St Albans District have been considered]

The figures in brackets are the total number of bedrooms per establishment.

Dacorum

The Watermill, London Road, Bourne End, Hemel Hempstead (75)

Express by Holiday Inn, Flamstead (75)

Hertfordshire Moat House, Markyate (140)

Bobsleigh Hotel, Hempstead Road, Bovingdon (47)

Express by Holiday Inn, Apsley, Hemel Hempstead (116)

Premier Travel Inn, Moor End Road, Hemel Hempstead (opening Nov 2005) (113)

Premier Travel Inn, Bourne End, Hemel Hempstead (61)

Premier Travel Inn, Hempstead Road, Kings Langley (60)

Travelodge, Wolsey Road, Hemel Hempstead (53)

Boxmoor Lodge Hotel, London Road, Hemel Hempstead (25)

Holiday Inn, Breakspear Way, Hemel Hempstead (144)

Welwyn Hatfield

Quality Hotel, Roehyde Way, Hatfield (76)

Quality Hotel (former Clock Hotel) Welwyn (96)

Ramada, St Albans Road West, Hatfield (128)

Premier Travel Inn, Stanborough, Welwyn Garden City (90)

Beales Hotel, Comet Way, Hatfield (53)

Premier Travel Inn, adjacent to Airfield Public House, Hatfield (40)

Bush Hall Hotel, Mill Green (25)

Tewin Bury Farm Hotel, Tewin (29)

Brookmans Park Hotel, Brookmans Park (6)

Best Western Homestead Court Hotel, Homestead Lane, Welwyn Garden City (64)

White Hart Hotel, Prospect Place, Welwyn Garden City (13)

Watford

Ramada, Tylers Way, Watford (135)

Best Western White House Hotel, Watford (84)

Premier Travel Inn, Timms Meadow, Watford (105)

Premier Travel Inn, St Albans Road, Garston (45)

Premier Travel Inn, 2 Ascot Road, Watford (121)

Hilton International, Elton Way, Watford (201)

Watford Moat House, 30-40 St Albans Road, Watford (90)

Grove End Hotel, Bushey Hall Road, Watford (29)

Wellington Arms Hotel, Watford (15)

Luton

Thistle, Arndale Centre, Luton (152)

Red Lion Lodge, Castle Street, Luton (25)

Stockwood Hotel, Stockwood Crescent, Luton (18)

Pines Hotel, Marsh Road, Luton (15)

Chiltern Hotel, Waller Avenue, Luton (91)

Holiday Inn Express, Percival Way (London Luton Airport) (147)

Hotel St Lawrence, Guildford Street, Luton (28)

Premier Travel Inn (The Brache), Osborne Road (129)

The Royal Hotel, 1 Mill Street, Luton (23)

Ibis Hotel, Spittlesea Road (London Luton Airport) (92)

Days Inn, Regents Street, Luton (120)

Leaside Hotel, New Bedford Road, Luton (11)

Cygnet Hotel, Dunstable Road, Luton (82)

Regent Lodge Hotel, Dunstable Road, Luton (140)

Hertsmere

Elstree Moat House, Barnet Bypass, Borehamwood (131)

Edgwarebury Corus Hotel, Barnet Lane, Elstree (50)

Premier Travel Inn, Elstree Way/Warwick Road, Borehamwood (120)

Elstree Inn, 148 Shenley Road, Borehamwood (28)

Holiday Inn, Swanland Road, South Mimms (142)

Days Inn, M25 Bignell Corner, South Mimms (22)

Red Lion Hotel, Watling Street, Radlett (16)

Three Rivers

Long Island Hotel, Rickmansworth (50)

The Grove, Chandlers Cross, Rickmansworth (211)

Hunton Park, Essex Lane, Kings Langley (60)

Bedford Arms Hotel, Chenies (10)

The Kings Head Hotel, High Street, Abbotts Langley (7)

South Beds

The Highwayman Hotel, London Road, Dunstable (52)

Old Palace Lodge, Church Street, Dunstable (68)

The Pheasant Inn, West Street, Dunstable (13)

Premier Travel Inn, Kensworth, A5 (40)

Premier Travel Inn, Luton Road, Dunstable (42)

APPENDIX 4

Future Hotel Developments in Neighbouring Districts

The following information indicates the level of future hotel provision in neighbouring districts in relation to the following:

- permissions for new provision/extensions and appeals
- pre-application discussions
- hotels/extensions under construction
- site allocated in local plan (and with planning brief)

DACORUM BOROUGH

Jarman Park, Jarman Fields, Hemel Hempstead
Extant outline planning permission for hotel remains. However, site has been redesignated as a shopping proposal (S3 in the Local Plan 1991-2011). Considerable market interest in the site for this use, therefore, hotel development is unlikely to come forward.

North East Hemel Site, Three Cherry Trees Lane
Range of employment uses allocated for this 16.6ha site (E4 in the adopted Local Plan), including an hotel with conference facilities. A Masterplan for large business park not yet prepared and hotel unlikely to be in Phase I of the development.

Shendish Manor, Apsley, Hemel Hempstead
Existing permission for conversion and extension of existing building to a hotel. An amended scheme has recently been submitted for conversion and extension to create a 70 bedroom hotel. The latter awaits determination by DBC.

Riverside Development , Plough Roundabout, Hemel Hempstead Town Centre
100 bed hotel under construction as part of a mixed use scheme including shopping and residential development. The hotel should be opened by autumn/winter 2005.

Bourne End Service Station, Stoney Lane, Bourne End
Outstanding outline permission for extension to existing Premier Travel Inn. No progress to date.

Stocks Hotel, Station Road, Aldbury
Application recently withdrawn for conversion of hotel to single family dwelling.

WELWYN HATFIELD

BAe Site, Hatfield
Two sites are indicated for hotels in the Masterplan, which was adopted in November 1999. A reserved matters application has been received for a 150 bed budget hotel to be located as part of the district centre, adjacent to the newly refurbished Beales Hotel to the south fronting the A1001. To date, no reserved matters application has been received for the four star hotel to be sited at the northern end of the site.

Other hotels which have received planning permission to extend their existing facilities are:

- Beales Hotel, Comet Way, Hatfield: Extension to increase bedroom provision from 37 to 53 bedrooms, with new restaurant, bar and conference facilities; and

- The Stanborough, Stanborough Road, Welwyn Garden City (Travel Inn): Extension to provide a further 30 bedrooms. Total provision on site will be 90 rooms.

WATFORD BOROUGH

British Gas Site, Lower High Street

In the Watford Local Plan (2000), the site is designated for a mixed use development, where hotel and leisure uses would be acceptable in principle (Site RA2 on the Proposals Map).

LUTON BOROUGH

Wigmore Employment Area (Century Park), East Luton
Luton Local Plan Policy EMP3 supports the provision of a hotel on the site. Planning permission was renewed for an 18,000sq m hotel in January 2003.

Butterfield Green, A505, East Luton
Outline permission for a redevelopment scheme on this site, including a hotel use, has been granted. A reserved matters application for a hotel is expected shortly.

Luton Station/Power Court, Luton Town Centre
Outline planning permission was granted in August 1999 for a Railtrack/Glengarron scheme, comprising development of a new station, together with retail uses and a hotel (of unspecified size). Detailed discussions are currently underway to determine the impact of traffic generation.

Midland House, 41 King Street, Luton
Permission was granted for a 73 bedroom hotel in February 2005.

Kimpton Road, Luton
An application was received for a 200 bedroom hotel and fitness centre in August 2005 and is currently being considered.

Ibis Hotel, Spittlesea Road (Luton Airport)

Permission was granted for an additional 64 bedrooms in May 2003. This extension has not yet been built.

HERTSMERE BOROUGH

Colney Fields (adjacent to the Bell Roundabout/M25 Junction 22)

Outline planning permission for a hotel and parking at Colney Fields, London Colney was granted on appeal on July 20th 2004. The appeal site lies partly within Hertsmere and partly within the St Albans District. Reserved matters have yet to be agreed.

Elstree Way Corridor
The site adjacent to the Civic Offices in Borehamwood was highlighted in the Elstree Way Corridor Planning and Design Brief (June 2003) as a potential location for a hotel. At present, this remains the preferred use for this land and an application for this use is anticipated.

THREE RIVERS DISTRICT

A planning application is pending for change of use from offices to a hotel and restaurant at Langwood House, 63-81 High Street, Rickmansworth.

SOUTH BEDS DISTRICT

Luton Hoo, South of Luton

Planning permission was granted in November 2000 for a 123 bed five star hotel for Elite Hotels, involving restoration of the original house and a substantial amount of new-build, but was never implemented. However, Elite Hotels appear committed to this location and since 2000 a further two planning applications have been submitted.

Permission was granted in October 2004 for the alteration, extension and change of use of buildings and erection of new buildings to form a 121 bedroom hotel and leisure club with associated facilities, an 18 hole golf course and clubhouse and 46 residential apartments. This application has yet to be implemented.

A similar application was submitted for determination in 2005, which proposed a larger hotel (144 bedrooms rather than 121). The Council is minded to approve this application, subject to the Secretary of State not calling in the application as a departure from the Development Plan.