

**Open Report on behalf of Richard Wills,
Executive Director for Environment and Economy**

Report to:	Environment and Economy Scrutiny Committee
Date:	22 May 2018
Subject:	Hotel Investment Action Plan

Summary:

This report explains the outcomes of a report into demand and potential supply of new hotels in Greater Lincolnshire. The report was commissioned by Lincolnshire County Council and funded by LCC, Greater Lincolnshire LEP and the other local authorities in Greater Lincolnshire. It explains that hotel developers want to achieve a significant commercial return, and that LCC's role should be to build a strong relationship with potential developers whilst continuing to promote the growth of the tourism sector so that developers are confident in investing here.

Actions Required:

Members of the Environment and Economy Scrutiny Committee are invited to:

- a) Consider and comment on the commercial realities of hotel development in areas like Greater Lincolnshire, and;
- b) Endorse the actions proposed to promote hotel investment included in the report.

1. Background

In 2017 The Greater Lincolnshire LEP commissioned Hotel Solutions to complete a detailed feasibility study to support hotel development across Greater Lincolnshire.

The study included:

- Consultations with Greater Lincolnshire local authorities, GLLEP and LCC
- A review of economic and tourism growth strategies to assess the likelihood of future growth in demand for hotel accommodation across Greater Lincolnshire
- An assessment of major development projects that will drive growth in hotel demand and in some cases include hotel developments

- An audit and assessment of potential hotel development sites across Greater Lincolnshire.
- Discussions with hotel companies to establish their interest in bringing forward new hotels across Greater Lincolnshire, their views about the hotel market and any barriers that they are facing to progressing hotel schemes.

Priorities for public sector intervention

- A clear focus on growing the hotel markets across Greater Lincolnshire so that new hotels can be commercially supported in terms of supporting business park and office development
- Assisting the expansion of existing companies, attracting new companies, investing in destination marketing, supporting the development of visitor attractions and major events and festivals and bottoming out the conference market potential for Lincoln.
- Bringing forward council owned hotel sites
- Identifying boutique hotel development opportunities in Uphill Lincoln and Stamford
- Developing relationships with property developers that are actively progressing or potentially interested in hotel development in Lincolnshire.
- The establishment of an initiative to support pub accommodation development in Greater Lincolnshire's smaller towns

2. Conclusion

A. Build a strong relationship with hotel developers:

- Attendance at the Annual Hotel Conference in Manchester which takes place in October. Attendance in 2017 achieved engagement with some boutique brand hotels.
- Continue to nurture relationships with hotel companies contacted through MIPIM
- Undertake familiarisation visits to showcase potential sites and to engage more fully with hotel brands.
- Bring forward strong hotel sites in council ownership in Lincoln, Grimsby, Skegness, Gainsborough and Scawby, which could be brought forward for joint venture, a mixed use scheme or sold to developers.

- Identify potentially suitable properties for conversion to boutique hotels in Lincoln and Stamford.
- Develop relationships with property developers and landowners in order to understand and meet any requirements that may help overcome barriers and bring the projects into fruition.
- Develop relationships with property developers that are actively progressing in the county.

B. Work with smaller providers so that there is quality accommodation across Greater Lincolnshire:

- Put hotel companies in contact with developers
- Establish an initiative to support pub accommodation development in the smaller towns and rural areas of Greater Lincolnshire
- Nurture the existing relationships that LCC has developed with key developers.
- Set up accommodation development advice workshops and visits for pub landlords and tenants
- Work to identify pubs that would be suitable for the addition of guest bedrooms
- Promotion of LEADER and EAFRD funding for pub accommodation development
- Bid to secure new funding to support pub accommodation development

C. Continue to support the growth of the tourism sector including:

- Identify any requirements for public sector support
- Support office and business park development and attract new companies as part of ongoing inward investment work
- Encourage Visit Lincoln's off-peak marketing, thus lengthening the season
- Support the development of visitor attractions to improve the quality of Lincolnshire's offer
- Encourage the development and promotion of off-peak events
- Work on improving market evidence. Through the work done by Hotel Solutions a Greater Lincolnshire Market fact file has been produced – we

will ensure that this is available to all those appropriate. Commission or encourage further research as appropriate

- Monitor hotel development activity and interest and local authority interventions to support hotel development
- Use evidence presented in the hotel study to create an e-marketing brochure promoting hotel development opportunities in Greater Lincolnshire (PDF version)

3. Consultation

a) Have Risks and Impact Analysis been carried out?

No

b) Risks and Impact Analysis

N/A

4. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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