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Economics | Analytics

Ivy House Hotel, Marlborough

Wiltshire Council

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Introduction

This report presents the findings of a small economic impact study / assessment focussing on the viability of the Marlborough Ivy House Hotel (usage class C1), and the potential loss of the amenity from the High Street of this market town, with the resulting detrimental economic impact on the town.

Current potential economic impact of 28 room hotel in Marlborough

At full occupancy, a hotel in Marlborough with 56 bedspaces (in 28 rooms) could be worth as much as £2.2 million per annum in tourism related expenditure to the Wiltshire economy. In terms of jobs impact on the local economy this is equivalent to 25 Direct Full-time jobs. A further 11 FTE jobs are linked through the supply chain (Indirect effects) and Induced effects to give a total impact of 36 Full-time jobs across the whole economy (equivalent to 49 Full-time and Part-time jobs).

Full occupancy is extremely unlikely. However, a hotel in Kennet with 56 bedspaces, and achieving average Wiltshire occupancy rates, would generate the following economic outputs:

- Tourism-related spend of £ 1.0 million to £1.2 million per annum
- Supporting around 11 to 14 Direct FTE jobs at the hotel
- 17 to 20 FTEs in total throughout the economy once supply chain and Induced effects are considered (or 23 to 28 Full-time and Part-time jobs)

In reality, the impact of an updated and well-run 28 room hotel in Marlborough is likely to lie somewhere between these two scenarios.

Viability Assessment for continued Hotel usage

Recent trends in Serviced accommodation in Kennet and Wiltshire over the past ten years or so show that, since 2001/03 and up to 2008/09, Kennet saw a 14% rise in tourism-related spend from staying visitors in Serviced accommodation. Kennet's trips from staying visitors in Serviced accommodation rose by 15% while those for Wiltshire rose by 12%. The numbers of nights stayed by staying visitors in Serviced accommodation declined marginally across Kennet (a decline of -1%), but declined somewhat more significantly across Wiltshire (-5%).

Hotels in Wiltshire over the last seven years have had 55% occupancy whilst those across the South West have been slightly higher, on average, at 57%.

Tourism forecasts for VisitBritain show that, after a sharp decline in 2009 as a result of the downturn, global tourism is expected to see modest growth in 2010 followed by a more robust recovery thereafter. They anticipate that it will be 2011 before inbound volumes to the UK recover to pre-economic downturn levels. The forecasts show very clearly that the longer term trend for tourism to the UK is upwards, with visits possibly rising from 32,000,000 in 2011 to 46,000,000 in 2010 (a 44% increase) and receipts almost doubling in value from $37,000 million in 2011 to almost £70,000 million in 2020 (a 89% increase).

There is only one other significant volume provider of hotel bedspace in Marlborough Town, with 33 rooms.

Taken together, the above findings suggest that Wiltshire, and Marlborough, can expect to see significant and increasing demand for hotel accommodation over the next decade. Subject to no significant increase in bedspace, average annual occupancy rates for hotel accommodation will be in excess of 50%.

1 Introduction

Introduction

1.1 This report presents the findings of a small economic impact study / assessment focussing on the viability of the Marlborough Ivy House Hotel (usage class C1), and the potential loss of the amenity from the High Street of this market town, with the resulting detrimental economic impact on the town.

Marlborough Ivy House Hotel

1.2 The Ivy Hotel is a Grade II listed building in a prominent position on the High Street in Marlborough. The building has been established as a hotel since 1923. The 28 room hotel provides accommodation on a bed and breakfast only basis. Although the hotel does not currently have a restaurant it has had a fully operational restaurant in the past. It also has useful meeting room facilities. The hotel currently operates on a bed and breakfast only basis. Therefore visitors make use of the wide variety of restaurants and pubs in the town centre bringing considerable revenue to those establishments.

1.3 The Hotel has been subject to an offer from an education institution who propose to change the use of the establishment from C1 to C2. This would provide accommodation for their sixth form girls, and allow them to expand student capacity.

1.4 A lack of available land and premises designated for Employment Use within the existing Local Plan and emerging Local Development Framework is a serious issue for Marlborough, therefore there is concern surrounding the potential loss of this business coupled with the lack of identified land for new businesses to invest in. Permission for change of use for the hotel building will result in the loss of an employment/investment opportunity. Lack of suitable buildings or available land also prevents new investors from entering the market.

1.5 As a result of these issues, this report sets out the objectives and requirements of Wiltshire Council for a consultancy study of the economic impacts arising from the potential change of use of the hotel building.

Marlborough

1.6 The whole of the Marlborough area lies within the North Wessex Downs Area of Outstanding Natural Beauty (AONB). Marlborough is within the Wiltshire Council area of responsibility, in the pre-2009 Local Authority District of Kennet[1] (see Map 1.1 on the page below).

1.7 The town has a rich built environment with an attractive and thriving retail centre. The town and its wider rural hinterland are highly constrained due to their landscape quality and topographic features. The community area includes the Avebury element of the Stonehenge and Avebury World Heritage Site. Full advantage has not yet been taken of the area's tourism potential. Marlborough is a small market town, where it is anticipated that future development will help meet local housing need and to promote the town's role as a service and tourist centre.

Objectives and Methodology

1.8 This study focuses primarily on the economic impact as a result of the loss of this Hotel amenity in Marlborough, and determines its viability of continued C1 usage.

[1] Whilst Kennet no longer exists as an official administrative area, many of the statistics used in this study refer to Kennet

1.9 The various stages of this Research Project from data collection, analysis and submission of a final report is expected to take approx 10 working days. The expected start date of the project is the 15th June 2011, with the final report submitted no later than 1st July 2011.

Map 1.1: Marlborough Town and the (pre-2009) Kennet District Area

2 Potential current economic impact of the Hotel

Introduction

1.10 In this section of the report we establish the potential economic impact on the Wiltshire economy of a 28 bedroom hotel in Marlborough.

Trips, Nights and Spend associated with staying visitors in Kennet and Wiltshire

1.11 Table 2.1 shows the average annual volumes of trips, nights and spend associated with staying visitors (staying in Serviced[2] Accommodation and All Accommodation Types) to Kennet[3] and Wiltshire in the years 2008 and 2009. The results are broken down for domestic visitors, overseas visitors and the total staying visitors (domestic + overseas).

1.12 The Table essentially shows a 'best-estimate' of the current market for Serviced Accommodation in Kennet and Wiltshire. The main highlights of which are:

- Kennet accommodates around 113,000 nights in Serviced Accommodation every year (i.e. in B&Bs, Guest Houses and Hotels)
- These Serviced Accommodation nights are spread across (around) 50,000 individual trips
- The total visitor spend associated with these Serviced Accommodation trips generates around £12.0 million of tourism related spend, equivalent to around £106 per night.
- The Kennet averages for total staying visitors at Serviced Accommodation, for average nights per trip and average spend per trip, are very similar to those found across Wiltshire

[2] Serviced Accommodation comprises B&Bs, Guest Houses and Hotels
[3] The pre-2009 Local Authority District

Table 2.1: Summary of Trips, Nights and Tourism Related Spend of Domestic and Overseas Staying Visitors in Kennet and Wiltshire associated with Serviced-Type Accommodation and All Accommodation Types (average of 2008 and 2009).

Area	Accomodation Type	Average Trips (per annum)	Average Nights (per annum)	Average Tourism-Related Spend Associated with Staying Visitors (£)	Average Nights per Trip	Average Spend per Night (£)
Domestic Visitors						
Kennet	Serviced	39,000	84,000	8,957,500	2.2	106.64
Kennet	All Types	178,000	524,000	24,832,000	2.9	47.39
Wiltshire	Serviced	505,500	1,089,500	116,813,500	2.2	107.22
Wiltshire	All Types	1,522,000	4,242,500	223,276,000	2.8	52.63
Overseas Visitors						
Kennet	Serviced	11,000	29,000	3,002,000	2.6	103.52
Kennet	All Types	31,000	173,500	9,394,000	5.6	54.14
Wiltshire	Serviced	123,000	332,500	33,533,000	2.7	100.85
Wiltshire	All Types	285,000	1,500,000	77,725,000	5.3	51.82
Total Staying Visitors						
Kennet	**Serviced**	**50,000**	**113,000**	**11,959,500**	**2.3**	**105.84**
Kennet	All Types	209,000	697,500	34,226,000	3.3	49.07
Wiltshire	Serviced	628,500	1,422,000	150,346,500	2.3	105.73
Wiltshire	All Types	1,807,000	5,742,500	301,001,000	3.2	52.42

Source: Assembled from South West Value of Tourism Reports (2008 and 2009), South West Tourism.

Jobs and spend associated with staying visitors in Serviced accommodation in Kennet and Wiltshire

1.13 Table 2.2 shows that in Kennet, on average (across the years 2008 and 2009), there were 978 tourism-related Jobs (Part-time and Full-time) related to all the various forms of accommodation, including Serviced accommodation. These jobs were related to the £34 million of tourism-related spend made by these staying visitors in the area each year, equivalent to £35,000 of tourism-related spend per job. The Kennet average spend per job for Kennet is 113% of the Wiltshire average, suggesting that Kennet's offer for staying visitors is more highly value added and productive than found across Wiltshire as a whole.

Table 2.2: Average Tourism- related Spend, Jobs and Average Spend per Job related to All Types of Accommodation of Staying Visitors (average of 2008 and 2009).

Area	Average Tourism-related Spend related to All Types of Accommodation of Staying Visitors (£)	Average Tourism-related Jobs related to All Types of Accommodation of Staying Visitors	Average Tourism-related Spend per Job related to All Types of Accommodation of Staying Visitors (£)	Average Tourism-related Spend per Job related to All Types of Accommodation of Staying Visitors, Index (Wiltshire = 100)
Kennet	34,226,000	978	35,013.81	113
Wiltshire	301,001,000	9,749	30,875.06	100

Source: Assembled from South West Value of Tourism Reports (2008 and 2009), South West Tourism.

1.14 Unfortunately, separate breakdowns of these figures for Serviced accommodation only (as opposed to all accommodation types) are not available for Kennet. However, since Serviced accommodation is generally the most expensive form of Accommodation-type, we would expect the average tourism-related spend per job related to Serviced Accommodation of staying visitors to be somewhat higher than the average spend for all accommodation types. In fact, whilst not available for Kennet, individual breakdown figures for Serviced accommodation only are actually available for Wiltshire (though they are only available in terms of Full-Time Equivalents (FTEs), as opposed to all Jobs (full-time and part-time) as in Table 2.2 above).

1.15 These figures, and the calculation for Average Tourism- related Spend per FTE related to Serviced Accommodation of Staying Visitors (£) are shown in Table 2.3 below. Direct jobs / workers are those working directly within the Serviced accommodation businesses, as opposed to the supply chain or other related activity.

1.16 The main finding from this analysis is that there is one full-time Direct job in Serviced accommodation in Wiltshire for every £87,845 of spend by visitors staying in Serviced accommodation (averaged across 2008 and 2009).

Table 2.3: Average Tourism- related Spend by Visitors staying in Serviced Accommodation, FTEs in Serviced Accommodation and Average Spend per FTE for Staying Visitors in Serviced Accommodation (average of 2008 and 2009), Wiltshire

	Value
Average tourism related Spend Associated with Staying Visitors in Serviced Accommodation	150,346,500
Average Direct Employment in Businesses in Receipt of Visitor Expenditure related to Serviced Accommodation (estimated FTEs)	1,711.5
Average Tourism- related Spend per Direct FTE related to Serviced Accommodation of Staying Visitors (£)	87,844.87

Source: Assembled from South West Value of Tourism Reports (2008 and 2009), South West Tourism.

Establishing the potential economic impact of a 28 bedroom hotel in Marlborough

1.17 The Ivy House Hotel contains 28 rooms. If it is assumed that all these rooms are doubles, then, at full occupation, the Ivy House Hotel would be capable of providing 56 visitor nights per evening (sometimes known as ‘bedspaces’). This equates to a maximum annual provision of 20,440 visitor nights (i.e. 365 days per annum X 56 visitor nights).

1.18 As has been shown in Table 2.1 above, the tourism-related spend associated with each visitor night in Kennet is £105.84. By multiplying 20,440 visitor nights by the average spend of £105.84, then it can be shown that the absolute maximum annual visitor-related spend associated with the Serviced accommodation provided by the Ivy House Hotel is £2,163,294.

1.19 By dividing the annual visitor-related spend associated with the serviced accommodation by the average tourism- related spend per Direct FTE related to Serviced accommodation of staying visitors in Wiltshire, enables us to calculate a good estimate of the total Direct FTEs associated with 100% full occupancy of 56 bedspaces at the Ivy House Hotel:

£2,163,294 divided by £87,845 per FTE = 24.6 FTEs

1.20 This figure can also be interpreted as being an estimate of the average number of Full-time workers required to operate the hotel at full occupancy.

1.21 The multiplier for Direct FTEs to Total FTEs in the broader Wiltshire economy Jobs (Full-time and Part time and through Direct, Indirect and Induced effects) can also be calculated from the Value of Tourism reports. Indirect effects are those effects caused through the supply chain by the operation of the hotel. Induced effects are those felt through the expenditure of incomes on final goods and services from those who work directly for the hotel, or related through the supply chain. Calculating and summing all three effects (Direct, Indirect and Induced), enables us to produce an estimate of the fuller impact of the Hotel in terms of jobs. The calculations for the relevant multipliers, and the results of the application of these multipliers to 24.6 FTEs, are shown in Table 2.4 below.

Table 2.4: Multipliers for Direct FTEs to All FTEs (Direct, Indirect, Induced) and All Jobs (Direct, Indirect, Induced), and results from application of Multipliers to 24.6 Direct FTEs

	Direct FTEs in Tourism in Wiltshire	All FTEs related to tourism in Wiltshire (Direct, Indirect, Induced)	All Jobs related to tourism in Wiltshire (Direct, Indirect, Induced)
Average (2008 and 2009)	10,381	15,388	20,822
Multiplier to Scale from Direct FTEs	n/a	1.48	2.01
Calculated Value from application of Multiplier to 24.6 FTEs	n/a	36.4	49.5

Source: Assembled from South West Value of Tourism Reports (2008 and 2009), South West Tourism.

1.22 As can be seen, it can be estimated that 24.6 Direct FTEs in Serviced Accommodation in Wiltshire has a broader economic impact equivalent to 36.4 FTEs or 49.5 Full-time and Part-time jobs.

1.23 It can therefore be concluded that, at full occupancy, a hotel in Marlborough with 28 bedrooms could be worth as much as £2.2 million per annum in tourism related expenditure to the Wiltshire economy. In terms of jobs impact on the local economy this is equivalent to 25 Direct Full-time jobs. A further 11 FTE jobs are linked through the supply chain (Indirect effects) and Induced effects to give a total impact of 36 Full-time jobs across the whole economy (equivalent to 49 Full-time and Part-time jobs).

1.24 However, since it is unlikely that any hotel ever achieves full occupancy 365 days a year, it is worth showing a number of different impacts according to different levels of occupancy. These are shown in Table 25 below. We have also shown the impact for different levels of bedspace provision, should the estimate of bedspaces be somewhat different from the simple assumption made in the above calculations (i.e. that there are 28 double rooms in the hotel, offering 56 bedspaces). For example, 42 bedspaces would be equivalent to 14 doubles and 14 singles whilst 64 would be equivalent to 20 doubles and 8 triples (i.e. family rooms).

1.25 As an example, at 60% occupancy, a hotel in Kennet with 48 bedspaces would generate the following economic outputs:

- Tourism-related spend of £ 1.1 million
- Supporting around 13 Direct FTE jobs at the hotel
- 19 FTEs in total throughout the economy once supply chain and Induced effects are considered (or 26 Full-time and Part-time jobs)

1.26 In the next section of this report, we inform this analysis through an assessment of the expected occupancy of hotels in Wiltshire.

Table 2.5: Hotel Economic Impact Matrices for Different Levels of Occupancy and Bedspace

SPEND		Bedspaces at Hotel					
		42	**48**	**52**	**56**	**60**	**64**
Occupancy Rate	**0%**	-	-	-	-	-	-
	15%	243,371	278,138	301,316	324,494	347,672	370,850
	25%	405,618	463,563	502,193	540,823	579,454	618,084
	40%	648,988	741,701	803,509	865,317	927,126	988,934
	50%	811,235	927,126	1,004,386	1,081,647	1,158,907	1,236,168
	60%	973,482	1,112,551	1,205,264	1,297,976	1,390,689	1,483,401
	75%	1,216,853	1,390,689	1,506,579	1,622,470	1,738,361	1,854,252
	90%	1,460,223	1,668,827	1,807,895	1,946,964	2,086,033	2,225,102
	100%	1,622,470	1,854,252	2,008,773	2,163,294	2,317,815	2,472,336
DIRECT FTE		Bedspaces at Hotel					
		42	**48**	**52**	**56**	**60**	**64**
Occupancy Rate	**0%**	0.0	0.0	0.0	0.0	0.0	0.0
	15%	2.8	3.2	3.4	3.7	4.0	4.2
	25%	4.6	5.3	5.7	6.2	6.6	7.0
	40%	7.4	8.4	9.1	9.9	10.6	11.3
	50%	9.2	10.6	11.4	12.3	13.2	14.1
	60%	11.1	12.7	13.7	14.8	15.8	16.9
	75%	13.9	15.8	17.2	18.5	19.8	21.1
	90%	16.6	19.0	20.6	22.2	23.7	25.3
	100%	18.5	21.1	22.9	24.6	26.4	28.1
ALL FTE		Bedspaces at Hotel					
		42	**48**	**52**	**56**	**60**	**64**
Occupancy Rate	**0%**	0.0	0.0	0.0	0.0	0.0	0.0
	15%	4.1	4.7	5.1	5.5	5.9	6.2
	25%	6.8	7.8	8.5	9.1	9.8	10.4
	40%	10.9	12.5	13.5	14.6	15.6	16.7
	50%	13.7	15.6	16.9	18.2	19.5	20.8
	60%	16.4	18.7	20.3	21.9	23.4	25.0
	75%	20.5	23.4	25.4	27.3	29.3	31.2
	90%	24.6	28.1	30.5	32.8	35.1	37.5
	100%	27.3	31.2	33.8	36.4	39.1	41.7
ALL JOBS		Bedspaces at Hotel					
		42	**48**	**52**	**56**	**60**	**64**
Occupancy Rate	**0%**	0.0	0.0	0.0	0.0	0.0	0.0
	15%	5.6	6.4	6.9	7.4	8.0	8.5
	25%	9.3	10.6	11.5	12.4	13.3	14.1
	40%	14.8	17.0	18.4	19.8	21.2	22.6
	50%	18.6	21.2	23.0	24.7	26.5	28.3
	60%	22.3	25.5	27.6	29.7	31.8	33.9
	75%	27.8	31.8	34.5	37.1	39.8	42.4
	90%	33.4	38.2	41.4	44.5	47.7	50.9
	100%	37.1	42.4	46.0	49.5	53.0	56.6

Source: Smart Growth Analytics, based on data assembled and adapted from South West Value of Tourism Reports (2008 and 2009), South West Tourism.

3 Viability Assessment for continued C1 (Hotel) Usage

Introduction

3.1 In this section we explore the viability of hotel accommodation in Marlborough through an assessment of the future prospects for hotel accommodation in Kennet and Wiltshire. This is done through an analysis of:

- Recent trends in Serviced accommodation in Kennet and Wiltshire over the past ten years or so
- Recent trends in Hotel occupancy in Wiltshire and the South West, from 2004 to 2010
- Forecasts for inbound tourism into England for the next decade
- The hotel competition in and around Marlborough

Recent trends in Serviced accommodation in Kennet and Wiltshire over the past ten years or so

3.2 Table 3.1 shows the percentage change in trips, nights and spend from the beginning of the new millennium (averaged over 2001 and 2003) and the end of the millennium (averaged over 2008 and 2009). The table shows breakdowns for Domestic, Overseas and All Visitors, and for Kennet and Wiltshire, and for Serviced accommodation and All Types of accommodation.

3.3 It should be noted that the impact of the Credit Crunch instigated Downturn/Recession began in the Spring of 2008, and persisted through 2009 (with some recovery through 2010 until April of 2011). As a result, the reader is advised to regard the 2008/09 period as 'trough' in a longer term trend. The impact of this is likely to be that the overall longer term change picture, if rising, is likely to be somewhat greater than that depicted through the analysis shown here.

3.4 The main finding from this is that, since 2001/03 and up to 2008/09, Kennet saw a 14% rise in tourism-related spend from staying visitors in Serviced accommodation, somewhat lower than the Wiltshire figure of 19%. Kennet's trips from staying visitors in Serviced accommodation rose by 15% while those for Wiltshire rose by 12%. The numbers of nights stayed by staying visitors in Serviced accommodation declined marginally across Kennet (a decline of -1%), but declined somewhat more significantly across Wiltshire (-5%). These trends are depicted in Chart 3.1.

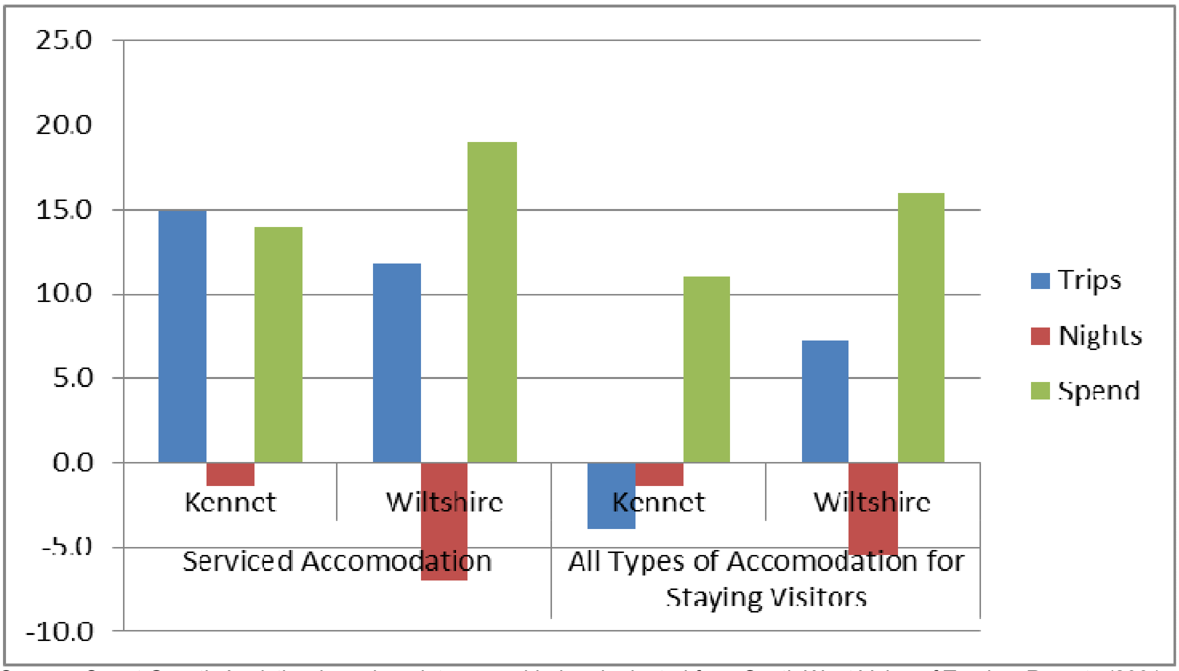
3.5 Across both Kennet and Wiltshire it appears that the main driver of the declines in Nights was driven by Overseas visitors spending fewer nights.

Table 3.1: Percentage change in Trips, Nights and Spend of Domestics Visitors, Overseas Visitors and All Visitors, % change between average of 2001/03 and 2008/09

Domestic Visitors		Trips	Nights	Spend
Kennet	Serviced	14.7	9.8	16.7
Kennet	All Types	-8.0	-1.2	1.3
Wiltshire	Serviced	12.5	-1.8	21.4
Wiltshire	All Types	6.8	-1.6	12.6
Overseas Visitors		**Trips**	**Nights**	**Spend**
Kennet	Serviced	15.8	-23.7	6.2
Kennet	All Types	29.2	-2.0	48.8
Wiltshire	Serviced	8.8	-20.7	11.2
Wiltshire	All Types	9.4	-14.9	26.4
Total Staying Visitors		**Trips**	**Nights**	**Spend**
Kennet	**Serviced**	**14.9**	**-1.3**	**13.9**
Kennet	All Types	-3.9	-1.4	11.0
Wiltshire	Serviced	11.7	-7.0	19.0
Wiltshire	All Types	7.2	-5.4	15.9

Source: Smart Growth Analytics, based on data assembled and adapted from South West Value of Tourism Reports (2001, 2003 2008 and 2009), South West Tourism

Chart 3.1: Changes in Trips, Nights and Spend in Wiltshire and Kennet from staying visitors in Serviced Accommodation and All Types of Accommodation, 2001/03 to 2008/09



Source: Smart Growth Analytics, based on data assembled and adapted from South West Value of Tourism Reports (2001, 2003, 2008 and 2009), South West Tourism

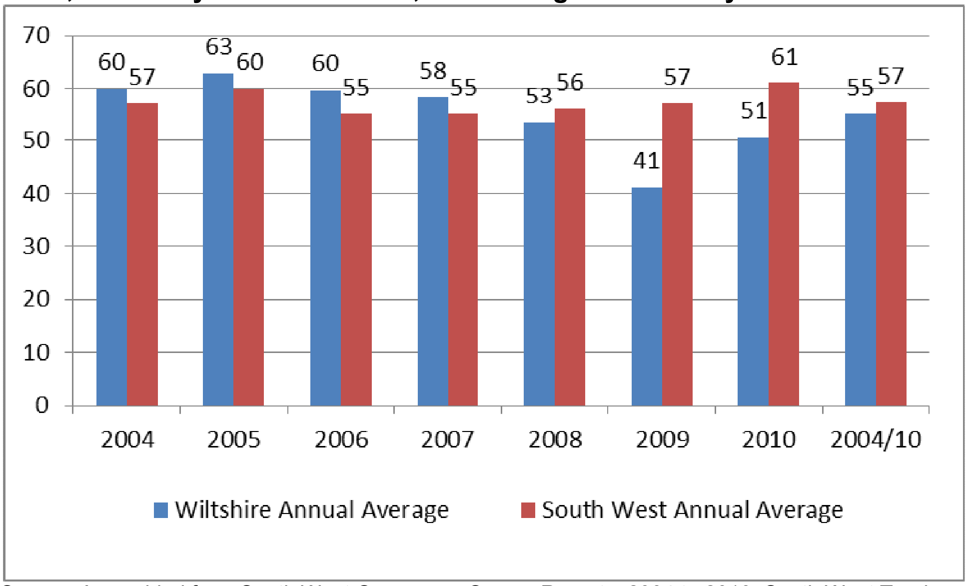
Recent trends in Hotel occupancy in Wiltshire and the South West, from 2004 to 2010

3.6 Chart 3.2 shows the Average Hotel Occupancy Rates in Wiltshire, for each year 2004 to 2010, and average over the 7 years 2004 to 2010.

3.7 The Chart shows the hugely consistent nature of Hotel occupancy across the South West region, despite the economic Downturn of 2008 and 2009. It also shows the greater volatility and far less consistency of Hotel occupation in Wiltshire, particularly as a result of the economic Downturn. However, it was mentioned earlier in this report that 2008 and 2009 should be viewed as troughs in part of a longer term trend.

3.8 As a result of this latter issue, it is probably a good idea to focus upon the 2004/2010 averages as being relatively reliable pictures of average Hotel occupancy rates across Wiltshire and the South West. As can be seen, on average, hotels in Wiltshire over the last seven years have had 55% occupancy whilst those across the South West have been slightly higher, on average, at 57%.

Chart 3.2: Average Hotel Occupancy Rates in Wiltshire and the South West, for each year 2004 to 2010, and average over the 7 years 2004 to 2010



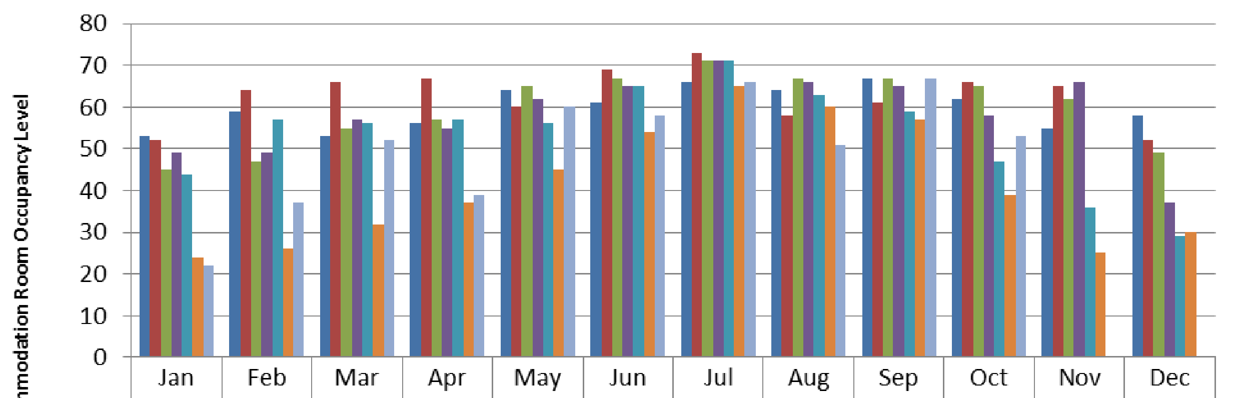
Source: Assembled from South West Occupancy Survey Reports, 2004 to 2010, South West Tourism

1.27 Referring back to Table 2.5 in the previous section of this report, it can be calculated that a hotel in Kennet with 56 bedspaces would generate the following economic outputs:

- Tourism-related spend of £ 1.0 million to £1.2 million per annum
- Supporting around 11 to 14 Direct FTE jobs at the hotel
- 17 to 20 FTEs in total throughout the economy once supply chain and Induced effects are considered (or 23 to 28 Full-time and Part-time jobs)

3.9 Chart 3.3 shows the monthly data underpinning the annual averages shown in Chart 3.2 above. However, the reader is minded that the Wiltshire figures upon which the Occupancy data is founded are based on relatively small numbers of monthly returns, and is thus subject to relatively large margins of error.

Chart 3.3: Average Hotel Occupancy Rates in Wiltshire, for each month, 2004 to 2010, and average over the 7 years 2004 to 2010



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2004	53	59	53	56	64	61	66	64	67	62	55	58
2005	52	64	66	67	60	69	73	58	61	66	65	52
2006	45	47	55	57	65	67	71	67	67	65	62	49
2007	49	49	57	55	62	65	71	66	65	58	66	37
2008	44	57	56	57	56	65	71	63	59	47	36	29
2009	24	26	32	37	45	54	65	60	57	39	25	30
2010	22	37	52	39	60	58	66	51	67	53		

Source: Assembled from South West Occupancy Survey Reports, 2004 to 2010, South West Tourism

Forecasts for inbound tourism into England for the next decade

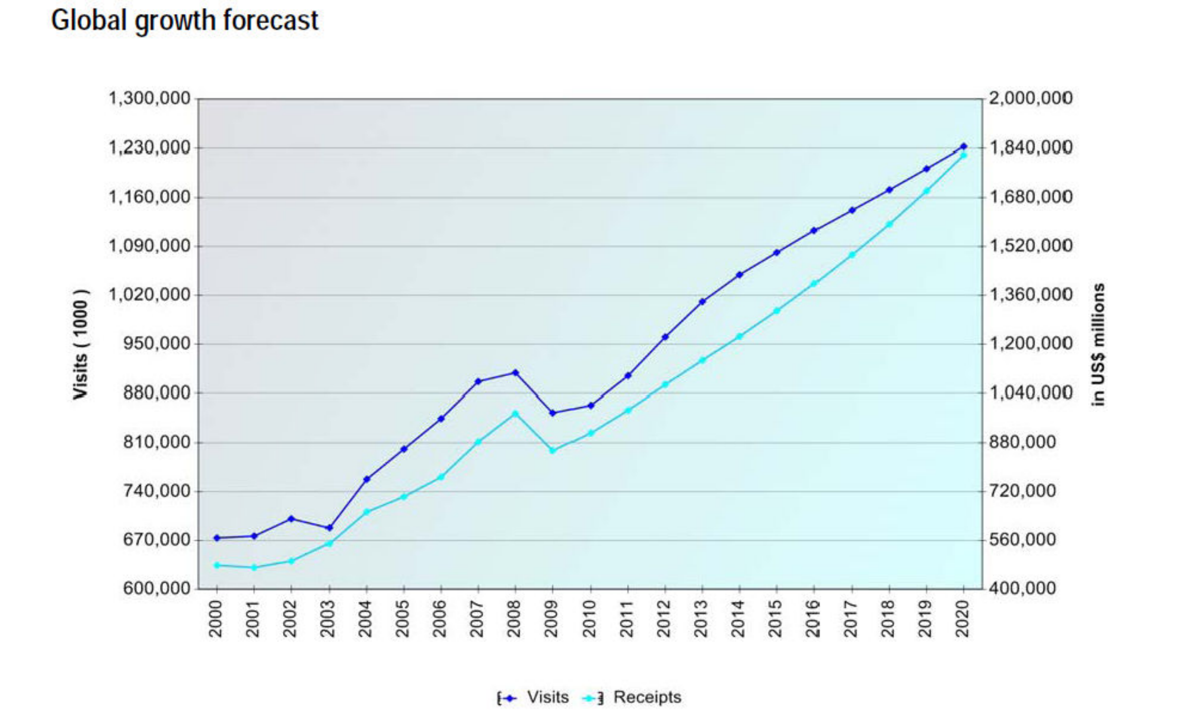
Long Term Tourism Forecasts

3.10 The following analysis is based on projections made by Tourism Economics. As with all forecasts these should be seen as subject to a margin of error; unforeseen events regularly influence tourism flows, be these social, political or economic events.

Global tourism growth forecast

3.11 After a sharp decline in 2009 global tourism is expected to see modest growth in 2010 followed by a more robust recovery thereafter.

Chart 3.4: Global Tourism Growth Forecast to 2020



Source: Tourism Economics Long Term Tourism Forecasts, VisitBritain, 2010

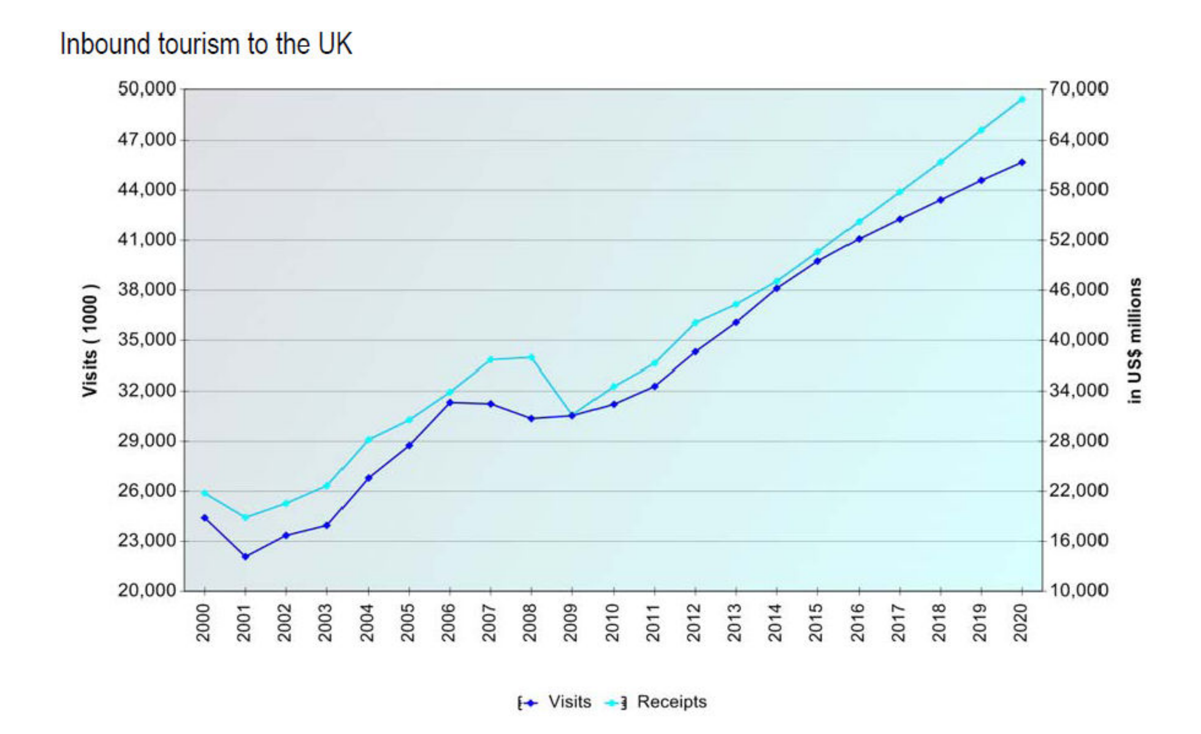
UK tourism growth forecast

3.12 Chart 3.5 below reveals that Tourism Economics anticipate that it will be 2011 before inbound volumes to the UK recover to pre economic downturn levels.

3.13 In terms of which regions are forecast to drive inbound tourism to the UK over the coming decade we can see from the following chart that strong growth is expected from many regions over the 2011 to 2013 period, in particular from European origin markets. Beyond 2014 it is interesting to observe that South Asia is forecast to deliver the fastest relative growth driven by visits from India.

3.14 The forecasts show very clearly that the longer term trend for tourism to the UK is upwards, with visits possibly rising from 32,000,000 in 2011 to 46,000,000 in 2010 (a 44% increase) and receipts rising from possibly doubling in value from $37,000 million in 2011 to almost £70,000 million in 2020 (a 89% increase).

Chart 3.4: UK Inbound Tourism Growth Forecast to 2020



Source: Tourism Economics Long Term Tourism Forecasts, VisitBritain, 2010

The hotel competition in and around Marlborough

3.15 Table 3.2 shows the hotel competition in and around Marlborough. As can be seen, as well as the 28 room Ivy House Hotel there are a further 33 rooms available in Marlborough, 51 further hotel rooms within 5 miles and 443 rooms within 8 miles.

Table 3.2: Hotel competition in and around Marlborough

Name of Hotel	Number Rooms
Castle & Ball Hotel SN8 1LZ High Street, SN8 1LZ 0.20 miles away Ivy House Hotel:	33
The Inn With The Well Ogbourne St George, SN8 1SQ 3.44 miles away Ivy House Hotel:	6
Parklands Hotel Ogbourne St George, SN8 1SL 3.47 miles away Ivy House Hotel:	12
Alexandra House Whittingham Drive, Wroughton, SN4 0QJ 6.69 miles away Ivy House Hotel:	150
The Landmark Hotel Station Road, Chiseldon, SN4 0PW 6.72 miles away Ivy House Hotel:	16
Littlecote House Hotel Littlecote, RG17 0SU 7.45 miles away Ivy House Hotel:	198
Chiseldon House Hotel New Road, Chiseldon, SWINDON, SN4 0NE	28
Total	443

Source: UpMyStreet.com and various internet searches