

## **Hotels and short-stay accommodation in Oxford**

### **1. Introduction and purpose of this paper**

This background paper sets out the key evidence to support the development of preferred options and emerging policies for the Local Plan 2036. The evidence will be used to inform the future location and amount of hotel and short-stay accommodation within the city.

This paper supplements and updates the Sustainable Tourism Background Paper that was published as part of the Issues stage of consultation in 2016, to explain any changes since then and new evidence.

### **2. Policy context**

#### **National policy**

National advice is set out by Government in the National Planning Policy Framework (NPPF, 2012). There is a clear ‘presumption in favour of sustainable development,’ which would be assessed according to 12 overriding principles. Of particular relevance to this background paper is the requirement for future provision of hotels and short-stay accommodation to be considered within a ‘genuinely plan-led’ approach that will ‘proactively drive and support sustainable economic development,’ and encouraging the ‘effective use of land’ and the promotion of ‘mixed-use developments.’

This should be planned within a framework that seeks to actively ‘manage patterns of growth’ favouring sustainable locations, such as town centres, that make the fullest use of public transport, walking and cycling. The delivery of sustainable development is necessary to build ‘a strong competitive economy’ that will secure economic growth to create jobs and prosperity to support an economy fit for the 21<sup>st</sup> Century. This should be carried out within a clear ‘economic vision and strategy’ for local and inward investment to meet the future needs of existing business sectors, such as the hotel and tourism sector that is important to Oxford’s economy. The role of town centres and the promotion of vitality and viability will be critical to their future success.

#### **Oxford Economic Growth Strategy 2013-2023**

The City Council and its partners have sought to take a proactive approach to Oxford’s economy by working in partnership with key stakeholders and business. The Oxford Strategic Partnership (OSP) commissioned consultants (Shared Intelligence) to develop an Oxford Economic Growth Strategy (OEGS). The OEGS defines the role of the city, ‘Oxford is a national asset and essential to the future of the UK and the regional economy as a whole.’ The productivity and competitiveness of the city is clearly expressed in its contribution to the national economy. Tourism is critical to Oxford’s economy and has an international reputation.

Amongst the key recommendation is therefore the aim of extending the value of Oxford's tourism across the region. This will be achieved through the development of an Action Plan and actively working with partners, particularly Experience Oxfordshire and the Destination Management Organisation to extend the tourism and cultural offer and event calendar. Other key measures will include the need to increase the quality of the tourism offer and to extend the range of tourist accommodation in particular the provision of hotels in Oxford to extend trips and visitor expenditure across the region.

### **Strategic Economic Plan (SEP)**

Oxfordshire's Strategic Economic Plan (SEP) has been developed by the Local Enterprise Partnership (LEP) in partnership with the business community, academic institutions and the Local Authorities and was submitted to Government on the 31st March 2014. This sets out the long term vision and ambitions for economic growth in the county. The scale, ambition and deliverability of the SEP will form the basis of Growth Deal negotiations with Government and determine Oxfordshire's allocation from the Local Growth Fund (LGF). The overall vision for the Oxfordshire Strategic Economic Plan is that by 2030 "Oxfordshire will be recognised as a vibrant, sustainable, inclusive world leading economy, driven by innovation, enterprise and research excellence."

An updated version of the Strategic Economic Plan (SEP) for Oxfordshire was published in 2016 and which takes into account evidence that has become available since the first SEP was produced in 2014 considered the important role played by other key sectors such as tourism. This update includes new strategies relating to skills, innovation, culture and heritage, and natural resources and the environment. It acknowledges the changing context for Oxfordshire's economic well-being. The report responds to substantial engagement from the county's businesses, universities, research institutions, local authorities, voluntary and community sectors, and many of its residents. Like its predecessor, this refreshed SEP signals a strong ongoing commitment to sustainable economic growth across the county.

The SEP refresh recognises the importance of historic buildings and the environment in Oxfordshire and the role they play in attracting tourists and making a significant contribution to the local economy.

### **3. Economic importance of tourism**

#### **Economic impact of Tourism in Oxford (2015)**

This assessment was undertaken by consultants, Destination Research on behalf of Experience Oxfordshire. The key headline was that there were some 6.6 million trips to Oxford of which the largest proportion 83% (5.5m) were day trips, with the remaining (17%) 1.1m overnight stays. Tourists spent £625 m during their visits to the area, with an average of £52 m spent in the local economy every month. The spend on overnight visits is £387m which is about 1.5 times greater than irregular day trips that accounts for £235m. Taking into account the wider multiplier effects tourism does account for an overall total spend of some £800m in the local area. There is a total of 13,823 jobs supported for both local residents and those living nearby. Of this total 10,193 comprise jobs directly supported tourism as compared to 3,660 additional non-tourism related jobs linked to the multiplier spend from tourism.

The research compared the economic impact of domestic overnight tourism with overseas overnight tourism. This showed that the overall number of overnight visits for domestic was 0.6 m very similar to overseas visits at 0.5 million. The number of overseas overnight trips (3.1m) is about twice as many as domestic (1.5m) overnight trips. The spend by overseas visitors (£262m) is just over double that of domestic (£125m).

The study carried out a comparison between 2015 and those figures for 2014. This showed that the number of day trips measures by volume had fallen slightly by -2.8% to 5, 501,004, but when measures by value there was an increase by 2.2%. The number of overnight trips has increased marginally by 0.3% to 1,093,000 in 2015, whilst the number of staying nights had increased by 1.6% to 4,577,000. The most significant change was in the total staying spend which showed a greater increase of 5.3% to £386,717,000. The total value of tourism in 2015 has increased slightly by 2.3% (£799,816,000) as compared to 2014. The total actual tourism related tourism in 2015 is estimated to be 13,823 jobs, which represents a slight increase of 3.9% compared with 2014. This represents 11.3% of all employment in Oxford.

#### 4. Supply of hotels in Oxford

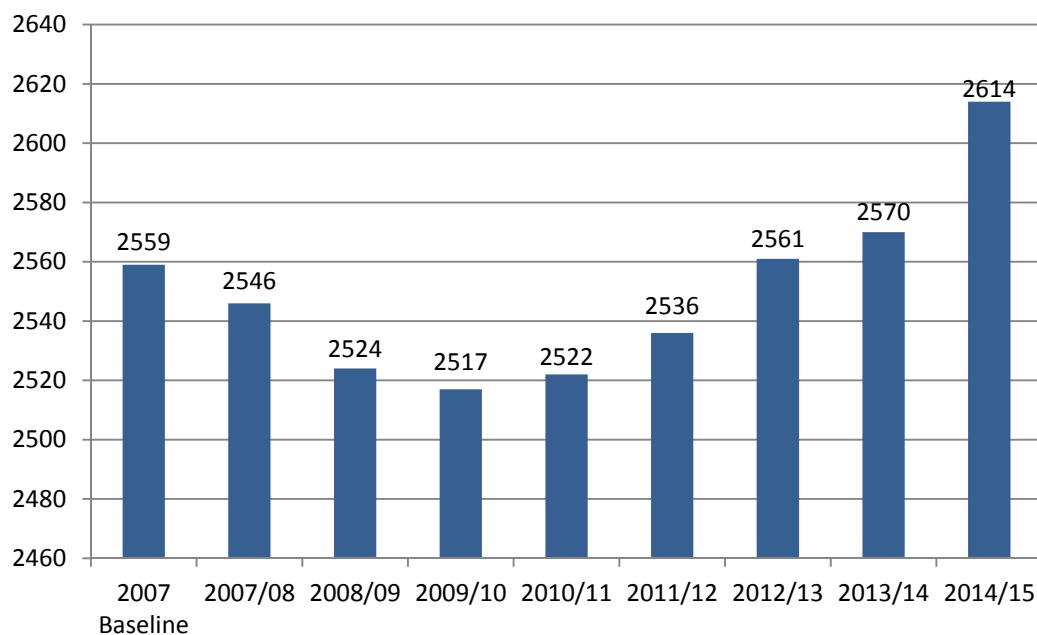
##### Hotel provision

Business rates data shows that there are 26 hotels and 46 guest houses in the city. In 2007, the Oxford Hotel and Short Stay Accommodation Study found that the city had 23 hotels and 74 guest houses together providing 2,416 rooms, 72.5% of which were at the hotels and 27.5% at the guest houses. (In addition there were 3 hostels, 34 serviced apartments, 61 self-catering units and 6,500 rooms at the colleges.) In the previous 5 years the hotel supply had increased by 17.6% and the guest house supply had reduced by 6.9%.

**Figure 1 Hotel provision in Oxford over time**

Year	2002	2007	2017
<b>No of hotels</b>	20	23	26
<b>Number of guest houses</b>	79	74	46

Recent research undertaken by the City Council shows the following overall increase in hotel provision since the earlier study was carried out in March 2007. This assessment is based on the data collected and published as part of the Annual Monitoring Reports (AMR's) for the following eight years up to 2015. The table below shows the latest published position, which is taken from the 2015/2016 AMR.



**Figure 2 Supply of short stay accommodation bedrooms (completed developments) 2007/08-2014/15**

In terms of trends this shows that there was a decline in the number of short-stay accommodation bedrooms available from 2007/08 to 2009/10, which was likely a result of the wider economic downturn. However, since 2010/11 the situation has been steadily improving, with the number of short-stay accommodation bedrooms surpassing the Core Strategy baseline for the first time in 2012/13. The 2014/15 monitoring year has shown the biggest annual increase to date, with a net increase of 44 short-stay accommodation bedrooms (Table 9). Based on these figures, there were a net total of 55 additional short-stay accommodation bedrooms available in 2014/15 in comparison to the Core Strategy 2007 baseline.

In terms of sites coming forward and investment in the hotel market the following sites show the principle areas of interest as follows:

Recent hotel completions:

- Planning permission was granted to Travelodge for a new hotel with **83** bedrooms, on appeal on the Abingdon Road, which in an out-of-centre location. This development is now completed;
- Planning permission has been completed for a **87** bedroomed hotel operated by Holiday Inn on land adjacent to the Priory public house in Grenoble Road, Littlemore, which is in an out-of-centre location.
- A new boutique hotel (Vanbrugh Hotel) has been completed and is fully operational in St. Michael's Street in the City centre, which comprises **22** bedrooms;
- Extension and change of use of dwelling to provide **10** hotel bedrooms, Four Pillars Hotel, Abingdon Road
- Significant refurbishment work has been carried out to the Old Parsonage in St. Giles, City centre to provide **5** bedrooms

- Extension to the Oxford Spires Hotel in Abingdon Road to increase the number of bedrooms by **10**
- Erection of two-storey side extension to provide an additional **4** guest bedrooms, 25 London Road, Headington
- Erection of single storey building to form staff accommodation and conversion of existing staff accommodation to provide **3** additional guest bedrooms, Red Mullions Guest House, 23 London Road, Headington
- Change of use and extension of property to form **4** x 1 bed holiday apartments
- Change of use of property to guest house, Osney Arms, 45 Botley Road, Oxford of **11** rooms
- Conversion of house into guest house (**6** beds), 228 London Road, Headington
- Extension to provide staff accommodation and **9** guest bedrooms, Coach and Horses 62 St Clements

### Benchmarking hotel provision

The Bath Hotel Future 2015 Study, published in July 2015 comprised a detailed assessment of the supply and demand for hotel accommodation. This study included an assessment of comparable historic cities which included Oxford, Cambridge, York, Chester and Exeter.

**Figure 2: Benchmarking hotel provision**

	<b>Number of establishments</b>	<b>Number of rooms</b>
Oxford	33	2040
Bath	35	1715
Cambridge	32	2377
York	58	3222
Chester	35	2176
Exeter	33	1733

Oxford (33) had the same number of establishments as Exeter (33) and very slightly more than Cambridge (32) but slightly less than Bath (35) and Chester (35). York however had almost double that of Oxford and the other comparable cities with a total of 58 short-stay establishments. In terms of rooms York has the greatest number of bedrooms with 3222, which is over 840 more than Cambridge. Whilst Cambridge has over 340 more than Oxford and 200 more than Chester; and over 600 more than Exeter and Bath.

The study showed that *'hotel development trends have been similar across all six comparator cities between 2009 and 2015.'* These trends have included a *'general move upmarket'* with the *'upgrading of 3 star hotels as 4 star and boutique hotels, the opening of a new 5 star and boutique hotels in some cities, and some loss of poorer quality 2 star / lower grade hotel stock'*. New Premier Inn and / or Travelodge budget hotels have opened in most of the cities and the supply of serviced apartments and aparthotels has gradually increased.'

## 5. Hotel investment

### Outstanding planning permissions

There are more potential hotel investments in the development pipeline. These include:

- Three-storey extension to existing hotel to provide **63** additional bedrooms, Premier Inn, The Longwall Garsington Road, Cowley
- The Oshmanti Group has received planning permission to convert 15-19 George Street in the city centre into a **40** bed 4 / 5 star hotel
- Planning permission was granted at the Eastgate Hotel, City centre, for an extension to add **12** bedrooms and upgrade this 4 star hotel
- A planning application was submitted by Indigo for a hotel on the Cooper Callas site within the City centre, but due to the scale of the proposed development was refused permission. A revised planning application has now been submitted. The proposed development comprises a six-storey building with **140** bedrooms.
- Change of use of workshop to form hotel bedroom, Malmaison Hotel, New Road
- Change of use of upper floors to hotel, 107 St. Aldates
- Change of use of offices to additional hotel use (**5** beds), Old Parsonage Hotel, St. Giles
- Three-storey infill extension, 253 and 255 Cowley Road

### Future opportunities

Further opportunities are provided through existing site allocations and other policy provisions:

- Northern Gateway Area Action Plan (AAP) has now been adopted and includes an allocation for a new hotel (up to **180** beds) in this out-of-centre location;
- The Barton Area Action Plan has been adopted and an outline planning permission has been granted for a major residential development Barton (885 houses) to include the potential for the provision for a hotel (**120** beds);
- In the City centre there is potential for the additional provision of hotel accommodation (**150** bed) on the Oxpens site, which includes the prospect of a new hotel within the adopted Oxpens Master Plan Supplementary Planning Document (SPD); and
- There is an opportunity for a new hotel on the Oxford Station site. A joint agreement between the City Council, County Council and Network Rail has been working together to promote the redevelopment of this site. Some Draft Master Planning work has already been undertaken and a competition held to explore some of the key design principles. The draft Station Supplementary Planning Document is also being consulted on in summer 2017.

### Benchmarking hotel investment

The Bath Hotel Study (2015) looked in detail at the current and future activity within the comparator cities. Oxford has experienced some growth and interest in the 'boutique sector' and within the 'budget sector' but other comparable cities have shown even greater activity.

The study assessed the period between 2009 and 2015 to measure the recent activity in the hotel market within the six comparable cities, as summarised in Appendix 1. The city

experiencing the most significant growth was York with 11 new hotels being built within the period, followed by Cambridge with 8 new hotels and Chester with 6 hotels. Exeter only had 5 new hotels recently completed comparable with Oxford who had only 4, whilst Bath experienced the least growth with 2.

As for the type and sector of growth at the top end of the market Bath and York both had a new 5 star hotel, whilst the 4 star hotel activity was restricted to extensions to existing hotels in Bath, Chester and Oxford. The boutique sector seemed attractive to these historic cities with York having 3 new hotels, Oxford and Chester 2 each and 1 for Cambridge and Exeter respectively. There was minimal activity in the 3 - star market with York the only city to increase its stock of accommodation but this was only by way of an extension. The Budget sector which includes Premier Inn and Travelodge, showed the most significant growth during this period with four new hotels in Cambridge, three in Exeter, two in York and one each in Bath and Chester; and overall increasing the total number of bed spaces by 1395. Serviced apartments showed an increase with four in York, three in Cambridge and two in Chester and Oxford. There does seem to be a rise in interest within the aparthotel market as well with two new buildings in Exeter and one each in York and Chester.

## 6. Performance of hotel sector

### UK and regional performance

Hotel Britain Report (BDO) 2016 provides a definitive assessment of the performance of UK hotels during 2015 and the trends likely to influence the market in 2016. This report states that *'regional hotels continued to experience strong growth in 2015 although at a slower pace compared to 2014's stellar results with occupancy up by 1.1% to 75.9% setting a new record in occupancy levels'*. However the Annual Average Room Rate (AARR) was the main driver for regional hotels. Average room rate was up 4.0% to £63.15. As a result of the increases in occupancy and AARR, regional UK hotels' rooms yield grew by 5.1% to £47.94 in 2015.

Hotels in the regions have experienced the fifth consecutive year of rooms yield increase and high rates of growth overall since 2013 and continue to outperform their London counterparts, which shows likely positive growth potential for Oxford. The report suggests that 2016 is *'poised to be another year of growth for the UK economy, with 'GDP growth expected to be around 2.0% per budget.'* Visit Britain 2016 forecasts are also positive and expect the number of visits to the UK to rise by 3.8%, reaching approximately 36.7m and visitor spending expected to be £22.9bn representing an increase of 4.2% on 2015 results.

The Hotel Britain Report 2016 provides some useful information to assess the performance of hotels in the UK which includes statistics on yields, occupancy, and average actual room rates for 2015. The average occupancy rate for all hotels in London was 82.8%, whilst the regional average for all hotels was 75.9%.

### Benchmarking hotel performance

A comparison has been undertaken to assess the performance of Oxford in relation to some comparable historic cities, including Bath, Cambridge, Chester and York, as set out in Appendix 1. This showed that in 2015 Oxford had an occupancy level of 80.6%, which is

higher than the regional average and almost as high as the average for London hotels. Oxford's occupancy level was the same as Cambridge and higher than both York and Chester, but below that for Bath (84.5%). The next indicator used to assess performance was the achieved room rate (AARR), which showed that in 2015 Oxford had achieved £71, which was slightly below Cambridge (£72.2) and just above Chester and York but well above Bath. The third indicator is the average daily rooms yield this showed Oxford to be £57.2, which was just below Cambridge but higher than Chester and York and significantly higher than Bath. Overall these findings show the strength of the Oxford hotel market and the capacity available to support further hotel provision within the city.

## 7.1 Drivers for growth and trends within the hotel sector

### Drivers for growth

Key sectors identified for growth in Oxford's hotel market are:

- Growth in **corporate** demand; including **conferences** and **residential conferences**;
- Growth in demand from the **contractors** market, particularly given the number of major construction projects planned in and around the City;
- Potential for significant growth in **leisure break** demand given the development of new hotels and other types of short-stay accommodation, particularly in the City centre;
- Strong growth in demand from **overseas tourists**, particularly for City centre hotels, guesthouses and serviced apartments, especially with the weaker pound at present; and
- Scope for the growth in the weddings and visiting **friends and relatives** markets as population grows and the University expands.

### Trends and potential threats to the hotel sector

In 2007 the Hotel Study predicted strong growth in the **budget hotel sector**, with continued expansion by Premier Travel Inn, Travelodge and Express by Holiday Inn, and new budget hotel brands. This trend does appear to have continued in Oxford since 2007, with interest from Travelodge and Premier Inn.

The second trend identified was growth the **3 to 4 star market small boutique** and town house hotel chains, such as Hotel du Vin and Malmaison. This trend also appears to have continued since 2007 as shown by the completion and opening of both the Malmaison Hotel (City centre) and the Vandburgh Hotel (City centre).

The trends identified by the earlier study, referred to above, still appear to be very much in evidence since then and are considered likely to continue. More recently however The Hotel Britain Report 2016 report suggests some new trends. Amongst these emerging trends within the market could potentially be the growth of some new formats for short-stay accommodation and in particular the rise of the **Airbnb** type offer. PricewaterhouseCoopers have been regularly surveying hoteliers on a range of issues including the threat posed by the Airbnb type offer. Their survey in 2014 of 35 UK hotel chains (accounting for around 169,000 UK hotel rooms) found that 10% of hoteliers admitted they had seen a decrease in demand as a result of Airbnb activity but most thought sharing economy business models were not (yet) a significant threat to traditional business models. Two years on (2016) their



research revealed that more had seen demand impacted negatively although many hoteliers continue to regard sharing economy platforms as a low to moderate threat to their traditional business model; almost 60% had not seen, or did not admit to seeing, new sharing models impacting their business – this compares to 79% in 2014. They conclude that hoteliers’ attitudes could be partly because this is a stealth competitor and hoteliers find it hard to accurately measure the impact on hotel performance.

In addition there may be new ‘financial models’ such as the emergence of ‘crowdsourcing hotels’ approach currently being explored in London, as an alternative source of finance for their properties and even influencing the design of new hotels.

The BDO research further suggests that there are likely to be a number of other changes within the hotel sector that could influence the market and how it operates. These could include in 2016 a peak being reached in the transaction market, with activity soaring in recent years; together with the continuation of the ‘brands’ dominating the market, leaving less room for the boutique style hotels. It is expected that 90% of new builds will come from the main brands.

Whilst it is forecast that growth in the hotel market will continue there is however concern over the wider global instability both political and economic. Brexit may impact most significantly on the regional hotel performance, such as in Oxford. The operation of hotels is expected to be effected to a degree by the introduction of the ‘living wage’ with operators seeking to pass on these costs to the customers, whilst sub-contracting and the outsourcing of work may become more commonplace.

## **8. Summary conclusions**

### **Policy approach**

The future provision of hotels and short-stay accommodation should be considered within a ‘genuinely plan-led’ approach that will ‘proactively drive and support sustainable economic development,’ and encourage the ‘effective use of land’ and the promotion of ‘mixed-use developments.’ This approach should positively seek to plan for further hotel provision and improvements to the quality of the existing supply of accommodation to encourage visitors to stay longer and spend more. The role of ‘town centres’ and in particular the City and District centres will be required to take an active role in supporting the provision of short-stay accommodation.

The Preferred Options Document makes it clear that the city seeks to prevent the loss of existing short-stay accommodation to other uses. Alongside this there is a preferred approach to permit new proposals in the city centre, district centres and on Oxford’s main arterial roads. This approach would encourage further provision of accommodation which would contribute to Oxford’s long term goal of encouraging a higher percentage of visitors to stay overnight, facilitate corporate travel to support local businesses, and therefore benefit the economy. Allowing short stay accommodation in the centres will also enhance the vibrancy of these areas in lien with the NPPF approach.

### Performance of existing hotels in Oxford

The Hotel in Britain Report 2016 confirms that *'regional hotels continued to experience strong growth in 2015 although at a slower pace compared to 2014's stellar results with occupancy up by 1.1% to 75.9% setting a new record in occupancy levels'*.

The performance of existing hotels in Oxford taking into account key indicators such as occupancy, room rate achieved and yields as compared to both regional and comparable cities shows that there is clearly demand for more accommodation within the city.

In 2015 Oxford had an occupancy level of 80.6%, which is higher than the regional average and almost as high as the average for London hotels. Oxford's occupancy level was the same as Cambridge and higher than both York and Chester, but below that for Bath (84.5%). In relation to other key indicators such as achieved average room rate (AARR) and daily room yields Oxford performed well in comparison to other similar historic cities such as Chester, York, Bath and Cambridge. Overall these findings show the strength of the Oxford hotel market and the capacity available to support further hotel provision within the city to meet this 'unmet' demand and to help generate future economic growth.

### Increase in supply of hotel space

Overall since 2007 there has been significant interest in the hotel sector which has resulted in two new hotels being completed on the outskirts of the city including Travelodge in Abingdon Road providing 83 new bedrooms and the development of a Holiday Inn Express with 87 bedrooms. Some modernisation to existing hotels has taken place such as an extension to the Four Pillars Hotel in Abingdon Road, just outside the City centre, which provided a further 10 bedrooms and a major extension to the Premier Inn, Longwall, Cowley of 63 bedrooms next to the Business Park.

Within the City centre itself a new boutique style hotel (Vanburgh) creating 22 bedrooms has been completed and is now fully operational. This has been in addition to the refurbishment and investment carried out in the existing stock, which includes the Old Parsonage (5 beds) and Eastgate Hotel (12 beds) and an additional 40 bedrooms at 15-19 George Street.

More recently a planning application has been approved by committee for the development of a new hotel by the Dominvs Group comprising 140 bedrooms at the former Cooper Callas site, 15 Paradise Street.

### Development opportunities

There are sites already allocated within the adopted Local Plan including allocations for new hotels in the City centre (Oxpens) and on the outskirts of the city (Northern Gateway). In addition there are other sites coming through the 'pipeline', but opportunities for additional hotels and short-stay accommodation should be explored further within the Local Plan 2036. Priority should be given towards sites within 'town centres' and in particular the City centre and District centres and within any emerging 'transport hubs', which provide a focus for sustainable travel options and or main arterial roads which are well served by public transport together with cycling and walking options.

**Appendix 1 Recent changes in hotel supply between comparable cities during 2009 to 2015**

<b>City</b>	<b>5 star number / beds</b>	<b>4 star</b>	<b>Boutique</b>	<b>3 star</b>	<b>Budget</b>	<b>Serviced apartments</b>	<b>Aparthotels</b>	<b>Total Hotels / Beds</b>
<b>Bath</b>								
hotels	1      99				1      108	8		<b>2      215</b>
extensions		41						41
<b>Cambridge</b>								
hotels			1      48		4      631	3      31		<b>8      710</b>
extensions								
<b>Chester</b>								
hotels			2      103		1      120	2      13	1      64	<b>6      300</b>
extensions		2      130						<b>2      130</b>
<b>York</b>								
hotels	1      107		3      123		2      210	4      29	1      15	<b>11      377</b>
extensions				1      24				<b>1      24</b>
<b>Oxford</b>								
hotels			2      32			2      21		<b>4      53</b>
extensions		1      14						<b>1      14</b>
<b>Exeter</b>								
hotels			1      10		3      326		2      18	<b>5      354</b>
extensions								
<b>Totals</b>	<b>2      206</b>	<b>3      185</b>	<b>9      316</b>	<b>1      24</b>	<b>11      1395</b>	<b>11      102</b>	<b>4      97</b>	

Source: Bath Hotel Futures Study 2015

### Hotel performance of comparable historic cities 2015

City	Occupancy (%)				AARR (£)				Rooms yield (£)			
	2011	2015	% ch 14/15	CAGR 11-15	2011	2015	% ch 14/15	CAGR 11-15	2011	2015	%ch 14/15	CAGR 11-15
<b>Oxford</b>	73.8	80.6	2.1%	2.2%	57.10	71.00	14.3%	5.6%	42.13	57.22	16.7%	8.0%
<b>Bath</b>	76.3	84.5	6.5%	2.6%	49.7%	57.95	12.7%	3.9%	37.93	48.98	20.1%	6.6%
<b>Cambridge</b>	75.7	80.6	1.3%	1.6%	56.37	72.21	14.9%	6.4%	42.65	58.17	16.4%	8.1%
<b>Chester</b>	67.5	76.0	2.1%	3.0%	56.00	69.54	13.5%	5.6%	37.78	52.82	15.9%	8.7%
<b>York</b>	78.7	79.6	-2.9%	0.3%	59.14	69.50	10.7%	4.1%	46.57	55.35	7.5%	4.4%

Source: Hotel Britain 2015 | The Guide to the performance of hotels in the UK (BDO Leisure and hospitality services)

#### Definitions:

**Room occupancy:** the ratio of total occupied rooms to total availability

**Average achieved room rate (AARR):** rooms revenue divided by the total number of guest rooms occupied during the year

**(Average daily) rooms yield:** room occupancy multiplied by the average achieved room rate (also known as RevPar)

**Compound Annual Growth Rate (CAGR):** average growth rate on an annualised basis