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Bridget Baker Consulting Ltd

Oxford City Council

Hotel & Short Stay Accommodation Study for Oxford

March 2023

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Sent by email

10 March 2023

Dear Alex

Hotel & Short Stay Accommodation Study for Oxford

Further to your instructions, we are pleased to submit our report.

Our findings and conclusions have been prepared on the basis of the information we obtained during our research programme, our own knowledge of demand sources and trends in the UK hotel market, and the status of the hotel & short stay market in Oxford area at the time of our field research in December 2022/January 2023.

We have made no provision for any unforeseen events which could impact the hotel market in the UK. The estimates contained in this report have been conscientiously prepared using the research findings and with reference to statistical trends in the UK and Oxford hotel market. Our recognition of risks is set out in Section 9.

This report is provided for use only of the parties to whom it is addressed, or their appointees. Neither the whole nor any part of this report or any reference thereto, may be included in any document, circular or statement without our prior approval of the form and context in which it will appear.

Yours sincerely

BBaker

Bridget Baker

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1.0 Introduction

1.1 Background & Scope of Work

The Oxford Local Plan 2036 was adopted by Oxford City Council in June 2020. The Plan now forms part of the statutory development plan which means that it has full weight in determining planning applications. Work has commenced on the preparation of the Oxford Local Plan 2040. An Issues Consultation took place in Summer 2021. The Council are currently out to Public Consultation Regulation 18 Preferred Options Consultation Stage.

The Council requires some external consultancy input to provide technical evidence to support the development of new policies. This includes the requirement for a Hotel and Short-Stay Accommodation Study.

The key areas of work require a review of relevant background information together with trends and drivers for change in the hotel and short-stay accommodation sector, including underlying trends such as the impact of Airbnb/apartment space available for short-term lets and other external economic forces adversely affecting the hotel and short stay accommodation sector.

The Study should assess the demand and supply of short-stay accommodation needed to meet the forecast need for additional bed space within the Local Plan period to 2040. This requires an update on the supply side with the identification of new hotel / bed and breakfasts (B&B's) planning permissions, projects under-construction and completed.

A commercial property market assessment is required to fully understand the dynamic market requirements for Oxford's hotel and short-stay accommodation sector and type of future provision. This involves interviews with local commercial property agents and other key stakeholders, such as Experience Oxfordshire. This will show how the market is currently responding to the key drivers for change both nationally and locally in Oxford and how this will impact on both the existing stock of accommodation and the amount and type of future provision.

A review is required of the performance of the short-stay accommodation / hotel sector within the city and investment prospects; and benchmarking of Oxford's performance and the number of properties / bedspaces with comparable historic cities, such as Cambridge, York and Bath.

An assessment of future site development opportunities in Oxford is required. This needs to be informed by discussions with key stakeholders including commercial property agents and the brief identified the Planning Policy Team and Development Management at the Council.

The Study should provide a summary of findings with an analysis of the impact on the development of policies which will influence both the existing stock of accommodation as well as the amount and type of future provision to meet forecast demand.

1.2 Methodology

In order to carry out this study we have completed the following;

- A number of visits to Oxford to undertake research and interviews with stakeholders.
- A brief review of the economic profile of the immediate area that is relevant to the hotel and short stay accommodation market.

- Discussions with members of the Council's Planning, Economic Development Teams and Oxford's City Centre Manager to understand capital and infrastructure projects in the city, city centre initiatives, planning applications/permissions for new hotels and any other projects that would be relevant to future hotel demand.

- Discussions with the CEO of Experience Oxfordshire to understand tourism initiatives in the city and county and to obtain relevant tourism statistics in the catchment area.

- Interviews with the management of Conference Oxford, the organisation that represents the accommodation and conference rooms at Oxford's Colleges and academic venues.

- Discussions with the management of Rhodes House and the Saīd Business School.

- Telephone interview with the Work and Voluntary Experience Services (WAVES) at Oxford Brookes University.

- Telephone interviews with leading Property Agents operating in the Oxford area.

- An audit of the current supply of hotels and serviced accommodation both in the city of Oxford and relevant close by catchment area, including number of bedrooms, grading and facilities. A review of potential new hotel supply.

- An audit of data on the Airbnb booking and Airdna websites to assess the supply of short stay accommodation in Oxford and comparable cities.

- Inspection of and interviews with the management of a selection of branded and independent hotels and serviced accommodation providers in Oxford.

- Interview with the management at University.com - part of Speedy bookers, a booking agent which operates a service for academic and other accommodation providers to fill bedrooms.

- An audit of the current supply of hotels, serviced accommodation and short stay accommodation in the comparable cites of Cambridge, Bath and York.

- Using a range of statistics and information gleaned from our interviews an analysis of the hotel and serviced accommodation performance in the UK, Oxford and in Cambridge, York and Bath.

- Provision of estimates of likely future demand for bedroom space in Oxford.

- Recommendations on potential locations of hotels that will meet the needs of demand in the future.

Our findings are detailed in this report.

2.0 Executive Summary

Introduction

- Bridget Baker Consulting has been commissioned to provide an independent assessment of the hotel and short stay market in Oxford to inform the Local Plan.

- Local planning policies support business growth and expansion and encourage extending leisure tourists stay in the city. The issue for the Local Plan Review is to assess the level of new demand for hotel and short stay accommodation and determine how best to locate it in such a way as to maintain consistency with other policies on district centres, residential development and traffic control.

- We set out below our key findings and recommendations.

Hotel and Short Stay Accommodation Supply in Oxford

- We have identified 81 properties offering 3,324 bedrooms in Oxford City boundary (and Premier Inn Botley); of these 88% of bedrooms are in hotels. The breakdown of the serviced bedrooms supply is shown in Table 2.1. The availability of bedrooms in Universities, largely in vacation periods, is discussed in paragraph 5.8.

Table 2.1 – Structure of Oxford Hotel Market (excludes University rooms, short stay rentals)

Grading Category	Number of Properties	Total Bedrooms	% of all Bedrooms	Av. No (Rooms)
Guest Houses/B&B's	45	417	12.5	9
Hotels	32	2,868	86.2	90
Inns/Restaurants with rooms	4	39	1.2	10
Aparthotels	-			
Total	81	3,324	100.0	

Source: Bridget Baker Consulting Research

- The only style of serviced accommodation not represented are Aparthotels, which have been an emerging trend in recent years, and provide a small kitchenette within the bedroom or lounge if it has a separate bedroom. Guest Houses/B&B's offer around 420 rooms and account for around 13% of bedroom supply in the city. We have identified only four Inns/pubs with rooms, of which one is a large property (20 bedrooms) operated by a national chain.

- The share of quality categories of hotel bedrooms is fairly evenly split at around a third each Upscale and above, Midscale and Budget/Economy.

Table 2.2 – Structure of Oxford Hotel Market (excludes University rooms/short stay rentals)

Grading Category	Number of Properties	Total Bedrooms	% of all Bedrooms	Av. No (Rooms)
Luxury Class	2	78	2.7	39
Upper Upscale	3	268	9.3	89
Upscale	4	676	23.6	169
Upper Midscale	7	690	24.1	99
Midscale (3-Star)	7	188	6.6	27
Economy/Budget	9	968	33.8	108
Aparthotels	-			
Total	**32**	**2,868**	**100.0**	**90**

Source: Bridget Baker Consulting Research

- Although there are more hotels in the city centre, they represent only 39% of bedrooms as the hotels tend to be smaller than in the outlying areas. The city centre is however, dominated by the higher end hotels in Oxford.

- Hotels in the outlying areas represent some 61% of the bedroom supply, and most of the budget branded hotels in Oxford are in these areas. They are generally located on arterial routes and business/industrial parks.

- Almost 600 branded hotel bedrooms (4 new hotels and extensions) have been added to the Oxford hotel supply in the period 2019 – 2021. Most of these rooms have been in, or within easy reach of the city centre. The Marriott Courtyard (150 rooms) is in the Upscale segment, but the others offer midscale or economy accommodation.

- New hotels in the planning pipeline or with outline permission could add a further 1,000+ bedrooms to the Oxford hotel stock (5 new hotels and extensions). However, most of the projects are at quite early stages in the development process and we would expect around 200 bedrooms to come on stream within the next 18 months/2 years. The main openings being the upscale boutique hotel The Store (100 rooms in the city centre) and the 66 room extension to the Holiday Inn on the outskirts of the city.

Hotel & Serviced Accommodation Supply in Comparable Cities

- Set out as follows our estimates of the hotel supply and other serviced accommodation in the three other comparable cities.

Table 2.3 – Structure of Comparable Cities Hotel Markets

City	Population	No. hotels	No. Bedrooms	Apart hotels	No. Rooms	Total Bedrooms
Oxford	152,000	32	2,868	--	-	2,868
Cambridge	144,700	38	4,075	2	267	4,342
Bath	192,400 [1]	30	2,335	4	94	2,429
York	201,700	53	3,967	6	377	4,344
[1] *includes North Somerset*						
Source: Bridget Baker Consulting Research/Nomis population data						

- In terms of bedrooms Cambridge has the most in hotels/aparthotels, some of this is the result of new additions to the city in recent years. York is a significantly larger city and has the second highest number of bedrooms.

Table 2.4 – Structure of Comparable Cities Other Serviced Accommodation Markets

City	Guest Houses/B&B's	No. Bedrooms	Inns with Rooms	No. Rooms	Total Bedrooms
Oxford	45	417	4	39	456
Cambridge	64	421	4	58	479
Bath	62	424	5	36	460
York	88	707	12	63	770
Source: Bridget Baker Consulting Research					

- Oxford, Cambridge and Bath have around the same number of Guest house/B&B bedrooms, around 420 each. York has significantly more at around 700 rooms in this sector.

Demand For Hotel & Short Stay Accommodation

- We summarise the actual hotel performance metrics for a sample of 21 hotels in Oxford in terms of Occupancy, ADR (Average Daily Rate) and RevPAR (Revenue per Available Room) in Table 2.5.

- The sample comprises both independent and branded hotels, from economy (budget) to luxury standard, The smallest has 22 bedrooms and the largest 240 bedrooms. This represents more than 90% of Oxford's hotel bedroom stock.

Table 2.5 Oxford Hotel Performance (2018-2022)			
Year	Room Occupancy %	*ADR £*	RevPAR £
2018	83.2	107.42	89.38
2019	78.8	105.86	83.39
2019 Jan-Nov	79.7	106.73	85.05
2022 Jan-Nov	75.7	116.33	88.09
Note ADR (Average Daily Rate net of Vat and breakfast) and RevPAR (Revenue Per Available Room)			
Source: STR (21 hotels in sample)			

- Given the Covid-19 pandemic and resultant closures of hotels during various periods there is no directly comparable data for 2020 and 2021. There was an increase of almost 5% in available rooms in 2019, which contributed to the decline in overall room occupancy compared to in 2018.

- In the 11-month period to the end of November 2022 room occupancy in Oxford's hotels was down four percentage points on the same period in 2019. Nationally the Omicron scare at the end of 2021/early 2022 slowed up travel - both international and domestic - and this also impacted Oxford's hotels.

- Another reason for the decline in occupancy in 2022 compared to 2019 is the impact of the nearly 600 hotel bedrooms opening since 2019. So although 22.5% more hotel bedrooms (91,000+ rooms, 277 a day) were sold in 2022 compared to 2019 (Jan-Nov) it meant the occupancy percentage has slipped slightly. The actual rooms available and sold is shown in Table 2.6.

Table 2.6 Oxford Hotel Rooms Available/Sold (2017-2022)			
Year	Annual Rooms Available	*Rooms sold*	Rooms Revenue £000s
2019	763,290	601,276	63,653
2019 Jan-Nov	696,237	554,820	59,218
2022 Jan-Nov	853,164	646,069	75,154
Source: STR			

- When allowing for the smallest hotels that do not provide data to STR, we estimate that in the full year 2022, the market occupancy including December was around 74.3% with some 770k rooms sold for the year.

Leisure & Business Tourism to Oxford

- Oxford is a leading tourist destination both with domestic as well as international visitors. There were 7.8m tourist trips recorded for 2019, with 1.2 million staying trips and 5.4m nights. This was up from 4.8m nights in 2018, an increase of 1.5%.

- In the UK, Oxford was the 9th most visited town/city by staying international visitors in 2019 and attracted some 581k visits (excluding day trips). The USA is the dominant market for overnight international visitors to Oxford and China was strong in the years prior to the Covid-19 pandemic. Various European countries also generate significant visitation levels to the city.

- Our research shows that demand in the city centre hotels can be 60% leisure related which comprises short break visitors, parents and friends visiting students at the two Universities as well as attending interviews and graduations. Outside of the city centre the hotels attract tourists visiting Blenheim Palace and the Bicester shopping Village.

- Hotels on the outskirts of the city attract a higher proportion of business guests and also some of these hotels have large meeting facilities and can accommodate some conferences and large functions. Some of these hotels accept a proportion of group business.

Comparison to the Regional UK hotel Market

We compare as follows the Oxford hotel performance against the UK Regional averages.

Table 2.7 - UK Regional Hotel Performance & Oxford (2018- 2019, forecasts 2022 & 2023)

Year	Room Occupancy (%)		*ADR (£)*		RevPAR £	
	UK Regions	Oxford	UK Regions	Oxford	UK Regions	Oxford
2018	77.3	83.2	85	107	66	89
2019	76.9	78.8	86	106	66	83
2022 f [1]	66.4	74.3[2]	99		66	
2023 f	72.0		100		72	

[1] January – September actual data for 2022 & forecasts for the last quarter [2] estimate all hotels 12 months

Source: HotStats/Knight Frank/STR

- Compared to the Regional UK performance, the average occupancy for the Oxford sample was almost 2 percentage points higher in 2019. If we assume that the Oxford hotels achieved just over 74% for the full year 2022, this is still far ahead of the forecast UK regional performance of 66%.

- The ADR achieved by the Oxford hotels is also far superior to national performance levels. In 2019 this was £106 compared to £86 nationally, around 23% higher. In 2022 the 11 month performance to the end of November of £116 is again far higher than national levels by some 17%. The foregoing shows that the Oxford hotel market is strong; consistently outperforming provincial UK hotels both in terms of occupancy and ADR.

- In comparison to cities with a similar profile - Cambridge, York, Bath – Oxford also features in the top 15 most visited cities by international staying visitors, although the latter receive fewer overseas guests. All cities are also strong domestic destinations. In 2019, considered the last 'normal' year of trading the four cities all achieved high occupancy levels, with Bath posting the highest ADR.

Table 2.8 – Hotel Performance, By Location - 2019

Location	Occupancy (%)	ADR (£)	RevPAR (£)
Oxford	78.8	107	89
Cambridge	78.1	99	77
Bath	77.2	114	88
York	80.3	107	86

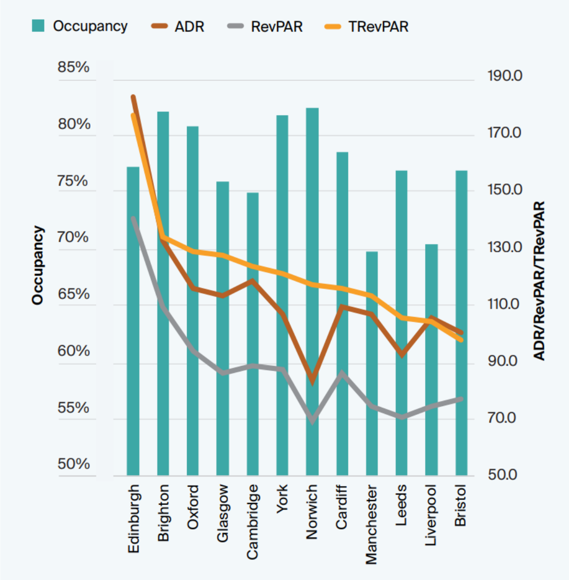
Source: Bridget Baker Consulting Research & interviews /STR/Visit York/HotStats

- In early 2022 UK hotels were adversely impacted by the Omicron scare and a virtual halt of international travel to the UK from some key source markets and a reduction in domestic business travel. This was also the quietest part of the year for leisure travel.

Not all source markets returned until later in 2022 but generally hotels were starting to see demand pick-up from April.

- HotStats have monitored the UK's 12 leading performing regional city hotel markets, including Oxford, Cambridge and York. The performance of all the cities showing various metrics of performance for the period April – September 2022 are shown as follows.

Chart 2.1 – Key Performance Indicators Leading 12 UK Regional Cities



Note: TRevPAR = Total Revenue Per Available Room

Source: HotStats/Knight Frank

- Of the four directly comparable cities (Cambridge, York, Bath) Oxford posted the highest occupancy at around 81%, Cambridge around 74%. Bath is not included as one of the top 12 cities in the UK. This is probably due to the decline in occupancy posted at Bath hotels during the year.

- In terms of ADR Oxford achieved around £125 with Cambridge and York a few pounds behind.

- In similar data for Oxford and Cambridge produced by STR for the three-month period April to June 2022 it shows that occupancies in weekdays in Oxford were almost back to 2019 levels for many of the weeks during the period, but Cambridge was still lagging behind. Weekends were back strongly in Oxford and although more positive than weekdays, still lagging behind in Cambridge.

- In terms of ADR, both Oxford and Cambridge were behind 2019 during most weeks of the summer, but with Oxford performing better than Cambridge.

- The Oxford hotels perform strongly against the four comparable cities, whilst Cambridge is the most direct comparator in terms of sources of business. There have been significant additions to bedroom supply in the city over the past few years, and more to be added, so demand has not yet matched the increases in bedrooms available.

- Bath is largely a leisure market, and has a high concentration of Airbnb lettings and this with an increase in hotel bedroom supply in the years prior to the Covid-19 lockdowns has probably contributed to the decline in hotel occupancy.

- In York, which is arguably a stronger domestic than international destination, there is evidence that smaller hotels /guest houses have been closing over recent years. Aside from the current cost of living crisis they have also struggled to compete with new openings in the branded budget hotel sector.

- It is clear from the strong performance of Oxford's hotels that demand is being displaced elsewhere. With international source markets expected to bounce back from this year and the extensive range of new developments in the city and outskirts this is set to stimulate more demand for hotel bedrooms in the future. This makes Oxford an appealing location for hotel developers and operators to open more hotels in Oxford.

Operating Issues for Oxford Hoteliers

- The Hospitality industry has been particularly hard hit by the loss of business during the Covid-19 pandemic which has been followed by adverse impact of train strikes, the cost of living crises with massive increases in energy costs and food and beverage produce. Small hotels/guest houses and pubs that do not have economies of scale have fared particularly badly.

- Most hotels in Oxford struggle to attract staff, particularly for lower skilled jobs. Aside from the demographic mix in Oxford, the lack of affordable housing close to hotels – where shift work is required - Is certainly a factor in the local skills shortage. Staff working on breakfast shifts and in food and beverage evening shifts need to be able to access work easily and public transport is not available in many cases. Furthermore car parking in Oxford city centre is not an option.

- A few of the hotels have staff accommodation and this should be a consideration for new developments going forward. There could be a risk that hotels cannot operate, due to lack of staff.

Short Stay Accommodation in Oxford & Comparable Cities

- The main booking site worldwide for this sector is Airbnb. We have extracted the number of lettings on short stay accommodation from both the Airbnb and Airdna websites. These websites do not take account of local authority boundaries, so the catchment areas vary from city to city, and the websites produce different data.

Table 2.9 Active Listings Comparable Cities

City/area	No. of Active Listings
Oxfordshire (Oxford)	1,130 (491)
Cambridge	809
York	1,895
Bath	1,423

Source: Bridget Baker Consulting analysis of Airdna & Airbnb websites

- York has far more listings than Oxford at almost 1,900. York has a slightly larger population and also more hotel bedrooms than both Oxford and Bath. Bath also has an extensive supply of Airbnb's. Cambridge has fewer listings, around 810 but more hotel rooms. The split of property types by number of bedrooms is set out as follows:

. Table 2.10 - Size of Airbnb Accommodation						
City	Studio %	1 bedroom %	2 bedroom %	3 bedroom %	4 bedroom %	5+ bedroom %
Oxford	6	34	32	16	7	5
Cambridge	7	46	26	13	6	2
York	4	33	41	15	4	3
Bath	4	37	32	13	7	7
Source: Bridget Baker Consulting analysis of Airdna website						

- The majority of the properties in Oxford offer one or two bedrooms, but there are also those with three or more bedrooms. Cambridge has a higher proportion of one bedroom listings.
- We estimate there are around 200 entire homes In Oxford available on the Airbnb portal, although there are far more within Oxfordshire, some of which are just outside the city boundary.

Table 2.11 – Self-Catering Airbnb Listings in Oxfordshire and Oxford		
Type of Accommodation	**No. of listings in Oxfordshire**	**No. of listings in Oxford**
Entire Home	517	200
Private room in home	417	289
Shared room	4	2
Total	938	491
Source: Bridget Baker Consulting analysis of Airbnb website		

- Just under 40% of the Oxford properties are available 180 nights a year or more, rather than properties just let for a few weeks when owners are on holiday.

- Given the strength of demand currently in the Oxford hotel market, none of the hoteliers mentioned that Airbnb properties were directly competing for bedroom business, they did mention however that the cost of housing in the city was one of the contributors in the difficulties in finding staff.

- Scotland is the first of the UK home nations to implement regulations to deal with problems caused by high volumes of short stay accommodation lettings. It will be enforced later in 2023. It will be followed in England after an announcement by the prime minster in December 2022. This follows a wide range of schemes in other European countries that are already in force.

Estimates of Future Market Demand in Oxford

- We have prepared estimates of the potential future market growth if more bedrooms are added to the Oxford marketplace. We have based the 2022 supply on 2,868 hotel bedrooms and have added all of the projects listed in 2.12. We have made estimates of when they could open over the short medium/ term, From 2027 we have added in a further 150 - 200 new rooms (assuming a hotel with an average size of around 175 rooms) in subsequent years. The increase in bedrooms supply is set out as follows.

Table 2.12 - Potential Additions to Hotel Bedroom Supply Annual Increases		
Year	Additional Rooms	*Year on Year Change %*
2023	87	3.0
2024	266	9.0
2025	295	9.2
2026	333	9.5
Sub total	981	
2027	200	5.2
2028	150	3.7
2029	200	4.8
2030 & thereafter	175	4.0
Source: Bridget Baker Consulting Estimates		

Our estimates of future market occupancy are detailed in table 2.11

Table 2.13 – Estimates of Market Occupancy 2022 - 2036		
Year	**Demand Growth %**	**Market Occupancy %**
2022		74.3
2023	7	76.2
2024	9	76.1
2025	8	75.1
2026	8	74.2
2027	6	74.6
2028	5	75.7
2029	5	76.1
2030 and thereafter	4	76.0
Source: Bridget Baker Consulting Estimates		

- Our estimates take in to account the new hotel bedrooms entering the market , allowing displaced demand to stay within Oxford; continuing strong demand from the domestic leisure markets, a strong return of International tourism and steady business travel growth supplemented with new visitation to the new commercial developments in the city.

Opportunities & Planning Considerations for Hotels & Short Term Accommodation in in Oxford

- We have tabulated the hotels that are already located near to key employment areas and occasionally within them. We have added the new projects that are likely to come on stream in the short/medium term listed on the Oxford City Council portal.

<table>
<tr><th colspan="3">Table 2.14 - Hotel Provision Near Employment Areas</th></tr>
<tr><th>Employment Area</th><th>Existing Hotels (Rooms)</th><th>New Hotel Projects (Rooms)</th></tr>
<tr><td>University of Oxford Science Area and Keble Road Triangle</td><td rowspan="3">Old Parsonage Hotel (35)
Graduate Randolph (151)
& city centre</td><td rowspan="3">Old Parsonage Hotel annexe (3 suites), Branca Brasserie (5)</td></tr>
<tr><td>Radcliffe Observatory Quarter</td></tr>
<tr><td>Oxford University Press</td></tr>
<tr><td>Oxford Centre for Innovation</td><td>Vanbrugh House Hotel (22), The George Street (40), George Oxford Hotel (22)
Graduate Randolph (151)</td><td>The Store (101)
Oxpens – early stages</td></tr>
<tr><td>Northern Gateway/Oxford North</td><td>Leonardo Royal Hotel (240)
Holiday Inn (154)
Travelodge Peartree (197)</td><td>Northern Gateway - early stages
Holiday Inn extension (66)</td></tr>
<tr><td>John Radcliffe Hospital</td><td rowspan="5">holiday lets
B&B's</td><td rowspan="5">Travelodge (c120) refused
Thornhill Park (133) site being marketed (March 2023)</td></tr>
<tr><td>Nuffield Orthopaedic Hospital</td></tr>
<tr><td>Churchill Hospital</td></tr>
<tr><td>Warneford Hospital</td></tr>
<tr><td>Old Road Campus</td></tr>
<tr><td>BMW (Mini)</td><td rowspan="3">Premier Inn Cowley (225)</td><td rowspan="3">Crown Street (19), Templars Square (70)</td></tr>
<tr><td>Unipart</td></tr>
<tr><td>Oxford Business Park</td></tr>
<tr><td>Oxford Science Park</td><td>Holiday Inn Express Kassam Stadium (162), Hampton by Hilton (103)</td><td></td></tr>
<tr><td colspan="3"></td></tr>
<tr><td colspan="3">Source: Bridget Baker Consulting analysis</td></tr>
</table>

Based on the above we consider that the following should be the priority areas for new hotel development (including those in the planning phase):

- **Headington** area and the John Radcliffe and other hospitals, as well as the Oxford Brookes University main campus. There is however one new hotel project with planning permission at Headington, it is for 133 bedroom hotel at Thornhill Park and is currently being marketed by commercial property agents. Furthermore, a 120 room budget hotel was refused planning permission in March 2022.

- **City Centre/West End/Osney Mead** including the **Oxpens** site. We consider that this would be an ideal site for an additional hotel in the city, and in particular a branded **aparthotel** would provide accommodation that is not already available. There may be opportunities for some more boutique style hotels in the city centre, either independent or branded, but we have not been made aware of any sites that may be suitable, but extensions of existing hotels could be considered.

- **Northern Gateway/Oxford North** is served by the upgraded 240 bedroom Leonardo Royal hotel, the Travelodge Peartree (197 rooms) and the 154) room Holiday Inn, which has planning permission for a further 66 bedrooms. With the additional commercial developments planned for this area, there could be opportunities for more hotel bedrooms in the future – subject to feasibility studies.

- Aside from where there is a crossover between **District Centres/Arterial Roads** and key employment sites, such as Headington, Cowley , we consider that other district centres are likely to be less suitable for new hotel development. Some are residential areas and suitable hotel sites are also likely to be difficult to secure. There may be opportunities for hotel extensions, however.

- The main **Arterial Roads** are the: Banbury Road, Woodstock Road, Botley Road, London Road, Iffley Road and Abingdon Road. The majority of B&B's are located on these arterial roads (Appendix C). There are also some of the larger hotels located along, or just off, these routes such as the voco Spires, Mercure Hawkwell House, and a selection of budget hotels (Easyhotel, Travelodge), The Banbury Road and Botley Road in particular are the locations of many of the smaller independent hotels in the city. The Woodstock Road has very few accommodation establishments, but is largely residential and is very close, and parallel, to the Banbury Road with many hotels. The same applies to some of the other arterial roads, which are largely residential and suitable hotels sites are unlikely to be easy to find.

Loss of Hotel and Guest House Accommodation

- Small hotels and guest houses are more prone to financial difficulties as they do not have the economies of scale of larger hotels. Furthermore, the massive growth nationally of branded budget hotels such as Premier Inn, Travelodge, easyhotel etc, with their very efficient marketing and reservation systems, along with a standardised product has made it difficult for many of these small properties to compete effectively for their traditional client base. This would also be the case in Oxford where there have been significant increases in the budget hotel supply over recent years.

- We would recommend that it is looked upon favourably when some of these smaller hotels wish to close and that owners are not obliged to provide expensive non-viability studies to do so. The policy could be capped at properties say with less than 10 bedrooms.

- Given the shortage of reasonably priced accommodation in Oxford for lower paid staff, options for change of use to staff accommodation would go some way to remedying this situation. Similarly the loss of the limited staff accommodation for hotels should be discouraged where possible.

Public Houses & Inns

- It is well documented that many public houses are closing on a weekly basis nationally and are struggling to be viable. Over the recent decade or so some pubs have become gastropubs focussing heavily on their food and beverage offer and others have opened up bedrooms as another income stream. Pubs are an important part of the tourist infrastructure and appeal to both domestic and international visitors as well as local residents.

- There are only a limited number of pubs in Oxford with bedroom accommodation, but we would suggest that proposals to add bedrooms to pubs should be looked at favourably if put forward.

Short Lets

- Whilst there are almost 500 short term lettings advertised for Oxford on the Airbnb websites some of these would be outside the City Council boundary. The listings on this website vary from day to day, but it is clear that at least 200 entire homes in the city centre area are regularly available for short term lettings, often for most of the year.

- Given the strength of demand in the Oxford hotel market hoteliers did not mention these properties as competition. However there is concern nationally at the potential loss to housing for local residents caused by the growth of Airbnb and other negative aspects.

- The UK government announced in December 2022 that they will be introducing regulations for short term lettings in England this year. No details are available yet or whether the scheme will be comparable to the regulations planned for Scotland or elsewhere in Europe.

- We would recommend that Oxford City Council review the new scheme as soon as it is announced. This should go some way to regulate this sector.

Summary

- Our research study shows that Oxford has a good range of hotel and serviced accommodation within the city. There has been some growth in short-stay accommodation over recent years but based on the performance of these hotels there is evidence to show that there will be a need for further hotel accommodation in Oxford within the Local Plan period.
- This study supports the spatial approach to accommodate future growth, both new and expansion of short-stay accommodation within Oxford , which directs new development to the city centre and where suitable sites are available on arterial roads into the city and district centres. This includes extensions to existing hotels. In some cases there is a crossover between district centres/arterial roads and key employment sites, such as Headington and Cowley. Other district centres are in largely residential areas and hotel sites may be difficult to find and are likely to be less suitable for new hotel development.

- As new business/science parks emerge as identified in the Employment Land Needs Assessment (ELNA) it does provide some context for future short-stay accommodation requirements to meet 'business' aspects of tourism' in these areas. This will ensure that visitors to these businesses will not need to travel far to find suitable overnight accommodation. They would require car parking and some of these guests may wish to visit the city centre for the evening economy so regular public transport links would be required. The same applies for staff working in these hotels.
- A future policy approach to protect the existing supply of accommodation which seeks to ensure that hotels and guesthouses above a threshold should be supported, accompanied by criteria that need to be satisfied, including viability. Those smaller premises should however be allowed to change their use to residential without the need to go through a viability test.

3.0 Economic Overview of Oxford & Planning Context

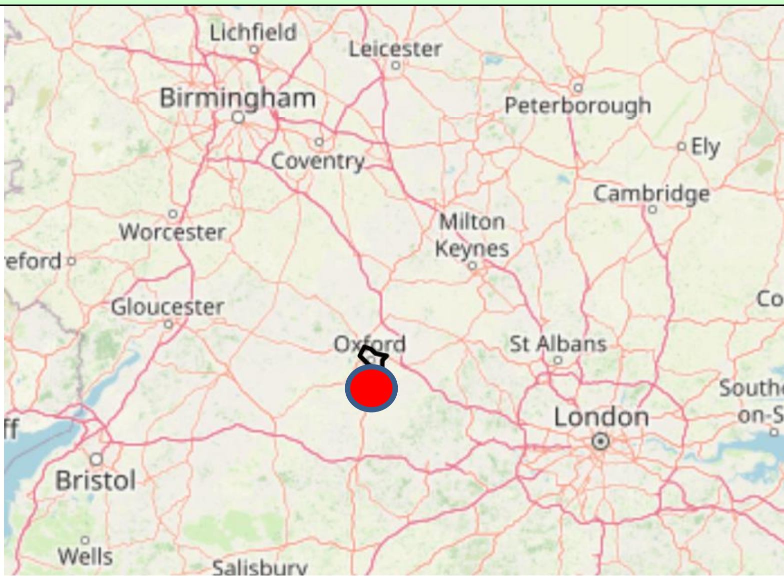
3.1 Introduction

In the following pages we provide an overview of Oxford in terms of its location, visitor economy, population and business environment. We also comment on local and regional regeneration and development activity and the planning context.

3.2 Location

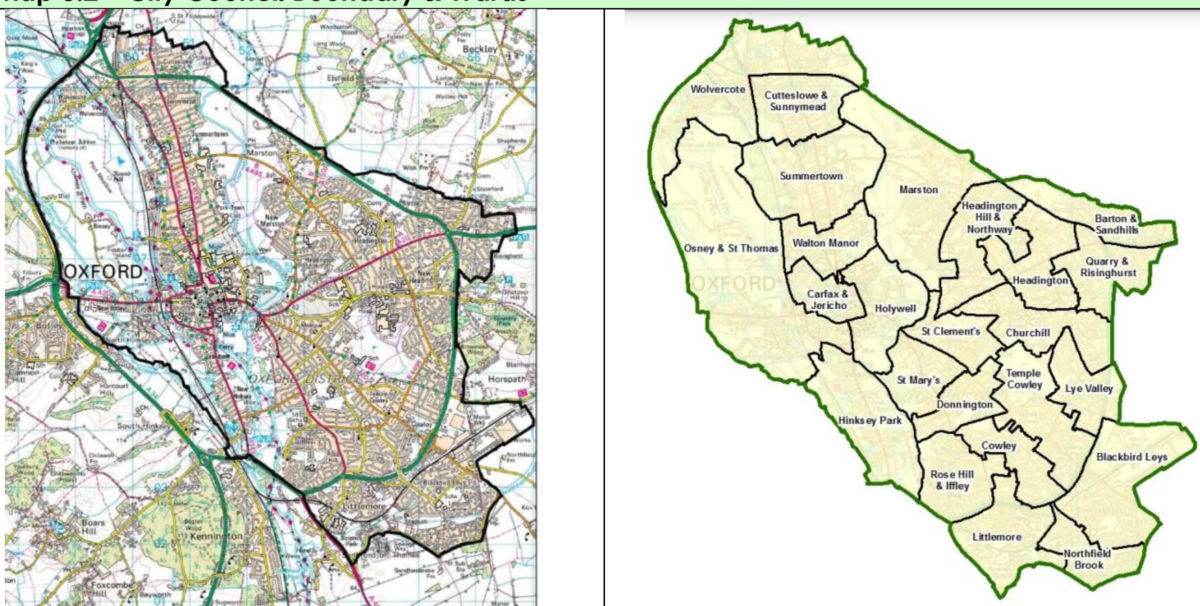
Oxford is located in the southeast of England, to the northwest of London. The city comprises 24 districts. The location of Oxford, and the city boundary and Wards (districts) is illustrated in the maps below.

Map 3.1 – Location of Oxford



Source: Nomis

Map 3.2 – City Council Boundary & Wards



Source: Oxford City Council/Ordnance Survey

3.3 Transport & Communications

Oxford is located at the heart of the UK's transport network making it very well connected with the rest of the country.

Road

Oxford city centre can be accessed from London and Birmingham from either Junction 8 or 9 of the M40 to the east of the city. The Cotswolds and Cheltenham to the west are linked via the A420/A40. Abingdon and Didcot to the south can be reached via the A34.

Table 3.1 – Distances from Oxford to Key Settlements		
Destination	**Approx. Distance (miles)**	**Approx. Drive time (hours)**
Central London	56.2	1hr 37mins
Cambridge	96.8	2hrs 9mins
Heathrow Airport Terminal 5	44.2	55mins
Cheltenham	41.2	1hr 8mins
Birmingham	77.8	1hr 36mins
Birmingham NEC/Airport	66.5	1hr 24mins
Luton Airport	63.5	1hr 15mins
Gatwick Airport	82.9	1hr 36mins
Cheltenham	41.1	1hr 10mins
Worcester	83.5	1hr 33mins
Bath	81.8	1hr 36mins
Manchester	160.5	3hrs 8mins
York	186.1	3hrs 35mins
Source: AA		

The main arterial roads are the: Banbury Road, Woodstock Road, Botley Road, London Road, Iffley Road and Abingdon Road.

Rail & Coach

Oxford Railway Station is located on the edge of the city centre and is around a 15 minute walk from the Town Hall, There are twice hourly services to London Paddington and regular services to Reading where it is possible to change for locations in the West country and South Wales. Both Birmingham and Manchester can be reached by non-stop services. Oxford Parkway is linked to Marylebone in London and intervening stations. Fastest journey times are set out in Table 3.2.

Table 3.2 – Direct Train links from Oxford & Oxford Parkway[1]	
Destination	**Approx. Fastest Journey time (Hours/Minutes)**
London Paddington	52mins
London Marylebone	1hr 14mins/
Wembley Stadium	1hour 6mins/1hr 1mins[1]
Bicester Village[1]	16/8 mins[1]
Reading	22mins
Didcot Parkway	15mins
Birmingham New Street	1hr 12mins
Manchester Piccadilly	2hrs 50mins
Source: National Rail Enquiries	

The 'Oxford Tube' coach offers a coach service from the city centre and various stops in outer Oxford, including Thornhill Park & Ride, running every 10/20 minutes to central London during the daytime and hourly during the night. It stops at various locations in Central London and terminates close to Victoria coach station.

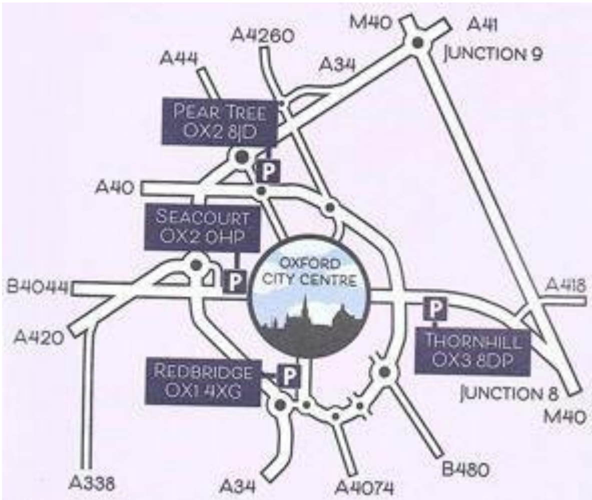
Air

Heathrow International Airport is located just under one hours' drive from Oxford (without traffic) via the M40/M25 and London Gatwick around 1.5 hours drivetime. Regular coach services are available to both London airports from Oxford.

Park and Ride & Buses

There are five Park and Ride sites on the outskirts of Oxford City centre. These are to the north, west, south east and east of the city centre and the locations of four are illustrated below. The fifth is at Oxford Parkway station to the north of the city centre.

Map 3.3 – Park & Rides sites to Oxford City Centre



Source: Oxford bus

Journey times by bus from the Park and Ride sites are around 10-15 minutes. A family bus ticket with 16 hours parking costs £5; the same prices applies for two adults and the cost is £4 for one adult.

A 24-hour bus ticket in Oxford costs £4.50 for an adult.

3.4 Population & Employment

Oxford City has a population of almost 152,000 (2021 Census) and the county of Oxfordshire, excluding Oxford has a population of around 697,000. Oxford has some 35,250 students enrolled on full-time courses at the two universities, which is 22% of the population.

In employment terms, education accounts for almost 30% of total employment (35,000 jobs) and health for 19.7% (23,000 jobs). Professional, scientific and technical services account for 9,000 jobs, 7.7% of the total. Finance, IT, Administration and Real Estate and other services account for a further 16,900 (9.4%). Hospitality (Accommodation & Food Service) jobs are around 7,000 (6%). This data along with a comparison with the Southeast and Great Britain is illustrated in Table 3.4.

Unsurprisingly, with the presence of the University, the number of people working in the education sector is far ahead of the national average. Those employed in the health sectors is also significantly above. The Council's statistics suggest that 70% of jobs in Oxford are in the 'knowledge-intensive industries'.

Table 3.4 – Oxford & South East England by Industry (Jul 2020 – Jun 2022)				
Group	**Oxford**		**Southeast**	**GB**
	No.	**%**	**%**	**%**
Manufacturing	4,000	3.4	5.8	7.6
Electricity, Gas, Steam and AC Supply	700	0.6	0.4	0.4
Water Supply	1,500	1.3	1.0	0.7
Construction	1,750	1.5	5.7	4.9
Wholesale and Retail Trade	11,000	9.4	15.9	14.4
Transportation and Storage	2,500	2.1	5.1	5.1
Accommodation and Food Service	7,000	6.0	7.3	7.5
Information and Communication	7,000	6.0	5.5	4.5
Financial and Insurance	900	0.8	2.8	3.6
Real Estate	1,250	1.1	1.7	1.8
Professional, Scientific and Technical	9,000	7.7	9.2	8.9
Administrative and Support	6,000	5.1	8.9	8.9
Public Administration and Defence	3,000	2.6	3.3	4.6
Education	35,000	29.9	9.6	8.8
Human Health and Social Work	23,000	19.7	13.0	13.7
Arts, Entertainment and Recreation	1,500	1.3	2.3	2.3
Other Service Activities	1,760	1.5	2.2	2.0
Source: Nomis 2021 data				

The city has higher than average economic activity with low unemployment (2.5% compared to 3.7% nationally). Average weekly pay in Oxford is at around £718 compared to an average of £642 nationally, and average hourly pay is at £19 compared to £16 nationally. These figures suggest that employers in Oxford pay higher wages than many other locations and the jobs density ratio of 1.26 suggests there are more jobs available than residents.

The cost of housing in Oxford is high, with average house prices 12 times average earnings, with a mean house price of £567k and a median rent of a 3-bedroom home more than half of average earnings. Paradoxically, 10 out of the city's 83 neighbourhoods are amongst the 20% most deprived in England.

3.5 Oxford University and Colleges & Other Academic Institutions

Oxford is home to 38 colleges, some of which are more than 800 years old and the most recent, Green Templeton College, opened in 2008.

In the latest Sunday times 'Good University Report 2023; Oxford University was ranked number one UK University, up from second place the previous year. It is listed in 4th place in the 2023 QS World University rankings, down two places on the previous year.

The University has around 12,150 undergraduate students, and 8,500 postgraduates. Oxford offers eight-week terms and a small group tutorial system. Most colleges offer accommodation for the first two years of a student's studies.

New facilities that are being added to the University include the Life and Mind Building for psychological and life sciences, which is due to open in 2024 and is part of a £4bn joint venture with Legal and General over the next decade. Also to be included in this initiative are the developments of the Begbroke and Osney Mead science and innovation districts, and more student/staff accommodation.

The main campus of Oxford Brookes University is located in Headington, to the east of the city centre. There are three other campuses, although the Engineering campus at Wheatley is to be moved to Headington in the next year or so. Oxford Brookes has around 12,150 undergraduate students, and 2,200 postgraduates. Notably the University offers courses in international tourism and hospitality management.

3.6 Business Profile – Oxford & Oxfordshire

Oxford is home to 4,580 businesses providing around 113,900 jobs and is part of the UK's 'Golden Triangle'. This area is defined by the University of Oxford, the University of Cambridge, and universities based in London. The universities within the 'Golden Triangle' together have a combined annual research income of over £1.4bn. Powered by cutting-edge research and highly qualified labour, Oxford, and Oxfordshire, have developed biomedical, medical and technology clusters of global significance. Leading employers in Oxford are listed in Table 3.5 and a more detailed list in Appendix A.

Table 3.5 – Major Employers in Oxford

Company Name	**Company Description**
BMW (UK) Manufacturing Ltd.	Manufacturing of the Mini
Unipart Group of Companies	Leaders in independent logistics, automotive parts & accessories
University of Oxford	Higher education institution
Oxford Brookes University	Higher education institution
Newsquest (Oxford) Ltd.	Local newspaper publisher
Oxford Bus Company	Operator of local Oxford bus services
Oxford University Press	Department of the Uni. of Oxford publishing worldwide
Oxford University Hospital NHS Trust	Oxford's main provider of healthcare
Oxfordshire County Council	Local authority
Source: Oxford City Council	

The County of Oxfordshire is home to several science, innovation, technology and business parks that form a spine of knowledge and intensive economic activity, running from north of Oxford City to the southern part of the County. All of these parks are potential drivers of demand for short stay accommodation in the city from business and conference visitors.

Notable science and business parks locate outside the City boundary include:

- Begbroke Science Park - is owned and managed by Oxford University and is located five miles to the north of Oxford city centre. There are around 30 companies and some 20 research groups based at the Begbroke Science Park. Advanced materials is a core focus area with key testing facilities, including the Impact Engineering Laboratory, Advanced Research Computing and the Advanced Materials Testing Laboratory. In addition, The Centre for Innovation and Enterprise is located there, which offers serviced incubation units as well as access to Oxford University's science and technology departments.

- Culham Science Centre - is owned and managed by the United Kingdom Atomic Energy Authority and is a focus for plasma physics and fusion research in South Oxfordshire. Key facilities include the Materials Research Facility (MRF) and RACE (Remote Applications in Challenging Environments) facility. Culham Science Centre also accommodates companies ranging from start-up/virtual serviced offices via the Culham Innovation Centre, through to laboratories/offices for mid to large organisations.

- Harwell Science and Innovation Campus - is owned by the UKAEA, the Science and Technology Facilities Council and Public Health England. It is managed by the Harwell

Science and Innovation Campus joint venture partnership. Harwell Campus has a core focus on space activity, including Diamond Light Source (the UK's national synchrotronscience facility), the ISIS Pulsed Neutron Source, the UK Space Gateway and The Satellite Application Catapult.

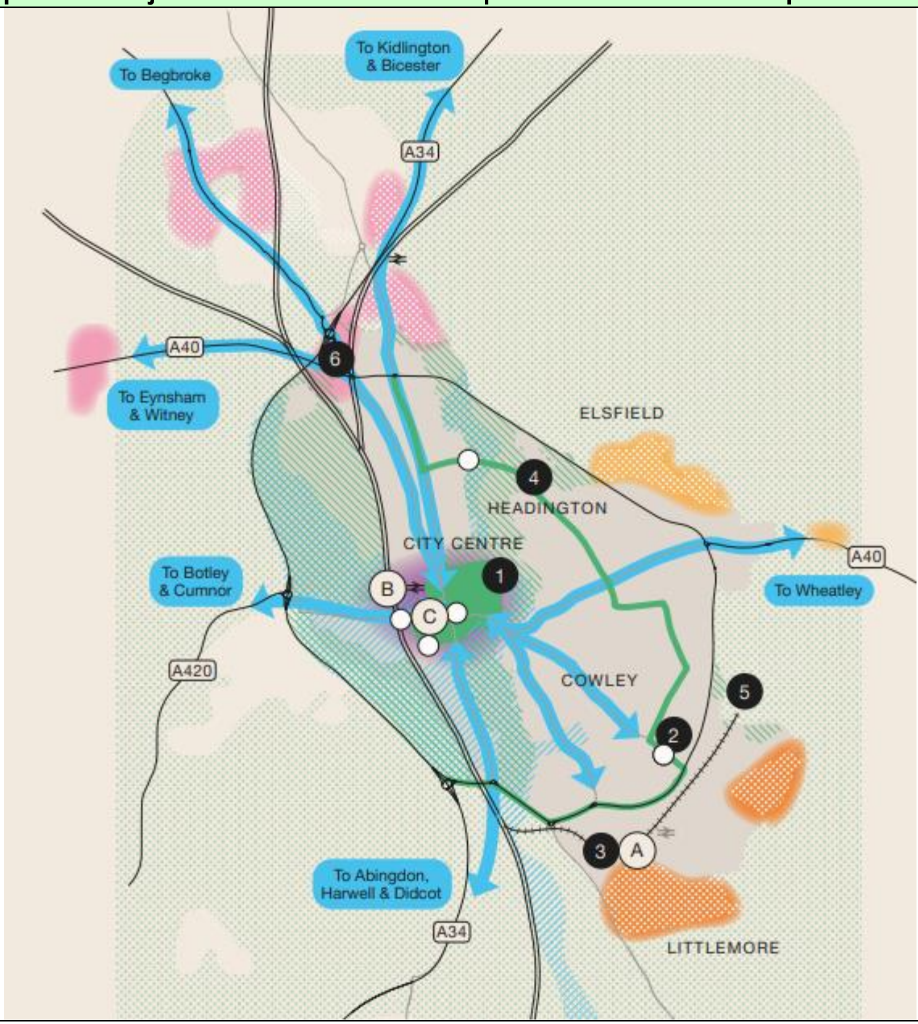
- Milton Park - is a mixed-use business and technology park to the north-west of Didcot that is operated by MEPC plc. There are some 250 organisations on Milton Park, including Adaptimmune, Dow Agrosciences, Evotech, Immunocore, Nexeon, RM Education (digital platforms), Schlumberger (Oilfield services) and Yasa Motors.

- The Oxford Science Park - is located four miles outside of Oxford and is owned by Magdalen College. The Magdalen Centre located within the Park provides incubator space for start-ups, whilst the remainder of the Park provides space for larger firms.

3.7 Main Business Areas & New Projects

We illustrate the key development areas and current major economic nodes in the following maps. The areas are colour coded.

Map 3.4 — Major Economic Nodes & Proposed Areas for Development



Key:

1 City Centre 2 Oxford Business Park 3 Oxford Science Park	4 Headington Health Technology Cluster 5 Automotive Cluster 6 Oxford North
Proposed Areas for Development	
Northern: the development of Oxford North and new urban development in Cherwell	West End and City Centre: Westerly expansion of city centre through a new innovation district
Eastern: Evolving health clusters around Headington and development east of Barton. Continued evolution of Oxford Brookes Campus	Southern: Oxford Science Park and Oxford Business Park, the automotive cluster and urban developments at Northfield, South Oxford Science Village, Neighbourhood improvements at Blackbird Leys
Source: Oxford Economic Strategy 2022	

3.8 The Planning Context

The Oxford Economic Strategy 2022-32

The Oxford Economic Strategy prioritises four economic sectors for support. These represent activities with competitive advantages and are areas where Oxford can become or can continue to be a leader on the global stage. They are described as:

1. Health and Life Sciences: Includes a whole range of life sciences enterprises including drug discovery and development, diagnostics, medical devices, digital health, precision medicine and regenerative medicine.

2. Technology and Digital: Includes businesses providing IT, software services and digital applications across a range of sectors.

3. Creative Production: Includes a diverse range of activities including publishing, marketing and branding, architecture, crafts, design, fashion, film, theatre, radio, arts and museums.

4. Green and Low Carbon: An array of businesses spanning environmental activities, renewable energy, energy storage and low carbon activities in sectors including automotive and transport.

The Strategy identifies the following locations as major economic nodes: the City Centre; the Oxford Business Park; the Oxford Science Park; Headington Health Technology Cluster; Automotive Cluster; and Oxford North.

Planned areas for development are identified as are identified as Oxford North and the creation on a new innovation district in the West End of the City centre; and evolving health clusters around Headington to the north-east and expansion of the Oxford Brookes campus; and in the south further development of Oxford Business Park and Science Park. New urban developments are proposed outside the city boundaries in Cherwell DC to the North and Land at Bayswater Brook; together with Northfield to the west and South Oxford Science Village to the south of the city.

The City Centre Action Plan 2021 - 2030

The plan was issued in June 2022, but the project was started in 2019 as a collaboration between Oxford City Council and local stakeholders.

The report covers many aspects relating to the city centre, particularly retail and transport, and the experience of all users to the city centre including visitors. The latter would therefore include hotel guests and hospitality accommodation businesses which are the focus of our report. One of the objectives of the action plan is to create a supportive environment for local businesses to thrive.

We concentrate on the aspects of this report that would impact the hospitality accommodation sector and future growth in hotel provision. Relevant key findings are:

- House prices in the city centre are around 11 times than annual salaries, making it unaffordable than most city centre and this impacts attracting staff.
- Much of the city centre is covered by one of four conservation areas and it is an important historic city.
- The report acknowledges the strength of the Oxford as an international brand and appeal to business and visitors, and the high concentration of knowledge intensive businesses.
- One of the opportunities identified was to increase visitor stays - 'Identify further opportunities to support longer visitor stays through provision of more overnight accommodation alongside the diversification of attractions and experiences.
- One of the identified objectives was 'to support our retail, hospitality, leisure, culture services to recover and evolve, while ensuring the spaces to support a new wave of business growth and jobs' and to 'achieve more overnight visitor stays, increasing their enjoyment in our city, while maximising the contribution to the local economy.'

The Economic Strategy Delivery Plan

The strategy is accompanied by a Delivery Plan, to guide action on priority projects, and exploration of new ideas. It includes focussed plans for employment and commercial space, the City Centre and the Visitor Economy. "Making Oxford a more impactful global city and ultimately, the UK a more successful economy, is dependent upon the delivery of more commercial space in the city."

The Delivery Plan includes a focus on 'Evolving Oxford's Visitor Economy' and expresses an ambition to improve the experience and to maximise the positive economic impact of tourism by encouraging longer overnight stays from international and domestic visitors. "Experience

Oxfordshire has shown that 85% of the 8 million annual visits are day trips with just 15% being overnight stays. These overnight visits, however, generate 60% of visitor spend so there is an economic imperative to increase the duration of visits. It is, therefore, important that we provide more accommodation and a night-time offer which encourages people to stay in Oxford for longer."

The Adopted Local Plan 2036

The Economic Strategy reflects the strategies contained within the adopted Local Plan. Oxford has an established network of centres with the city centre at the heart supported by the district centres. The strategy of the Local Plan is for district centres to play an extended role in accommodating growth and developing their function as 'hubs' for the local communities.

For tourism, the Adopted Local Plan seeks to manage the negative impacts of day visitors through the management of coaches and congestion of the arterial roads and public realm of the city centre; and encourage tourists to stay longer through granting permission for short-stay accommodation and tourist attractions in locations where they are easily accessible through sustainable modes and where they can be good neighbours.

Employment Sites

For employment, the Local Plan seeks to support Oxford's role as a fast-growing city, generating economic growth for the local and national economy. The Local Plan protects the most important employment sites; however no new employment sites are identified. Instead, the policy approach seeks to make the best use of all existing sites through intensification and modernisation to accommodate the forecast demand for new employment floorspace over the plan period.

The Local Plan sets out a hierarchical approach to employment categories, stating how existing employment sites will be supported to ensure appropriate levels of protection and intensification. The sites range from Category 1 and 2 sites, which are afforded most protection, to Category 3 and B8 uses which have more flexibility and potential to be released from employment uses for other purposes to ensure the best use of land. The policy also provides flexibility to ensure start-up and incubator businesses are supported throughout the hierarchy.

Category 1 sites are nationally and regionally important to the knowledge economy or are significant employers or sectors in Oxford, primarily B1 (office) and B2 (industrial) uses with some B8 uses. Many of these sites are large, and they often include a range of uses. Examples include important hospital and university research sites, hi-tech manufacturing, bio-engineering companies and the BMW Mini plant. Category 2 sites provide local services meeting local needs. Category 3 sites mainly comprise smaller sites and those not performing as well as Category 2 sites, for example because they are not as well located, or because they do not perform such an important economic function, nor are likely to be able to in the future.

Category 1 employment sites are detailed as follows:

University/Research sites:

- University of Oxford Science Area and Keble Road Triangle;
- Old Road Campus;
- Radcliffe Observatory Quarter;
- Northern Gateway/Oxford North

Hospital Research sites:

- John Radcliffe Hospital;

- Nuffield Orthopaedic Hospital;
- Churchill Hospital;
- Warneford Hospital.

Major Publishing sites:

- Oxford University Press.

Major Manufacturing /Research sites:

- BMW (Mini); Unipart.

Science/Business Parks:

- Oxford Science Park;
- Oxford Business Park.

Larger Knowledge –Sector Office uses:

- Oxford Centre for Innovation

Category 2 employment sites are listed in Appendix B.

Planning permission will not be granted for development that results in any loss of employment floorspace on Category 1 sites. No other non-employment uses will be permitted on Category 1 sites except:

a) residential development for staff linked to the employer; or
b) other complementary uses that support the successful economic function of the site.
c) Start-up or incubator businesses will also be supported, if it can be demonstrated that they will not cause any negative impact on the main economic function of the site.

University Sites

For the university sector, the Local Plan supports the sustainable growth of the two universities. Due to the limited availability of land and the competing demands for development sites in the city, the universities are encouraged to focus growth on their own sites; both institutions have indicated that they have the potential to deliver more of their own needs through redevelopment. Further, the policy requires that any additional student accommodation need created is matched by a corresponding provision of suitable student accommodation, either purpose built or by the use of university accommodation out of term time or homestay accommodation.

Tourism Accommodation

The Local Plan notes that: "The city is world famous and attracts an increasing number of visitors and overnight stays; it is a crucial destination of the national tourism industry. However, a very large number of tourists make very short visits, often only for part of, or one day. The economic benefits to the city of these short visits are slight, while the impact of these visits is significant. Policies which facilitate longer stays will result in greater spend in Oxford's shops and restaurants which will in turn boost their viability and Oxford's economy. In addition to [leisure]tourists, the short-stay accommodation market is very strong for business travellers in Oxford and provision of more accommodation would additionally help support the economy objectives of this Plan. When Oxford's hotel occupancy and room rates are compared with those of comparable cities, there is significant unmet demand and potential for growth in all varieties of short-stay accommodation.

The amount and diversity of short-stay accommodation to support this aim will be achieved by permitting new sites in the city centre and on Oxford's main arterial roads, and by protecting and allowing the expansion of existing sites to support this use.

A feature of the Oxford holiday and short term let market is the use of student accommodation in the university holidays. Use of student accommodation to cater for the conference and holiday let markets at times when it would otherwise be vacant is an efficient way to provide for these needs."

Policy V5 of the Local Plan reflects these considerations as follows:

"Planning permission will only be granted for the development of new sites for holiday and other short stay accommodation in the following locations: in the City Centre, in District Centres, on sites allocated for that purpose, and on Oxford's main arterial roads where there is frequent and direct public transport to the city centre. This locational requirement does not apply to proposals to refurbish or expand existing sites.

Proposals for new, refurbished or expanded holiday and short stay accommodation must meet all the following criteria:

a) it is acceptable in terms of access, parking, highway safety, traffic generation, pedestrian and cycle movements;

b) there is no loss of residential dwelling; and

c) it will not result in an unacceptable level of noise and disturbance to nearby residents

Planning permission will only be granted for the change of use from holiday and other short-stay accommodation when any of the following criteria are met:

d) no other occupier can be found following a realistic effort to market the premises …. for continued use as holiday and other short stay accommodation (whether or not of the same form as the existing use); or

e) evidence of non-viability is submitted; or

f) the accommodation is in a location unsuitable for the use as demonstrated by being contrary to the location requirements or any of the criteria a-c above

Planning permission will be granted for new tourist attractions where proposals meet all of the following criteria:

g) they are realistically and easily accessible by walking, cycling or public transport for the majority of people travelling to the site; and

h) they will not cause environmental or traffic impacts; and

i) they are well related to any existing or proposed tourist and leisure related areas."

Main Areas of Change and Site Allocations

The Local Plan highlights Areas of Change within the city and sets out specific site allocation policies. Areas of change are the areas of the city where significant change is expected or best directed. These areas include the district centres and also areas where there are significant clusters of potential development sites.

A site allocation is a planning policy that describes what type of land use, or mix of uses, would be acceptable on a specific site or whether the site is protected for certain types of development. The purpose of the site allocations is to allocate sites for built development or to maintain a type of built development on a site.

The Areas of Change highlighted in the Local Plan are as follows:

1. West End and Osney Mead – the subject of a Supplementary Planning Document
2. Cowley District Centre
3. Blackbird Leys District Centre
4. East Oxford – Cowley Road District Centre
5. Summertown District Centre
6. Headington District Centre
7. Cowley Branch Line

The area surrounding the Cowley branch line is a major employment hub with the large employers of BMW Group, Unipart, Oxford Science Park and Oxford Business Park. The Area also includes the Kassam Stadium site.

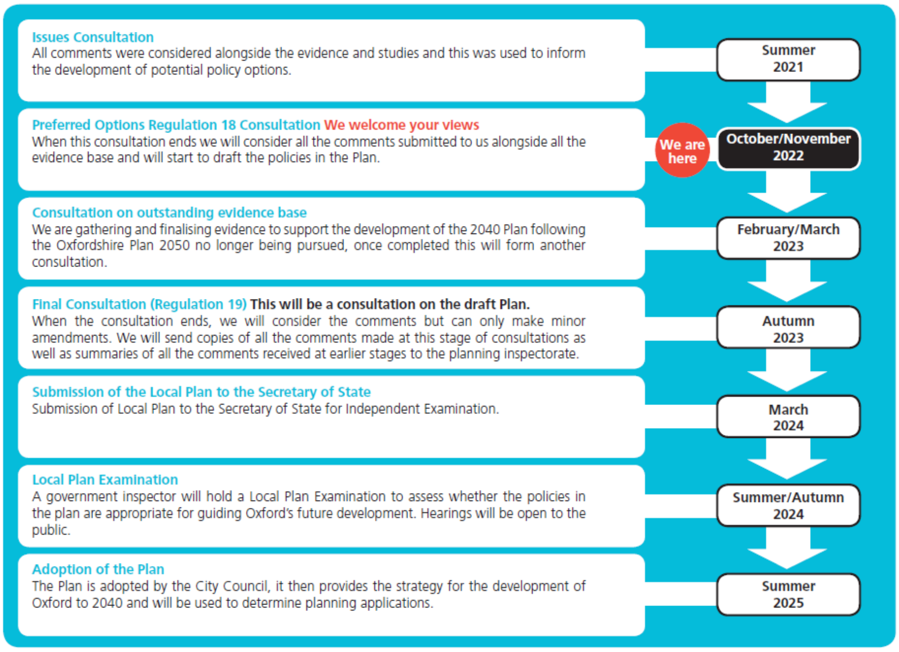
8. Marston Road
9. Old Road

The Local Plan 2040

Oxford City Council is embarking on the development of a new Local Plan. The Local Plan 2040 will set out the planning strategy for meeting the needs of the city and once adopted, will be used in determining planning applications for a wide range of development. It will set out where new homes, businesses and community facilities will be built to make Oxford a better place to live, work and visit.

The Preferred Options Regulation 18 Consultation document contains a series of proposed policy approaches or options which cover a range of topics including housing, economy, communities, design and heritage and tourism. It includes a development sites and infrastructure chapter, which sets out proposed sites that may require a site allocation in the plan. This is the stage that is currently underway. The timing of the Local Plan Process is set out as follows.

Table 3.6 – The Local Plan 2040 Process and Timetable



Source: Oxford City Council

On tourism, the document emphasises its importance to the city: "Tourism plays an important role in Oxford's economy. According to Experience Oxfordshire, in 2019, tourism generated around £988m for the city's economy from 7.8m visitors to the city, of which just over 84% were day visitors. Before the pandemic, Oxford had a strong tourism sector with 14% of all the jobs in the city being tourism-related in 2019.

The tourism sector (and hospitality) was impacted by the pandemic; however, we have not yet had a full year of "being open" and neither have some of the countries from where visitors originate. It is expected, over the lifetime of the plan, that the tourism sector will recover and return to pre-pandemic levels. It will be important to support the recovery of sectors such as these which are important to the vitality and function of a city such as Oxford. Oxford has many short-stay visitors, often visiting for a day or only a few hours, which has fewer benefits for the local economy. Tourists and visitors help support facilities and attractions such as theatres, cinemas and the ice rink. Visitors can also help support local restaurants, cafes, etc. which is beneficial to residents who can enjoy a greater range of facilities. Tourists who stay longer are likely to bring more to the local economy, but to enable that requires more provision of tourist accommodation. New hotels must not harm amenity of local residents or generate car traffic. Many tourists travel by coach and managing the impacts of coaches in a compact city is challenging."

Different policy options are proposed for (1) New Short-stay accommodation and (2) Existing accommodation.

For new accommodation, the preferred options are:

1. Allow new sites for holiday and other short-stay accommodation in the city and district centres, on allocated sites and on Oxford's main arterial roads only. Potential positive consequences of the approach are said to be the encouragement of new short-stay accommodation in sustainable and accessible locations with the likely benefit to Oxford's economy of supporting a higher percentage of Oxford's visitors to stay overnight and the potential to enhance the vibrancy of the city and district centres by allowing tourist accommodation to be located here. Potential negative/neutral consequences of the

approach are seen as increases in traffic along arterial roads and potential risk that this use could become dominant in locations supported by the policy.

2. A preferred alternative is to allow new short-stay accommodation in the city and district centres, and on allocated sites only – but not on arterial roads. Such an approach would continue to encourage new short-stay accommodation in sustainable and accessible locations and provide control over which sites outside of these areas were appropriate to deliver short-stay accommodation. It has the potential to enhance the vibrancy of the city and district centres by allowing tourist accommodation to be located there. Against that, the approach may increase pressure for town centre uses in city and district centres and reduce variety of uses in these locations; and would reduce the number of locations where tourist accommodation is deemed appropriate, which may mean it is not possible to meet needs.

Other possible approaches, which are not favoured, are to support new short-stay accommodation anywhere in Oxford; or to have no specific policy; or to resist new short stay accommodation altogether.

For Existing short stay accommodation, the preferred option is not to include a policy protecting existing short-stay accommodation in the city and instead to rely on other policies in the plan and national planning policies. This option would mean that Oxford is reliant solely on market forces to protect its existing stock of short stay accommodation. Whilst providing flexibility for developers, it would not necessarily help the city to achieve its wider tourism aims and objectives; and could provide uncertainty for existing short-stay accommodation owners and occupiers.

An alternative would be to continue to allow expansion of existing short-stay accommodation providing certain criteria are met and to continue to protect existing accommodation and allow its loss only if specified criteria are met including either viability evidence or if the location is not one where new short stay accommodation would be allowed. The disadvantage of such approach is seen as preventing existing sites that function poorly from being redeveloped.

3.9 Employment Land Needs Assessment (ELNA) Lichfields (interim Sept. 2022)

Planning consultants Lichfields were commissioned by the City Council to provide economic evidence to inform employment land policies as an input into the Local Plan review.

The Employment Land Needs Assessment (ELNA) does not include short-stay accommodation as part of the assessment of future land requirements as such , but it does provide some context for future short-stay accommodation requirements to meet 'business' aspects of tourism' .

Their interim report concluded that across five different scenarios of future employment space requirements, the minimum the Council should plan for is an extra 296,270 m^2 . over the period 2020-2040.

The majority of this space (79% or more) would be required for office, R&D and laboratory uses. However more space would be needed totalling 412,310 m^2 . to achieve the 'go for growth' aspirations of the Oxfordshire Local Industrial Strategy.

Existing permissions not yet developed totalled 118,770 m^2. in the pipeline (as at Jan 2022) mostly located on Category 1 sites. 76% of these sites relate to office and R&D space.

Additional space could be provided on undeveloped land within existing sites, namely187,000 m^2 . in the West End and 25,000 m^2 . on each of the Oxford Business Park and Oxford Science Park. Development on these sites would meet the minimum spatial requirements identified in the report but not the aspirations of the LIS.

3.10 Commercial Property Agents

Part of the brief was to discuss with key local stakeholder including commercial agents to identify how the property market for hotels / short-stay accommodation currently operates and the appetite for further investment. To understand how the commercial market functions in relation to other competing uses and how it might change in the future.

We consulted with Carter Jonas, Savills, Knight Frank, Graham + Sibbald and Bidwells. In addition, we referred to reports published by Knight Frank – UK Hotel Trading Performance Review 2022 – and Savills – Oxford: a global competitor, Autumn 2022.

In summary, the main points to emerge were:

Overall, demand for short stay accommodation outstrips supply across all parts of the market. Operators are enjoying profits from both corporate and leisure demand.

Demand for R&D and lab floorspace grew substantially through 2022. Historically, annual demand averaged around 250,000 sq.ft. but now demand is reaching 500,000 sq.ft. per annum of which 80% is required by science and technology companies. There is an expected pipeline of demand for 2.5-3.0 million sq.ft. over the next 5 years – significant growth to existing levels of around 10 million sq.ft.

Existing businesses generate demand for short stay accommodation which will grow in line with growth in supply, but there is an expectation that international corporates will acquire growing local technology companies bringing with them an added demand for short stay accommodation from overseas visitors.

Locationally, new hotel supply should respond to these corporate demands with accommodation easily accessible from the growing business and science parks. Alternatively, companies may seek to meet their accommodation requirements by purchasing residential units.

There was little support in principle for prioritising District Centres as locations for hotel development other than in response to specific demand such as in the case of Headington to meet the needs of evolving health clusters and the Oxford Brookes Campus.

For leisure tourists, the City Centre is the target destination, but there is seen to be an undersupply of hotel accommodation, which also is expensive. Parking charges in the City Centre are 'eye-watering'. University accommodation which is available for a limited period in the summer is regarded as more of a b&b than full service operation. The acquisition by the hotel group Store outbidding other investors in the city centre is testament to the availability of funds but with office rents currently at an all-time high and the Life Science market also creating value, hotel investors will be competing for development opportunities with these sectors as well as with residential developers.

For leisure tourists, the tendency is to stay at hotels away from the City Centre, e.g. at those close to park and ride facilities and bus into the city; or to visit Oxford as day visitors, staying in locations such as Bicester as a centre for trips to the Shopping Village.

One of the agents indicated that there was very strong interest for a hotel development site they are marketing on the outskirts the city.

3.10 Summary

Oxford is home to one of the world's leading universities and this contributes to the research and development and knowledge based activities in and around the city. There are also centres of manufacturing such as the car plant at Cowley.

There are a number of key new development zones planned and under development, such as in life sciences which should further support the economic strength of the city in the future and potentially growing strong demand for hotel and short stay accommodation.

4.0 Leisure & Business Tourism to Oxford

4.1 Introduction

Both leisure and business tourism, including conferences and other events, are key generators of demand for hotel bedrooms and other short stay accommodation in Oxford. In this Section we discuss the key aspects of this sector and recent demand trends.

4.2 Local Tourist Attractions

Oxford is world renowned for its academic and cultural heritage; offering a vibrant and varied visitor experience. It is a compact historic but cosmopolitan city with outstanding architecture, both new and old. Its ancient centre is preserved with medieval streets, the University, college courts, gardens and riverside.

There is a range of museums and art galleries, and the city retail offer. The city centre offers a good selection of bars and restaurants, a number of theatres and has a vibrant evening economy. The most relevant visitor attractions are:

- Ashmolean Museum of Art and Archaeology - around 930,000 visitors per annum, with free entry;
- Bodleian Library - around 761,000 visitors in 2019, paid entry;
- History of Science Museum - 148,500 visitors in 2019, free entry;
- Oxford University Museum of Natural History - 792,200 visitors in 2019, free entry;
- Pitt Rivers Museum - 468,000 visitors in 2019, free entry;
- University of Oxford Botanic Garden - 174,100 visitors in 2019, paid entry.

Nearby tourist attractions outside of the city boundary create further demand for short stay accommodation in Oxford to add to demand from visitors to the city itself. Notable attractions close by include Bicester Village and Blenheim Palace.

Bicester Village

In 2019 more than seven million people visited Bicester Village, an upmarket outlet shopping centre located 15 miles northeast of the city centre. International footfall accounted for 35% of all shoppers.

The loss of overseas visitors since the Coronavirus outbreak posed a challenge for Bicester Village, which was closed to shoppers during the three lockdowns, reopening in April 2021, primarily for domestic visitors. Londoners make up 60 per cent of the UK footfall, many taking advantage of the direct train service from London Marylebone station.

The expectation is that international visitor numbers will return to pre-covid levels in line with the return of overseas tourists to the UK. The loss of the dominant segment, Chinese shoppers, has been partly offset by growth in visitors from the Middle East, but industry analysts expect Chinese tourism spending to return to pre-Covid levels by 2025, dependent on a softening of Beijing's commitment to its tough "zero-Covid" policy.

Blenheim Palace

Some 10 miles north west of the city centre, at Woodstock, Blenheim Palace attracts significant visitors to the palace and events.

Visitor statistics from Visit Britain show that Blenheim Palace was the sixth most visited paid attraction in England in 2019 with 984,913 visitors, falling back to tenth place in 2021 with 599,601 visitors.

A report on the Blenheim Palace local economic impact in 2019/20, undertaken by Oxford Brookes Business School, showed a sharp rise in the estate's contribution to the local economy. According to the report, the total GVA (Gross Value Added) economic impact was £126.8m – an increase of more than 26 per cent on the previous year. Based on earlier research findings, nearly 14% of visitors stay in the area for more than a day.

4.3 Value & Volume of Tourism

Both domestic and international visitors are an important element of Oxford's and the wider Oxfordshire economy.

In summary, pre-Covid Oxford generated some 5.7 million domestic trips, consisting of 5.1million day trips and 0.63 million staying trips (average 2017-2019). In 2019alone it was estimated the tourism sector (domestic & international visitors) supported 127,032 jobs, some 14% of Oxford employment and generating business turnover of over £988 million.

Tourism – Oxford & Oxfordshire

The data collated by Visit England is for averages of three-year periods, Experience Oxfordshire and Oxford City Council have commissioned some bespoke annual statistics from this database, which we include in this Section.

Over the three years 2017 to 2019, an average of around 5.8m domestic trips were taken annually to Oxford and 17.8m to Oxfordshire. This accounted for 1.3m visitor nights in Oxford and 3.8m in Oxfordshire and generated some £315m expenditure to the city and a further £954m in the county – see Table 4.1.

Table 4.1 – Value of Domestic Tourism, Oxford and Oxfordshire

		Overnight				**Total**
	Day	**Holidays**	**VFR**	**Business**	**All Overnights**	**All Tourism**
Oxford						
Trips (m)	5.13	0.172	0.311	0.124	0.634	**5.760**
Nights (m)	-	0.389	0.602	0.257	1.322	**-**
Spending (m)	209	39	31	30	106	**315**
Oxfordshire						
Trips (m)	16.3	0.518	0.798	0.216	1.563	**17.828**
Nights (m)	-	1.375	1.820	0.554	3.838	**-**
Spending (£m)	685	128	87	48	269	**954**

Note: Average of 2017, 2018, 2019

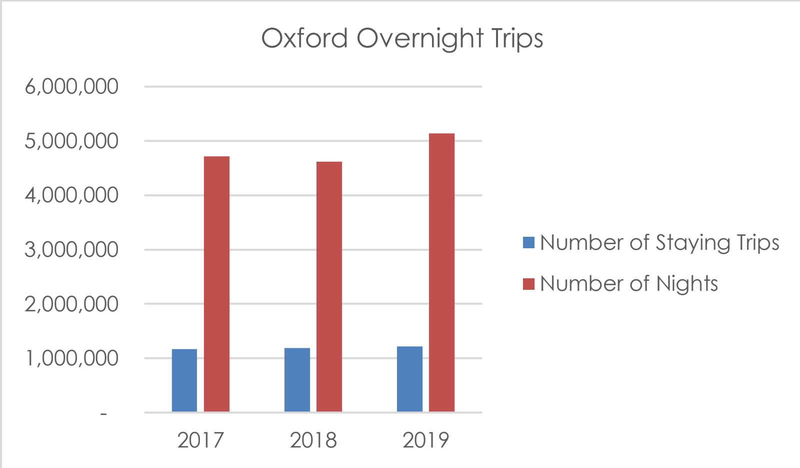
Source: Visit England/ The GB Tourism Survey (*GBTS)* Great Britain Day Visits Survey (*GBDVS)*

For 2019 and 2018 more detailed figures are available, which include annual estimates of the data in the above table. There were 7.8m trips recorded for 2019, with 1.2 million staying trips and 5.4m nights. This was up from 4.8m nights in 2018, an increase of 12.5%.

Staying Visits

From the latest available statistics, the number of staying visitors (trips)increased in 2019 by some 2.8 % compared to 2018 and overnights by an impressive 11.4% which made up for small growth in visits in 2018 (1.5%)and a decline of 2.1% in overnight stays – see Chart 4.1.

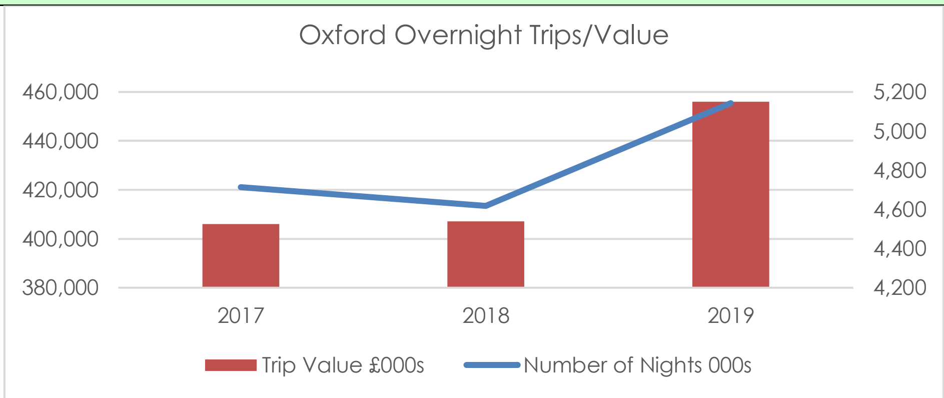
Chart 4 .1 – Oxford Staying Visitors 2017 - 2019



Source: Economic Impact of Tourism - Oxford, reports 2018 & 2019/Bridget Baker Consulting Analysis

Unsurprisingly, the increase in overnight stays in 2019 resulted in a significant increase in the value of expenditure from these visitors by some 12% to more than £456 million – see Chart 4.2.

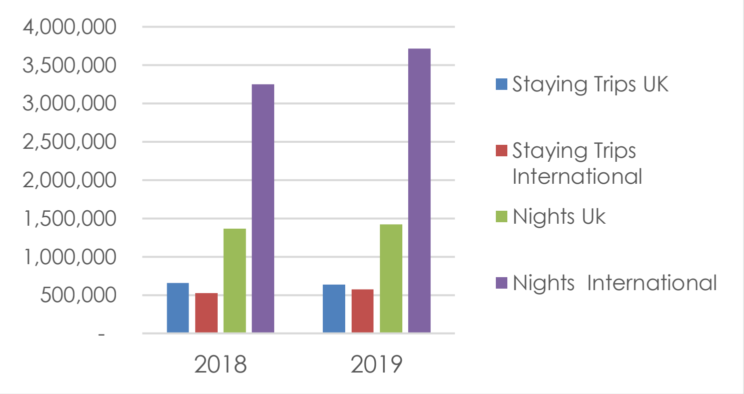
Chart 4.2 – Oxford Staying Visitors 2018 & 2019



Source: Economic Impact of Tourism - Oxford, reports 2018 & 2019/Bridget Baker Consulting Analysis

Although the actual staying visits to Oxford from domestic and international visitors are broadly similar in volume terms, international visitors stay far longer, on average around 6/6.5 nights compared to UK visitors at just over 2 nights per visit. International nights account for around 70% across all types of accommodation – see Chart 4.3.

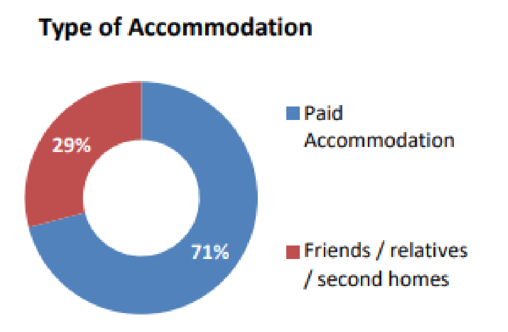
Chart 4 3 – Volume Staying Visitors/Nights UK & International, Oxford 2018 & 2019



Source: Economic Impact of Tourism - Oxford, reports 2018 & 2019/Bridget Baker Consulting Analysis

Of the staying guests it is estimated that in 2019 71% stayed in 'paid' accommodation and 29% with friends/relatives, second homes etc. This was the same proportion as 2018. The paid accommodation could be hotels, guest houses, university accommodation or short stay such as Airbnb's - see Chart 4.4.

Chart 4.4 – Oxford Staying Visitors – type of Accommodation 2019



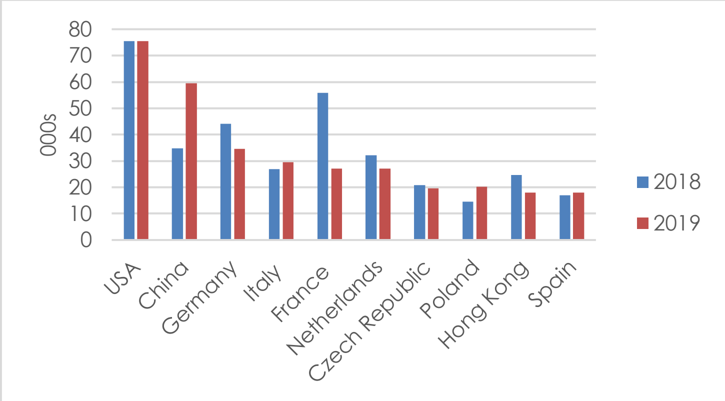
Source: Economic Impact of Tourism - Oxford, reports 2019

International Visitors

Oxford was the 9th most visited UK town/city by staying international visitors in 2019 and attracted some 581k visits (excluding day trips). (Oxford took 8th place in 2018 with 580k visits and 601k in 2017.) Given the supply constraints of accommodation in Oxford at certain times of the year, we would expect some of this demand to have been accommodated elsewhere.

The USA is the dominant market for overnight international visitors to Oxford – see Chart 4.5. China had been strong in recent years, but with the strict travel restrictions due to Covid-19. Our research shows this source of demand having reduced dramatically since 2020. After these two main source markets, various European countries also generate significant visitation levels to the city.

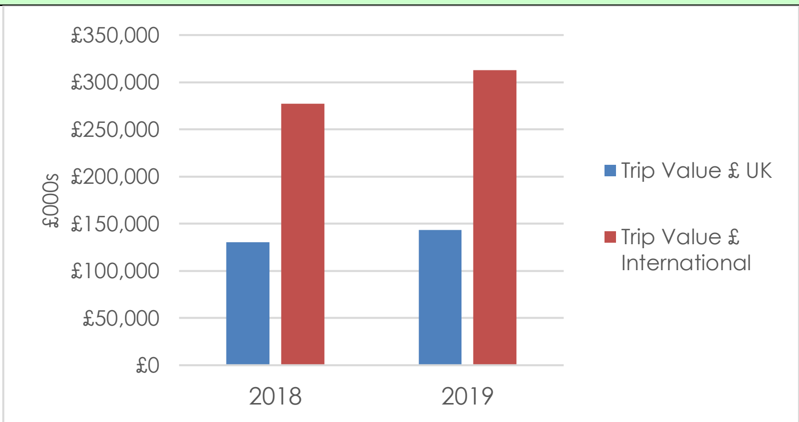
Chart 4.5 – Leading International Staying Visitor Markets – 2018 & 2019



Source: ONS/Bridget Baker Consulting Analysis

Given that international visitors stay longer, their expenditure in the local economy is far in excess of that generated by domestic visitors – see Chart 4.6.

Chart 4.6– Value Staying Visitors UK & International, Oxford 2018 & 2019 Oxford



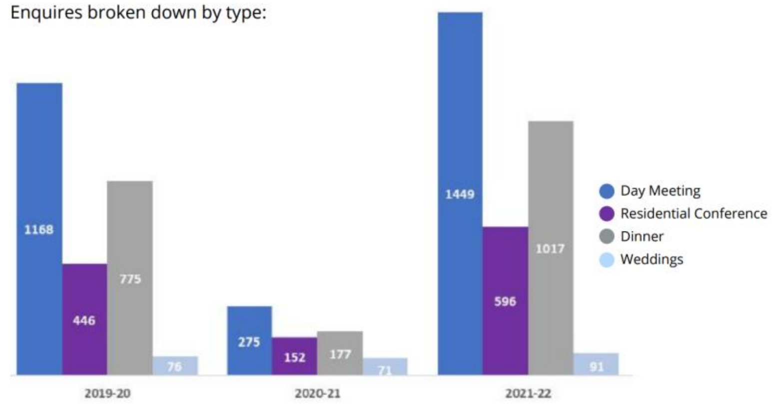
Source: Economic Impact of Tourism - Oxford, reports 2018 & 2019x/Bridget Baker Consulting Analysis

4.4 Conference and Business Tourism

Many of the University colleges seek to attract conference business in the vacation periods and some, such as Egrove Park are open year round. These conferences can attract a wide range of delegates, from leading academics, business people to students and therefore they have varying budgets for bedroom accommodation.

Conference Oxford represents 70 venues in the city. This includes 38 Colleges, three permanent Private Halls and 29 University venues, the latter including academic departments, museums, gardens, libraries and ceremonial buildings. For the period April 2021 – July 2022 Conference Oxford received more than 3,150 enquiries of which 596 (18.9%) were for residential conferences, an increase of 150 events in 2019/20 – see Chart 4.7.

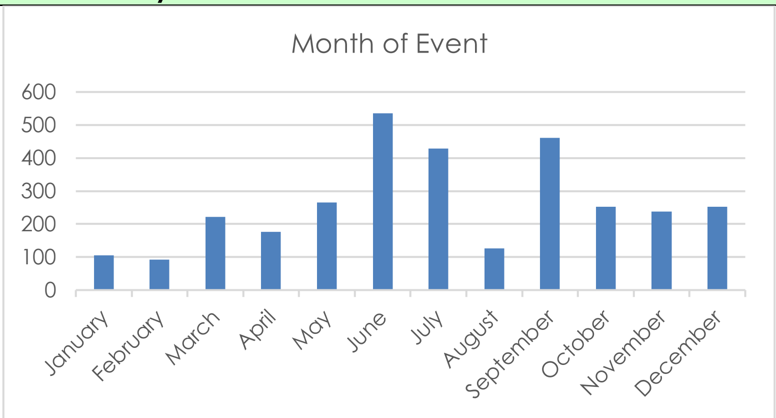
Chart 4.7 - Type of Event enquiries 2019 – 2022



Source: Conference Oxford Annual Review 2021-2022

Unsurprisingly the peak periods are when the University venues have availability, mostly in the summer period – see Chart 4.8.

Chart 4.8 Seasonality of Conference events



Source: Conference Oxford Annual Review 2021-2022

Whilst Academic events account for more than half of enquiries, the corporate market is important at 22% and Associations 4%; individuals probably for weddings and parties are at 8%. The Governmental and Charity Sectors represent 3% each – see Chart 4.9.

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Chart 4.9 Source of Enquires 2021- 2022

Academic	55%
Corporate	22%
Individual	8%
Association/Society/Institute	4%
Charity	3%
Government	3%
Agent	2%
Summer School	1%
Group Travel	1%

Source: Conference Oxford Annual Review 2021-2022

In terms of international Association conference business, ICCA reported that Oxford hosted 24 international conferences in 2019 (38 in 2018). This ranked the city 4th in the UK for both years. Our research shows that most international conferences take place at academic venues.

These conferences would require a range of bedroom accommodation for the delegates, organisers and speakers. This would include hotels and university bedrooms.

It should be noted that the Visit Britain tourism statistics discussed in this section include both conference delegates and corporate visitors to the city and local business parks. Hotel demand from these segments is discussed in more detail n Section 6.

4.5 Festivals & Events

There are a number of festivals and events that take place in and around Oxford, such as:

- Oxford Literary Festival takes place over some 10 days in March/April.
- The Christmas Market takes place over 18 days in December and was listed in Vogue as the UK's best in 2022, and in the top five in Hello magazine.
- There is a full calendar of events at Blenheim Palace throughout the year. Including food fairs, flower shows, Christmas and easter events, Jousting and concerts including the very popular Nocturne Live weekend in June.
- Some motor sport enthusiasts use Oxford as a base during the Formula 1 Grand Prix held at the Silverstone Circuit every July.

4.6 Summary

Oxford is a very appealing destination for both domestics and international tourists. Following the recent Covid-19 lockdowns domestic tourism was able to replace the lack of overseas visitors to the city.

Overseas visitors tend to stay longer and spend more than domestic visitors. Oxford is consistently in the top 10 most visited UK overnight destinations for international tourists.

Although visitors from then USA and Europe started to return in the summer of 2022, the important Chinese market has not yet returned due to strict travel restrictions in China. It is hoped that this major source market will start to return in 2023 and beyond.

The majority of large conferences take place in academic venues in Oxford, many of these attract international delegates. There are signs that this segment rebounded strongly in 2022.

5.0 Oxford Hotel & Serviced Accommodation Supply

5.1 Introduction

In this Section we provide a qualitative and quantitative audit of the Oxford hotel and short stay accommodation supply within the context of the wider accommodation market. It is important to understand the structure and location of supply and, more specifically, the provision, scale and type of hotels that currently serve Oxford. We discuss the short stay rental market separately in Section 7.

5.2 Supply Overview

We have undertaken research to quantify the existing provision of hotels in Oxford and the surrounding area. For the guest houses/bed and breakfasts we have used the properties listed on Oxford City ratings list and searched for the number of rooms that they provide – where available. This is not an exhaustive list; however, it includes hotels and guest houses (including inn and restaurants with rooms).

We have identified 81 properties offering 3,324 bedrooms; of these 88% of bedrooms are in hotels – see Table 5.1.

Table 5.1 – Breakdown of Oxford Hotel Market (excludes University rooms, short stay rentals)

Grading Category	Number of Properties	Total Bedrooms	% of all Bedrooms	Av. No (Rooms)
Guest Houses/B&B's	45	417	12.5	9
Hotels	32	2,868	86.2	90
Inns/Restaurants with rooms	4	39	1.2	10
Aparthotels	-			
Total	81	3,324	100.0	
Source: Bridget Baker Consulting Research				

We have included properties located within the boundary of Oxford City, with one exception - the new Premier Inn at Botley, which although just in Oxfordshire, serves the Oxford market.

The hotels offer a good mix of provision across various rating classifications – see Table 5.2. The only style of hotels that are not represented are Aparthotels, which have been an emerging trend in recent years, these are essentially hotels that provide a small kitchenette with the bedroom. We have identified only four Inns/pubs with rooms, one of which is a large property (20 bedrooms) operated by national chain Fullers.

Table 5.2 – Structure of Oxford Hotel Market (excludes University rooms/short stay rentals)

Grading Category	Number of Properties	Total Bedrooms	% of all Bedrooms	Av. No (Rooms)
Luxury Class	2	78	2.7	39
Upper Upscale	3	268	9.3	89
Upscale	4	676	23.6	169
Upper Midscale	7	690	24.1	99
Midscale (3-Star)	7	188	6.6	27
Economy/Budget	9	968	33.8	108
Aparthotels	-			
Total	**32**	**2,868**	**100.0**	**90**
Source: Bridget Baker Consulting Research				

The quality categories of hotel bedrooms are fairly evenly split at around a third each Upscale and above, Midscale and Budget/Economy. A list of hotels is provided in Tables 5.4 and 5.5 and their respective locations illustrated on Maps 5.1 and 5.2.

5.3 Hotel Supply, By Size and Type

In Table 5.3 we provide an analysis of hotels located in Oxford, by type and size of property.

Table 5.3 – Oxford Hotel & Serviced Accommodation Supply

Grading Category	Number of Properties, By size						
	10-40 Rooms	41-70	71-100	101- 150	151-200	201+	Total
Guest House /B&B	45						**45**
Inns	4						**4**
Hotels:							
Luxury Class	1	1	0	0	0		**2**
Upper Upscale	1	0	1	0	1		**3**
Upscale	0	0	0	1	2	1	**4**
Upper Midscale	2	0	3	1	2		**8**
Midscale (3-Star)	6	1	0	0	0		**7**
Economy/Budget	2	0	2	1	2	1	**8**
Subtotal hotels							**32**
Total Properties	**61**	**2**	**6**	**3**	**7**	**2**	**81**
Ratio %	75.3	2.5	7.4	3.7	8.8	2.5	100%

Source: Bridget Baker Consulting Research

The market is dominated by a large number of small properties offering under 40 bedrooms; , notably Guest Houses/Bed & Breakfasts where we calculate an average of nine bedrooms, although many are below five rooms. A list of these establishments is shown in Appendix C. The majority are located on the arterial roads listed in 3.3.

In terms of hotels, 12 of the 84 hotels offer less than 40 bedrooms, and these are across the quality spectrum from economy to luxury. Ten of the hotels offer between 100-200 bedrooms, and just two, both located on the outskirts of the City offer more than 200 bedrooms, although one of the Travelodge's (Peartree) has nearly 200 rooms.

5.4 Geographical Analysis

Whilst hotels compete with each other on a local and regional level for corporate, conference and leisure business, it is important to understand the geographical spread of hotels.

We have assessed the provision of hotel supply by two respective areas; **(1)** Hotels that are located in Oxford city centre – within 2 miles; **(2)** and hotels located on the fringe of the city (generally establishments located in the northern/southern outskirts such as Summertown and Iffley and those close to the motorways / key roads, and Park and Ride sites.

The main arterial roads are the: Banbury Road, Woodstock Road, Botley Road, London Road, Iffley Road and Abingdon Road. These routes largely start in the city centre and the majority already have hotels located on, or just adjacent to these roads.

Oxford City Centre (<2 Miles)

There is a good range of supply across the quality spectrum in the city centre. The city has a particularly good range of high-end small hotels (Old Bank, Old Parsonage, Vanbrugh House) and larger upscale hotels affiliated with smaller international brands (Malmaison, Graduate Randolph). The recent addition (in 2019) of the Marriott Courtyard adds to the Upscale/Upper Midscale offer in the city as do the additional rooms at the Mercure Eastgate bringing their offer to 81 keys.

The economy/ budget supply is well covered with the Travelodge on the Abingdon road and the city centre Premier Inn opening with 90 bedrooms in the summer of 2021. The voco Spires and a Travelodge are located on the Abingdon road, within walking distance of the city centre. The voco Spires it is one of the few hotels in the area, aside from the other voco and the Leonardo, that offers full leisure facilities including a swimming pool.

There are also some smaller independent hotels, generally with less than 30 bedrooms that are scattered around the city centre. There is one large public house worthy of mention, operated by Fuller's, the Head of the River, that has 20 boutique style bedrooms. Aside from that there appear to be a limited number of public houses in Oxford that offer bedrooms.

Very few of the hotels in the city centre offer car parking. Notable exceptions include the Graduate, the voco Spires and limited spaces at the Malmaison.

Although there are numerically more hotels in the city centre, they only represent some 39% of bedrooms as the hotels tend to be smaller than in the outlying areas. The city centre is however, dominated by the higher end hotels.

Oxford Fringe (2-5 Miles)

Hotels are located on the fringe of Oxford city centre in areas such as Summertown and North Oxford – with a cluster of small hotels and the new Easyhotel on the Banbury Road. On the edge of the city in the north, hotels are located close to the arterial roads, such as the recently upgraded Leonardo Royal and near the Peartree Park and Ride (Holiday Inn, Travelodge). There also some small hotels on the Botley Road.

There are a few hotels/guest accommodation properties in Iffley, including the Mercure Hawkwell House (just off the Iffley road). Further south, off the Henley road is the full-service voco Thames at Sandford. There is a good range of hotels on Industrial/business park areas such as the economy/midscale hotels at Cowley, and the Kassam Stadium/Oxford Science Park in the south. Major brands represented in these areas are Travelodge, Premier Inn, Holiday Inn, Hampton by Hilton and Holiday Inn Express.

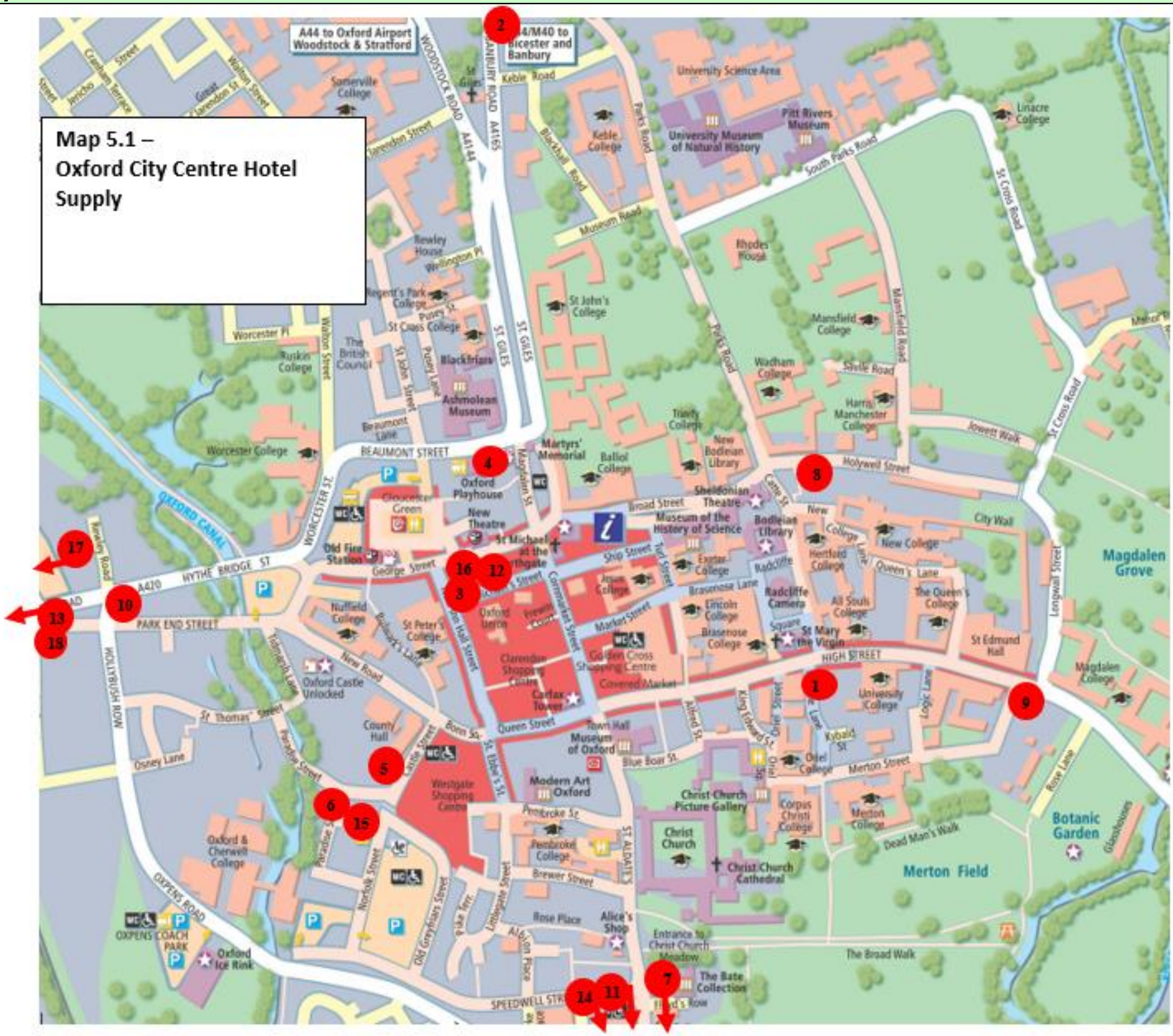
Hotels in the outlying areas represent some 61% of the bedroom supply, and most of the budget branded hotels in Oxford are in these areas. They are generally located on arterial routes and business/industrial parks. All of these hotels offer parking, although the number of spaces is limited at some of the hotels in Summertown.

Table 5.4 – Oxford City Centre Supply <2 Miles									
Hotel Name	**Location**	**Map Ref.**	**Classification /Rating**	**No. Rooms**	**No. Conf. Rooms**	**On-site Parking**	**Leisure Facilities**		
							Wet	**Pool**	**Gym**
Old Bank Hotel	High Street	1	Luxury	43	2 (45)	/	X	X	X
Old Parsonage Hotel	Banbury Road	2	Luxury	35	None	/	X	X	X
Vanbrugh House Hotel	St Michael's Street	3	Upper Upscale	22	None	X	X	X	X
The Randolph Hotel	Beaumont Street	4	Upper Upscale	151	6 (320)	/	/	X	X
Malmaison Oxford	New Road	5	Upper Upscale	95	5 (100)	limited	X	X	X
Courtyard Marriott	Paradise Street	6	Upscale	151	1	X	X	X	X
voco Oxford Spires	Abingdon Road	7	Upscale	181	10 (226)	/	/	/	/
Bath Place Hotel	Bath Place	8	Upper Midscale	16	None	X	X	X	X
Mercure Oxford Eastgate	High Street	9	Upper Midscale	81	None	X	X	X	X
Royal Oxford Hotel	Park End Street	10	Upper Midscale	26	None	X	X	X	X
Ethos Hotel	Western Road	11	Midscale	20	None	limited	X	X	X
The George Street	George Street	12	Midscale	40	None	X	X	X	X
The River Hotel	Botley Road	13	Midscale	18	None	/	X	X	X
Eurobar & Hotel	George Street	14	Midscale	13	None	X	X	X	X
Premier Inn Westgate	Paradise Square	15	Economy	90	None	X	X	X	X
George Oxford Hotel	George Street	16	Economy	22	None	X	X	X	X
Travelodge Abingdon Road	Abingdon Road	17	Economy	83	None	/	X	X	X
Westgate Hotel	Botley Road	18	Economy	20	None	limited	X	X	X
TOTAL				**1,106**					
Note: Based on standard double room single occupancy, room only, inclusive UK VAT, N/A = Room rates not available (on request), number of conference rooms and largest room theatre-style									
Source: Bridget Baker Consulting Research									

Table 5.5 – Hotel Supply Oxford Fringe – 2-5 Miles									
Hotel Name	**Location**	**Distance / Miles [1]**	**Map Ref.**	**Classification /Rating**	**No. Room'**	**No. Conf. Rooms**	**Leisure Facilities**		
							Wet	**Pool**	**Gym**
voco Oxford Thames	Sandford-on-Thames	4.4	19	Upscale	104	9 (200)	/	/	/
Leonardo Royal Hotel	Wolvercote	4.1	20	Upscale	240	20(350)	/	/	/
Mercure Hawkwell House	Iffley	2.1	21	Upper Midscale	77	3 (200)	X	X	X
Linton Lodge Hotel	North Oxford	2.5	22	Upper Midscale	87	None	X	X	X
Holiday Inn Exp Kassam Stadium	Littlemore	4.8	23	Upper Midscale	162	1 (25)	X	X	X
Hampton by Hilton	Littlemore	4.8	24	Upper Midscale	103	None	X	X	/
Holiday Inn Oxford	Peartree	5.3	25	Upper Midscale	154	11(150)	X	X	/
Cotswold Lodge Hotel	Park Town	2.1	26	Midscale	49	3 (100)	X	X	X
The Galaxie	Summertown	2.7	27	Midscale	36	None	X	X	X
Remont Oxford Hotel	Summertown	3.7	28	Midscale	25	None	X	X	X
Premier Inn Botley [2]	Botley	2.3	29	Economy	122	None	X	X	X
Premier Inn Cowley	Cowley	3.9	30	Economy	225	None	X	X	X
easyHotel Oxford	Summertown	3.1	31	Economy	180	None	X	X	X
Travelodge Peartree	Peartree	4.7	32	Economy	197	None	X	X	X
TOTAL					**1,761**				
[1] Distance from Oxford Postcode OX1 1BX [2] outside of city boundary									
Source: Bridget Baker Consulting Research									

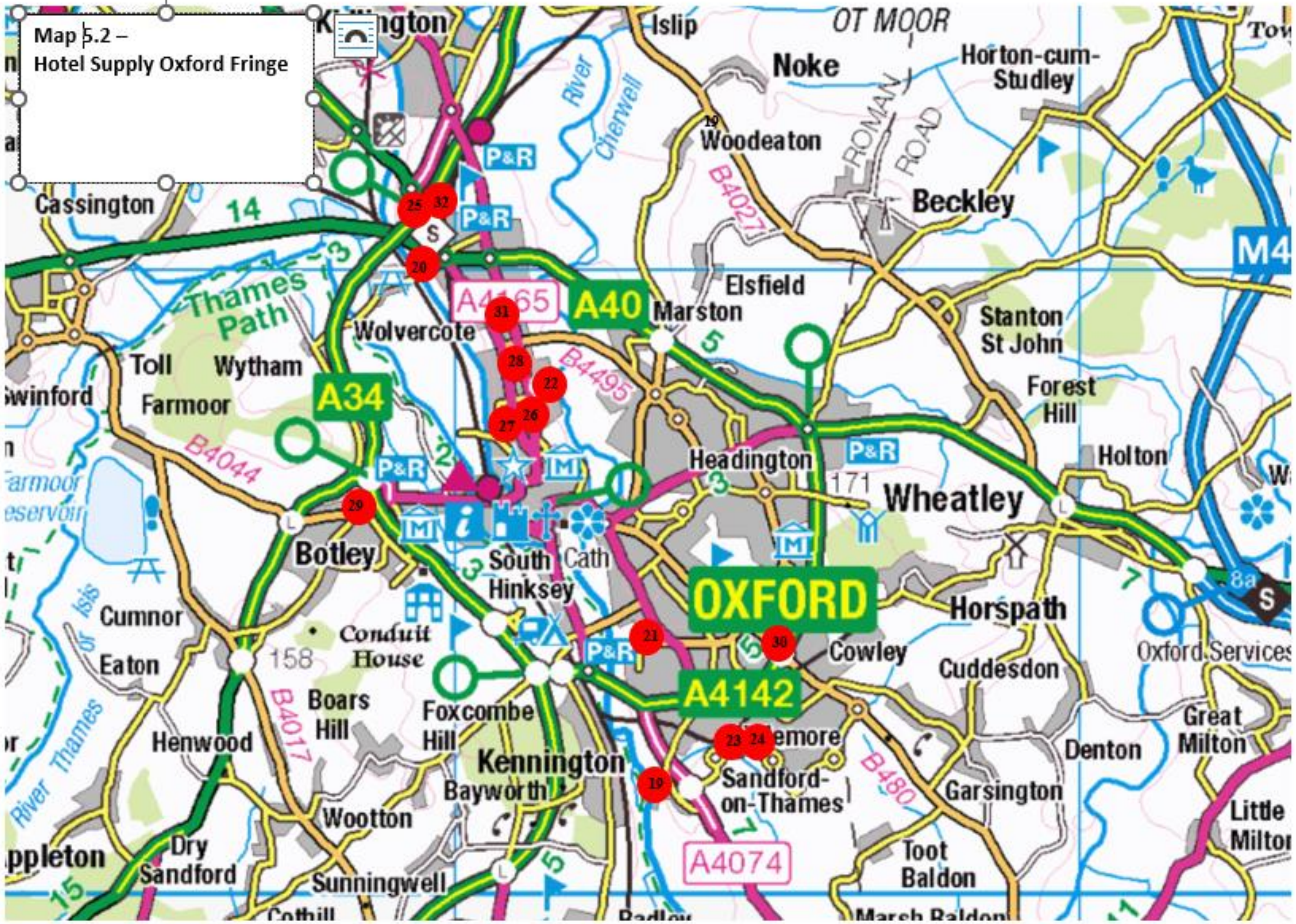
Maps 5.1 and 5.2 illustrate the geographical spread of hotels in the city centre and outskirts. It is noticeable that there are no hotels in the east of the city; there are, however, guest houses there.

Map 5.1 - Oxford City Centre Hotels



Source: Base Map from Oxford Tourism website

Tap 5.2 - Oxford Fringe Hotels 2- 5 miles Hotels



Source: Base Map from Street Map

Table 5.6 summarises the range of branded and independent hotels in Oxford, both city centre and the outer fringe.

Table 5.6 – Hotel Brand Presence		
	Oxford Centre (< 2 Miles)	**2. Oxford Fringe (2-5 Miles)**
Guest House/B&B	some	numerous
Budget Branded / Limited Service	Premier Inn Oxford	Premier Inn ,HI Express Travelodge ,Easyhotel
Midscale – Branded	Mercure Eastgate	Holiday Inn , Hampton by Hilton
Midscale – Independent	X	Cotswold Lodge Hotel, Linton Lodge, Galaxie, Remont etc
Upscale – Branded	Courtyard Marriott, Voco Spires, Malmaison,	Voco Thames, Leonardo Royal, Mercure Hawkwell
Luxury/Boutique – Independent/Small Group	Old Bank, Parsonage, Vanbrugh House	X
Luxury/Boutique – Branded	Graduate Randolph	X
Aparthotel - branded	**X**	**X**
Source: Bridget Baker Consulting Research		

Within the city centre Oxford has a good selection of branded and independent hotels across the quality spectrum, the main omission being aparthotel/serviced apartment operators such as StayCity, Adagio, Roomzzz, Frasers etc.

In the outlying area there are no luxury standard hotels, which is not unusual as this type of property is often found in city centres or some countryside locations, where higher prices can be achieved.

5.5 Recent Additions to Hotel Supply and Loss of Hotel bedrooms

We have identified almost 600 branded hotel bedrooms (4 new hotels, 2 extensions) that have been added to the Oxford hotel supply in the period 2019 – 2021- see Table 5.7. This means that some were immediately confronted with the impact of enforced Covid-19 closures. The new Premier Inn Botley is just outside of the city boundary in Oxfordshire, but due to its proximity, and that it participates in the Oxford market, we have included it in our analysis.

Table 5.7 Recent Additions to Bedroom hotel Supply Oxford City Boundary & Just Outside				
Opening	**Hotel**	**Rooms**	**Quality**	**Location**
2019 Feb	Premier Inn Cowley	26 extension	Economy	Oxford Business Park
2019 July	Marriott Courtyard	151 (11 extn 2020)	Upscale	City Centre
2021 July	Mercure Eastgate	17 extension	Upper Midscale	City Centre
2021 July	Premier Inn Westgate	90	Economy	City Centre
2021 July	Easyhotel	180	Economy	Summertown
2021 April	Premier Inn Botley	122	Economy	Botley A34
Total		**586**		
Source: Bridget Baker Consulting Research				

With the exception of the extension of 26 rooms at the Premier Inn Cowley (now 225 rooms), most of the new bedrooms have opened in or close to the city centre. Of the 586 bedrooms, the majority (71%) are in the economy/budget branded groups with an additional 418 new rooms added to the Oxford market since 2019. These brands have very high brand awareness with the UK public and very sophisticated internet booking and marketing systems.

From our analysis of the Oxford City Council planning portal and our local research we are aware that the hotel/guest house bedrooms shown in Table 5.8 have dropped out (or are due to) of the local supply in the short term. These represent some 84 bedrooms.

Table 5.8 Recent & Potential Loss of Supply - Oxford City Boundary

Project Site	Location	Rooms	Comments	Status
Oxford Town House (B&B)Hertford College	88-90 Abingdon Rd, OX1 4PX	15	Change, to student/guest accommodation	In planning
Victoria Hotel	180-184 Abingdon Rd, OX1 4RA	16	Demolish and develop new hotel, see below Edge hotel	PP[1] granted Sept. 2022
Museum Hotel	St. Aldate's, OX1	9	Change to residential flats	PP[1] granted May 2021
Parklands B&B	180-Banbury Rd, OX2 6JU	15	Change to residential	PP[1] granted Nov 2021
Green Gables GH	326 Abingdon Rd, OX1 4TE	11	Change to residential	PP[1] granted Oct 2022
Becketts B&B	4-5 Becket St.OX1 1PP	18	Temporary change to short term HMO	PP[1] granted Oct 2020
Total		**84**		

[1] Planning Permission
Source: Bridget Baker Consulting Research

Taking in to account the new openings and the closures this gives a net gain of around 500 new hotel/guest house bedrooms in the Oxford market since 2019, representing some 15% of the current hotel/guest house/inn supply.

5.6 Planned New Hotel Developments

From our analysis of the Oxford City Council planning portal, discussions with representatives of the Council and our local research, we are aware of hotel projects in the pipeline or with planning permission as shown in Table 5.9.

Table 5.9 Potential Additions to Supply in Oxford City Boundary

Project	Location	Rooms	Quality	Status
The Store	Former Boswell store, city centre	101	Boutique, upscale	Under development, opening due 2023
Holiday Inn	Peartree	66 extension	Upper Midscale	PP[1] granted
Northern Gateway	Oxford North	180	n/a	PP[1] granted July 2018
Old Parsonage, annexe	St. Giles, Carfax	3 long stay suites	Upscale	PP[1] granted Jan 2020
Z hotel	Littlegate St, city centre	130 (no other facilities)	Economy	PP[1] granted Aug 2022
Branca Brasserie	Jericho	5	Boutique	Due to open 2023
Thornhill Park	Residential Devpt at Park & Ride	133	Economy?, small rooms	Site being marketed by agents March 2023
Crown Street	Cowley, OX4 1QG	19	Small hotel	PP[1] granted
Former Adventurer Pub	Hollybush, OX1 1 JH	5	3 hotel bedrooms 2 apartments, co working	PP[1] granted Nov. 21
Edge hotel (Former Victoria hotel,	180-184 Abingdon Rd, OX1 4RA	45 (net gain 29)	Small hotel	PP[1] granted Sept. 2022
Templars Square	Residential & Retail Devpt Cowley	70	Budget Hotel	PP[1] granted Nov. 21
Oxpens	City Centre	n/a		Masterplan, 5 star hotel
Travelodge	152 London Road, Headington	c120	Budget Hotel	PP refused Mar 22 may be resubmitted
Total (where available)		961		

[1] Planning Permission
Source: Bridget Baker Consulting Research/Oxford City Council Planning Portal

The foregoing could add a further 1,000+ bedrooms, comprising up to five new larger hotels and some extensions, to the Oxford hotel stock, however, most of the projects are at quite early stages in the development process but In terms of bedrooms that are likely to be added in the short term from the above list are:

- The Store, by the reef Group, an upscale boutique hotel with around 100 rooms, situated on the site of the former Boswells department store, in the city centre opposite the Graduate Randolph hotel, due to open this year;
- Five rooms at the Barca restaurant due to open this year;
- The 66 room extension is to be built on the site of the former leisure club (already demolished) at the Holiday Inn hotel.

The recent additions to supply and the new projects/extensions listed above are encouraging signals that existing operators in and around Oxford are investing in their respective products, both private and branded operators.

Note that most bedroom accommodation situated at University Colleges/Academic sites are mainly available only in vacation periods, particular the summer months – see para 5.8.

5.7 Relevant Potential Changes to Supply Further Afield

There are a number of new hotel developments/refurbishments that may have an impact on the Oxford hotel market outside the city boundary:

- Grade 1 listed Eynsham Park in rural Oxfordshire near Witney is due to reopen in spring this year after an extensive refurbishment programme. The 60 acre estate was acquired by the owner of the Ennismore (owners of Gleneagles, the Hoxton Group) in 2018. It is located some 12 miles to the northwest of Oxford city centre.

  It has been renamed **Estelle Manor** and will open as a membership club, similar to the Soho House concept. It will offer 108 bedrooms, four restaurants, extensive health and spa facilities, kids club and members area.

- The **Great Wolf Resort** is a major new leisure development planned near Bicester. It is a family resort concept from the USA, to comprise 498 room hotel rooms, with a variety of room sizes on offer such as a typical family suite (6 bed spaces) to a Grizzly suite (8 bed spaces). The room layout of the hotel is designed for whole families, staying on average one to two nights.

  There will be an Indoor Waterpark including a range of water based attractions - slides, rides, lazy rivers, toddler pools, wave machine - designed for use by the target audience of families with children between the ages of 2 and 12.

  In addition, the Family Entertainment Centre will provide a range of 'dry' family activities and food and beverage outlets, including a children's rope course, arcade, bowling and interactive game (MagiQuest).

  Conferencing facilities of some 550 m^2 will offer flexible meeting and conference rooms to accommodate different size groups and events.

  The project obtained planning permission in 2021.

5.8 Bedroom Accommodation at Oxford Colleges and Other Academic Venues.

Oxford Colleges offer more than 7,000 bedrooms, and many of the colleges and other academic venues offer bedrooms to visitors to Oxford. The majority of the bedrooms are only available at Easter, during the summer (mid-June – mid September) and over Christmas. A list of colleges with guest accommodation is shown in Appendix D.

University.com provides a booking service for tourists and conference delegates to Oxford for the rooms at 33 of the 39 Oxford Colleges.

In the month of July 2022, they had availability for around 11,350 rooms on their University Rooms website, in August 20, 700 and September 16,350. This equates to a daily average of almost 680 rooms in August, although the availability of bedrooms is likely to vary from day to day.

Most additions to the accommodation at academic and associated venues have limited impact on the city's bedroom supply outside of the summer holiday period, The 18 bedroom river hotel on Botley Road, is however owned by a College.

We are aware of two projects where bedrooms could be available year round to external guests when they are not being used for in-house activities and conference delegates. These are around 125 new ensuite bedrooms at Saīd Business School, 'Global Leadership Centre' on the former Osney Power station site (due to open 2025); and 28 additional bedrooms at Rhodes House which is part of the major redevelopment of their premises to provide a new state-of-the art conference venue. Both of these projects are underway.

The Saīd Business School also operates the 70-bedroom Egrove Park Executive Education Centre. It is located in Kennington, which sells rooms on the open market if they are not being used by the business school. When the new bedrooms open at the Leadership Centre this venue will return to use by the University for other purposes.

5.9 Conclusion

We have identified 32 hotels within the city boundary (including the new Premier Inn just outside at Botley) offering some 2,868 bedrooms. In addition there are around 45 guest houses/bed and breakfast establishments, with some 400 bedrooms. We identified only four inns/public houses offering bedroom accommodation. There are no branded aparthotels in the city.

The share of quality categories of hotel bedrooms is fairly even at around a third each Upscale and above, Midscale and Budget/Economy.

Although there are more hotels in the city centre, they only represent some 39% of bedrooms as the hotels tend to be smaller than in the outlying areas. The city centre is however, dominated by the higher end hotels in Oxford.

Hotels in the outlying areas represent some 61% of the bedrooms supply, and most of the budget branded hotels in Oxford are in these areas. They are generally located on arterial routes and business/industrial parks.

Almost 600 branded hotel bedrooms have been added to the Oxford hotel supply in the period 2019 – 2021. Most of these rooms are in, or within easy reach of the city centre. The Marriott Courtyard with around 150 rooms is in the Upscale segment but the others offer midscale or economy accommodation.

New hotels in the planning process or with outline permission could add a further 1,000 bedrooms to the Oxford hotel stock. However, most of the projects are at quite early stages in the development process and we would expect only around 200 bedrooms to come on stream within the next 18 months/2 years - the main openings being the upscale boutique hotel The Store (100 rooms in the city centre and the 66 room extension at the Holiday Inn on the outskirts of the city.

6.0 Oxford Hotel Demand

6.1 Introduction

In this Section we provide an overview of the performance of the Oxford hotel market. A key consideration in understanding the potential for new hotel development is to understand how local hotels are performing compared to nationally and the demand patterns prevailing locally.

6.2 Hotel Market Performance

We have conducted face-to-face interviews with the management of selected hotels in Oxford in order to gauge historic and current performance trends and we have added a bespoke statistical sample from STR.

In Table 6.1 we summarise the actual hotel performance metrics for a sample of 21 hotels in Oxford in terms of occupancy, ADR (Average Daily Rate) and RevPAR (Revenue per Available Room). These are key metrics which hotel operators use to gauge the strength of a market and therefore the potential that may exist for new hotel development.

The sample comprises both independent and branded hotels, from economy (budget) to luxury standard. The smallest has 22 bedrooms and the largest 240 bedrooms. A full list is shown in Appendix E. This represents more than 90% of the hotel bedroom stock we have listed in Tables 5.4 and 5.5, so provides an excellent benchmark of the Oxford hotel market.

Given the Covid-19 pandemic and resultant closures of hotels during various periods in 2020 there is no directly comparable 12 month data for that year as some hotels were totally closed, others accommodated key workers etc and when permitted to reopen, hotels opened on different dates and often not with their full complement of bedrooms. Similarly in 2021 there is varying data available for the full 12 month period.

Table 6.1 Oxford Hotel Performance (2017-2022)

Year	Room Occupancy %	*% Change*	*ADR £*	*% Change*	RevPAR £	*% Change*
2017	82.8	*3.2*	105.56	*3.1*	87.42	6.4
2018	83.2	*0.5*	107.42	*1.8*	89.38	2.2
2019	78.8	*-5.3*	105.86	*-1.4*	83.39	-6.7
2020	n/a	*n/a*	n/a	*n/a*	n/a	*n/a*
2021	56.6	*n/a*	98.19	*n/a*	55.58	*n/a*
2019 Jan-Nov	79.7		106.73		85.05	
2022 Jan-Nov	75.7	*33.5*	116.33	*19.0*	88.09	*58.9*
Note ADR (Average Daily Rate net of Vat and breakfast) and RevPAR (Revenue Per Available Room)						
Source: STR (21 hotels in sample)						

In the 11 month period to the end of November 2022 Room Occupancy in Oxford's hotels was down four percentage points on the same period in 2019. Nationally the Omicron scare at the end of 2021/early 2022 slowed up travel both internationally and nationally and this impacted Oxford's hotels.

As described in the preceding Section there has been a significant increase in new hotel bedrooms opening in Oxford over recent years, which has resulted in excess of 91,000 extra rooms being sold, some 277 a day. This increase represents 22.5% more hotel bedrooms sold within the sample but has meant the occupancy has slipped slightly. Actual rooms available and sold is shown in Table 6.2.

Table 6.2 Oxford Hotel Rooms Available/Sold (2017-2022)						
Year	Annual Rooms Available	*Change %*	*Rooms sold*	*Change %*	Rooms Revenue £000s	*Change %*
2017	728,905		557,439		63,719	
2018	728,905	*0.0*	606,478	*0.5*	65,146	*2.2*
2019	763,290	*4.7*	601,276	*-0.9*	63,653	*-2.3*
2020	n/a	*n/a*	N/A	*n/a*	n/a	*n/a*
2021	778,982	*n/a*	440,984	*n/a*	43,293	*n/a*
2019 Jan-Nov	696,237		554,820		59,218	
2022 Jan-Nov	853,164	*21.2*	646,069	*61.8*	75,154	92.6
Source: STR						

Despite the large increase in hotel bedrooms, the ADR (Average Daily room Rate Net of Vat and breakfast) was £10 more than the same period in 2019. At more than £116 this is a very strong performance, as was the £106 in 2019, which was significantly above the £71 posted nationally. The combination of these indices gives a RevPAR of £88 in 2022, again up on 2019 levels. This shows the strength of the Oxford hotel market and particularly is reflected in the high room rates that can be charged. For example, the rate of £116 up to the end of November equates to an average across all of the hotels of almost £140 including Vat. We discuss the range of rates later in this Section. The combination of occupancy and ADR to the end of November showed a 4.8% uplift in RevPAR compared to 2019 levels.

It is useful to compare this to the performance of regional UK hotels as provided by HotStats – see Table 6.3. This sample largely comprises branded hotels. It was published in December 2022 using January – September data for 2022 and forecasts for the last quarter of 2022 and for 2023.

Table 6.3 UK Regional Hotel Performance (2018- 2021, forecasts 2022 & 2023			
Year	Room Occupancy (%)	*ADR (£)*	RevPAR £
2018	77.3	85	66
2019	76.9	86	66
2020	29.2	75	22
2021	44.0	93	41
2022 f [1]	66.4	99	66
2023 f	72.0	100	72
[1] January – September actual data for 2022 & forecasts for the last quarter			
Source: HotStats/Knight Frank			

Compared to the Regional UK performance, the average occupancy for the Oxford sample was almost 2 percentage points higher in 2019. If we assume that the Oxford hotels achieve around 74% by the year end 2022, this is still far ahead of the forecast UK regional performance of 66%.

The ADR achieved by the Oxford hotels is also far superior to national performance levels; at around £106 in 2019 this compared to £86 nationally, around 23% higher. In 2022 the 11 month performance to the end of November of £116 is again far higher than national levels by some 17%. The foregoing shows that the Oxford hotel market is strong; consistently outperforming provincial UK hotels both in terms of occupancy and ADR.

For the Regional hotel market HotStats/Knight Frank expect occupancy will be down 10% points when data is available for the full year 2022, compared to 2019, but with a significant increase in ADR of 15.7%, resulting in a minor decline in RevPAR of just 0.1% on the last comparable year.

In 2023 they are forecasting a 9% increase in RevPAR, and national regional occupancy levels to reach 72% and ADR £100. This is a RevPAR increase of 9% year on year. These are lower than Oxford currently achieves.

6.3 Independent Hotels Compared to Branded Hotels

In data presented by STR for the summer of 2022, the branded hotels in Oxford saw a 6.5% increase in ADR for the period January – July compared to the same period in 2019. The Independent hotels posted a massive 48.6% increase. It should be noted that the independent hotels are a small sample and they saw a decline in occupancy of more than 13%, compared to the branded hotels 7%, but it meant they enjoyed a RevPAR increase of almost 29% compared to a 1% decline in the branded hotels. This is illustrated in Table 6.4.

Table 6.4 Oxford Independent & Branded Hotel Performance Jan-July 2019 & 2022

Oxford Area

	Branded	Independent
Occ % Chg	-7.0%	-13.4%
ADR % Chg	+6.5%	+48.6%
RevPAR % Chg	-1.0%	+28.8%

Source: STR

6.4 Locational & Qualitative Hotel Market Analysis

From our analysis of available statistics and local interviews in December 2022 we have been able to segment the performance of the hotel market for 2022 up to the time of field visits in December. Whilst we are unable to divulge the occupancy and ADR performance of individual properties, we are able to provide an indication of hotel performance by type and location of hotel for this year – see Table 6.5.

Table 6.5 – Hotel Performance, By Location Jan -Nov 2022

Category	Occupancy (%)	ADR (£)	RevPAR (£)
Oxford city Centre > 2 Miles [1]	75.7	180	137
Oxford 2-5 Miles [2]	75.5	85	64

Note: [1] Based on 9 hotels, [2] based on 12 hotels

Source: Bridget Baker Consulting Research & interviews /STR

The occupancy performance of the hotels in the city centre and on the outskirts is broadly similar. The ADR however is more than double in the city centre, it should be noted however that this is the location of most of the upscale hotels.

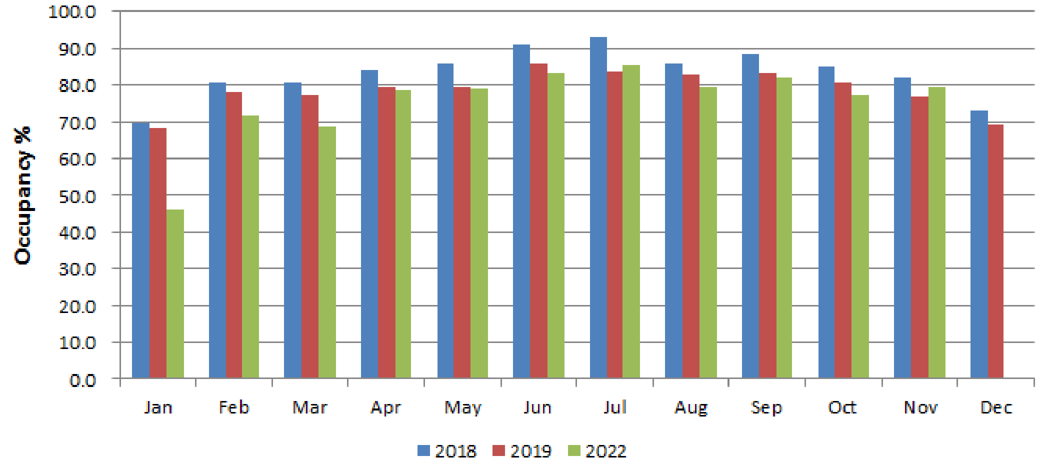
Again the Upper class hotels and the Midscale hotels achieve a similar occupancy, and as is frequently the case budget hotels perform above full service hotels, but in the case of Oxford only a marginally. This show the strength of the Oxford market.

Table 6.6 – Hotel Performance, By Hotel Type Jan -Nov 2022			
Category	**Occupancy (%)**	**ADR (£)**	**RevPAR (£)**
Luxury/Upper Upscale/ Upscale	77.7	162	126
Upper Midscale/ Midscale	76.6	96	67
Branded Budget (Economy)	78.8	80	63
Note: Branded Budget includes Limited Service			
Source: Bridget Baker Consulting Research & interviews /STR			

6.5 Seasonality and Patterns of Demand

Chart 6.1 illustrates the seasonality profile of bedroom demand in the 21 hotels in the statistical sample. Note that, as detailed above, almost 600 bedrooms have been added to the Oxford hotel supply since 2019 some of which opened just before the Covid-19 pandemic.

Chart 6.1 – Monthly Occupancy Performance Comparison (2018, 2019,2022)



Source: STR

- Oxford's hotels tend to achieve the highest occupancy levels during June to September when there is a strong demand from leisure visitors as well as graduations.

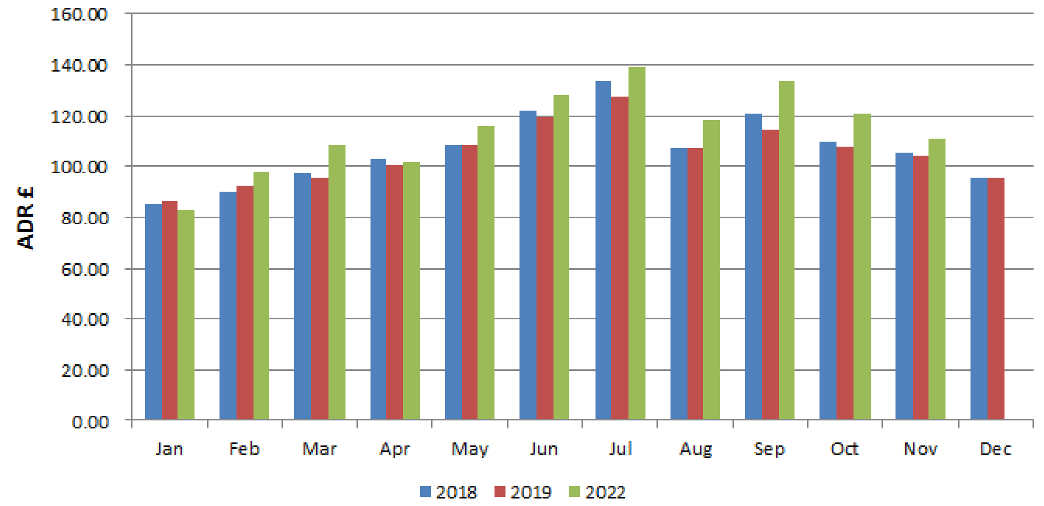
- October and November are also strong months, but business visitation is stronger in these months than leisure travel.

- Hotels that are able to host residential conferences attract the overnights in the spring and autumn and some of the city centre hotels benefit from conferences taking place at the University Colleges during these periods.

- December and January are usually quiet months, but historically Oxford has performed better than many locations over this period. In 2022 however the Omicron scare reduced national and international travel which adversely impacted the performance of Oxford's hotels.

- Average Room Rates (ADR) peak in the summer months, particularly in June and July when there is a strong demand from leisure visitors - see Chart 6.2. For example, in 2022 the average for all of the hotels during July was almost £139. This equates to £167 including Vat but excluding breakfast. This demonstrates the very strong demand levels and that visitors are willing to pay high prices. Hotels adjust their prices in the winter months to reflect slower demand levels.

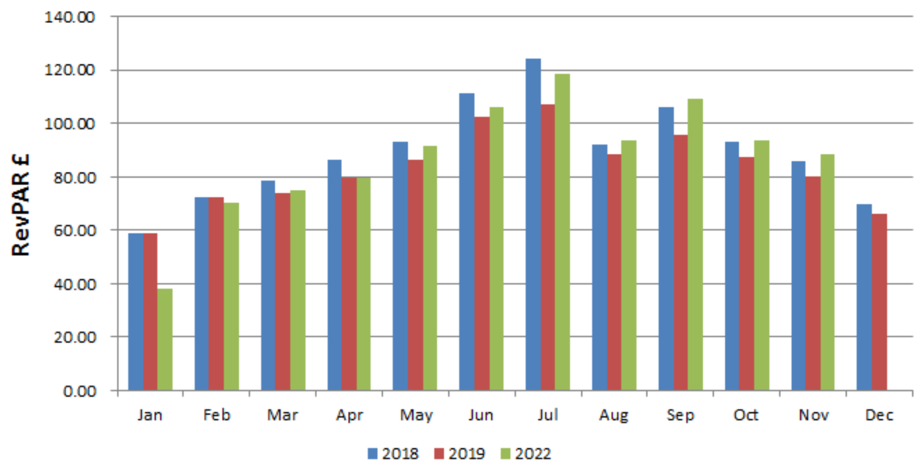
Chart 6.2 – Monthly ADR Performance Comparison (2018, 2019,2022)



Source: STR

The RevPAR (combination of Occupancy and ADR) unsurprisingly peaks in the summer months and in 2022 it was recorded at an average of more than £118 (£142 including vat) - a very strong performance – see Chart 6.3.

Chart 6.3 – Monthly RevPAR Performance Comparison (2018, 2019,2022)



Source: STR

Table 6.7 shows the typical daily occupancy patterns for the Oxford hotel market for the period December 2021 – November 2022.

Table 6.7 – Typical Daily Occupancy Patterns (Dec 2021 – Nov 2022)

	Occupancy Range %	No. Months over 80%	Average Daily Occupancy (%)
Mid-Week			
Monday	43-87	2	**71.2**
Tuesday	47-91	8	**77.9**
Wednesday	48-87	7	**76.9**
Thursday	49-86	6	**75.8**
Weekend			
Friday	47-86	5	**75.8**
Saturday	58-92	9	**82.4**
Sunday	33-75	None	**58.7**

Source: STR / Bridget Baker Consulting Research

- Saturday is the busiest night of the week and taking into account Omicron in the early months of the year, in nine of the 11 months in 2022 the hotels achieved above 80%. Friday was over 80% for five months.

- Taking into account winter weekends an annual performance of more than 82% for the past 12 months for a Saturday night and almost 76% for a Friday is very high.

- Mid-week demand is buoyant resulting in hotels achieving high occupancy Tuesday to Thursday at around 76% - 78%, Monday is slightly quieter at just over 71%.

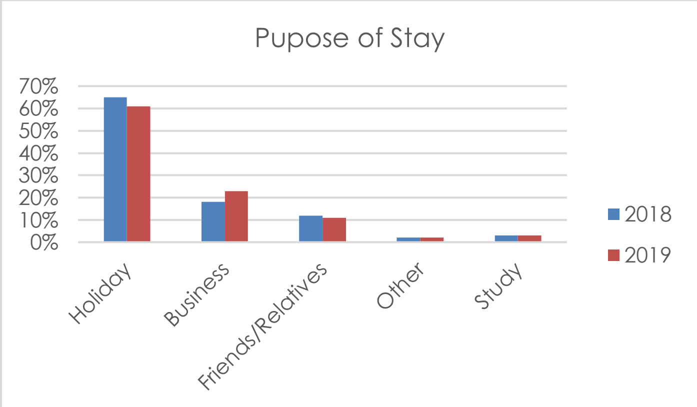
- As with most UK destinations, Sunday is traditionally quieter, however the occupancy of almost 59% is an excellent annual performance.

6.6 Market Segmentation

Data collated in the Economic Impact Tourism report, commissioned by Experience Oxfordshire and Oxford City Council, give some estimates of the purpose of overnight stays in Oxford. This includes domestic as well as international stays in all types of accommodation.

Overnight visits have been dominated by holiday visitors at more than 69% for both years. Business stays were at 23% in 2019, up from 18% in 2018. We set out the breakdown of overnight stays by reason of visit for 2018 and 2019 in Chart 6.4.

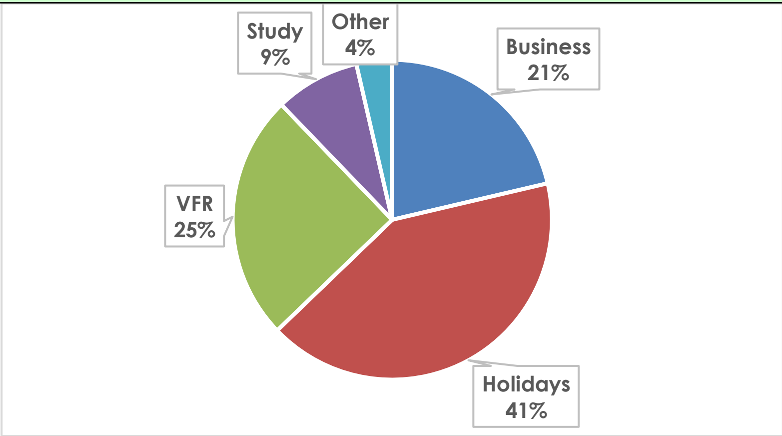
Chart 6.4 – Oxford Staying Visitors 2018 & 2019 = Reason for Visit



Source: Economic Impact of Tourism - Oxford, 2018 & 2019 /Bridget Baker Consulting Analysis

Focussing on international visitors, according to ONS statistics (see Chart 6.5) international overnight business visitors represent broadly the same proportion of the total as domestic business visitors, but holidaymakers accounted for a lower share at 41% compared with domestic holidaymakers at 69%. Visiting Friends & Relatives (VFR) accounted for around a quarter of all international overnight visits, which could be attributed to families visiting students at the Universities.

Chart 6.5 – International Overnight Visitors to Oxford – Purpose of Stay 2019



VFR = Visting friends & relatives

Source: ONS

Our interviews with Oxford hoteliers broadly concurred with the statistics set out above. In the city centre around 60% of guests were leisure visitors and 40% business related, which would include corporate travellers, conference delegates and some academic related stays. This does vary however, depending on time of year.

Hotels on the outskirts, however had a mix of more business guests: 50% business to 50% leisure or even some hotels based or close to science/business parks or arterial roads would have higher proportions of business travellers.

We provide a general overview of each market segment in the following paragraphs.

Leisure

There is a very healthy leisure market in Oxford and hotels enjoy strong levels of demand emanating from both domestic and international visitors choosing 0xford for a short leisure break.

Parents and friends visiting students at the Universities as well as attending graduations, attending the interview process and dropping/collecting at the start/end of terms form a strong segment of demand year round.

There is also some demand for people attending weddings/functions locally.

The city's hotels are also able to tap into overspill from events in the wider area including festivals at Blenheim Palace and individual leisure visitors attending the Formula 1 Grand Prix at the Silverstone Circuit.

The hotels on the outskirts arguably benefit more from people opting to visiting attractions in the wider area such as the Bicester retail village as well as spending perhaps a day in Oxford's city centre.

Leisure Groups

Groups business is mainly centered on the larger hotels on the outskirts of the city. Pre-Covid-19 some of the hotels enjoyed good levels of coach groups demand from Chinese tourists visiting Bicester Village. Some of the smaller hotels in Summertown also took small groups from the Chinese market as well as from UK groups visiting Bicester. The Formula 1 Grand Prix at Silverstone is another event that generates group business for hotels in the outlying areas.

Corporate / Commercial

Whist lower than the leisure sector, corporate demand is an important demand driver primarily generated by people visiting local and regional-based companies. Hotels with easy access to the motorway network and arterial roads are also able to appeal to transient corporate users travelling from one part of the country to another.

In addition, the manufacturing areas such as Cowley and the sciences/business parks have external visitors and employees from other areas who may attend for training courses and meetings.

The management of the upscale city centre hotels noted that senior executives such as those visiting the Oxford Science Park travel into the city to stay rather than on the outskirts and wish to enjoy its restaurant and evening economy. Some are international visitors and often travel back and forth by taxi. Most of the business travel demand in the city centre is however related to activities close by some of which may be people visiting the University.

The majority of the hotels on the outskirts have extensive car parking which is necessary for many corporate travellers driving to locations around the country. There are some smaller hotels in Summertown and North Oxford with limited car parking, but this area is well served with buses to the city centre. Hotels to the south of the city centre are less well served and hoteliers remarked this meant public transport is not an attractive option for their guests wishing to go into the city centre in the evening.

We are aware that one hotel within the Oxford city boundary is currently contracted for 'Governmental' business, and thus is not available for transient bookings currently.

Corporate demand will inevitably grow in sync with the addition of new employment floorspace in the City likely to be located in the West End, Oxford North, Oxford Business Park and Oxford Science Park.

Residential Conference Demand

Residential conference demand is relatively low in the city centre hotels, and many have fairly limited conference facilities. They do however, benefit from some guests who may be attending an event at a university or academic venue who would prefer to stay in a hotel rather than in university accommodation.

There are a few branded hotels, mainly on the outskirts, that do attract residential meetings and conferences. These hotels are generally more accessible to the motorway/arterial roads and offer ample car parking. A large proportion of conferences/meetings are day related and do not generate many room nights.

This market is highly competitive regionally and nationally, but the academic reputation of Oxford means that the Universities are able to attract significant conferences, as shown from the data from Conference Oxford in Section 4. Many of these delegates will however stay at University accommodation where available but some of this business generates room nights for city centre hotels.

Functions

As with corporate conferences the hotels with the benefit of in-house function facilities are able to tap into business dinners, lunches and other functions. Some may be local diners but also generate some roomnights. The same applies to student balls, Some of the hotels host weddings, private functions and private parties; mainly generating weekend demand.

6.7 Average Published Room Rates

Room rates are highest in Oxford in the summer months, during this period it would be difficult to find a bedroom for less than £250 in the city centre. Even budget hotels on the outskirts are able to charge very high room rates compared to other hotels in their chains elsewhere in the UK.

Hotel groups have very sophisticated reservation systems whereby room rates change as demand increases, in order to yield the best possible revenue. In Oxford Saturday nights are generally the most expensive.

During the period of our research it was the quietest period of the year (December, January) so the rates at that time are generally the lowest of the year. We have therefore provided a listing of the Best Available Flexible Published Room Rates for March 2023. This is summarised in Appendix F. As the date approaches and rooms start to fill these rates will increase.

In March room only rates in the midweek in the city centre upscale hotels are showing between £160-£250 (including Vat), Budget hotels in and around the city are showing around £90-£100.

Weekend rates are up to £320 in a standard room in an upscale hotel and budget hotels already up to £118. Given the long lead time we would expect these rates to rise as the date approaches. .

6.8 Demand for Bedroom Accommodation at Oxford Colleges and Other Academic venues

The management of Universityrooms.com informed us that demand for bedrooms in the venues that they offer a bookings service for was up 18% on 2019 levels but still not back to 2017/18 volumes, although prices have increased in line with inflation etc.

They estimate that around half of the bookings are for conference delegates which are largely in the February – June and September- November period. The tourist season is largely in the summer period (mid-June- mid-September). Some 61% of the bookings were from UK based guests in 2022, with the balance (39%) international visitors.

Most of the rooms available are singles and we understand that the price ranges from £50-£80 bed and breakfast (including Vat). The limited twin/double, triple and family rooms that are available on their website are in high demand.

6.9 Business Challenges in the Hospitality Sector

The Covid-19 pandemic had a massively adverse impact on the hospitality industry nationwide, including Oxford. The current issues impacting Oxford hotels and guest house providers are discussed below.

Impact of Covid – 19

Data released in January 2023 in the Hospitality Market Monitor (AlixPartners & CGA by Nielsen IQ) showed that more than 10% of the UK's hospitality businesses have permanently closed since the start of the pandemic in March 2020, This includes hotels, restaurants and nightclubs. Over the period they estimate a loss of around 200 hotels nationwide, some 2.6% of the hotels in their database.

It showed that the sector has 13,037 fewer hospitality sites than it did before venues were first ordered into lockdown in March 2020, a period of less than three years. It also indicated that a steady rate of closures continued into 2022.

AlixPartners reported that casual dining restaurants, nightclubs and independent businesses had suffered the highest closure rates.

Although we have not identified any specific hotels or guest houses in Oxford that have closed due to Covid-19 it shows the pressures the hotel sector is under along with those other businesses providing food and beverage services.

Impact of the Rise of Utilities and Other Costs

The Hospitality Market Monitor also revealed that rising energy bills and other costs saw 1,611 UK hospitality businesses permanently close in the fourth quarter of 2022, the equivalent of nearly 18 a day.

The research shows that "While Covid took a heavy toll on hospitality, these figures suggest the energy crisis is having an even more damaging impact."

Hoteliers and restaurant operators have also seen an increase in food and beverage items in line with the general population.

Unlike households there has been limited support for hospitality business in terms of support for energy bills which has a particular relevance for hotels, restaurants and pubs where kitchens require significant utilities as well as heating costs for hotel bedrooms and extensive public areas. HotStats show that these have had an impact on profit margins at hotels over the past year.

In January 2023, the managing director of AlixPartners, stated that "What is clear is that, without further government support, the energy crisis has the potential to take a bigger toll on hospitality than Covid and if the current rate of closures continued, we would see Britain's number of licensed premises fall below 100,000 some time this year,"

The Hospitality Market Monitor also indicated that other influencing factors on the rising costs which have impacted profit margins and have made real-terms growth difficult have been fragile consumer confidence, rail strikes, and labour shortages.

Unsurprisingly the hoteliers whom we interviewed during the course of our research in Oxford mentioned they monitor operating costs very closely but many of these ae largely influenced by external economic pressures and difficult to influence at a at local level.

Labour and Skills Shortage in Oxford

A number of hoteliers whom we interviewed mentioned there is an acute shortage of room cleaners and that these staff now frequently earn more than front desk staff.

One of the hotels in the city centre was obliged to take rooms off during the summer of 2022, up to 20 on some nights, due to the lack of cleaning staff. One General Manager also assisted the housekeeping team during the peak summer period.

The Covid-19 pandemic had an impact on staffing as some overseas staff who had the right to work in the UK decided to return to their home countries when the lockdowns started and haven't returned. Other staff found other jobs due to the uncertainly of the stop/start situation of the re-opening of hotels in 2020/21.

When hotels did re-open finally the demand from people desperate for a holiday was higher than many Oxford hoteliers expected, and some did not have enough staff at the outset to operate their hotels.

Three of the larger hotels on the outskirts have staff accommodation. The General Managers indicated that they would be unable to operate effectively without this accommodation, as the cost of housing in Oxford is high. Furthermore, this is particularly important for staff that start early in the morning, such as breakfast staff, or finish late at night as public transport to hotels in some outlying areas is not available at times when these staff need to be at work. Some of the smaller hotels provide a management flat.

Generally, in University cities there is a pool of students who take part time jobs in the hospitality sector, particularly in the food and beverage side of the business. We understand however that students at Oxford University are actively discouraged from working whilst they are at University and are instructed to concentrate on their studies.

Oxford Brookes University, however, offers hospitality and event management degrees both under and postgraduate. Undergraduate students have the chance to undertake a 40 week industry placement in a four year degree which, we understand, currently applies to around 70/80 students. Some of these students opt to work in hotels in Oxford, and others elsewhere in the UK and overseas.

The two year post graduate courses all have placements included as part of the course. These students are frequently from overseas and are more likely to seek a placement in the UK and again some undertake placements in Oxfords' hotels. We understand that there are currently around 400-500 students on relevant post graduate hospitality courses.

The Hospitality for the University has strong links with its alumni which opens opportunities for their students to secure placements.

Hoteliers in the city mentioned that they have some Oxford Brookes students employed in part-time jobs who were not studying hospitality courses but did benefit from living in university accommodation in some cases.

6.10 Conclusion

The Oxford hotel market historically has performed exceptionally well, After the Covid-19 lockdowns demand levels continue above the provincial regional UK hotel market in both occupancy and ADR. It is also outperforming comparable cities such as Cambridge and York.

ADR's are very high in the summer months, particularly in the city centre. This allows hotels in the outlying areas to also charge high prices during peak periods.

The hotel bedroom supply has increased by almost 600 bedrooms since 2019 yet this has had a very limited impact on the demand levels and average room rates (ADRs) have shown a very positive increase in 2022.

Demand at hotels is largely dominated by the individual leisure segment, which includes international and domestic tourists and people visiting family members at the city's Universities as well as attending cultural events.

Commercial visitation is stronger in the outlying areas, particularly for hotels located near the arterial roads and manufacturing/business/science parks.

It is difficult to compare the 2022 performance with the last 'normal' trading year as more bedrooms have entered the market, and the early months of the year were adversely impacted by Omicron. However, the strong performance levels given the slow start to the year should bode well for 2023 and beyond.

Hoteliers in Oxford are facing the same challenges as others nationwide in terms of utility cost rises and food inflation. Arguably however the recruiting of lower skilled jobs, particularly rooms cleaners is more acute due to high housing costs and scarcity of labour generally in Oxford.

7.0 Short Stay Accommodation in Oxford & Comparable Cities

7.1 Introduction

Short stay accommodation for visitors outside of traditional hotels and guest houses has seen massive growth over the recent decade or so. The major booking portal in the sector - Airbnb - started listing properties in the UK in 2009. This allows home owners to rent out rooms or entire properties to short stay guests. We discuss the provision and trends of the short stay sector, dominated by Airbnb, in Oxford and comparable cities in the following pages.

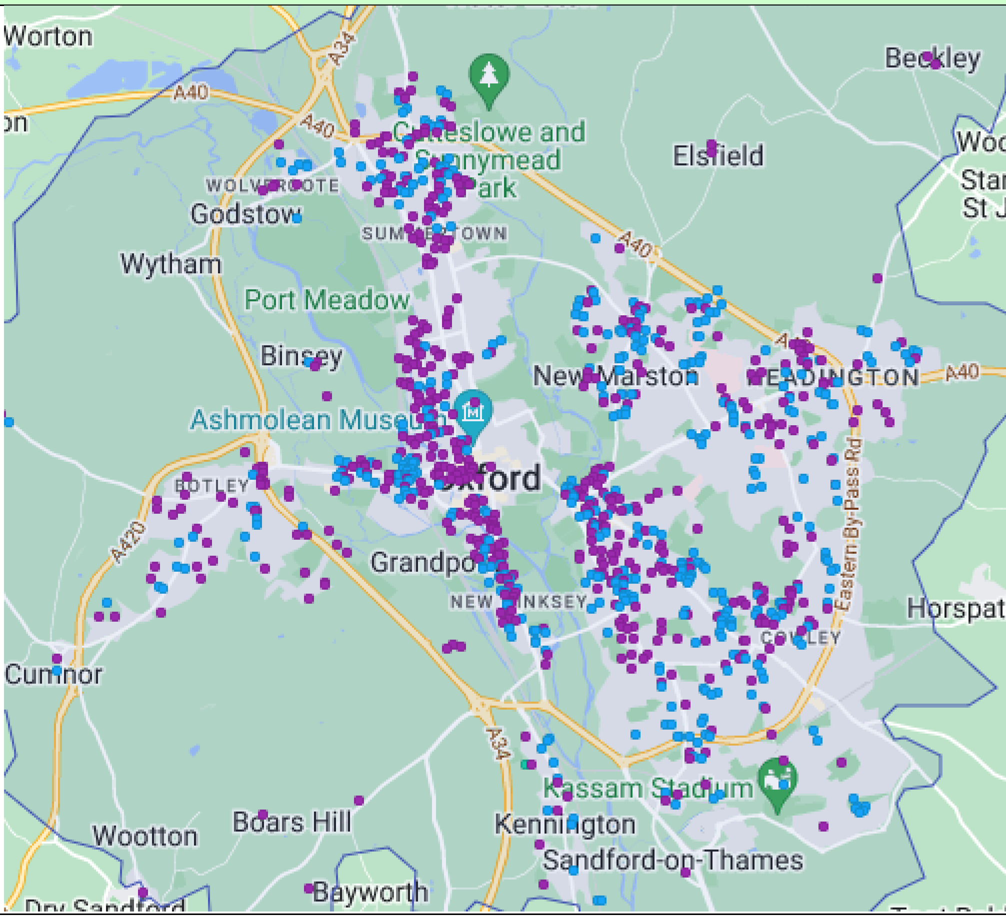
7.2 Airbnb Listings

We have analysed listings on the official Airbnb website for Oxford as well as statistical information on the Airdna website in December 2022 and January 2023. Airbnb represents 78% of data collated on the Airdna site; another larger provider includes listings on the Vrbo (8%), and some rental properties are listed on both (14%). It should be noted that the data on these two websites differ slightly.

In January 2023 the data shows there are around 1,130 active rentals in the Oxford area (some will be in Oxfordshire). The purple dots on Map 7.1 are entire homes and the light blue dots are private rooms.

There are high numbers of properties to north of the city including Summertown, to the east in Headington and across the south east and other outlying areas. There is also a large concentration in the city centre.

Map 7.1: Oxford area – Airbnb/Short Stay Accommodation



Source: Bridget Baker Consulting analysis of Airdna website

Of the 1,130 listings some 657 (56%) are an entire home and 493 are private rooms in homes (43%) - just four are shared rooms. The room size of the accommodation units is shown in Chart 7.1.

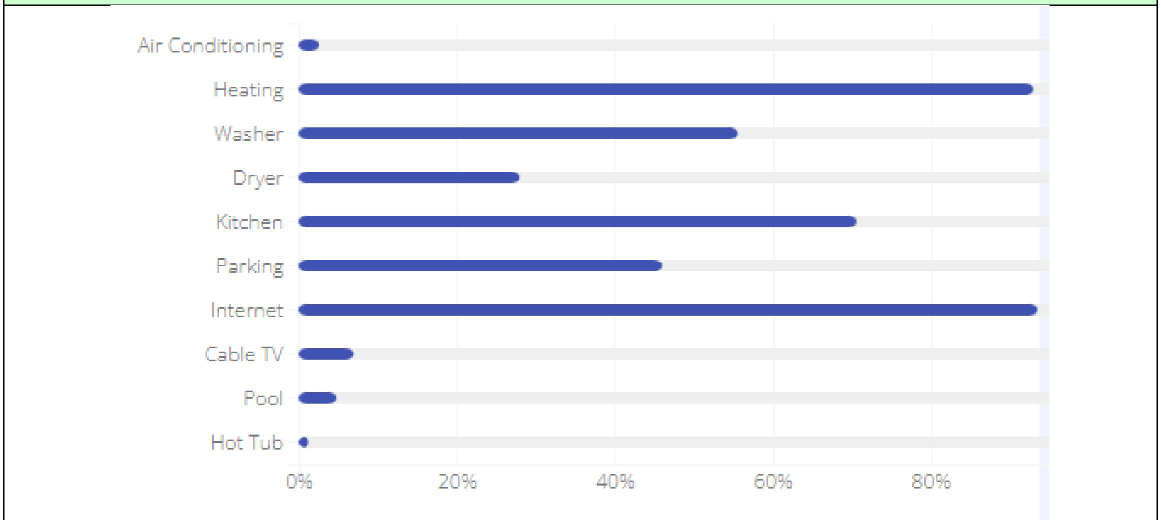
Chart 7.1 Oxford – Size of Airbnb Accommodation

Source: Bridget Baker Consulting analysis of Airdna website

Most units offer either one (234, 34%) or two (203, 32%) bedroom accommodation. There are 103 properties that offer 3 bedrooms (16%), 46 with four bedrooms (7%), 14 five bedrooms and 37 studios (6%)

The facilities on offer are shown in Chart 7.2. In summary only 3% claim to offer air-conditioning, 71% have kitchens and 56% a washer. Some 46% say they have parking but only 7% have cable television, although 94% offer the internet.

Chart 7.2 Oxford – Facilities Available in Airbnb Accommodation



Source: Bridget Baker Consulting analysis of Airdna website

In terms of minimum stay, 30% allow one night bookings, 24% request a minimum of two nights, 29 three nights, 8% 4-6 nights and 9% more than 7 nights – see Table 7.1.

Table 7.1 Oxford area – Airbnb Minimum Stay levels	
Minimum Nights	**Proportion (%)**
One	30
Two	24
Three	29
Four - Six	8
Seven - 29	7
30+	2
Source: : Bridget Baker Consulting analysis of Airdna website	

It is clear that many Airbnb properties are competing head to head with hotels in the city as they are available for short duration stays. As shown in Table 7.2, some 252 properties are available for letting between 271-365 days per year. This is 19% of all the listings. Around 38% (almost 500 properties) are available for between 30-90 nights, so are likely to cover the peak periods of demand in the city.

Table 7.2 Oxford area – Airbnb Availability		
No. Days Available	**No. Properties**	**Proportion (%)**
271 - 365	252	19
181- 270	234	18
91-180	319	25
30-90	497	38
Source: : Bridget Baker Consulting analysis of Airdna website		

Despite being available from 271-365 days per annum, only 4% of the properties in this segment (50) have bookings throughout the period. The highest demand is the short period (30-90 days) where more than 60% of the bookings take place – see Table 7.3.

Table 7.3 - Oxford area – Airbnb Bookings		
No. Days Available	**No. Properties**	**Proportion (%)**
271 - 365	50	4
181- 270	174	30
91-180	284	22
1-90	794	61
Source: : Bridget Baker Consulting analysis of Airdna website		

Chart 7.3 shows the trend in supply of Airbnb and similar (HomeAway etc) accommodation offerings. In Quarter 4, 2019 there were 2,016 active' listings, this decline over the Covid-19 period and at the end of 2011 was at 1,608 rental, although this increased slightly in the autumn to 19,35 before dipping again in the winter months, so is still not back to 2019 levels.

Chart 7.3 Oxford area – Growth in Airbnb Accommodation

Source: Bridget Baker Consulting analysis of Airdna website

We have undertaken our own research of the listings on the Airbnb website assuming a booking date for March 2023. We identified just over 900 properties in Oxfordshire, and we estimate almost 500 in Oxford. – see Table 7.4.

It is not possible to identify precisely the city boundaries from the Airbnb website, but it correlates broadly with the data on the Airdna database. Of these around 200 in 0xford were entire properties. Although listings can vary as owners put on their properties and remove them, so the number will alter constantly, however the data does give a picture of the likely number of properties that are regularly used for short guests in the city.

Table 7.4 – Self-Catering Airbnb Listings in Oxfordshire and Oxford

Type of Accommodation	No. of listings in Oxfordshire	No. of listings in Oxford
Entire Home	517	200
Private room in home	417	289
Shared room	4	2
Total	938	491
Source: Bridget Baker Consulting analysis of Airbnb website		

We have analysed the Airbnb website of the main areas in Oxford where we noted that clusters of 'entire homes' lettings are located. The breakdown is shown in Table 7.5.

This is not an exhaustive list as it is difficult to identify the exact location of some of the listings from their entry on the website. The list includes 220 properties. The city centre is the location for more than 10% of the supply and Jericho a similar number. North Oxford and Summertown account for around 19%. Headington is another popular location at more than 12% and Iffley at more than 8%. Many of these areas are very residential and not traditional areas for hotel accommodation.

One bedroom accommodation, mostly apartments, represents 31% of the supply, two bedroom almost 37%, three bedroom 20% and four bedroom 10%. Studio flats are a very small proportion.

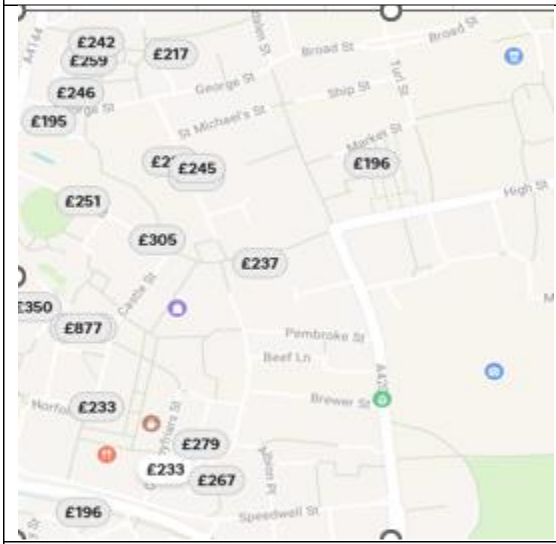
Table 7.5 – Self-Catering Airbnb Listings in Oxford – Entire Homes, Estimated No. of Properties

Location	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 bedrooms	Total	%
City Centre	0	7	11	3	2	23	10.4
Jericho	0	6	8	4	4	22	10.3
North Oxford	1	3	6	1	2	12	5.4
Summertown	0	10	9	9	2	30	14.0
Osney	0	10	10	3	2	25	11.3
Botley	0	4	5	0	1	10	5.0
Wolvercote	0	0	2	2	0	4	2.0
Binsey	0	2	0	1	0	3	2.0
New Hinksey	2	3	7	0	1	11	5.0
Iffley	0	5	5	7	1	18	8.1
New Marston	1	5	5	3	1	14	6.3
Headington	0	4	9	10	4	27	12.2
Littlemore	0	1	2	0	1	4	2.0
Cowley	1	9	2	1	1	13	6.0
Total	5	69	81	44	22	221	100
%	2.3	31.0	36.7	20.0	10.0	100	
Source: Bridget Baker Consulting analysis of Airbnb website							

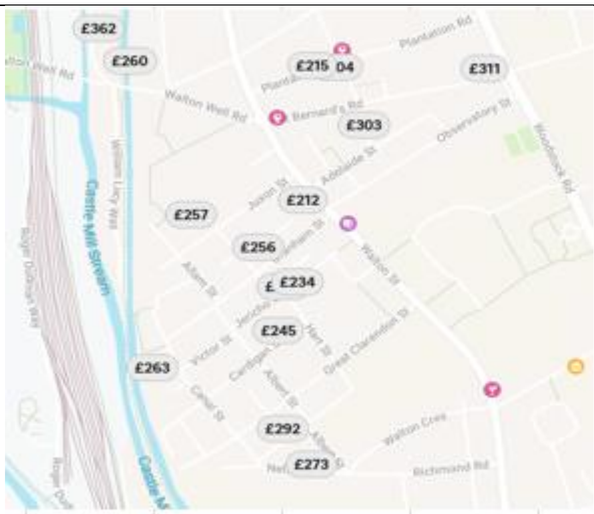
Users of the Airbnb website can see the prices of the accommodation at a glance on the booking website. Map 7.2 shows the prices on offer in March 2023 for a one bedroom search (undertaken in December 2022). These will fluctuate throughout the year and depending on demand levels. It is clear that apartments/houses in the City centre/Jericho/Summertown command very high prices, usually over £200 per night, which would be higher than many local hotels. In the near outskirts, prices in Iffley are lower, but still many are over £100 per night.

Map 7.2 Pricing at Airbnb Listings in Oxford by Area (March 2023)

City Centre

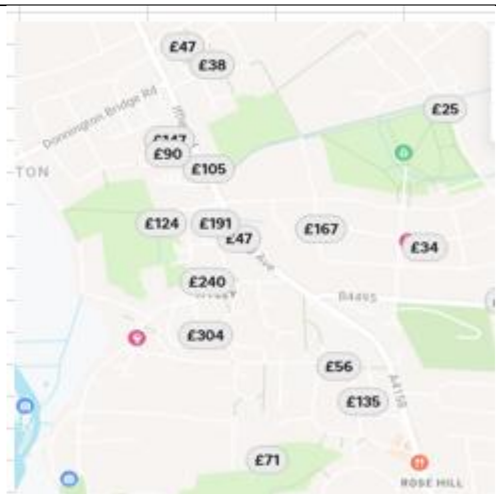


Jericho



Summertown

Iffley



Source: Bridget Baker Consulting analysis of Airbnb website

7.3 Provision of Airbnb/Short Stay Properties In Comparable Cities

We have undertaken a comparable analysis of the provision of short stay accommodation in Cambridge, York and Bath from the Airdna website. Again, it is unlikely that council boundaries would have been used as the catchment area for each location.

Table 7.6 Active Listings Comparable Cities	
City/area	No. of Active Listings
Oxfordshire (Oxford)	1,130 (491)
Cambridge	809
York	1,895
Bath	1,423
Source: Bridget Baker Consulting analysis of Airdna & Airbnb websites	

Table 7.6 shows that York has far more listings than Oxford at almost 1,900. York has a slightly larger population and also more hotel bedrooms than both Oxford and Bath. Bath also has an extensive supply of Airbnb's. Cambridge has fewer listings, around 810 but more hotel rooms.

The breakdown of size of property by number of bedrooms is set out in Table 7.17.

Table 7.17 Size of Airbnb Accommodation						
City	Studio %	1 bedroom %	2 bedroom %	3 bedroom %	4 bedroom %	5+ bedroom %
Oxford	6	34	32	16	7	5
Cambridge	7	46	26	13	6	2
York	4	33	41	15	4	3
Bath	4	37	32	13	7	7
Source: Bridget Baker Consulting analysis of Airdna website						

Oxford and Bath have a similar profile of accommodation, whereas Cambridge has a greater share of 1-bedroom than 2-bedroom properties and York more 2-bedroom than 1-bedroom.

Whereas Oxford listings of more than 181 days is 37%, it is lower than in Cambridge at 46%, York 71% and Bath a massive 65% - see Table 7.8. These are the properties that are let for longer periods, rather than short lets when owners could be away on holiday, or when student tenants are not staying in the summer months.

Table 7.8 Airbnb Accommodation Availability				
City	271-365 days %	181-270 days %	91-180 days %	1-90 days %
Oxford	19	18	25	38
Cambridge	26	20	23	30
York	51	20	14	14
Bath	48	17	14	22
Source: Bridget Baker Consulting analysis of Airdna website				

Table 7.9 shows that Oxford properties let for longer than than 181 days represents 34%, higher than Cambridge at 19%, but similar to York and Bath. These are the properties that could perhaps normally be let to long term tenants and also are competing more with hotels.

Table 7.9- Airbnb Accommodation Bookings				
City	271-365 days %	181-270 days %	91-180 days %	1-90 days %
Oxford	4	30	22	61
Cambridge	5	15	27	53
York	8	22	28	43
Bath	9	22	27	41
Source: Bridget Baker Consulting analysis of Airdna website				

7.4 Regulation of Short Stay Accommodation

Initially the Airbnb concept was promoted to allow homeowners to let spare bedrooms to tourists and visitors to their city. Quite rapidly entire homes were put on the website, and investors started to buy properties to generate a steady income.

It is estimated that that between 2017 and 2018 Airbnb's own data showed an increase in UK listings of 33%, from 168,000 properties in 2017 to 223,000 in 2018.

This accommodation sector has resulted in opposition from hoteliers in terms of unregulated competition, which does not have to comply with the health and safety measures they are obliged to offer guests. Local authorities and governments consider they are missing out on tax/business rate income and in many places properties that would normally be available to buy/let by local residents are not available thereby contributing to a shortage of housing.

We discuss below some actions that are being considered or have already been implemented at various locations in the UK to start to regulate this sector in the short stay market. We show some examples of regulations in some European destinations in Appendix G. Some European destinations are further advance with this issue than the UK.

Edinburgh & Scotland

In February 2021, the Scottish Parliament's Local Government and Communities Committee voted to enforce stricter regulations relating to short-term lets. It came as it is recognised that some areas, including Edinburgh and the Highlands, have a large number of properties let on a short-term basis, which has led to concerns about the lack of housing for permanent residents as well as some complaints about anti-social behaviour and noise.

They voted to allow the creation of a national licensing scheme which would permit local authorities to regulate properties being used for short-term lets and would also have the ability to introduce 'control areas' in places where short-term lets are in high numbers and deemed to be adversely affecting communities.

In the autumn of 2021, a consultation process was undertaken seeking views on a proposal to provide for a 'designated short-term let control zone' in Edinburgh. According to committee documents, pre-pandemic there were just under 32,000 Airbnb listings in Scotland, which were not regulated in the same way as hotels, and it was hoped by hospitality industry professional groups that the move would ensure a more "level playing field" for hospitality businesses.

Legislation was then passed by the Scottish government with the effect that from 5 September 2022 short-term let providers e.g. Airbnb hosts, have to show proof of planning permission in order to operate in Edinburgh. The scheme means that fines of up to £2,500 could be imposed on people who rent out property without permission.

Furthermore, the Scottish government passed separate legislation for a mandatory licensing scheme that will require all short-term lets to be licensed by July 2024.

The legislation was welcomed by the chair of the Edinburgh Hotels Association, representing 54 hotels (9,000 bedrooms) who indicated that "We have been consistent in calling for a scheme that creates a level playing field that ensures that all accommodation providers in Scotland are subject to the same level of regulation as hotels."

He stated that "This will ensure the safety of guests, residents and lead to greater fairness in the application of taxation. It will also ensure that short-term lets deliver a consistently high experience to their guests……We also believe that the increase of short-term lets in sensitive urban and rural locations does nothing to enhance the visitor experience. A licensing scheme can help balance this, ensuring that our city and country continues to enjoy the benefits of tourism, with visitors choosing the destination and returning to Scotland to enjoy all that is on offer."

In early December 2022 it was announced that there would be a six month delay in Scotland to implement the scheme. Hosts were originally given up to 31 March 2023 to apply for a licence, but this has now been extended until the start of October 2023.

England

Over recent years UKHospitality has been campaigning for a scheme in England that will bring requirements for short-term holiday lets in line with the rest of the hospitality industry. They have urged the government to introduce a registration scheme for short-term accommodation providers to help "level the playing field" between hotels and sites such as Airbnb. It was put forward that some sites can unfairly benefit from lack of regulation and reduced tax burdens, while many hospitality businesses face stricter rules.

The concerns of the hospitality sector's industry association are that short-term lets sectors should be brought up to the high standards faced by hotels which abide by strict fire, health and safety, and accessibility rules.

UK Hospitality also " believe that such a scheme will help to eradicate the issues currently facing certain areas of the UK where there is an imbalance in long and short-term accommodation available and will therefore go some way to building a more sustainable tourism industry in the UK."

A 3-month consultation period/ call for evidence was opened in the summer of 2022 on Developing a tourist accommodation registration scheme in England. At this time the Housing minister stated, 'that while sites such as Airbnb had helped boost tourism the government had to ensure they didn't "drive residents out" of their communities." The consultation came after years of hospitality industry operators and homeowners living in popular tourism hotspots raising concerns over the regulation of Airbnb-style rentals, and their effect on businesses, communities, and housing markets.

The chairman of the Bed & Breakfast Association, said: "It is the right time to consider how we protect all consumers, regardless of an accommodation owner's business model, and level the playing-field between traditional business and those on newer platforms."

Airbnb made a statement prior to the consultation and indicated that it "looks forward to supporting the UK government's review" and "The launch of a UK government review into short-term lets is an opportunity to secure clear and modern rules that unlock the benefits of hosting for everyday families and clamp down on speculators, while giving local authorities the information and tools they need to regulate home sharing effectively. Airbnb recognises the historic housing and tourism challenges facing the UK and we want our platform to be part of the solution. In Prime Minister's Question time on 7 December 2022 Rishi Sunak confirmed that the government is committed to introducing a registration scheme for short-term holiday lets. He said that the Levelling Up Secretary had committed to delivering a "new tourist accommodation registration scheme" and that this would "increase appropriate regulation of the sector" and allow the government to "better understand and monitor the impact [of short-term lets] on local communities". Furthermore, he added: "We will also consult on whether planning permissions should be required for new short-term holiday lets, especially in tourist hotspots."

After the announcement the Chief Executive of UKHospitality said: "I'm very pleased to hear the prime minister commit to delivering a tourist accommodation scheme that will include short-term lets and it is clear recognition that the Government has listened to the concerns raised by UKHospitality." She added: "It's essential that this registration scheme can be properly enforced".

She added that "A registration scheme that can deliver this not only levels the playing field across our accommodation outlets, but also delivers huge guarantees and benefits for the consumer too" and that "It's crucial that the entire sector is operating to the same standards, for the good of business, the economy and the customer, and we look forward to working with the Levelling Up Secretary on it."

London

Whereas there is no regulation currently operating in the UK, there is an exception in London. In the capital there is a cap of 90 days per annum for letting out a property on a short-term basis. This was introduced via an amendment to the Greater London Council (General Powers) Act 1973 under the Deregulation Act 2015. Anecdotal evidence shows that the levels of enforcement across the capital is somewhat varied and, in some cases, very limited.

Despite the presence of the above regulations, the MP for Cities of London and Westminster supported further regulation. The MP stated that Westminster has 13,000 Airbnb properties that could cause "real issues for local communities". He is asking for a registration scheme to help councils "properly manage this growing sector".

7.5 Summary

Short lettings have been a growing feature of the popular holiday destinations over the past decade or so. This has resulted in home owners and investors letting out entire homes as well as bedrooms in their own homes. This has resulted in increased competition for hotels and guests house accommodation as well as reducing homes that may be available to buy of rent for local people. Other impacts hare the lack of health and safety regulations that hotels have to adhere to, noise nuisance in residential areas and loss of tax income to local and national governments.

The main booking portal for this sector world is Airbnb. In Oxford we estimate there are around 200 entire homes available on this portal, although there are far more within Oxfordshire, some of which are just outside the city boundary. A high proportion of these properties are likely to be used by people visiting Oxford. The majority of the properties in Oxford offer one or two bedroom, but there are also those with three or more bedrooms.

Just under 40% of the Oxford properties are available 180 nights a year, or more, rather than properties just let for a few weeks when owners are on holiday.

Given the strength of demand currently in the Oxford hotel market, none of the hoteliers mentioned that Airbnb properties were directly competing for bedroom business, they did mention however that the cost of housing in the city was one of the contributors in the difficulties in finding staff.

Scotland is the first of the UK home nations to implement regulations to deal with problems caused by high volumes of short stay accommodation lettings. It will be enforced later in 2023. It will be followed in England after an announcement by the prime minster in December 2022. This follows a wide range of schemes in other European countries that are already in force.

8.0 Comparison of the Oxford Hotel Market to Other UK Cities

8.1 Introduction

In this Section we compare the hotel markets in three comparable cities to Oxford. These are Cambridge, Bath and York. We summarise the hotel and serviced accommodation in each city and recent demand trends.

8.2 Hotel & Serviced Accommodation Supply in Comparable Cities

We have undertaken an audit of the hotel supply in the comparable cities and used a range of sources, including listings prepared by city tourist authorities, destination directories, booking agents websites and previous hotel studies undertaken in the respective cities in recent years. Table 8.1 shows the structure of hotel markets in the comparable cities and Table 8.2 shows equivalent information on other serviced accommodation.

Table 8.1 – Structure of Comparable Cities Hotel Markets

City	Population	No. hotels	No. Bedrooms	Apart hotels	No. Rooms	Total Bedrooms
Oxford	152,000	32	2,868	--	-	2,868
Cambridge	144,700	38	4,075	2	267	4,342
Bath	192,400 [1]	30	2,335	4	94	2,429
York	201,700	53	3,967	6	377	4,344
[1] *includes /North Somerset*						
Source: Bridget Baker Consulting Research/Nomis population data						

In terms of bedrooms Cambridge has the most in hotels/aparthotels, some of this is the result of new additions to the city in recent years, discussed in more detail later in this Section. York is a significantly larger city and has the second highest number of bedrooms. Oxford has no aparthotels.

Table 8.2 – Structure of Comparable Cities Other Serviced Accommodation Markets

City	Guest Houses/B&B's	No. Bedrooms	Inns with Rooms	No. Rooms	Total Bedrooms
Oxford	45	417	4	39	456
Cambridge	64	421	4	58	479
Bath	62	424	5	36	460
York	88	707	12	63	770
Source: Bridget Baker Consulting Research					

It is noticeable that Oxford, Cambridge and Bath have around the same number of Guest house/B&B bedrooms, around 420 each. York has significantly more at around 700 rooms in this sector.

The York Tourism Accommodation Study undertaken in the summer of 2014 indicated around 1,200 Guest house/B&B rooms. We are unclear about the geographical area covered by the Study but there is an indication here that a large number of these businesses have closed in the intervening years. This is often caused by the difficulties this sector has in competing with the branded budget hotels that provide easy internet booking systems and national marketing as well as a standardised product that can be found at all of their properties.

In terms of inns/pubs with rooms, in all of the cites these only form a small proportion of the bedrooms available. The number of public houses that are closing at a very high rate is widely documented, with CAMRA's Pub closure report for the UK showing that between January and

June 2022 there were an average of 18.7 pubs closing each week, some 485 for the period. This was double the closures for the same period in 2021. York is an example of this - whereas the 2014 Accommodation study showed 250 bedrooms in inns, we estimate that there are now around 63.

Cambridge Hotel Supply

Arguably Cambridge, given its strong University and Economic profile is the most comparable city to Oxford. It also has a similar population. Our research shows that there are 38 hotels in Cambridge, which is just six more than Oxford, but they offer around 1,200 more bedrooms. The hotels are generally slightly larger, with an average of Cambridge 107 bedrooms compared to 90 in Oxford. They also offer five aparthotels, with around 270 bedrooms. The number of guest house/bed and breakfast rooms are very similar, and they offer around 20 more bedrooms in inns.

There have however been some notable additions to the Cambridge hotel supply in recent years of around 850 new bedrooms, plus a renovation of a former hotel to a Graduate hotel – the same brand as the Graduate Randoph in Oxford – see Table 8.3.

Table 8.3 – Recent New Hotel Openings in the Cambridge area

Hotel Name	Location	No. rooms	Category	Opening Date
Graduate (renovation & rebrand)	City Centre	148	Luxury	January 2022
Fellows House, Curio by Hilton	City Centre,	163	Upscale	June 2021
Novotel	Cambridge North	217	Upper Midscale	May 2021
Hyatt Centric	Eddington	150	Upscale	October 2021
Turing Locke	Eddington	180	Aparthotel	September 2021
Holiday Inn Express	Cambourne West	144	Midscale	February 2022
Total		**1,002**		

Source: Bridget Baker Consulting Research

More rooms are planned in the Cambridge area which could add a further 792 bedrooms if they all proceed – see Table 8.4. Some others, including a 168 room Hilton project at the Imperial War Museum at Duxford are outside of the city centre and boundary.

Table 8.4 – Potential New Hotel Openings in Cambridge Area				
Hotel Name	**Location**	**No. rooms**	**Category**	**Status PP**
The Hobson, Rogue City Hotels	City Centre, St Andrews St.	56	Upscale Boutique	Due to open 2023
The Lion Yard	City Centre Behind Grand Arcade Shopping centre	125	Tbc	Granted, may be changed to other use
Premier Inn	Fitzroy Street, CB1 1PS	153	Budget	Granted
Wilde, StayCity Aparthotel	On Park St. Car Park, opp. Varsity Hotel	227	Upscale aparthotel	Granted Dec 19 delayed
Easyhotel	Newmarket Rd/ Godestone Rd	90	Budget	delayed
Accor Aparthotel	Close to Railway station	141	Midscale aparthotel	Granted
Total		**792**		
PP – planning Permission				
Source: Bridget Baker Consulting Research				

Bath Hotel Supply

There has been a flurry of new hotel openings over recent years including the Apex in 2017 and then more recently the 202-bedroom midscale Hampton by Hilton in the city centre in February 2022, the 155-bedroom Indigo in September 2020 and the 148 room Z Hotel in 2018. Some additions are expected in forthcoming years including a 15-room extension to the Abbey hotel; and planning permission was granted in 2021 to convert the former Royal Mineral Water Hospital into a 160-bedroom luxury hotel and for a business hotel as part of the Bath Quays North redevelopment near the railway station with a likely opening date in 2024.

The additions of large new hotels and a large supply of short stay (Airbnb) has reportedly resulted in the loss of smaller bed and breakfast establishments that have struggled to compete.

York Hotel Supply

The most recent major openings in York over recent years have been the 143-bedroom midscale Hampton by Hilton York Piccadilly in May 2021 and two properties in 2019, the Moxy Marriott (118 room) and the 97 key Roomzzz aparthotel. Other branded aparthotels in the city include the Staycity with 220, one and two bedded, aparthotel rooms. This property is attached to the Barbican events venue. The smaller boutique hotel (no 1 Guesthouse) opened with 39 rooms in April 2022 and the 80 room budget Travelodge York Monks Cross on the outskirts in 2018.

A significant addition to the city's hotel supply will be the 188-room Premier Inn in York city centre on the site of the former Carpetright store which is due to open this year and provide 188 rooms.

In April 2022, the long-established family owned 24-bedroom Mount Royal hotel announced it was closing claiming it was 'no longer viable'. The owners cited 'a recent explosion of budget rooms and alternative options for accommodation in the city' causing a struggle to remain viable. The hotel, situated in Georgian buildings is to be converted to residential use.

8.3 Value & Volume of Tourism

Both domestic and international visitors are an important element of the four cities tourism economies.

The data collated by Visit England is for averages of three-year periods, The most recent data is for the three years 2017 to 2019. Both 2020 and 2021 were adversely impacted by the worldwide travel lockdowns due to Covid-19 and thus the 2017-2019 period is a more reliable guide for 'normal' years of travel.

In Table 8.5 we summarise the volume and value of domestic tourism for the four cities.

Table 8.5 – Value of Domestic Tourism - Oxford, Cambridge, Bath & York (Average of 2017 -2019)

		Overnight				Total
	Day	**Holidays**	**VFR**	**Business**	**All Overnights**	**All Tourism**
Oxford						
Trips (m)	5.13	0.172	0.311	0.124	0.634	**5.760**
Nights (m)	-	0.389	0.602	0.257	1.322	**-**
Spending (£m)	209	39	31	30	106	**315**
Cambridge						
Trips (m)	5.96	0.172	0.235	0.087	0.510	**6.471**
Nights (m)	-	0.371	0.655	0.198	1.257	**-**
Spending (£m)	218	35	23	28	90	**308**
York						
Trips (m)	9.09	0.854	0.413	0.116	1.424	**10.514**
Nights (m)	-	2.261	1.133	0.290	3.829	-
Spending (£m)	543	200	56	27	290	**832**
Bath and NE Somerset						
Trips (m)	6.50	0.426	0.317	0.067	0.839	**7.335**
Nights (m)	-	0.967	0.802	0.155	1.992	**-**
Spending (£m)	170	124	38	20	190	**359**
Source: Visit England GBTS/GBDVSs						

York had by far the most overnights over the period (3.8m), followed by Bath at around 3m and then Oxford and Cambridge at a similar level (c1.3m). These are nights in all types of accommodation including staying with friends and relatives (VFR). Holiday makers and business visitors are more likely to stay in hotels and serviced accommodation, and in this regard the cities have the same ranking in terms of tourism nights, but York and Oxford are higher in terms of business nights. Cambridge is behind Oxford whereas Bath is more a leisure destination and receives fewer business bights.

There is no doubt however of the importance of tourism in terms of expenditure to all of the four cites.

International Staying Visits

All of the four cities feature in the most popular overnight destination of international visitors. London and Edinburgh are always the most visited. Oxford and Cambridge are usually in the top twelve and Bath and York in the top 15 but generally less frequented by international visitors than the two leading university cities.

Table 8.6 – Top UK Cities for Staying Visits by Inbound Visitors				
Ranking	2019		2018	
	City	Visits (000s)	City	Visits (000s)
1	London	21,713	London	21,072
2	Edinburgh	2,206	Edinburgh	2,515
3	Manchester	1,661	Manchester	1,548
4	Birmingham	1,112	Birmingham	1,119
5	Liverpool	845	Glasgow	882
6	Glasgow	771	Liverpool	824
7	Brighton/Hove	647	Bristol	615
8	Bristol	636	**Oxford**	580
9	**Oxford**	581	*Cambridge*	576
10	*Cambridge*	462	Brighton/Hove	478
11	*Bath*	401	Cardiff	376
12	Cardiff	382	*Bath*	375
13	Leeds	338	Leeds	352
14	*York*	297	Inverness	322
15	Newcastle	282	*York*	315
Source: Visit Britain				

8.4 Recent Hotel Demand trends – Comparable Cities

In Section 5 we summarised the performance of UK hotel Regional hotels over recent years as collated by HotStats. This is shown in Table 8.7 and largely comprises branded hotels. It was published in December 2022.

Table 8.7 UK Regional Hotel Performance (2019 & 2022			
Year	Room Occupancy (%)	*ADR (£)*	RevPAR £
2019	76.9	86	66
2022 f [1]	66.4	99	66
[1] Jan – Sept actual data & forecasts for the last quarter 2022			
Source: HotStats/Knight Frank			

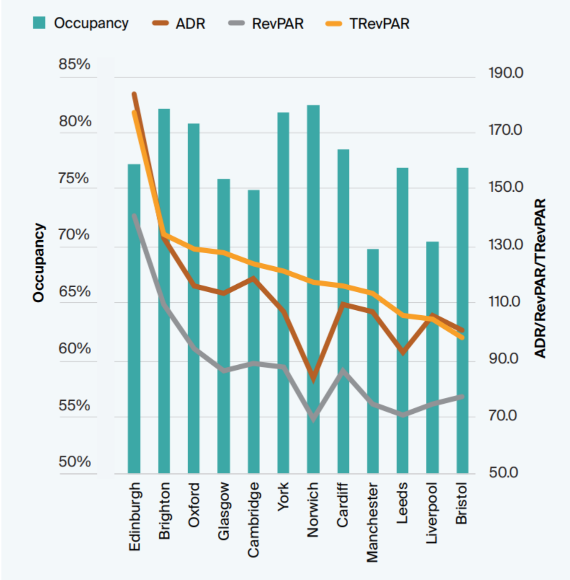
It is widely acknowledged in th industry that the last 'normal' trading year in the UK was 2019. The hotel performance for the subject cities in that year is shown in Table 8.8.

Table 8.8 – Hotel Performance, By Location - 2019			
Location	**Occupancy (%)**	**ADR (£)**	**RevPAR (£)**
Oxford	78.8	107	89
Cambridge	78.1	99	77
Bath	77.2	114	88
York	80.3	107	86
Source: Bridget Baker Consulting Research & interviews /STR/Visit York/HotStats			

In early 2022 UK hotels were adversely impacted by the Omicron scare and a virtual halt of international travel to the UK from some key source markets and some reduction in domestic business travel. This was also the quietest part of the year for leisure travel. Not all source markets returned until later in 2022 but generally hotels were starting to see demand pick-up from April.

HotStats have monitored the UK's 12 leading performing regional city hotel markets, including Oxford, Cambridge and York. The performance of all the cities showing various metrics of performance for the period April – September 2022 are shown in Chart 8.1.

Chart 8.1 – Key Performance Indicators Leading 12 UK Regional Cities



Note: TRevPAR = Total Revenue Per Available Room

Source: HotStats/Knight Frank

Norwich's hotels achieved the highest occupancy over the period at around 83%, closely followed by Brighton, York and Oxford at around 81%. Cambridge posted around 74%. Bath is not included as one of the top 12 cities in the UK. This is probably due to the decline in occupancy posted at Bath hotels this year.

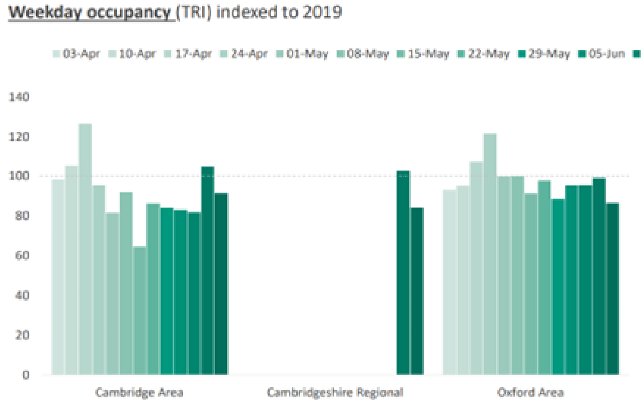
In terms of ADR Edinburgh was by far the strongest performer at around £180, followed by Brighton and Oxford at around £125 with Cambridge and York a few pounds behind. The resultant RevPAR levels put Edinburgh way ahead of the other regional cities. (The combination of the two metrics Occupancy and ADR provides the RevPAR).

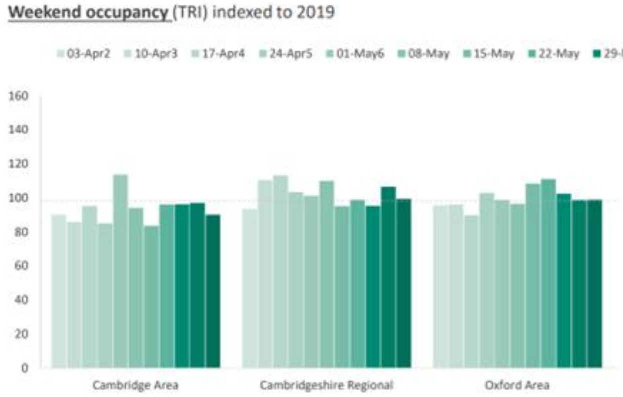
TRevPAR is Total Revenue Per Available Room, so includes food and beverage and other income streams. This is very dependent on the other services a hotel offers, so as some hotels have no dinner service, conference facilities, or membership health club for example they will perform less well on this metric. Within the 12 cities Oxford is performing well on their TRevPAR levels.

In similar data for Oxford and Cambridge produced by STR for the three-month period April to June 2022 it shows that occupancies in weekdays in Oxford were almost back to 2019 levels for many of the weeks during the period, but Cambridge was still lagging behind. Weekends were back strongly in Oxford and although more positive than weekdays, still lagging behind Cambridge.

In terms of ADR, both were behind 2019 during most weeks, but with Oxford performing better than Cambridge. At weekends however the hotels have been able to maximise room rates and are in some cases exceeding 2019 levels over the period. These performances are show in Charts 8.2 and 8.3.

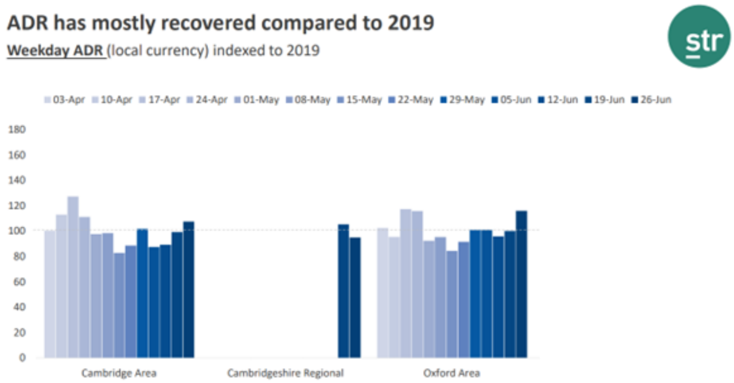
Chart 8.2 – Oxford & Cambridge Room Occupancy April – June 2022 v 2019

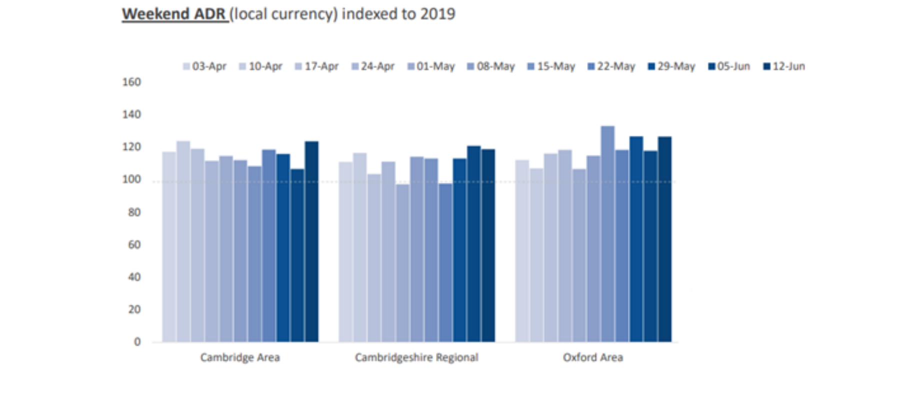




Source: STR

Chart 8.3–Oxford & Cambridge ADR, April – June 2022 v 2019





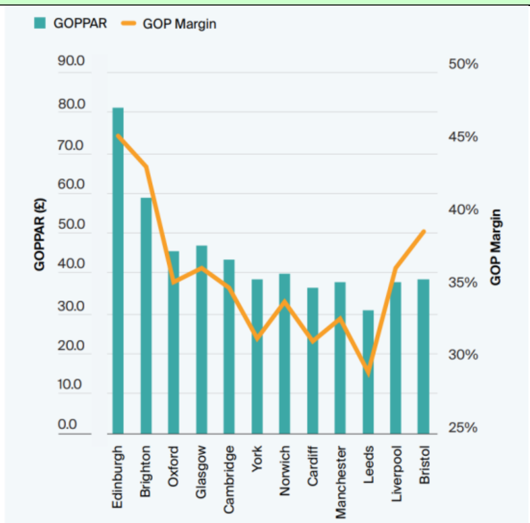
Source: STR

Hotel Profit Performance

HotStats benchmark full profit and loss account data for the hotels in their samples. The Gross Operating Profit Per Available room (GOPPAR) and GOP margin are illustrated below.

The GOP margins – see Graph 8.4 - in Oxford and Cambridge are at the higher end of the 12 cities at around 35%, York is around 25%, which could be due to a range of cost factors but is likely to be largely impacted by the lower ADR achieved in York.

Graph 8.4 – Profit Levels & Margins Leading 12 UK Regional Cities



Note: *GOPPAR = Gross Operating Profit Per Available Room, GOP = Profit margin*

Source: HotStats/Knight Frank

When comparing the performance in the same period in 2019, HotStats show that the RevPAR in Oxford was 3% ahead of 2019, whereas Cambridge was only at 97% of the 2019 performances. TRevPAR showed a similar pattern at +5% and -4% respectively. York hotels were still at only 96% of the 2019 RevPAR performance and 91% of TRevPAR. All of the cities had not yet returned to 2019 GOPPAR levels with Oxford at 95%, Cambridge 75% and York at 78%.

Branded compared to Independent Hotel performance.

Branded hotels in Oxford saw a 6.5% increase in ADR for the period January – July 2022 compared to the same period in 2019. The Independent hotels posted a massive 48.6% increase. Both types of hotel suffered a decline in occupancy in all hotels, probably caused by the increase in bedrooms over recent years and the high availability of short term lettings.

Independent hotels in Bath enjoyed a similar strong performance at a 39% increase in ADR, yet in the same style of hotels in Cambridge this was very marginal at just 2%. Branded hotels in Cambridge posted a similar increase to Oxford but Bath was far higher at 25%.

Independent hotels in Oxford, albeit a small sample, saw a decline in occupancy of more than 13%, compared to the branded hotels 7%, In Cambridge branded hotels posted a decline of around 14% points and in Bath 17%. The decline in independent hotels was 15% and 9% points respectively.

The higher ADR's in the independent hotels in Oxford and Bath meant that they posted a far stronger RevPAR than the branded hotels. This is illustrated in Table 8.8.

Table 8.8 - Performance of Branded & Independent hotels July 2022 ytd v 2019 ytd

	Oxford Area		Cambridge Area		Bath	
	Branded	Independent	Branded	Independent	Branded	Independent
Occ % Chg	-7.0%	-13.4%	-14.6%	-14.6	-17.4%	-8.6%
ADR % Chg	+6.5%	+48.6%	+6.3.%	+1.7	+25.3%	+38.8%
RevPAR % Chg	-1.0%	+28.8%	-9.2%	-13.1	+3.5%	+26.9%

Source: : STR

8.5 Summary

The Oxford hotel market performs strongly against the four comparable cities, whilst Cambridge is the most direct comparator in terms of source of business, there have been significant additions to bedroom supply in Cambridge over the past few years, and more to be added, so demand has not yet matched the increases in bedrooms available.

Bath is largely a leisure market, and has a high concentration of Airbnb lettings and coupled with an increase in hotel bedroom supply in the yeas prior to the Covid-19 lockdowns. Although the leading cities visited by overseas staying visitors it is usually somewhat behind the volume of overnight visitors in Oxford and Cambridge. The same applies to York, which is arguably a stronger domestic than international destination.

There is evidence that smaller hotels /guest houses have been closing over recent years, aside from the current cost of living crisis they have also struggled to compete with new openings in the branded budget hotel sector.

9.0 Estimates of Future Bedroom Demand in Oxford

9.1 Introduction

As detailed in Section 6, the Oxford hotel market is buoyant. Even with some 500 more bedroom added in recent years, and the slow start to 2022 due to Omicron the performance to the end of November in terms of Room Occupancy (75.7%) and the Average Achieved Room Rate (ADR) of more than £116 was far ahead of the UK regional hotel market at 66.4% and £99 respectively and RevPar at £66 (Oxford RevPAR £88).

Th foregoing statistics for comprise 90% of the Oxford hotels listed in tables 5.3 and 5.4. From our local research we have made an estimate of Room Occupancy for 2022 for the remaining smaller independent hotels that do not provide data to STR and also estimated the year end performance.

We estimate that the total hotel market achieved an annual occupancy of around 74.3% in 2022, selling around 770,000 bedrooms for the year. We have used this as the base for our estimates of demand for future years.

In this section we discuss forecasts for national hotel and tourism visitation and activities in the local Oxford market that are likely to impact demand in Oxford's hotels in the medium term.

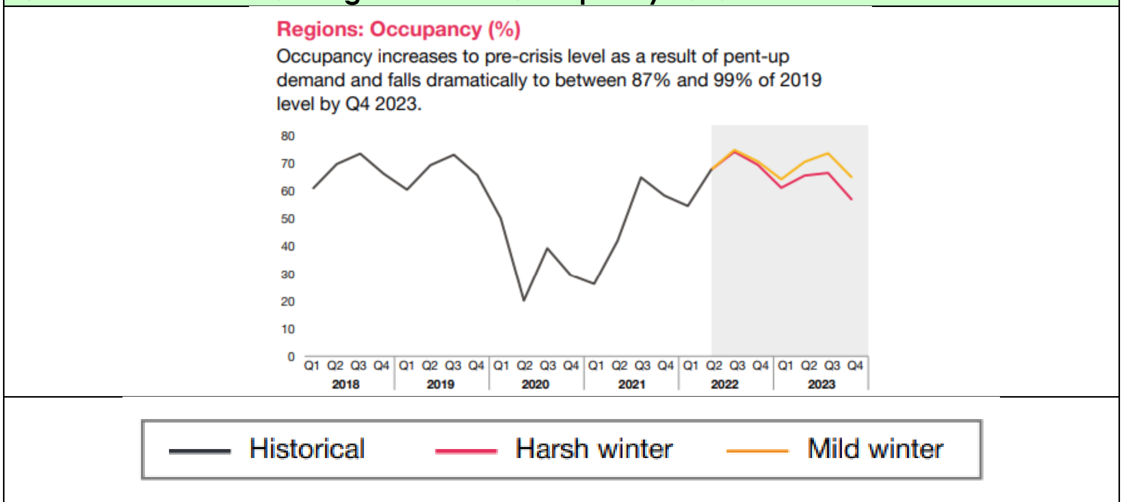
9.2 Forecasts of Future UK Regional Hotel performance

HotStats/Knight Frank are forecasting a 9% increase in RevPAR, in 2023 with national regional occupancy levels reaching 72% and ADR £100. This is a RevPAR increase of 9% year on year. These are lower than Oxford currently achieves.

In October 2022 PWC prepared their forecasts for UK hotel performance for 2023. They expected a 'bumpy road ahead' for the UK regions with domestic demand reducing due to cost of living and other economic pressures. This is after an uplift in 2022 and a relatively good start expected in the early months in 2023. They predict a decline in the last two quarters of the year, with occupancy growth for the year at two percentage points above 2022. This is shown in Chart 9.1, and the upper case scenario indicates a regional hotel occupancy of 77.1%.

They expect a decline in real terms between 1.8 – 2.9% on ADR performances (taking into account inflation. These occupancy estimates are set out at follows.

Chart 9.1 Forecasts UK Regional Hotel Occupancy 2023



Source: PWC

Given that the hotels in Oxford already perform above the PWC data we would expect the city's hotels to continue to perform above the national regional market in 2023 and beyond.

9.3 Forecasts for International Visitation

Visit England are forecasting a strong rebound in international visitors in 2023. They are anticipating some 35.1 million visits, which is 86% of the 2019 level and 18% higher than in 2022. This equates to a £29.5 billion spend, which is 4% ahead of the 2019 level and 14% higher than in 2022. If the 2023 spend level achieved it would be a record for the value of inbound spend in the UK in nominal terms; adjusting for inflation it would be 87% of the 2019 level in real terms.

In terms of the value of visitor spending, the forecast assumes that length of stay will gradually fall from its 2022 level and moves to a more normal pattern of visitation, This in turn will reduce spend per trip, but will be mostly counterbalanced by inflationary factors as inflation is likely to remain higher than the historic norm in 2023 (although lower than in 2022).

It is expected that visits from European markets will recover more quickly than long-haul overall, continuing the steady recovery seen in 2022. This would result in 24.1 million visits in 2023, some 88% of the 27.3 million visits in 2019. For long-haul markets, the forecast is for 11.0 million overseas visits, 81% of the 13.6 million in 2019. Significant variation is anticipated across different source markets, for example North America is likely to recover relatively quickly while others, such as East Asia lag behind.

Their forecasts acknowledge that there is a lot of uncertainty about prospects in 2023 due to the 'changeable external context'. In particular, that the global economic situation will be challenging, which will likely mitigate against a swift return to pre-pandemic levels of tourism volumes or (in real terms) value.

Their forecasts also assume that cost of living pressures will not intensify, and that inflation will ease from current levels, in line with economic forecasts, although will continue to remain above normal levels in 2023, putting pressure on travellers' spending power.

Oxford is consistently in the top ten most visited UK destinations by staying overseas visitors. Given that visitors from China in particular have largely yet to return to international travel this source market alone should see significant demand for the Oxford market in forthcoming years. This coupled with the strong USA and European markets bodes well for the future for the hotels in Oxford.

9.4 Impact on Hotel Demand from Local Commercial activity and New Developments

We have set out in detail in Section 3 the key focus areas of economic development in Oxford in forthcoming years. In the report prepared by planning consultants Lichfields (September 2022) they concluded that across five different scenarios of future employment space requirements, the minimum the Council should plan for is an extra 296,270 m^2. over the period 2020-2040. They identified the following:

- The majority of this space (79% or more) would be required for office, R&D and laboratory uses;
- More space would be needed totalling 412,310 m^2. to achieve the 'go for growth' aspirations of the Oxfordshire Local Industrial Strategy (LIS);
- Existing permissions not yet developed totalled 118,770 m^2. in the pipeline (January 2022) mostly located on Category 1 sites. 76% of these sites relate to office and R&D space.

- Additional space could be provided on undeveloped land within existing sites, namely187,000 m^2. in the West End and 25,000 m^2. on each of the Oxford Business Park and Oxford Science Park. Development on these sites would meet the minimum spatial requirements identified in the report but not the aspirations of the LIS.

Our discussions with commercial agents in the city support these findings and stress growing demand over the past 8 months for office and laboratory space from science and technology companies. Further, as the majority of companies on the business and science parks in Oxford are home grown, some agents suggested that demand for overnight accommodation from business visitors will increase as more international companies take space in the area.

These developments are likely to take place gradually over the Local plan period and are all in sectors that are likely to generate demand from domestic as well as international business visitors. This underlines our estimates of continued growth for bedrooms at Oxfords' hotels from business visitors.

9.5 Demand from Conferences and Events

Currently most of the demand for larger conferences, including those that attract international delegates, take place in academic venues. as well as some attending functions and other events. Few of the hotels, particularly in the city centre, offer appropriate facilities to attract large conferences.

The new facilities being developed at Rhodes House will offer a new range of spaces that should attract new events to the city year round and also provide overflow bedroom demand to local hotels.

The new commercial developments in the city should also stimulate demand for smaller conferences and events for local hotels moving forward.

9.6 Displaced Demand

The high levels of room occupancy and the high prices that the hotels are able to charge is a strong indication that there is demand that is being displaced outside of the city's hotels.

That up to 680 rooms a night can be available in the peak of the summer in the University colleges, and it has not impacted on hotel occupancies is a further indication of the strength of the demand in the market. The same applies to the Airbnb lettings in the city.

9.7 Estimates of Future Market demand in Oxford

We have prepared estimates of the potential future market growth if more bedrooms are added to the Oxford marketplace. We have based the 2022 supply on 2,868 hotel bedrooms and have added all of the projects listed in Table 5.9.

We have made estimates of when they could open over the short medium/ term, and this is shown as follows. It should be noted that some of the 2023/24 projects may open throughout the year and we have adjusted the annual rooms count accordingly.

Table 9.1 Potential Additions to Hotel bedroom Supply in Oxford City Boundary				
Project	**Location**	**Rooms**	**Estimated Opening Date**	**Notes**
The Store,	City centre	101	mid 2023	
Old Parsonage	City centre	3	2023	Long-stay suites
Branca Brasserie	Jericho	5	2023	
Edge hotel	Abingdon Rd,	29 net gain	2023	
Z hotel	City centre	130	2024	
Holiday Inn	Peartree	66 extension	2024	
Crown Street	Cowley,	19	2024	
Former Adventurer Pub	Hollybush, OX1	5	2024	3 hotel rooms 2 apartments
Budget	Headington	90 estimate	2024	Assume this /or similar will be granted planning permission in this area
Templars Square	Cowley	70	2025	
Northern Gateway	Oxford North	180	2025	Masterplan stage
Thornhill Park	Residential Devpt at Park & Ride	133	2026	Site currently being marketed by agents
Oxpens Development	City Centre	150 estimate	2026	Masterplan, stage
Total		**981**		
Source: Bridget Baker Consulting Research & estimates				

From 2027 We have added in a further 150 - 200 new rooms every year (assuming a hotel with an average size of around 175 rooms). The increase in bedrooms supply is set out as follows.

Table 9.2 Potential Additions to Hotel bedroom Supply Annual Increases		
Year	Additional Rooms	*Year on Year Change %*
2023	87	3.0
2024	266	9.0
2025	295	9.2
2026	333	9.5
Sub total	981	
2027	200	5.2
2028	150	3.7
2029	200	4.8
2030 & thereafter	175	4.0
Source: Bridget Baker Consulting Research & estimates		

There are signs that the early months of 2023 will be stronger than the Omicron affected equivalent period in 2022. Although the costs of living crises could impact some destinations Oxford has already demonstrated strong demand from the domestic leisure sector, which also would include parents visiting students and graduation.

International tourism to the UK is expected to increase this year and here Oxford should continue to be appealing for this lucrative sector.

Business travel growth is likely to be modest but the worldwide reputation of the University and many of the organisations in the Oxford area should continue a flow of this demand.

As there are limited new bedrooms opening in the city this year, this will constrain the of bedroom capacity and growth in rooms sold this year. We have estimated growth of 7% on the 2022 rooms sold.

More rooms will be available from 2024 – 2026 and this will allow for rooms displaced outside of the city boundaries to be accommodated. We would expect continued growth in demand as more of the new commercial developments come to fruition and leisure travel continues at a healthy pace. We have allowed for annual growth of rooms sold of between 8/9%. This assumes all of the hotel projects listed above come to fruition in the timeframe. This results in an average occupancy across the Oxford hotels of 74/75%. This is higher than many UK regional destinations, but the year round appeal of the city for both leisure and business shows that the city has historically performed at these levels. Our estimates of market occupancy are detailed in table 9.3.

Table 9.3 – Estimates of Market Occupancy 2022 - 2032		
Year	**Demand Growth %**	**Market Occupancy %**
2022		74.3
2023	7	76.2
2024	9	76.1
2025	8	75.1
2026	8	74.2
2027	6	74.6
2028	5	75.7
2029	5	76.1
2030 and thereafter	4	76.0
Source: Bridget Baker Consulting Estimates		

From 2027-2030 we have allowed for a steady increase in bedrooms supply of around 150-200 rooms per annum and more conservative growth levels of 5-6%. These still result in high occupancies in excess of 74%. This shows that there is the opportunity for more bedrooms in the city in future years if all of the new anticipated commercial and research projects come to fruition.

From 2030 we have stabilised at a growth level of 4% per annum, although this will be dependent on the amount of new supply that has entered the market in previous years and prevailing economic conditions locally, nationally and internationally.

9.8 Summary

It is often cited that new hotel development can stimulate demand; either accommodating unmet / induced demand due to availability / under supply issues, or conversely, providing a new product / brand offering to the market that can stimulate interest from those visitors who may have otherwise stayed elsewhere or not stayed at all.

It is clear from the strong performance of Oxford's hotels that demand is being displaced elsewhere. With international source markets expected to bounce back from this year and the extensive range of new developments in the city and outskirts this is set to stimulate more demand for hotel bedrooms in the future. This makes Oxford an appealing location for hotel developers and operators to open more hotels in Oxford.

Most hotels in Oxford struggle to attract staff, particularly for lower skilled jobs. Aside from the demographic mix in Oxford, the lack of affordable housing close to hotels – where shift work is required - Is certainly a factor in the local skills shortage. Staff working on breakfast shifts and in food and beverage evening shifts need to be able to access work easily and public transport is not available in many cases. Furthermore car parking in Oxford city centre is not an option.

A few of the hotels have staff accommodation and this should be a consideration for new developments going forward. There could be a risk that hotels cannot operate, due to lack of staff.

9.9 Recognition of Risks

Our estimates assume that the demand in the Oxford area is underpinned by the following key assumptions:

- That hotel and serviced accommodation demand in the Oxford catchment area continues at historic levels;
- Increased demand and ongoing job creation locally with existing and new businesses moving to the catchment area;
- That Oxford continues to be appealing for academic visits and related conferences/functions.
- That tourism demand in Oxford continue at historic levels from domestic and international markets, particularly from key source markets, such as China, return to historic levels;
- That aside from our estimates of future bedroom supply in the immediate area there are no other large scale increases within or just outside the City's boundary that will deflect demand away from Oxford's hotels;
- Continued national marketing of Experience Oxfordshire and other local industry bodies of Oxford as a tourist and business tourism destination.

All of the above are set to stimulate future visitation and hotel bedroom demand to the Oxford area and underpin the success of the overnight tourism market and associated expenditure in the city.

10.0 Opportunities & Planning Considerations for Hotels & Short Term Accommodation in Oxford

10.1 Introduction

In this Section we analyse the potential opportunities and issues that should be considered in relation to hotel and short term accommodation in the Local Plan.

10.2 New Hotel Supply

We have identified in Table 10.1 the hotels that are already located key Employment areas, and we have added the new projects that are likely to come on stream in the short/medium term listed on the Oxford City Council portal.

Table 10.1 Hotel Provision Near Employment Areas		
Employment Area	**Existing Hotels (Rooms)**	**New Hotel Projects (Rooms)**
University of Oxford Science Area and Keble Road Triangle Radcliffe Observatory Quarter Oxford University Press	Old Parsonage Hotel (35) Graduate Randolph (151) & city centre	Old Parsonage Hotel annexe (3 suites), Branca Brasserie (5)
Oxford Centre for Innovation	Vanbrugh House Hotel (22), The George Street (40), George Oxford Hotel (22) Graduate Randolph (151)	The Store (101) Oxpens – early stages
Northern Gateway/Oxford North	Leonardo Royal Hotel (240) Holiday Inn (154) Travelodge Peartree (197)	Northern Gateway - early stages Holiday Inn extension (66)
John Radcliffe Hospital Nuffield Orthopaedic Hospital Churchill Hospital Warneford Hospital Old Road Campus	holiday lets B&B's	Travelodge (c120) refused Thornhill Park (133) site being marketed (March 2023)
BMW (Mini) Unipart Oxford Business Park	Premier Inn Cowley (225)	Crown Street (19), Templars Square (70)
Oxford Science Park	Holiday Inn Express Kassam Stadium (162), Hampton by Hilton (103)	
Source: Bridget Baker Consulting analysis		

Currently the area where there is no significant hotel supply is the east side of the city, around **Headington** and the John Radcliffe and other hospitals, as well as the Oxford Brookes University main campus. There are however guest houses, holiday lets and Airbnb listings in this area. The presence of the latter would indicate that there is already a requirement for bedroom accommodation in the vicinity. The future development plans for the area should increase this demand. The hotel site at Thornhill Park, for 133 bedrooms, has just been brought to market by commercial property agents (March 2023). The hotel has planning permission and is part of a mixed used development comprising 402 new homes and a 2,578m² Innovation Centre. Furthermore, a planning application for a 120 budget hotel was refused in March 2022.

The **City Centre** is arguably the most popular area for city break tourists to Oxford and those visiting the University for a wide range of reasons. There are a few small scale projects in the pipeline and in the masterplan for the **Oxpens** site a hotel is listed as one of the potential uses. We consider that this would be an ideal site for an additional hotel in the city, and in particular a branded **aparthotel** would provide accommodation that is not already available. This would appeal to families in particular who require more space and a kitchenette. These people may currently be using short-stay accommodation in the city centre or not selecting Oxford as a short break destination.

We consider that there may be opportunities for some more boutique style hotels in the city centre, either independent or branded, but we have not been made aware of any sites that may be suitable. We would include the West End and Osney Mead as part of the city centre from a tourism perspective.

Cowley is already well served by large budget standard hotel , which was extended by 26 rooms in 2019 which gives an indication of the confidence Travelodge had in the prospects for the market in this area. It is the second largest hotel in the city boundary. There are some small additions which will support additional demand around Cowley in the future.

More development is anticipated around the **Oxford Science Park.** This is already served by the Hampton by Hilton and the Holiday Inn Express a short walk away. There is uncertainty about the future of the adjacent Kassam stadium, so it is difficult to predict future needs for hotel accommodation in this area until this is resolved. This would include the Blackbird Leys District Centre.

The **Northern Gateway/Oxford North** is served by the 240 bedroom Leonardo Royal hotel. This hotel has been upgraded and the owners are seeking to reposition the hotel at a higher level than when it was formerly the Jury's brand. This hotel benefits from extensive conference facilities, a small leisure centre and car parking. It can be used as a base for people visiting Oxford city centre (there is a bus stop outside) as well as Blenheim Palace etc. With the additional commercial developments planned for this area, there could be opportunities for more hotel bedrooms in the future – subject to feasibility studies.

Other hotels already located in **Oxford North**, and within easy access of the Peartree Park and Ride are the Holiday Inn (154 bedrooms) and the Travelodge Peartree (197 rooms), The Holiday Inn has planning permission to extend by 66 bedrooms which will add further to the bedroom supply in Oxford North.

There are already some hotels located in **District Centres** , we have already described Cowley and Headington above. There are a wide range of hotels and guest houses in Summertown (Banbury Road) including the new Easyhotel. The majority of the other hotels in this area are well established, but some of the guest houses in particular are quite small. There may be opportunities to add bedrooms at some of these hotels and this would assist them in making them more financially viable and should be looked at favourably.

As listed in 3.3 the main **Arterial Roads** are the: Banbury Road, Woodstock Road, Botley Road, London Road, Iffley Road and Abingdon Road. The majority of B&B's are located on these arterial roads (listed in Appendix C). There are also some of the larger hotels located along, or just off, these routes such as the voco Spires, Mercure Hawkwell House, and a selection of budget hotels (Easyhotel, Travelodge), The Banbury Road and Botley Road in particular are the locations of many of the smaller independent hotels in the city. The Woodstock Road has very few accommodation establishments, but is largely residential and is very close, and parallel, to the Banbury Road with many hotels. The same applies to some of the other arterial roads, which are largely residential and suitable hotels sites are unlikely to be easy to find.

10.3 Loss of Hotel and Guest House Accommodation

The hospitality industry has been particularly hard hit by the loss of business during the Covid-19 pandemic which has been followed by adverse impact of train strikes, the cost of living crises and the massive increases in energy costs and food and beverage produce.

Small hotels and guest houses are more prone to financial difficulties as they do not have the economies of scale of larger hotels. Furthermore, the massive growth nationally of branded budget hotels such as Premier Inn, Travelodge, easyhotel etc, with their very efficient marketing and reservation systems, along with a standardised product has made it difficult for many of these small properties to compete effectively for their traditional client base. This would also be the case in Oxford where there have been significant increases in the budget hotel supply over recent years.

We would recommend that it is looked upon favourably when some of these smaller hotels wish to close and that owners are not obliged to provide expensive non-viability studies to do so. The policy could be capped at properties say with less than 10 bedrooms.

Given the shortage of reasonably priced accommodation in Oxford for lower paid staff, options for change of use to staff accommodation would go some way to remedying this situation. Similarly the loss of the limited staff accommodation for hotels should be discouraged where possible.

10.4 Public Houses & Inns

It is well documented that many public houses are closing on a weekly basis nationally and are struggling to be viable. Over the recent decade or so some pubs have become gastropubs focussing heavily on their food and beverage offer and others have opened up bedrooms as another income stream. Pubs are an important part of the tourist infrastructure and appeal to both domestic and international visitors as well as local residents.

There are only a limited number of pubs in Oxford with bedroom accommodation, but we would suggest that proposals to add bedrooms to pubs should be looked at favourably if put forward.

10.5 Short Lets

Whilst there are around 500 short term lettings advertised for Oxford on the Airbnb websites some of these would be outside the City Council boundary. The listings on this website vary from day to day, but it is clear that at least 200 entire homes in the city centre area are regularly available for short term lettings, often for most of the year.

Given the strength of demand in the Oxford hotel market hoteliers did not mention these properties as competition. However there is concern nationally at the potential loss to housing for local residents caused by the growth of Airbnb.

The UK government announced in December 2022 that they will be introducing regulations for short term lettings in England this year. No details are available yet or whether the scheme will be comparable to the regulations planned for Scotland or elsewhere in Europe.

We would recommend that Oxford City Council review the new scheme as soon as it is announced. This should go some way to regulate this sector.

10.6 Summary

Our research study shows that Oxford has a good range of hotel and serviced accommodation within the city. There has been some growth in short-stay accommodation over recent years but based on the performance of these hotels there is evidence to show that there will be a need for further hotel accommodation in Oxford within the Local Plan period.

This study supports the spatial approach to accommodate future growth, both new and expansion of short-stay accommodation within Oxford , which directs new development to the city centre and where suitable sites are available on arterial roads into the city and district centres. This includes extensions to existing hotels. In some cases there is a crossover between district centres/arterial roads and key employment sites, such as Headington and Cowley. Other district centres are in largely residential areas and hotel sites may be difficult to find and are likely to be less suitable for new hotel development.

As new business/science parks emerge as identified in the Employment Land Needs Assessment (ELNA) it does provide some context for future short-stay accommodation requirements to meet 'business' aspects of tourism' in these areas. This will ensure that visitors to these businesses will not need to travel far to find suitable overnight accommodation. They would require car parking and some of these guests may wish to visit the city centre for the evening economy so regular public transport links would be required. The same applies for staff working in these hotels.

A future policy approach to protect the existing supply of accommodation which seeks to ensure that hotels and guesthouses above a threshold should be supported, accompanied by criteria that need to be satisfied, including viability. Those smaller premises should however be allowed to change their use to residential without the need to go through a viability test.

Oxford Hotel Study

APPENDICES

March 2023

Appendix A – Leading Employers Oxford 2018

Organisation	Sector and activity	No. Employees
University of Oxford (including colleges)	Higher education	16,200
Oxfordshire County Council	local authority for Oxfordshire providing transport, education and social services.	15,900
Oxford University Hospitals NHS Foundation Trust	Oxford's main provider of healthcare, research, teaching and training.	10,730
Oxford Health NHS Foundation Trust	Health and social care	6,250
BMW (UK) Manufacturing Ltd.	Manufacturers of the Mini	4,500
Oxford Brookes University	Higher education institution	2,580
Oxford University Press	Publishing	1,800
Oxford City Council	Local Authority for Oxford city	1,150
Unipart Group of Companies	Logistics, automotive parts and accessories companies	970
Oxfam	International aid and development charity	900
Activate Learning	Further education provider	850
Centrica (British Gas Business)	Energy provider selling to businesses	800
Amey	Infrastructure support service provider	700
Oxford Bus Company	Public transport provider	600
Nielsen	Market research, information and data	450
Blackwell UK	Retailer - academic and specialist book seller	500
Wiley	Publisher	430
Stagecoach	Public transport provider	400
Four Pillars (De Vere / Principal)	Hoteliers	360
Dragon School Trust	Private school	300
TripAdvisor	Reviews and data	300
Grafton Merchanting	Builders merchants HQ	270
Oxford Biomedica	Bio-technology - gene and cell therapies	300
Oxfordshire Clinical Commissioning Group	NHS - health services buyer	250
Helen and Douglas House	Charity - hospice and children and young adults	225
Symm	general and specialist building, joinery, cabinetry, and decoration	210
Oxford Archaeology	independent archaeology and heritage practice	200

Source: Oxford Economic Profile 2018

Appendix A – Leading Employers Oxford 2018 cont'd

Mogford Group	Hotels and Restaurants	200
UYS Ltd	Manufacturer of Automotive Components	180
Mogford	Hospitality	200
Nominet	Website domain registration and IoT R&D	160
Rebellion	Gaming company	150
Opus Energy	Business energy supplier	150
Oxford Policy Management	International development consultancy	140
OPP Ltd	OPP is part of the Myers-Briggs Company and one of Europe's largest business psychology providers	140
Sharp Laboratories	Electronics technology and R&D	125
Boswells	Retailer	120
Knights	Law firm	100
Blake Morgan	Law firm	100
Genzyme	Healthcare and Life Sciences company	70
Total Estimated Employees		69,960

Source: Oxford Economic Profile 2018

Appendix B - Category 2 Employment Sites in Oxford	
City Centre	
One St Aldates Oxford Town Hall 7,95-96,109-113, 121 St Aldates Post Office, St Aldates Blue Boar Court, Blue Boar Street Clarendon House, Cornmarket Oxford University Officers' Training Centre, Oxpens Road 6 Beckett Street 1-3 Cambridge Terrace (tbc) Employment Exchange, Floyds Row Speedwell House, Speedwell Street Albion House, Albion Place Hogrefe House, Albion Place 6 Brewer Street 10A,13,13A New Road County Hall, New Road 40 Pembroke Street Littlegate House, St Ebbe's Street Ramsay House, St Ebbes Street North Bailey House, 12 New Inn Hall Street	Thomas Hull House, New Inn Hall Street 29,52 New Inn Hall Street 13-16 Magdalen Street 3-7 Worcester Street 17-33 Beaumont Street University Student Hub, Turl Street 1-16 King Edward Street 3 George Street Mews Chester House, 21-27 George Street 1-3, 14-16, 40 George Street Hayes House, 75 George Street Threeways House, George Street West End, Botley Road King Charles House, Park End Street 9, 14 B, 27-30,40-41 Park End Street Cantay House, 36-39 Park End Street 28-38 Hythe Bridge Street R/O 165-167 Botley Road New Barclay House, Botley Road Osney Mead Industrial Estate
Central Oxford and Jericho	
Lucy Properties, Walton Well Road Eagle House, Walton Well Road 35A Great Clarendon Street 28-31 Little Clarendon Street Oxford University Offices, Wellington Square 1,30,35,45-46 St Giles Clarendon Business Centre, Woodstock Road 39-42, 57 Woodstock Road Jordan Hill Business Park, Banbury Road Barclay House, Banbury Road Clarendon Business Centre, Prama House, Banbury Road Mayfield House, 256 Banbury Road 43-47,66,69-71, 76, 265,267-269, 228 -240, 264, 285 Banbury Road Cranbrook House, 287 Banbury Road Oxfam House, 274 Banbury Road Lambourne House, 311-321 Banbury Road	Summertown Pavilion, 16-24 Middle Way 20 Linton Road 75 London Road Kennet House, 108-11- London Road 116-120 London Road Cowley Road Workshop 100a Cowley Road Cowley Business Centre The Old Music Hall, 106-108 Cowley Road Former Blackwells Publishing, Marston Street Bullingdon House, 174B Cowley Road Crown House, 193 Cowley Road Newtec Place, Magdalen Road 21 Between Towns Road St Luke's Church Temple Road 213,244 Barnes Road Fenchurch Court, Bobby Fryer Close Nuffield Industrial Estate, Sandy Lane West
Source: Oxford City Council	

Appendix C - Guest House & Bed & Breakfasts in Oxford		
Property Name	Number of Rooms	Location
Atlas Oxford House	1	Cowley Road
Your Oxford Stay	5	Abingdon Road
Newton House Guesthouse	14	Abingdon Road
The Oxford Townhouse	16	Abingdon Road
The Sportsview Guesthouse	24	Abingdon Road
Lakeside Guesthouse	10	Abingdon Road
The Ridings Guesthouse	4	Abingdon Road
Green Gables Guesthouse	11	Abingdon Road
Lina Guesthouse	7	Banbury Road
Adams Guesthouse	7	Banbury Road
Lonsdale Guesthouse	7	Banbury Road
Cotswold House	7	Banbury Road
Hollybush Guesthouse	9	Banbury Road
The Osney Arms Guesthouse	10	Botley Road
Botley Townhouse	6	Botley Road
Athena Guesthouse	7	Cowley Road
The Bocardo Hotel	11	George Street
Cherwell Guesthouse	30	Iffley Road
No.192 Oxford	8	Iffley Road
Manor House Hotel	4	Iffley Road
Acorn Guesthouse	6	Iffley Road
Browns Guesthouse	11	Iffley Road
Harris Guesthouse	8	Iffley Road
Westminster Guesthouse	4	Iffley Road
Mika's Guesthouse	6	Iffley Road
Oxford Guesthouse	6	Headington
Pickwicks Guesthouse	15	Headington
Sandfield Guesthouse	5	Headington
Red Mullions Guesthouse	13	Headington
The Dial House Guesthouse	8	Headington
Mulberry Guesthouse	7	Headington
The Oxford House	4	Cowley
Museum Hotel	9	St Aldate's
Coach & Horses	8	St Clement's Street
St Margaret’s Hotel	11	St Margaret's Road
Henry's Guesthouse	3	St Michael's Street
Tower House Hotel	8	Ship Street
Conifers Guesthouse	12	Headington
Whitehouse View Guesthouse	9	Whitehouse Road
All Seasons Guesthouse	7	Headington
Marlborough House	17	Woodstock Road
Willow Reaches Hotel	4	Wytham Street
Parklands Hotel	15	Banbury Road
Mt Pleasant B&B	12	Headington
Total	**406**	
Source: Bridget Baker Consulting Research/Oxford City Council ratings list		

Appendix D - Colleges & Other Academic Buildings offering bedrooms in Oxford	
College	**Number of Bedrooms**
Balliol College	350
Brasenose College	150
Christ Church College	350
Corpus Christi College	200
Exeter College	240
Harris Manchester College	60
Hertford College	70
Jesus College	120
Keble College	300
Lady Margaret Hall	386
Lincoln College	100
Magdalen College	269
Mansfield College	176
Merton College	145
New College	160
Oriel College	300
Pembroke College	300
Regents Park College	65
Somerville College	373
St Anne's College	300
St Antony's College	159
St Catherine's College	455
St Edmund Hall	186
St Hilda's College	249
St Hugh's College	386
St John's College	150
St Peter's College	250
St Stephen's House	52
The Queen's College	133
Trinity College	188
University College	250
Wadham College	380
Wolfson College	40
Worcester College	250
Wycliffe Hall	61
Total Bedrooms	**7,603**
Source: Conference Oxford	

Appendix E - Hotels in STR Oxford Sample	**No. Bedrooms**
Malmaison Oxford	95
Premier Inn Oxford City Centre (Westgate)	90
Courtyard Oxford City Centre	151
Vanbrugh House Hotel	22
The Randolph Hotel by Graduate Hotels	151
Old Bank Hotel	43
voco Oxford Spires	181
Travelodge Oxford Abingdon Road	83
Mercure Oxford Eastgate	81
Old Parsonage Hotel	35
Oxford Linton Lodge Hotel, BW Signature Collection	87
easyHotel Oxford	180
Leonardo Royal Hotel Oxford	240
Holiday Inn Oxford	154
Travelodge Oxford Peartree Hotel	197
Premier Inn Oxford Botley	122
Premier Inn Oxford	225
Mercure Oxford Hawkwell House Hotel	77
voco Oxford Thames	104
Holiday Inn Express Oxford Kassam Stadium	162
Hampton by Hilton Oxford	103

Appendix F – Oxford Hotel Best Available Room only Rates (for March 2023)					
Hotel Name	Best Available Rates (£)				B&B
	Mon	Wed	Fri	Sat	
Old Bank Hotel	228	240	320	320	
Old Parsonage Hotel	285	240	256	256	
Vanbrugh House Hotel	199	229	229	299	
The Randolph Hotel	299	N/A	309	349	
Malmaison Oxford	229	241	216	265	
Courtyard Marriott	239	249	199	249	
voco Oxford Spires	174	189	214	274	
Bath Place Hotel	173	173	n/a	n/a	/
Mercure Oxford Eastgate	185	250	200	230	
Royal Oxford Hotel	120	120	153	166	
Ethos Hotel	108	108	148.50	166.50	
The George Street	160	225	245	270	
The River Hotel	162	162	162	162	
Eurobar & Hotel	101	107	113	121	
Premier Inn Westgate	103	106	133	153	
George Oxford Hotel	110	110	120	120	
Travelodge Abingdon Road	80	86	59	93	
Westgate Hotel	120	120	120	120	/
voco Oxford Thames	159	169	185	245	
Leonardo Royal Hotel	139	149	125	149	
Mercure Hawkwell House	152	192	132	182	
Linton Lodge Hotel	140	160	145	190	
Holiday Inn Exp Kassam Stadium	n/a	n/a	n/a	n/a	
Hampton by Hilton	153	169	129	139	
Holiday Inn Oxford	164	169	149	179	
Cotswold Lodge Hotel	155	155	165	165	
The Galaxie	119	119	N/A	N/A	
Remont Oxford Hotel	110	110	N/A	N/A	
Premier Inn Botley	90	89	93	118	
Premier Inn Cowley	77	106	88	107	
easyHotel Oxford	89	82	89	83	
Travelodge Peartree	50	54	42	55	
Old Bank Hotel	228	240	320	320	
Source: Bridget Baker Consulting Research					

Appendix G - Short Stay Accommodation Regulations European Countries & Cities

Ireland

In parts of Ireland that are designated as 'Rent Pressure Zones' owners are only allowed to short-term let their primary residence after having registered with local authorities. They can rent out their entire primary home for up to a maximum of 90 days a year, and no more than 14 days at a time.

Catalonia & Barcelona, Spain

The Catalonian Government introduced a scheme whereby anyone seeking to offer tourist accommodation to paying guests must register and apply to have their property approved and categorised as a 'tourist household'.

Advertisements to let the accommodation in this way must display a registration number. The properties must pass an inspection and owners must submit information about each booking. Fees are charged for all these services.

Barcelona has reported some of the most acute issues with complaints from the local population due to the loss of long-term rental housing and other issues relating to disturbance in local communities.

In 2021 Barcelona City Council went further and banned all short-term private room rentals and enforced other restrictions for other types of rental such as limits on the number of night rentals per year.

The Netherlands

In the Netherlands from 1 January 2021, municipalities have been able to opt into a national registration scheme for short-term holiday lets.

In Amsterdam the regulations go further as permits are needed in addition to a registration number. The permits costs around 50 Euros which allows the accommodation provider to rent out their home/ houseboat for a maximum of 30 nights per calendar year and to a maximum of four people at a time. Permit holders must report each period of holiday rental to the local authority before guests arrive. Permits are annual. The fines for failure to comply can be as high as 22,000 Euros.

Portugal

In Portugal anyone wishing to advertise and provide guest accommodation must register electronically as 'Local Lodging Establishments' before letting out their properties. This includes short-term lets in houses, apartments and other lodging establishments.

Local authorities have the power to introduce 'containment areas' which can restrict the number of short-term rental properties. As an example, in some parts of the capital Lisbon no new registrations are being processed because more than 20% of the properties are short-term rentals.

France

In Paris, short-term rental providers of entire properties must register with the city authorities. This is a self-declaration process with no checks. There are fines of up to 5,000 Euros for listing unregistered properties.

Owners are allowed to rent out their primary residence in full for a maximum of120 days per year. There are no limits on renting out a room within a primary residence.

There are frequently more restrictions on second homes, however, but these vary according to the location within the country.

Denmark

Since May 2019 regulations have been in place which allow entire homes to be used for short-term and holiday lets for up to 70 nights a year, although individual local authorities can vote to increase this to 100 nights. There are no night limits on sharing private rooms.