Demand Report

In connection with the Proposed Holiday Lodge Development at The Lincolnshire Golf Course, near Crowle, Scunthorpe.

Produced for and on behalf of The Lincolnshire Golf Course
by
The South West Research Company Ltd.

December 2012

The South West Research Company

Summary of Findings

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This report, commissioned by The Lincolnshire Golf Course and undertaken by the South West Research Company Ltd. has been produced to support the planning application for the proposed 40. No, holiday lodge development at the golf course.

The overwhelming message from all the evidence put forward in this report indicates that there is indeed demand for this type of accommodation within the UK holiday market. The future for tourism looks to be built upon solid foundations even with the current uncertain economic climate in the UK and worldwide.

And whilst the domestic tourism market is facing challenging times in the current economic climate, VisitEngland sources confirm that the recent 'staycation' trend is still taking effect and recent research undertaken pre and post the 2012 celebrations for the Queen's Diamond Jubilee and the London 2012 Olympics suggests that 20% of people are now more likely to take a holiday in England in the future and that holidays are no longer seen as a luxury, rather a necessity.

According to Sport England's Active People Survey, golf is the second most popular ball sport in England behind football.

In the 2011 GBTS, respondents who had taken an overnight trip within England were asked to state what leisure activities they had undertaken as part of that trip. Golf equated to 0.9m trips or 0.8% of all domestic overnight trips. This data was further analysed by England region with the sport equating to 0.06m domestic overnight trips in Yorkshire/Humberside or 0.5% of all trips.

Furthermore, the Great Britain Day Visits Survey estimates that golf accounted for 20 million day visits within the UK during 2011 including 15 million day visits within England.

There are almost 900,000 golf club members in England and many hundreds of thousands more men, women and children of all ages and abilities playing golf regularly. Golf can be played both recreationally and competitively and is capable of offering people who might ordinarily retire when they stop playing other sports an on-going opportunity for them to realise their sporting aspirations and potential. It is genuinely a sport for life.

In relation to the proposed holiday lodges development at the site it is easy to envisage that this would be well received by visitors to the local area and the potential it gives for golfing day visits (which equated to some 15 million day visits in England in 2011) to be turned into short breaks or even week long stays for golfing enthusiasts.

Summary of Findings

There are also no other golf courses in the immediate locality of The Lincolnshire Golf Course which currently offer the high specification lodge style accommodation and facilities being proposed at the site with the nearest similar offering being over 1 hour and 49 miles away.

Analysis of current accommodation stocks also indicates that there is no “lodge” style accommodation of the type proposed at The Lincolnshire Golf Course in North Lincolnshire. It can be easy to underestimate the importance of holiday parks to rural regions - not least because parks are generally far less visible than hotels and guest houses. But collectively, their contribution to local economies is both substantial and irreplaceable.

North Lincolnshire is well placed to maintain it’s popularity, being close to urban centres within the Yorkshire & Humberside region and beyond for the short break market and being easily accessible by car. As previously highlighted, holidays are seen as a necessity although some cost cutting measures may be considered within the holiday budget.

The rise in the level of demand for high quality “lodge” style accommodation is clear. Set in tranquil, rural locations with sensitive landscaping and private, spaced out chalets giving a feeling of privacy and ‘getting away from it all’ within easy reach of accessibly road links.

All the supporting evidence suggests that such a development as that proposed at The Lincolnshire Golf Course would be a welcome asset to the tourism product in North Lincolnshire, supporting local rural jobs and businesses and providing a quality break in scenic surroundings for visitors and golfing enthusiasts to the area.

Background

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Background

The South West Research Company has been commissioned by The Lincolnshire Gold Course located near Crowle adjacent to the A18 and M180 motorway in Scunthorpe to undertake a demand study of the proposed 40 No. holiday lodges development at the existing tourist attraction/golf course which opened in 1994. The use is allied to the existing Golf Course Enterprise and the course has the benefit of planning consent together with planning consent for other on site leisure facilities.

The site is an existing tourism attraction and has planning consent for leisure use as a golf course. The attraction has a challenging 18 hole course which is highly sort after together with additional associated facilities including a restaurant, shop, bar and conservatory etc. The venue is also a destination for special occasions/events, weddings etc.

The course needs to continue the upgrading of its facilities and diversification to enable it to compete with other golf courses in the area and around the country and with the intention being to create a destination venue and golfing resort and it is essential to the viability of the scheme that demand can be demonstrated for the 40 No. lodges.

Unlike many other typical holiday lodge schemes, this development will have demand from two separate sectors:

1. Conventional ‘lodge’ holidaymakers
2. Golfers who are seeking a golfing resort/destination venue with upmarket lodge accommodation.

The Lincolnshire Golf Course also currently gets a significant amount of golfers seeking golfing breaks in the shoulder and winter months from the Sheffield and general Yorkshire area. This is due to many courses in these areas being located on rocky higher exposed hill sites with shallow soils. In the winter these courses become wet and very unpleasant to play on, not only due to the ground conditions but also due to their exposure to inclement weather. The Lincolnshire Golf Course is therefore much busier in the winter period than many other golf courses.

In addition, there are currently no other golf courses in the immediate locality of The Lincolnshire Golf Course that offer such lodge style accommodation as proposed - with the closest one being at Kenwick Park at Louth - over 1 hour and 49 miles away.

Background

The golf course creates employment and contributes a significant amount to the local rural economy which is heavily dependent on tourist trade and helps to support the local economy, other local attractions, pubs and convenience stores in the immediate vicinity.

The golf course also has the benefit of a detailed planning approval for an extensive 60 bedroom hotel and conference centre with associated fitness suite and leisure facilities which was the subject of a public planning enquiry by the Secretary of State.

Within the Secretary of State's letter of the 29th March 2007 the letter states that: *"The Secretary of State agrees with the inspector that the facilities at the golf club are in need of upgrading" and "that the current proposal would generate local employment, giving a welcome boost to the local economy"*. She also notes that it would be *"sited within cycling distance of a few small settlements in an area where bus and train services exist in reasonable numbers".*

The proposed holiday lodges are in full accordance of current Local Development Plan Policy and, furthermore, would be in lieu of the 60 bedroom hotel.

This document has been produced to support the planning application.

The UK Golf Market

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The UK Golf Market

Introduction:

According to Sport England's Active People Survey, the biggest survey of sport and active recreation ever undertaken, golf is the second most popular ball sport in England behind football.

In the 2011 GBTS, respondents who had taken an overnight trip within England were asked to state what leisure activities they had undertaken as part of that trip. Golf equated to 0.9m trips or 0.8% of all domestic overnight trips. This data was further analysed by England region with the sport equating to 0.06m domestic overnight trips in Yorkshire/Humberside or 0.5% of all trips.

Furthermore, the Great Britain Day Visits Survey estimates that golf accounted for 20 million day visits within the UK during 2011 including 15 million day visits within England.

There are almost 900,000 golf club members in England and many hundreds of thousands more men, women and children of all ages and abilities playing golf regularly. Golf can be played both recreationally and competitively and is capable of offering people who might ordinarily retire when they stop playing other sports an on going opportunity for them to realise their sporting aspirations and potential. It is genuinely a sport for life.

The sport has a highly developed and accessible network of places where people can play and learn the sport with over 700 golf ranges and around 2,000 clubs. What is more, with such an extensive infrastructure, golf has the capacity to offer many more people the opportunity to experience this great sport. As such, golf is uniquely well-placed not only to grow the game for the benefit of all, but also to make a significant contribution to the delivery of the Government agenda on increasing participation. In addition, golf can also provide opportunities for all who play to improve their skills and become better.



Source: The Whole Sport Plan For Golf Impact Report April 2005 - March 2008

The UK Golf Market

The Active People Survey estimates that golf attracts:

- 1,460,000 participants
- 1,260,000 male participants and 196,000 female participants
- 36,000 participants from ethnic minorities
- 965,000 participants in employment, 35,000 unemployed, 56,000 students, 395,000 retired
- 140,000 participants have a household income under £15,559, 600,000 over £52,000
- 991,000 participants categorised as ABC1's, 365,000 participants as C2DE's
- There are 71,000 participants in the North East, 193,000 in the North West, 135,000 in Yorkshire, 142,000 in the West Midlands, 132,000 in the East Midlands, 188,000 in the East, 157,000 in the South West, 296,000 in the South East and 146,000 in London
- 1.7%, 689,000 adults state that golf is the one sport they would like to play more often. This represents 3% of the 54% of adults who would like to do sport and active recreation more often
- 298,000, 9.3% of all young people aged 11-15 participating in golf regularly
- Participation in golf peaks in July and August and participation is lowest in the winter months (November to December). Participation steadily increases from March until August, after which there is a decline in participation. Female participation shows a more pronounced peak in the summer months.
- Golf is predicted to decline by 0.1% from 4.5% to 4.4% between 2005 and 2013. This represents a 2% change.

Source: All figures from the Active People Survey and ONS mid population estimates. Golf includes: golf, pitch and putt, putting, and driving range

The UK Golf Market

Latest results from the Active People Survey period Oct 07/Oct 08 to Oct 11/Oct 12 show that:

- Over the longer term there remains a downwards trend in golf participation, however large weather-related fluctuations have made the underlying trend less clear over the last 2 years.
- Participation of 16-25 year olds tends to move in inverse to that of the 26+ age group (and overall).
- Drops in participation in the last 6 months have been driven by the 65+ year old age group with a fall of 26,500 with other significant drops coming from 20-25 and 35-44 year olds.
- There were increases in participation amongst 26-29 and 45-54 year olds.
- Participation amongst people from non white backgrounds continues to follow a downwards trend.
- Participation amongst people with a disability has a flat trend. Within this, people with a physical impairment is the most prominent group accounting for 7% of all participants.
- Golf participation is over 37,000 below the target agreed with Sport England.
- Monthly participation continues to follow a long term downwards trend.
- Club membership and organised competitive golf both continue to follow a downwards trend over time whilst coaching/tuition appears to have stabilised over the past year.
- Participation has increased over the last 6 months in the North East and London regions. In the North East there remains an overall downwards trend whilst in London this appears to be a correction for a bad year.

Source: All figures from the Active People Survey Oct 07/08 to Oct 11/12

The UK Golf Market

In 2004, ‘A Vision for English Golf to the year 2020’ was published. The vision was quite simply for England to become the leading golf nation in the world by 2020. This does not just mean success at the highest level but providing more opportunities for participants to start, stay and succeed at every level.

The England Golf Partnership was formed to drive this vision forward and the ‘Whole Sport Plan’ 2005-09 was developed to allow golf to take the first steps towards achieving this vision. This is how ‘Growing The Game’ becomes something of relevance to all involved in the sport. It was developed following extensive research and consultation, which established 18 challenges as areas where the sport wanted to see better outcomes. They were set out as ‘The Course Ahead’ and remain the core of what golf is striving to achieve over the period to2020.

This document highlighted the work the sport needed to do from 2005 to 2009 towards becoming the ‘Leading Golf Nation in the World’ by 2020.

The three underlying and important principles of the strategy were:

1. **Plan for the ‘Whole’ Game:**

The plan was developed by the game for the game and represented a fully costed framework for the development of golf in England over a four year period. It provided the blueprint for organisations and individuals within golf and outside the sport who are totally committed to the game at local and national levels.

2. **Golfer Centred:**

The focus of the plan was centred on the golfer and not any one organisation, setting out a clear player pathway, based on newly emerging ‘Long Term Athlete Development’ (LTAD) principles. This assessed individual golfer needs whatever age (5 – 75 years) or standard (beginner to Tour pro), regardless of whether he or she is looking to 'Start, Stay or Succeed' in golf.

3. **Funding:**

For the first time ever, the plan represented one clear and succinct investment proposal for all potential financial backers of the game in this country. Its target audience was wide ranging from the corporate and commercial sectors, government departments, governing bodies and associations to golf clubs and individual golfers.

Source: The Whole Sport Plan For Golf Impact Report April 2005 - March 2008

The UK Golf Market

Potential

Whilst golf participation is currently experiencing a downward trend with the adverse weather appearing to have had a significant effect on recent participation, The Lincolnshire Golf Course's prime location in beautiful countryside, with good motorway access and a large number of urban areas to draw upon the future looks good for the attraction who's hope is to not only appeal to golfers seeking a golfing resort/destination venue but conventional holiday lodge visitors as well.

In relation to the proposed holiday lodges development at the site it is easy to envisage that this would be well received by visitors to the local area and the potential it gives for golfing day visits (which equated to some 15 million day visits in England in 2011) to be turned into short breaks or even week long stays for golfing enthusiasts.

There are also no other golf courses in the immediate locality of The Lincolnshire Golf Course which currently offer the high specification lodge style accommodation and facilities being proposed at the site with the nearest similar offering being over 1 hour or 49 miles away.

In addition to this, the provision of lodge style accommodation at The Lincolnshire Golf Course of the standard and quality proposed also opens up the opportunity to attract visitors from further afield primarily through promotion of the site within the golfing community. With good motorway access and the varied tourism product on offer, both on site and in close proximity to the golf course, it is likely that the opportunity to stay on site will increase visitor numbers further.

Whilst the development of the lodge accommodation at The Lincolnshire Golf Course is also likely to attract the 'usual' type of golfers to the area generally, the uniqueness of the golfing resort/destination venue proposed will mean that new staying visitors will potentially be attracted to visit the area as well. Golfers are likely to take up the opportunity to spend a number of days indulging in their sport and exploring the local area bringing new and additional visitor expenditure with them to boost the local economy. Due to the general downward trends this also demonstrates a need for diversification into more exclusive facilities, which with the Lincolnshire Golf Course is an upmarket Holiday Lodge Park where demand has been identified.

Considering the estimated number of golfing enthusiasts in the UK the market potential for a lodge development at The Lincolnshire Golf Course is likely to be significant.

The UK Holiday Parks Market

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The UK Holiday Parks Market

Introduction

In more recent years the UK holiday parks industry has been enjoying a huge uplift in popularity – not least as a result of the recent economic slowdown which has impacted significantly on the sector as UK tourists opt for a “staycation” at a cheaper UK destination rather than the more expensive foreign holiday option.

As well as direct employment, these parks support many other regional and local businesses and their workers with local shops, pubs, restaurants and visitor attractions all benefitting from holiday park guest expenditure. Indeed, research has shown that every two caravan holiday-home pitches support one rural job.

Around one in five of paid-for holiday bed-nights in the UK is spent in park accommodation, including caravan holiday homes, tents, touring caravans, motorhomes, chalets and timber lodges with holiday parks typically contributing on average about 20% of the income to rural economies in popular tourism areas, sustaining around 15% of full-time and seasonal jobs which are tourism-dependent.

Collectively, their contribution to local economies is both substantial and irreplaceable. [1]

[1] **Source: British Holiday & Home Parks Association Nov 2009**

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The definition of a “holiday park” ranges from individual touring and camping sites to full scale resorts with leisure, food and beverage operators. It can include:

Stays in rented caravan holiday homes or lodges
Privately owned caravan holiday homes or lodges
Touring caravans & motorhomes
Camping holidays on park pitches
Stays at holiday camps and villages

What a holiday park can provide will vary between a grassed area on which to pitch a tent to a luxurious furnished timber lodge with en-suite bathrooms.[1]

There are estimated to be somewhere in the region of 4,000 holiday parks in the UK, the majority being in membership of the British Holiday & Home Parks Association. Some 80% of the total market are independently owned and family run and managed parks (often having been developed as a diversification from an agricultural enterprise or as part of an expansion to an existing leisure facility) with the remaining 20% owned by group operators such as Centre Parcs, Bourne Leisure and Park Resorts. In addition:

- The UK holiday centres market is worth an estimated £364 million and growing.

- The UK holiday parks industry generates £3.06 billion of tourism spending per annum, representing 14% of Britain’s entire tourism economy and 22% of all holiday bednights.[1]

In other words, around one in five holiday bed-nights in Britain is spent in caravan holiday homes, tents, touring caravans, motorhomes, chalets and timber lodges on holiday parks. Of these 87.7 million nights on Britain's parks, visitors will have stayed in surroundings ranging from isolated rural farms to multi-entertainment parks at major resorts.

[1] **Source – Mintel 2010**

The UK Holiday Parks Market

Research suggests that the sector could achieve an even higher share within the UK if it were able to fulfil demand at all times. During the summers of 2009 and 2010, large numbers of parks had to refuse visitors because they were at maximum occupancy levels.

Parks typically contribute about 20% of the income to rural economies in popular tourism areas, and sustain around 15% of full-time and seasonal jobs which the tourist board estimates are tourism-dependent.

While the UK holiday park market is hugely dependent on confidence within the housing markets and associated lending markets, it is also dependent on holidaymaker preferences, particularly when comparing the value between overseas holiday packages and holidaying in the UK.

The question within the industry is whether staycationing is here to stay. There are signs that a more permanent shift in attitudes is occurring, with almost 50% of the population (and 70% of staycationers) expecting they will take more holidays in the UK, beyond 2010, than they have in the past. For the moment, it's 'cool to caravan', with many celebrities endorsing the trend, the increase in 'glamping' or glamorous camping and the perceived green credentials of reduced carbon emissions. The strong euro may also continue to keep holidaymakers in Britain for the foreseeable future.

While holiday parks are not separated out from other self catering options, it is clear to see there is an increased trend here in comparison with catered tourism. According to the ONS, in the three years up to the beginning of 2010, the number of nights spent by tourists in catered holiday accommodation in the UK grew by a modest 1.3% from 309m to 313m. However, the growth in nights in self-catering houses, cottages and lodges grew 20% to 20.8m.

There is also evidence that the market is changing demographically. The greatest growth in the domestic tourist industry is accounted for by mature people and those in higher social groups (ABC1s). In the last three years spending by 55+ year olds rose by around 35% to £5.1bn; and ABC1s spend a combined £12.31bn while other areas are fairly flat.

Therefore the trend towards staycations is becoming increasingly concentrated at the upper end of the market. Much of the existing UK tourist infrastructure, however, is concentrated at the lower end of the market and park home/lodge park operators need to address the needs of a changing market who don't want traditional budget facilities and entertainment.[1]

[1] **Source – "Challenges remain for the caravan and holiday parks sector, says KPMG" by Hugh Green 17.05.2011**

UK Holiday Parks Market

Case study: Caravan Park on a roll, Devon Cliffs, Exmouth, Devon

Sales of static caravans at Devon Cliffs, a caravan park 11 miles south of Exeter have risen by 63% since last year and the park on Exmouth's Jurassic coast is absolutely thriving.

"We thought that it was an area we would struggle in, but no. We thought people would be reluctant to part with their cash, but no", says Christine Seddon-Kaye, the general manager –designate of the 1,800 caravan site.

The credit crunch has boosted business in a way that the site could not have imagined. Static caravans – fully fitted with a dining table, mircrowaves, plasma TV's and kitchen appliances – range in price from £15,000 to £100,000 and the British public cannot get enough of them.

Devon Cliffs works on the following basis: visitors can either buy caravans outright, buy them and sublet them, or simply rent them with rental bookings alone up 10-15% on last year.

Ms Seddon-Kaye says that there are obvious reasons behind the increase. "The strength of the euro and the hassle that you get in some airports if you are taking your family abroad are behind it," she says. Low interest rates have meant that people are looking for things to do with money other than just leave it in a bank account "People are not getting a return on money they have saved or invested" she says.

It is technically possible to make money from investing in a static home. A one-off cost of £25,000 and annual service charge fees of between £3,000 and £6,000 could be offset by rental fees of up to £500 per week in peak season. However, Ms Seddon-Kaye says people tend not to buy them as investments. "It is more of a lifestyle thing," she says.

Source: Daily Telegraph 19th June 2009

The UK Holiday Parks Market

Lodges

Alongside the recent shift upmarket, holiday parks over the past few years have spent much more time and effort on niche marketing and promoting themselves to specific sections of the population. Much of the growth in the general holiday parks market therefore, is coming from increased sophistication and sites offering higher quality products and accommodation.

Hoseasons, the UK's leading self catering specialist has reported an unprecedented boom in lodge holidays this year as holidaymakers turned their attention away from Europe and towards the UK.

Richard Carrick, Chief Executive of Hoseasons Holidays said "The UK self catering market has benefited from huge levels of investment over the last 10 years. Consumers, rightly, have demanded ever higher standards from their holiday accommodation and lodge manufacturers and developers have risen to the challenge and have created exciting and innovative lodge designs that meet the needs of even the most demanding customers. The result is that holiday lodges are becoming the accommodation of choice for many couples and families looking for their own private escape in some of the most beautiful locations in the UK".

Modern day lodge holidays have focused on offering customers 'something special' and have turned the image of a traditional 'holiday park' upside down. Most developments combine the space and seclusion of a cottage style holiday and some also offer the facilities and amenities which were formerly the preserve of holiday park breaks. With many lodges less than five years old, they typically offer contemporary, bright open plan interiors, plenty of home comforts, and a real sense of being close to nature. Large windows and French doors, usually combined with a large private deck creates the impression of bringing the outdoors inside.

Simon Altham, General Manager of Hoseasons Lodges said "Interestingly Hoseasons has seen high levels of demand both from past customers and from a growing number of new customers. The appeal is clear: a private hideaway of your own in a stunning countryside or coastal setting - perfect for recharging the batteries with friends and loved ones. We already have a core of customers for whom lodge breaks have become a regular, well earned treat, and we're expecting the same levels of enthusiasm from the new customers we are welcoming this year."

Source: Discover Leisure Lodges.com Nov 2009

The UK Holiday Parks Market

The last few years have seen an enormous increase in number and style of lodge developments on offer, so that today there are now options to suit all budgets, from ultra luxurious high spec lodges with hot tubs, saunas, and more to the modest, but still stylish, variety where self catering facilities really help with managing the holiday budget. In today's challenging economic climate, lodges are well placed to provide UK consumers with a well earned and affordable escape. All of these factors have combined to provide a rosy future for the UK lodge holiday.

Source: Discover Leisure Lodges.com Nov 2009

Tingdene Homes – Leisure sales for holiday lodges 2005-2009

Tingdene are one of the leading manufacturers of quality bespoke Holiday Lodges in the UK and offer a broad range of log cabins, designed to suit a variety of tastes and budgets.

Figures for their sales of leisure lodges between 2005-2009 clearly show that the demand for this type of accommodation is on the increase. The figures have been compiled by their insurance company based upon every lodge home registered during this period and refer to actual lodge homes. They believe that these figures have been mimicked to an even greater level by others in the industry as well as static caravan manufacturers who have in the last 3 years entered into the holiday lodge market place.

YEAR	Registrations	Residential units	Leisure units	% Residential	% Leisure
2005*	310	255	55	82%	18%
2006	589	485	104	82%	185
2007	781	659	122	84%	16%
2008	507	358	149	71%	29%
2009**	482	327	155	68%	32%
**** Figures June to Dec only ** Figures January to October only***					

Source: Tingdene 1.12.09

The UK Holiday Parks Market

Hoseasons – Holiday Lodge Market Demand 2009/2010

Bookings data for holiday lodges provided by Paul Hardingham (Product Manager for Lodges & Parks) at Hoseasons for 2009 and advance bookings for 2010 clearly illustrate that encouragingly there has been a huge increase in demand, not only from 2008 levels, but also on advance bookings for 2010.

Hoseasons Bookings/Advance bookings	Somerset region	South West region	UK
2009	+31%	+46%	+30%
2010	+53%	+37%	+32%
Average occupancy levels			
2009	70%		59%

Paul Hardingham reiterates that Hoseasons suffer from a real shortage in supply of luxury holiday lodges in the South West and especially in Somerset.

Typical lodges in their portfolio achieve 30-35+ average weeks occupancy and there is literally no better time to be breaking into this market than now. Indeed, he points out that they are in fact one lodge site down for 2010 compared to 2009 in the South West further highlighting the fact that supply is actually lower than demand.

Source: Hoeseasons November, 2009

The UK Holiday Parks Market

Case study: Lark in the Park

A luxury development of three-bedroom seafront lodges at The Warren, near Abersock on the Lleyn Peninsula in North Wales has high rollers of the Cheshire Set queuing up to buy second homes there and with price tags of between £425,000 and £500,000 these are the most expensive part properties in Britain.

With gizmos such as remote-controlled windows, wine fridges, double showers and ‘body driers’ in a roomy 50ft x 22ft these lodges are a far cry from the traditional static caravan. “Owners are buying into a ‘lifestyle’ and it’s impossible to buy and bricks-and-mortar seafront property for less than £1 million in this sort of location” says Amanda Stalham from the Hualfryn Group which owns 20 other holiday locations in Britain with prices starting from £27,000 for a two bedroom ‘luxury caravan’.

Park homes, which have gone all aspirational of late, are one of the only property sectors to be outperforming during the credit crunch with sales of holiday homes booming. Over the past two years it’s estimated that more than 70% of the new-build holiday schemes in Britain have been buy-to-let lodge style developments. There are more than 700 residential parks in Britain, some with permanent owner-occupiers and others for holiday use.

Tony Clish of Park Holidays UK says “Sales of lodges and caravan holiday homes to new customers are up 30% across our parks this year with the biggest growth at the top end of the market”. He points to a “clamour of demand” for super-luxury lodges which cost up to £200,000 at Sandhills Holiday Park in Dorset. In fact, many buyers are company directors who’d normally buy a villa on the Algarve or Spanish Costas, according to Stuart Johnson of Experience International, which has been marketing luxury lodges at Mullacott Park in Devon. “They are choosing a lodge because they’re less expensive for the location and bring in good rental income”.

Source: MailOnline 25th September 2009

The UK Holiday Parks Market

The UK Holiday Lodge Market Survey By HLL Humberts Leisure Ltd

HLL Humberts Leisure are a firm of specialist advisors in leisure business and property and are the market leaders in the provision of valuation, agency and consultancy advice to the holiday parks sector and are retained national consultants to the British Home & Holiday Parks Association (BH&HPA). They undertook a postal survey of 38 lodge parks and developments in the UK. The survey was carried out between the 4th July 2006 and the 23rd August 2006. Some key findings from the survey are summarised below:

- The average lodge development covered 32.2 acres and had 35 lodges. Most parks surveyed were relatively small in size, and this reinforces the perception of timber holiday lodges as a more up-market and exclusive alternative to the traditional static holiday caravan. Most holiday lodges at the parks surveyed had two or three bedrooms.

- Most holiday lodge developments were small in size but had a number of leisure facilities. This may indicate the growing popularity of holiday lodges amongst a new, younger and more affluent generation with their children, but may also show that lodge parks need to cater for the older owners market as well as the younger family rental markets.

- The survey indicated that the average cost of developing the infrastructure at lodge parks in the survey as £17,019 per pitch, compared with an average of only around £6,000 to £8,000 per pitch for a standard static caravan pitch reflecting the fact that most lodge developments are of lower density than static caravans and the generally higher quality of holiday lodges.

- The key market for holiday lodges is the older population. Almost three-quarters of lodge owners are aged over 50. Furthermore, almost all lodge owners live within three hours of their holiday lodge. This profile is again broadly in line with previous research undertaken on the second homes market. Most lodges are purchased as a second home for holiday purposes, although the investment potential of a timber holiday lodge (i.e. through rental income streams) is another important factor in the decision-making process for prospective lodge purchasers. In addition, a park's on-site leisure facilities are far less important, indicating perhaps that location is a higher consideration for purchasers than other factors such as leisure facilities.

Source: The UK Holiday Lodge Market Survey HLL Humberts Leisure Ltd. October 2006

The UK Holiday Parks Market

The UK Holiday Lodge Market Survey By HLL Humberts Leisure Ltd

- Interestingly, most parks make it compulsory for owners to sub-let their holiday lodges through the park itself. This offers a guarantee of rental income to both park and lodge owners, as well as additional expenditure on on-site facilities for park owners. By offering both sales and rentals, lodge developments can target a far wider market than for either option individually. This offers marketing and development opportunities for such parks and may suggest a greater degree of sustainability and reduced impact of seasonality on such sites.

- According to National Statistics, the population of the UK is forecast to rise by around 7.2 million – 12% - by 2031. This population is ageing and many are worried about the pensions burden increasing in the near future. The proportion of people aged over 65 is projected to increase from 16% in 2004 to 23% in 2031. This offers particular potential for lodge ownership and is reflected by the future plans of many parks – with two-thirds of parks seeking to add further lodges to their accommodation stock. Interestingly, this may not be the case across the whole of the UK. Scotland's population is forecast to fall 0.3% by 2031, whilst Northern Ireland and Wales will both see slower rates of population growth than England. This poses challenges for lodge parks located in Scotland in particular, and may emphasise a requirement for a higher future marketing spend.

- It is difficult to predict what changes in style and size may affect the lodges market in the coming years, although it is reasonable to assume that the specification (i.e. interior and exterior quality) of such lodges will rise in tandem with the increasing affluence of the population. More lodge parks will seek to attract short breaks as people's leisure time continues to be at a premium.

- It is clear, however, that the holiday lodge market will continue to grow in the years to come and offer a more up-market alternative to the traditional static caravan holiday home.

Source: The UK Holiday Lodge Market Survey HLL Humberts Leisure Ltd. October 2006

The UK Holiday Parks Market

Why a holiday "lodge"

With holiday "lodges" becoming a very popular choice for people wanting to take a holiday in the UK what is their particular appeal?

- Many lodges are in fantastic locations that have scenery you wouldn't normally get to see unless you stayed in another form of accommodation such as a tent or touring caravan.
- Lodge developments tend to be well thought out, allowing privacy even though the site may contain many other lodges.
- Lodge holiday locations have really only become popular recently and a lot were built in the past ten years, the large majority in the past five years. The fact that a lot of these lodges are 'new builds' means that the quality of the accommodation and design is much better than that the static vans of yesteryear and the majority of self catering holiday cottages.
- Staying in a lodge is much more secure than camping or caravanning. It's also safer getting to your holiday destination by not having over loaded car carrying camping equipment or towing a caravan. With proper locking doors and windows you can be safe in the knowledge that you, your family and your belongings will be safe.
- You can get that 5 star hotel feeling in the middle of nowhere, surrounded by beautiful countryside – there are a number of super luxurious lodges dotted throughout the UK that come with log burners, flat screen TVs, hot tubs, saunas and en-suite bathrooms. You really could be in a 5 star hotel, combine this with magnificent scenery and you've got a holiday destination from heaven. Many sites have varying levels of lodges that you can choose from at the time of booking.
- Most lodge sites in the UK fit in to their surroundings, you can forget about your old Butlins or Pontins sites that stamp their authority on the ground. A lot of the lodge holiday sites are very sensitively designed allowing the cabins to melt in to the scenery, this gives beautiful sites that are blended in to the natural environment and create a very relaxing environment.
- The lodges are built from natural materials that should come from sustainable sources. A site that has cabins built to the BREEAM standard are the ones that are likely to take environmental issues seriously. The BREEAM certification is a UK building standard which determines the insulations and water recycling features of new building.

Source: Log Cabin Holidays Directory Nov 2009

Tourism in Yorkshire/ Humberside

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Overnight tourism in Yorkshire/Humberside

In 2011, there were 11.6 million domestic overnight trips to Yorkshire & Humberside, representing 30.2 million bed nights and generating a total spend of £1.7bn.

2011 figures for Yorkshire & Humberside saw a 16.45% uplift in trips to the region, a +16.1% increase in visitor nights and a +14.93% increase in visitor spend.

Tourism in Yorkshire & Humberside 2006-2011	Trips (millions)	Nights (millions)	Spend (millions £'s)
2006	10.1	28.5	1,397
2007	10.3	30.1	1,427
2008	9.5	26.5	1,397
2009	10.6	29.6	1,540
2010	10.0	26.0	1,477
2011	11.6	30.2	1,663
Year on year change 2010/2011	***+16.45%***	***+16.10%***	***+14.93%***

Source; GBTS (Visit England)

Overnight tourism in Yorkshire/Humberside

Yorkshire and Humberside as a region accounted for 11% of all domestic tourism trips and 9% of all domestic visitor spend to England during 2011 and was the fourth highest performing region.

Domestic Visitor Origins 2011	Trips %	Spend %
West Midlands	8	6
East	10	8
East Midlands	9	7
London	10	13
North West	13	14
North East	4	4
South East	16	14
South West	19	23
Yorks & Humberside	11	9
England	**100**	**100**

Source; GBTS (Visit England)

Overnight tourism in North Lincolnshire

Whilst sample sizes prevent the release of annual data at a Local Authority level Visit England calculate estimates at this level using three year averages;

Domestic Visitors to North Lincolnshire	Trips	Nights	Spend
2006 - 08	132,000	437,000	£14m
2007 - 09	148,000	456,000	£16m
2008 - 10	144,000	406,000	£17m
2009 – 11	149,000	385,000	£21m

The estimates above suggest there has been an overall upwards trend in trips, nights and spend to North Lincolnshire between 2006 and 2011.

Domestic overnight trips to North Lincolnshire account for approximately 1% of all trips to Yorkshire/Humberside.

Source; UKTS (Visit England)

Tourism in England

Tourism in general in 2010

In 2010, 6% fewer trips were taken in England than in 2009, with a corresponding decline of 6% in total spend.

There were however differences in trends by trip purpose. While holiday travel fell back compared to an exceptional 2009, volumes still remained well above pre-recession levels.

Source: VisitEngland UKTS July 2011 Newsletter

Tourism in general in 2011

In 2011, British residents took 104 million overnight trips in England, totalling 307 million nights away from home, with expenditure of £17.9 billion. £172 was spent per trip, and with an average trip length of 2.9 nights, the average spend per night was £58.

The number of domestic trips taken increased in 2011 by 9%, accompanied by a 13% uplift in spending (in nominal terms). Both volume and value of trips in 2011 were at their highest levels since the start of the current survey in 2006.

Source: VisitEngland GBTS Domestic Tourism Overview 2011

Tourism to date (Jan-August) 2012

In the year to date (January to August 2012), the number of trips and nights in Great Britain has decreased (down 3 and 4% respectively), while expenditure was up by 2% on 2011. In the past 12 months, there were 4.3 million more trips taken in Great Britain compared with the same period the year before, an increase of 4%.

Source: VisitEngland GBTS August 2012 Summary of results

Tourism in Yorkshire/Humberside

Tourism and the economy

The future for tourism looks to be built upon solid foundations even with the current uncertain economic climate in the UK and worldwide. Whilst the domestic tourism market is facing challenging times in the current economic climate, VisitEngland sources confirm that the recent ‘staycation’ trend is still taking effect and recent research undertaken pre and post the 2012 celebrations for the Queen’s Diamond Jubilee and the London 2012 Olympics suggests that 20% of people are now more likely to take a holiday in England in the future.

Three waves of research conducted by Visit London and VisitEngland between October 2008 and June 2009 continuously confirmed that holidays were no longer seen as a luxury, rather a necessity. Some of the findings included:

- For many, holidays / breaks are a necessity–important break from normal life–for some the most important thing in life.
- There is a real sense that they are no longer considered a luxury–vs. previous generations/ recessions.
- As a consequence most would not be able to sacrifice their holidaying/breaking, and indeed they become more important in time of difficulty.
- However this does not mean that nothing will change –rather, as money becomes tighter, people will try to get as much out of their breaks as possible, retaining whatever matters most to them.
- Spending time planning & investigating to get the right quality of experience becomes absolutely vital – less spontaneity as a result.

The provision of a golfing resort/destination venue which provides a high quality break in scenic surroundings with on site activities would seem to be fit for purpose in this instance.

Source – Visit London & VisitEngland Credit Crunch Research March 2009

Tourism in Yorkshire/Humberside

North Lincolnshire Accommodation Stock

In 2010 VisitEngland commissioned an update of the accommodation stock census, last undertaken in 2007. The census was undertaken to gain the best possible measure of accommodation stock across the country. In contrast to many other countries, there is no compulsory registration scheme for accommodation establishments in England.

A number of resources were used to compile the information, including VisitEngland's database of accommodation, regional tourism agencies and data supplied from commercial organisations. The data was as complete as was possible but it cannot be guarantee to account for every accommodation business in the country.

Yorkshire	No. of serviced establishments	%	No. of serviced bedspaces	%
Yorkshire & the Humber	3,150	100	89,380	100
East Yorkshire & Northern Lincolnshire	415	13	7,055	8
North Yorkshire	1,916	61	32,830	37
South Yorkshire	267	8	16,970	19
West Yorkshire	552	18	32,525	36
	No. of non-serviced establishments	**%**	**No. of non-serviced bedspaces**	**%**
Yorkshire & the Humber	3,162	100	104,370	100
East Yorkshire & Northern Lincolnshire	**295**	**9**	**12,724**	**12**
North Yorkshire	2,489	79	81,086	78
South Yorkshire	103	3	3,578	3
West Yorkshire	275	9	6,982	7

Tourism in Yorkshire/Humberside

North Lincolnshire Accommodation Stock

The analysis of the VisitEngland accommodation stock census for North Lincolnshire shows that there are only 295 non-serviced accommodation establishments in the area representing only 12% of non-serviced bed stock in Yorkshire & Humberside. Further analysis of the Visit North Lincolnshire accommodation database details one self catering property in the Crowle/Scunthorpe area.

The demand for this type of accommodation type has already been proved along with the fact that there are no similar lodge style developments of the same nature or high standard being proposed within the immediate locality of The Lincolnshire Golf Course to attract new visitors to the area and is therefore unlikely to cause displacement of existing visitors which should be considered when drawing conclusions regarding the current supply. The Lincolnshire Golf Course development is aimed at both conventional holidaymakers and golfing enthusiasts.

The accommodation database analysis would also suggest that there is a requirement for a high quality development of the type proposed by The Lincolnshire Golf Course.

The proposed development would;

- Meet with the demands of current visitors to The Lincolnshire Golf Course.

- Help to address the under supply of holiday park/lodge style accommodation.

- Be in line with the continued growth in the holiday park market demonstrated in this report.

- Address consumer (in particular golfers) needs for improved quality holiday lodge parks demonstrated in this report.

- Attract new staying visitors to the area with additional visitor spend.

Appendices

The
South West Research
Company

Appendix - The South West Research Company Ltd.

About Us

The South West Research Company has a wealth of research experience, with tourism related projects being their field of expertise. Indeed, between them the business partners have gathered close to twenty years research experience in the tourism industry. The South West Research Company strives to provide not only a first class customer service, but a user friendly research product that can be fully utilised by our clients.

The business partners are: -

Diane Goffey: Diane holds a 2:1 degree in Tourism Studies from Bournemouth University and is an Associate Member of the Market Research Society (MRS). She has over 12 years experience of working on tourism related research projects within the regional tourist board arena, as well as research agency experience. During that time she has project managed a wide variety of quantitative based tourism research projects across the South West region.

Paul Haydon: Paul has worked on a variety of projects since entering into tourism research in 2001. These cover a wide range of quantitative tourism based research projects, economic studies (including Cambridge Model) and geo-demographic profiling projects. Paul has an in depth knowledge of fieldwork management and has managed in excess of 30,000 face to face interviews across the South West region over the last 8 years.

The South West Research Company Ltd.

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