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To whom it may concern

The former Hadleigh Hotel 14-22 Burlington Pl, Eastbourne BN21 4AR

As a local commercial Hotel agent with expertise in the Eastbourne Hotel sector we have been asked to comment on the viability of the reinstatement of the above as a hotel with reference to the wider guest accommodation economy at present.

We are well placed to offer such an opinion, as we have been closely involved with the town's hotel sector for 20 years, valuing and selling several businesses ranging in size from 6 to 62 bedrooms.

We have now reviewed all of the information submitted to Eastbourne Borough Council on the current planning application.

The Property

The property comprises a 46-bedroom hotel, converted from five adjoining terrace properties, on Burlington Place. Given the history of the building, there are several narrow, uneven corridors and whilst the lift serves all floors, the nature on the building necessitates stairs to reach many bedrooms.

Having traded for many years, until the onset of the pandemic, the property has become severely dilapidated and requires a significant amount of refurbishment work; many guest bedrooms have been damaged by water ingress, and the communal areas are in a poor state of repair. Upon our visit to the property, we observed particularly extreme water and damp penetration.

It is clear the capital costs of refurbishment would render the reinstatement of the property as a trading hotel economically unviable, a view substantiated by a recent report by local chartered surveyor, Kingston Morehen.

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The Local Hotel Sector

The Eastbourne tourist accommodation profile has experienced considerable and ongoing change.

The decline in the local coaching hotel sector was first seen in the early 1990s with the loss of the coach station. This coincided with an increase in guests' expectations, unable to be met by the bulk of the local coach hotels.

Tourists are more likely to travel independently, booking via the online travel agencies and staying at non-serviced accommodation and with smaller, boutique-style hotels in attractive locations being preferred to larger hotels.

This has impacted the hotel property market, with several larger properties being marketed for sale for several years without success.

Much of the larger hotel stock offers outdated accommodation and as a result, there is decreasing interest from buyers, who are facing an increasingly difficult lending environment, with banks reducing 'loan to value' and increasing interest rates.

Many hotels are reporting reduced occupancy levels and lower room rates, limiting their revenue and potential budgets for improvement.

The Effects of Covid-19

When it was trading, the hotel served the coaching market. This market has failed to recover following the Covid pandemic with many hotels reporting significantly reduced trading levels.

The modal age range for coach holiday tourists is 65-74 and it is widely expected in the industry that this demographic will take longer to rebuild confidence in travel. This is especially relevant to a form of travel in which it is inherently difficult to maintain social distance.

This has resulted in the fastest rate of decline that the sector has experienced during the last 20 years and the simultaneous growth of the 'self-catered' market.

Employment opportunities

The submitted proposals respond well to this changing demand of hotel use in providing some 12 holiday flats.

The refurbishment works also look to be extensive and would generate significant local employment including specialist trades involved in the repair and fit out of the proposals.

Furthermore, the holiday flats would require management and cleaning which would be a further economic benefit, rather than a closed hotel.

Additionally, they will bring further benefits for the town, contributing toward overnight stays which significantly benefit the local evening and night-time economy.

Summary

In summary, there are several reasons to support the conclusion that the subject property is no longer suitable, nor financially viable for re-instatement as a hotel.

The property itself requires a full refurbishment and major repairs. The re-instatement and set up costs would exceed the end value considering other similar sized, established, trading hotels currently offered for sale.

The style of the hotel is only suitable for coach tour visitors and this market has been in decline for many years with a further, significant drop since the Covid-19 pandemic.

Moreover, the proposals will have some important benefits with regard to employment and ongoing local spending which can only benefit Eastbourne.

Finally, the local hotel sector is suffering an over-supply of rooms, causing downward pressure on both occupancy levels and room rates. The proposal will help address the oversupply situation whilst responding to the increased demand for self-contained holiday accommodation.

Should you have any questions, please do not hesitate to contact me.

Yours sincerely



Roger Cotton BA (Hons)
Director