



## **Seaham Area Visitor Accommodation Development Strategy 2018**

### **Executive Summary**

Prepared for Durham County Council and Visit County Durham by Hotel Solutions.

#### **The Purpose of the Strategy**

To make an objective assessment of the potential for visitor accommodation development in Seaham and the immediate surrounding area, and the requirements for Durham County Council and Visit County Durham intervention to fully capitalise on the identified opportunities.

#### **Visitor Accommodation Supply**

Seaham has a very limited supply of serviced accommodation at present, the two main providers being the luxury destination hotel and spa Seaham Hall (21 rooms), and the 4 star Seaton Lane Inn (18 rooms); a further 22 rooms are provided by small guest houses, B&Bs, inns and airbnb. In terms of non-serviced accommodation, there are 16 self-catering holiday lets in the Seaham area, plus an outdoor education centre with two static caravans and a wild camping area. There are no other campsites, touring caravan sites, nor any holiday lodge parks, holiday parks, glamping or hostel/bunkhouse accommodation.

There has been some recent investment in existing supply, including £1m in renovation and new spa facilities at Seaham Hall Hotel and current refurbishment of Seaton Lane Inn. Three cottages opened at Tithe Barn Cottages Easington in 2016, and Durham Coastal Lodges at Haswell opened in 2014.

In terms of proposals at the time of writing, Seaham Hall is seeking planning permission for the development of 24 luxury holiday lodges in the grounds of the hotel (currently under consideration), and there remains an extant outline planning approval for a 90-bedroom hotel/ reserved matters approval for a 63-bedroom hotel at Dalton Park. There are two other planning permissions at Seaham for a 6-bedroom aparthotel and 3 guest bedrooms associated with a social club, both unimplemented.

#### **Visitor Accommodation Demand**

Seaham Hall, as a destination hotel, trades at very high levels of occupancy, catering mainly for spa breaks and weddings. Seaton Lane Inn trades at high mid-week occupancies but weekend occupancies are lower. Companies on the Seaham business parks, and some companies in Sunderland and Peterlee, generate mid-week corporate demand for serviced accommodation in the Seaham area, and some demand for self-catering accommodation. Weekend trade for serviced accommodation businesses is primarily generated by weddings at Seaham Hall and Seaham Town Hall and visits to friends and relatives.

Demand for self-catering accommodation is strong for lodges with hot tubs, but more seasonal and weekend-focused for other self-catering businesses. Self-catering

accommodation in the area is used as a base for visiting the North East, visits to friends and relatives, and by families of students at Durham, Newcastle and Sunderland universities. There is also some demand from walkers and sea glass collectors, and some long stay business demand. There is also evidence of demand from motorhome owners stopping off en route to Scotland.

### **Future Growth Prospects**

Growth in the market for hotels and other forms of visitor accommodation is likely to be driven by;

- The continuing development of Seaham as a key business location in the A19 corridor;
- Population growth and housing development generating visits to friends and relatives;
- Leisure demand driven by the development of Seaham Harbour and Durham Heritage Coast as a destination for watersports and coastal outdoor activities,
- The development of Seaham as a boutique coastal town with an independent retail and local food offer. This leisure market is most likely to be interested in camp sites, camping pods, touring caravan sites, motorhome stopovers, holiday lodges, holiday cottages and bunkhouse or hostel accommodation for groups, plus budget hotels and pub accommodation.

The 2012 County Durham Visitor Accommodation Futures study also showed evidence of unmet demand for caravan holiday home ownership and rental in County Durham, and scope for the development of touring caravan and camping sites, holiday lodge parks, and lodges associated with golf, fishing and equestrian businesses, that could potentially be met in the Seaham area.

### **Accommodation Development Opportunities, Sites and Developer Interest**

The research has identified market potential for the following types of visitor accommodation to be developed in the Seaham area:

- A hotel or inn of around 30 bedrooms in the centre of Seaham, or a pub lodge or budget hotel (30-40 bedrooms) at Dalton Park;
- The development of hotel bedrooms at Sharpley Golf;
- Some additional B&B and home sharing (airbnb) accommodation in Seaham;
- A touring caravan and camping site, of say 50-80 pitches, and perhaps some camping pods and/or glamping units;
- Certificated caravan and camping sites;
- A motorhome stopover in Seaham town centre, with perhaps 5-10 parking bays and electric hook-up and waste disposal points;
- A camping pod site (10-15 camping pods);
- Some additional self-catering accommodation, in terms of holiday apartments in Seaham, and holiday lodges with hot tubs;
- Holiday lodge parks, given suitable sites that can achieve planning permission e.g. the Seaham Hall luxury lodge park proposal (if planning consent is given);
- Golf lodges for ownership or rental at Sharpley Golf;
- Fishing lodges at fishing lakes (Sharpley Springs Fly Fishery, Watergate Fishing Lake);
- Accommodation at equestrian centres e.g. holiday lodges, bunkhouse accommodation or B&B bedrooms;

- Possible scope for a hostel or bunkhouse to cater for demand from water sports and outdoor activity groups.

There is potential development interest in the Seaham area from the Premier Inn and Travelodge budget hotel chains, Marston's pub company, and regional hotel and pub developers and operators. These operators reported difficulties in achieving commercially viable hotel or pub accommodation projects in Seaham however. The research also suggests that there could be interest in visitor accommodation development from local landowners, farmers and rural businesses, that could include the range of non-serviced visitor accommodation referred to above. Some of the larger holiday park, holiday lodge park and touring caravan and camping site developers and operators that expressed interest in County Durham in the 2012 study might also be interested in suitable site opportunities that can achieve planning permission in the Seaham area.

Site availability is an issue for larger scale non-serviced accommodation development, though Sharpley Golf Course and Seaham Hall Farm could offer potential in this respect. In terms of hotels, there is an existing permission for a hotel at Dalton Park. In the centre of Seaham, the Sure Start site and land above North Dock is a strong site for a hotel/inn development given its sea and harbour views, and the Golden Lion/Co-op/car park site, though less attractive, also has potential for hotel bedrooms above active ground floor uses.

Financial assistance that might support some of these schemes coming forward is available for rural tourism development from the RDPE Growth Programme Rural Infrastructure Grants, and the Durham Coast and Lowlands LEADER Programme.