

## **Surrey - The Potential For New Hotel Development**

The strong performance of the hotel sector in Surrey, its proximity to London, Heathrow, Gatwick and the M25, its key role in the South East economy, and the strategic importance of areas like Guildford/Woking and Reigate/Redhill as a focus for future employment and economic growth, combine to create a very positive climate for future hotel investment across the county. A number of locations are clearly in undersupply currently, as the market grows there will be a need for new hotels in many locations across Surrey.

Below we summarise some of these 'hot spots' by type and standard of hotel. The area factsheets that follow will detail these development opportunities by location, together with more detailed supply and performance data.

### **4 Star Hotels**

The anticipated growth in the Surrey economy is likely to result in demand for further 4 star hotel development in the north of the county in the next 5 years. Key locations for new 4 star development will be:

**Guildford      Woking      Surrey Thames<sup>1</sup>      Redhill/Reigate**

### **3 Star Hotels**

Key locations for immediate 3 star hotel development are:

**Surrey Thames<sup>1</sup>      Redhill/Reigate      Woking**

In the medium term, the following locations could also offer potential:

**Leatherhead      Camberley/Frimley**

### **Country House Hotels/Country Club Resorts**

The strong performance of these products in the county and their ability to attract high rate business and a good mix of business and leisure demand suggests further development potential, particularly in:

#### **North Surrey**

#### **Budget and Upper Tier Budget Hotels**

There is clear market potential for additional budget hotel accommodation across Surrey, borne out by the very high occupancy levels and significant levels of denials.

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<sup>1</sup> Staines, Chertsey, Egham, Sunbury-on-Thames, Weybridge, Addlestone, Shepperton, Walton-on-Thames, Cobham

Most parts of the county would appear to offer potential, but key locations in terms of current performance and gaps in provision where budget chains are not currently represented include:

**Guildford<sup>2</sup>      Woking      Surrey Thames<sup>3</sup>      Redhill/Reigate**  
**Camberley/Frimley      Farnham      Horley**

### **Boutique Hotels**

Boutique hotels require a strong 3-4 star hotel market and a character, heritage destination offer. The key location in Surrey that meets these requirements and offers potential for boutique hotel development is:

#### **Guildford**

### **Quality Pub Hotels**

The new breed of contemporary stylish pub accommodation combined with a distinctive food and drink offer – including gastropubs – would fit well with the Surrey market, and bring diversity to the offer. There is potential for bedroom additions to rural pubs and character pubs in market towns across the county.

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<sup>2</sup> A new Travelodge is currently under construction in Guildford

<sup>3</sup> Staines, Chertsey, Egham, Sunbury-on-Thames, Weybridge, Addlestone, Shepperton, Walton-on-Thames, Cobham