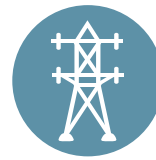




EASTBOURNE

TOURIST ACCOMMODATION RETENTION

SUPPLEMENTARY PLANNING DOCUMENT





Eastbourne

Tourist Accommodation Retention Supplementary Planning Document (SPD)

Consultation Draft – February 2025

Planning Policy
Eastbourne Borough Council
Town Hall
Grove Road
Eastbourne
BN21 4UH

Tel: (01323) 410000
Email: LocalPlan@lewes-eastbourne.gov.uk

The Draft Tourist Accommodation Retention Supplementary Planning Document (SPD) is published under Regulations 12 and 13 of the Town & Country (Local Planning) (England) Regulations 2012 (as amended) for an 8-week consultation period between Friday 28th February 2025 and Friday 25th April 2025.

The document can be viewed and downloaded, and comments can be made through the on-line consultation portal, which can be accessed via:

https://planningpolicyconsult.lewes-eastbourne.gov.uk/TAR_SPD25

Table of Contents

- 1. Introduction..... 1**
 - Status of Supplementary Planning Document..... 1

- 2. Background and Context 3**
 - Background 3
 - Definitions 5
 - Issues..... 6
 - Retaining an appropriate amount, type and quality of accommodation..... 6*
 - Rebalancing the tourist accommodation stock to meet market demands 7*
 - Protecting the character of the seafront 8*
 - A clear and consistent policy..... 8*
 - Encourage owners to run their businesses appropriately..... 9*

- 3. Planning Policy Context..... 10**
 - Eastbourne Borough Plan Policy TO1: Tourist Accommodation Area 10*
 - Eastbourne Borough Plan Policy TO2: Retention of Tourist Accommodation..... 10*
 - Core Strategy Policy D3: Tourism and Culture..... 11*

- 4. Tourist Accommodation Area 12**

- 5. Assessment of Viability 15**
 - Proposals within the Primary Sector of the Tourist Accommodation Area 17
 - Stage 1 - Demonstrating that continuing the existing tourist accommodation within the Primary Sector of the Tourist Accommodation Area is not viable 17*
 - Stage 2 – Consider the implementation of other tourist accommodation uses through a sequential approach to alternative uses..... 20*
 - Establishments with no trading history 21*



Conversion to non-serviced accommodation 22

Proposals within the Secondary Sector of the Tourist Accommodation Area 22

Proposals for partial loss of tourist accommodation 22

Proposals for complete loss of tourist accommodation..... 23

Appendices25

Appendix 1: Glossary 25

Appendix 2: Adopted planning policies relating to tourist accommodation 27

I. Introduction

- 1.1. Tourism is a cornerstone of Eastbourne's economy, with the town benefiting from its picturesque seafront, Victorian architecture, and natural attractions on its borders like the South Downs National Park. In 2019, nearly 5.5 million people visited Eastbourne, contributing over £408 million to the local economy, with 28% of all jobs in Eastbourne being supported by tourism-related spending¹. A significant proportion of this income is generated through overnight visitors staying in the town's hotels, guesthouses and holiday flats. In order for Eastbourne to continue to thrive as a tourist destination there needs to be an appropriate amount, type and quality of accommodation to cater for visitors.
- 1.2. Since the current planning policies relating to tourist accommodation were adopted, there have been significant changes in the tourism market, and particularly shifts in the behaviours and attitudes of tourists to the types of holiday, the destinations they visit and the type of accommodation that they want stay in.
- 1.3. It is crucial that the accommodation stock remains fit for purpose and meets the requirements of current and future visitors to the area in terms of quality, type and quantity. To assist in this endeavour, Eastbourne Borough Council has prepared a Tourist Accommodation Retention Supplementary Planning Document to provide guidance on the application of existing policies relating to tourist accommodation retention in light of changes in the tourism market and the expectations of overnight visitors.


Status of Supplementary Planning Document

- 1.4. A Supplementary Planning Document (SPD) is a planning policy document that adds further detail to how policies in the development plan should be applied. SPDs are capable of being a material consideration in planning decisions but are not part of the development plan². As they do not form part of the development plan, they cannot introduce new planning policies into the development plan³.

¹ Tourism South East – The Economic Impact of Tourism on Eastbourne Borough 2019

² National Planning Policy Framework (2024)


³ Planning Practice Guidance: Plan-making (Paragraph: 008 Reference ID: 61-008-20190315)

- 
- 1.5. This Tourist Accommodation Retention SPD provides further detail on how Borough Plan Policy TO2: Retention of Tourist Accommodation should be applied in the determination of planning applications. It is being updated to reflect recent changes in the tourism market, particularly since the Covid-19 pandemic.
 - 1.6. The SPD is aimed at prospective applicants for planning permission to redevelop or change the use of hotels, guest houses and non-serviced tourist accommodation that are located within the defined Tourist Accommodation Area. It sets out additional information on how planning policies relating to Tourist Accommodation will be implemented, and what is required in order to satisfy the policy and the reasons why such information is sought.
 - 1.7. This version has been prepared for consultation with the local community and other stakeholders. This public consultation will take place for an 8-week period between Friday 28th February and Friday 25th April 2025.

2. Background and Context


Background

- 2.1. Eastbourne is a well-known seaside resort, with tourism being crucial to the local economy. Therefore, it is important that a seaside resort like Eastbourne has the right amount, type and quality of tourist accommodation because if this is not right, visitors are less likely to return.
- 2.2. In 2019, around 810,000 visitors stayed overnight in Eastbourne, staying for an average of 3.4 nights per staying trip each. The majority of overnight stays were from domestic visitors (85%). Overnight visitors spent £237.9 million in Eastbourne, equating to approximately £294 per staying trip. This compares to approximately £36 per day trip. This demonstrates how important overnight stays and tourist accommodation is for the local economy.
- 2.3. However, the COVID-19 pandemic inflicted huge damage on the tourism sector, which has led to rapidly evolving consumer preferences that includes greater concern for climate, social equity and the economy. The Tourist Accommodation Study (2024) notes that trends include last minute booking patterns made through third-party channels, a growing interest in luxury, boutique and aparthotels hotels, a focus on wellness and a need for greater accessibility for the ageing population. Since late 2021, the UK's cost-of-living crisis has had a further profound effect, depressing real incomes and reducing discretionary spending, particularly dampening demand for higher value purchases like tourism services. In Eastbourne's case these factors have combined with a structural decline in visitor numbers.
- 2.4. The Tourist Accommodation Study (2024) identifies a significant shift in customer preferences for tourist accommodation and how this is being provided in Eastbourne over the last 10 years. In 2014, there were 106 serviced properties and some 50 non-serviced properties, the majority of which were self-catering establishments. At that time, hotels and B&Bs made up 68% of all accommodation stock. In 2024, there are 72 serviced properties and 343 non-serviced properties, with the former now making up 17% of total stock. Despite the large increase in the number of non-serviced establishments in Eastbourne, there has only been a 3% increase in the number of rooms offered in the town.
- 2.5. In Eastbourne, the majority of the serviced accommodation is located directly adjacent to the seafront, with the areas immediately behind the seafront being a



mixture of residential and tourist accommodation. Many of the non-serviced establishments that have been created over recent years have very few rooms and have tended to come forward away from the seafront, meaning that the hotels operating along and around Grand Parade, Marine Parade and Royal Parade are offering well over two thirds of the town's available rooms.

- 2.6. The Tourist Accommodation Study (2024) notes that Eastbourne's tourism offer has traditionally been underpinned by hotels providing a high-quality serviced offer, with a particular focus on the seniors group tour market. However, this 'coaching' market has seen a significant decline which has affected the nature of the accommodation offer. Likewise, demand for the typical seaside B&B has declined as the younger demographic tends to favour other styles of accommodation.
- 2.7. Visitors do come to Eastbourne for a range of reasons, such as for leisure and holidays, to visit friends and relatives and for business, including corporate meetings, conferences and events. The Tourist Accommodation Study found that 22% of guests visit for the purpose of business tourism, which is a good performance relative to many other resorts.
- 2.8. Eastbourne has made concerted efforts to enhance its appeal as a destination for business and professional events with significant investment in Devonshire Quarter over recent years. The Tourist Accommodation Study indicates that the business tourism market has opportunities for growth, underpinned by the investment in the Devonshire Quarter and a growing and broadening economy. However, business travellers tend to favour particular types of accommodation, including larger nationally branded accommodation, that is lacking in Eastbourne. A significant percentage of the existing accommodation stock is not of the requisite quality and will not meet the needs of business visitors.
- 2.9. With changes in the tourism market, particularly in terms of the amount and type of accommodation that is in demand, much of the large number of traditional serviced accommodation is not appealing to current or growing markets and rooms are being left unsold. Although there are many excellent hotels in Eastbourne, the lowering of rooms rates in order to attract business has led to a growing number of low standard properties, which is a risk to the town in terms of its reputation.
- 2.10. There is a continued importance in retaining an appropriate level of tourist accommodation, but the current policy does not take into account changes in the market and visitor trends. There is currently too much supply for current demand,



too much of the 'wrong' type of accommodation, and some serviced stock is not offering the standard required. A reduction in the amount of stock could help to lift quality over the longer term and encourage branded and other hotels offering new formats into the market. However, the current policy is preventing this market shift from taking place.


- 2.11. In light of the findings from the Tourist Accommodation Study, the overall policy towards tourist accommodation, including the approach to tourist accommodation retention, will be reviewed through the preparation of the new Local Plan. However, revising the existing Tourist Accommodation Retention SPD provides a short-term solution to changing how the current tourist accommodation retention policy is applied in the context of recent changes to the tourism market, with the aim of starting to address the existing oversupply situation.

Definitions

- 2.12. For planning purposes, tourist accommodation is not precisely defined. However, in Eastbourne for the purposes of this policy, Tourist Accommodation is defined as:

An establishment that has a room, or rooms, to rent for a fixed period generally no greater than three months. This accommodation is not the renter's primary residence and the renter generally contributes to the revenue of the town, is not registered to vote in the town and is not a burden on local social services.


- 2.13. Serviced accommodation is considered to be establishments that provide daily services such as cleaning, housekeeping, and reception. Common examples include hotels, guesthouses, bed and breakfasts, and serviced apartments.
- 2.14. Non-serviced accommodation includes self-catering options such as holiday cottages, campsites and short-stay apartments where guests are generally responsible for their upkeep during their stay.
- 2.15. The Town and Country Planning (Use Classes) Order 1987 (as amended) identifies hotels as being within use class C1. This would include hotels, or boarding or guest house where, in each case, no significant element of care is provided. It would also include aparthotels and other types of serviced accommodation.

- 
- 2.16. There is some ambiguity in which class 'non-serviced accommodation' belongs. This type of accommodation could fall within class C1, class C3 (dwellinghouses) or Sui Generis, depending on the nature of the specific use.
- 2.17. The Government has proposed the introduction of a specific new use class for 'short term lets' (class C5), but at the time of writing this is yet to be implemented.
- 2.18. The National Planning Policy Framework (NPPF) defines tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities) as a main town centre use. The NPPF confirms that main town centre uses should first be directed towards designated town centres, and the sequential test should apply to planning applications for main town centre uses which are neither in an existing centre nor in accordance with an up-to-date plan.

Issues

Retaining an appropriate amount, type and quality of accommodation


- 2.19. It is essential that Eastbourne's tourist accommodation stock remains fit for purpose and meets the requirements of current and future visitors to the town.
- 2.20. It is appropriate that a level of tourist accommodation stock is retained to facilitate overnight stays, including the valuable high quality accommodation stock does exist, particularly within prominent locations on the seafront where visitors to a seaside resort would expect to find accommodation. However, it is important that this is of the right type and quality to reflect visitor expectations, which may require new products and formats to enter the Eastbourne market.
- 2.21. The availability of sites for hotel development within the Tourist Accommodation Area is very limited, and there is pressure from competing higher value uses, particularly residential. Tourist accommodation that is relinquished to other uses are unlikely to be replaced by new hotel development, and therefore it is important that the viability of tourist accommodation is fully explored before the loss of accommodation is accepted, particularly within those prominent seafront locations.
- 2.22. Changes in the market and customer preferences have particularly affected B&Bs and Guesthouses, which are considered to be 'lifestyle' businesses that are a mixture of home and business, set up with the aim of achieving a sustainable level of income. Engagement with representatives of the local accommodation



industry have confirmed that interest in running a 'lifestyle accommodation' business has significantly diminished, particularly due to the inability to generate a return to provide sufficient income. This means that 'Lifestyle businesses' that have been placed on the market have not had any interest from accommodation providers and have difficulty selling as a business. 'Lifestyle businesses' also have difficulty competing with short term non-serviced lets, particularly as these are not required to comply with standards that are required from regulated businesses.

Rebalancing the tourist accommodation stock to meet market demands

- 2.23. Eastbourne has too much of the wrong type of accommodation. A substantial proportion of the legacy accommodation does not appeal to current or future markets. The current oversupply of bedspaces reduces occupancy levels at individual establishments and provides pressure on often marginal businesses struggling with reduced demand and a change in visitor preferences.
- 2.24. In order to compete in a difficult and challenging market, these establishments often lower their prices to attract custom. This drives other accommodation providers to reconsider their pricing. This ultimately drives down the average room rate, particularly during the low season, and means that owners are unable to continue to invest in the maintenance and upkeep of the property resulting in a downward spiral of poorer quality accommodation.
- 2.25. This has implications on how visitors perceive Eastbourne in terms of the quality of their visit and the likelihood of them returning or providing recommendations, and also on how investors perceive Eastbourne. This restricts the ability of the town to diversify the tourist accommodation offer and attract a broader range of visitors to Eastbourne thereby enhancing the destination's overall competitiveness.
- 2.26. It is therefore considered that a reduction in this accommodation stock is required to ensure that it should help stimulate investment in better quality accommodation appealing to a broader range of visitors.
- 2.27. Therefore, there needs to be a rebalancing of the tourist accommodation supply with future emphasis on quality rather than quantity. This can be achieved by allowing obsolete accommodation in secondary locations to exit the market, thereby allowing average room rates to increase and a tourist accommodation provider to invest in increasing the quality of their offer. This in turn will allow



Eastbourne's tourist accommodation to develop more organically and in turn appeal to and attract new markets.


- 2.28. Rebalancing the tourist accommodation supply could help to attract investment to deliver the quality of accommodation that would appeal to the conference market, which will complement the Devonshire Park development.

Protecting the character of the seafront

- 2.29. The hotels fronting the seafront, from the Western Lawns down to Treasure Island, give the seafront a locally significant character that makes a particular contribution to the town as a destination.
- 2.30. The importance of well-maintained hotel façades is crucial to the character and appearance of the seafront, and also these locations are where tourist accommodation will be most viable due to the sea views.
- 2.31. The provision of Houses in Multiple Occupancy (HMOs) is a significant threat to the attractiveness of the seafront. The presence of HMOs in the prime tourist areas does not portray a positive image of the destination and could adversely impact the visitor experience. Existing local plan policy restricts Houses in Multiple Occupation being created from tourist accommodation within the Tourist Accommodation Area, and this is expected to be carried forward in new planning policy on HMOs.

A clear and consistent application of policy

- 2.32. In order for the SPD to be effective, it needs to be easily understood and applied consistently.
- 2.33. Policies also need to allow for an element of sensitivity and flexibility as to how they are applied in order to reflect changing circumstances since they were first adopted. It is important that planning policy does not seek to attempt to perpetuate outdated forms of tourist accommodation for which there is no longer a market.
- 2.34. In this context, setting requirements that make it too difficult to demonstrate that the continuing use of tourist accommodation is unviable may lead to unauthorised development that may further harm the tourism industry, such as HMOs, and result in the need for the Council to take enforcement action.

- 
- 2.35. It is also important that there is regular monitoring of changes in occupancy levels and room rates in order to understand how successful the policy is. This would also create a robust evidence base against which to compare the performance of an individual accommodation establishment.

Encourage owners to run their businesses appropriately

- 2.36. The SPD should make a distinction between those establishments that are no longer viable, and those that have not been run and managed effectively.
- 2.37. The increasing demand for housing puts pressure on lower value uses to convert, meaning that a hotel could be worth significantly more than its business value if it becomes available for residential development. This could tempt some hotel owners to seek to sell for residential conversion instead of selling the hotel as a going concern. This does not necessarily mean that such hotels are no longer commercially viable or would not find buyers if they were put onto the market as tourist accommodation.
- 2.38. Providing a strong policy that provides clarity in terms of what should or should not be submitted to accompany an application will remove unrealistic expectations and provide encouragement to operators to make a success of their businesses. It will also assist in requiring that the premises are marketed at more realistic prices that would allow the purchase of a going concern, which would more clearly demonstrate whether the continuing use of the tourist accommodation is unviable.

3. Planning Policy Context


- 3.1. The current policy position relating to the retention of Tourist Accommodation is defined in the Eastbourne Borough Plan 2001-2011, which was adopted in 2003. This designates an area known as the Tourist Accommodation Area, which represents what is considered to be the area where visitors would most expect to find visitor accommodation. Within the Tourist Accommodation Area, applications that would result in the loss of tourist accommodation would only be permitted if it can be demonstrated that the tourist accommodation is unviable.
- 3.2. This SPD will provide additional detail on the interpretation of the following adopted local planning policies:
- Eastbourne Borough Plan Policy TO1: Tourist Accommodation Area
 - Eastbourne Borough Plan Policy TO2: Retention of Tourist Accommodation
 - Core Strategy Policy D3: Tourism and Culture
- 3.3. The full wording of the policies is contained within Appendix 2.
- 3.4. The policies relevant to this SPD are summarised below:

Eastbourne Borough Plan Policy TO1: Tourist Accommodation Area

- 3.4.1. Policy TO1: Tourist Accommodation Area designates an area along the Seafront as the Tourist Accommodation Area. The policy states that within this area, applications for proposals that are incompatible with tourist accommodation use should be refused.

Eastbourne Borough Plan Policy TO2: Retention of Tourist Accommodation

- 3.4.2. Policy TO2: Retention of Tourist Accommodation identifies that within the Tourist Accommodation Area, applications for the redevelopment or change of use of tourist accommodation to any other use will be refused.
- 3.4.3. The policy does provide exceptional circumstances for when permission will be granted for other uses, but this is dependent on the applicant demonstrating that the continuing use of land as tourist accommodation is not viable. The policy sets out the factors that will be taken into account in the determination of viability.



Core Strategy Policy D3: Tourism and Culture

3.4.4. Policy D3: Tourism & Culture recognises the importance of the entertainment, cultural and sports facilities to the economic prosperity of Eastbourne, and supports the preservation and enhancement of these through a number of measures including resisting the loss of visitor accommodation through the retention of a tourist accommodation area and protection policy.

3.5. Other extant policies will continue to be used to determine relevant applications including:

- Borough Plan Policy TO3: Tourist Accommodation Outside the Designated Area;
- Borough Plan Policy TO4: Improvements to Existing Accommodation;
- Borough Plan Policy TO5: New Tourist Accommodation;
- Borough Plan Policy TO9: Commercial Uses on the Seafront; and
- Borough Plan Policy HO14: Houses in Multiple Occupation.

4. Tourist Accommodation Area

- 4.1. The Tourist Accommodation Area is defined by Eastbourne Borough Plan Policy TO1: Tourist Accommodation Area. It encompasses an area where it is considered that visitors would most expect to find tourist accommodation, and where it is appropriate that the needs of tourists should prevail in considering other developments.
- 4.2. At present, the majority of tourist accommodation stock is concentrated within the Tourist Accommodation Area. The Tourist Accommodation Study (2024) identifies that there are 122 accommodation establishments within the Tourist Accommodation Area, contributing 2,771 rooms to the town's tourist accommodation supply. This represents 29% of the total number of tourist accommodation establishments in Eastbourne, but 75% of the total supply of rooms.
- 4.3. Of these 122 establishments in the Tourist Accommodation Area, 48 establishments provide serviced accommodation whilst 40 are non-serviced. However, 84% of the rooms within the Tourist Accommodation Area are in serviced accommodation.
- 4.4. Whilst a seafront location with unobstructed sea views is a prime location where visitors to a seafront resort would expect to find accommodation, some of the areas behind the seafront that do not have views of the sea or front onto gardens/squares do not have the same locational quality. It is in these locations where there is a large concentration of lower quality accommodation and 'lifestyle businesses' that are struggling to compete, and this is where there should be a gradual reduction of stock that will not be fit-for-purpose in the medium to long term. This in turn should help stimulate investment in better quality accommodation appealing to a broader range of visitors.
- 4.5. In order to ensure that that tourist accommodation that is within the prime and most popular areas is retained and poor quality stock in less prominent locations can be reduced over time, the SPD divides the Tourist Accommodation Area into Primary and Secondary Sectors.
- 4.6. The Primary and Secondary Sectors of the Tourist Accommodation Area have been identified based on evidence from the Tourist Accommodation Study (2024) and in consultation with representatives from the local tourist accommodation industry. The Sectors are identified in Figure 1, and a more detailed plan is provided in Appendix 3.



Figure 1 - Tourist Accommodation Area with Primary and Secondary sectors


- 4.7. The Primary Sector encompasses the parade immediately adjacent to the Seafront from the Grand Hotel to the junction with Cambridge Road in the east, as well as the area between Howard Square and Wilmington Square, as these areas either have an unobstructed sea view or face onto squares/gardens. The Hydro Hotel at the far west of the Tourist Accommodation Area is also within the Primary Sector due to the unobstructed sea views.
- 4.8. The Secondary Sector includes the areas behind the seafront that do not have an unobstructed sea view, including Jevington Gardens, Carlisle Road, Lascelles Terrace, Compton Street, Cavendish Place, Elms Avenue, Marine Road and Cambridge Road. The section of the Tourist Accommodation Area at the eastern end past Cambridge Road is behind the Redoubt Fortress and therefore does not have unobstructed sea views. This is also where a number of 'lifestyle' businesses are located.
- 4.9. The identification of Primary and Secondary Sectors of the Tourist Accommodation Area recognises that the location of the premises has changed since its adoption, which is one of the criteria needed to demonstrate compliance with the policy.
- 4.10. Despite the identification of Primary and Secondary Sectors within the Tourist Accommodation Area, the Tourist Accommodation Area will still remain, and where the Tourist Accommodation Area is referred to in other policies, it is the full area that will be relevant.



- 4.11. This means that under Borough Plan Policy HO14 (and future policy in the HMO Development Plan Document), a change of use to a House in Multiple Occupation will not be permitted within the Tourist Accommodation Area, even if a tourist accommodation establishment can demonstrate that it is no longer viable under the criteria set out in this SPD.

5. Assessment of Viability

- 5.1. When assessing a proposal for the change of use or redevelopment of tourist accommodation, the key consideration is whether or not the continuing use of the land as tourist accommodation is viable and economically sustainable.
- 5.2. An application for change of use concerns the premises rather than the owner. In order to demonstrate viability and establish whether a tourist accommodation premises has any prospect of continuing as tourist accommodation, evidence will be required to demonstrate that the premises are not economically viable in their current use, and are incapable of being made viable in its current use.
- 5.3. If tourist accommodation is assessed as being viable, or capable of being viable, then this will indicate the potential to meet current and future demand for visitors, resulting in a direct economic benefit from income and employment generation, and indirect benefit from visitors spending money on goods and services within the town. In contrast, where tourist accommodation is shown to be unviable, and with no potential of becoming viable, it clearly will not provide a useful contribution and therefore its loss will cause no harm.
- 5.4. This SPD sets out the criteria that should be taken into account in assessing the viability or potential viability of tourist accommodation. Any application should provide evidence to show how the relevant criteria have been met, or include a reasoned justification as to why the information cannot be supplied. Applications that provide inadequate or insufficient information, or do not provide a reasoned justification as to why information cannot be supplied, will be considered not to have satisfied Borough Plan Policy TO2 and therefore may be refused.
- 5.5. The Council has facilitated the establishment of a Tourist Accommodation Consultative Group which can be used to assess the calibre of proposals for the loss of tourist accommodation and provide a view on whether or not the criteria have been met. The Tourist Accommodation Consultative Group will consist of Council officers and industry experts, including representation from the local accommodation industry who will provide a trade perspective on proposals.
- 5.6. It is strongly recommended that any prospective applicant for a proposal involving the loss of tourist accommodation submit a request for pre-application advice via the Eastbourne Borough Council website, with a request that this be passed to the Tourist Accommodation Consultative Group for consideration

- 
- 5.7. There is no obligation for prospective applicants to engage with the Tourist Accommodation Consultative Group; however it is considered that this could be in the interests of the prospective applicant so that they can better understand the way in which an application will be judged against the criteria in the SPD. This will help to ensure that any future application is complete and comprehensive, which will ensure a smoother and quicker passage through the decision-making process and avoid early refusal of permission because of inadequate or insufficient information. Costs associated with seeking external advice through this group would need to be borne by the applicant.
- 5.8. The criteria and evidence required will differ between the Primary and Secondary Sectors to reflect that fact that that nature of the Tourist Accommodation Area has changed since it was designated. The SPD sets the principle that a lower level of evidence is needed in the Secondary Sector to demonstrate that tourist accommodation is unviable. However, this does not necessarily mean that proposals for the loss of tourist accommodation in the Secondary Sector will automatically be granted planning permission. Similarly, proposals that result in the loss of tourist accommodation within the Primary Sector will not automatically be refused planning permission. Applications will be assessed against the criteria set out in this SPD using the evidence submitted as part of the application in accordance with the requirements of the SPD.
- 5.9. It should be noted that within both Sectors, the key indicator of an establishment's viability will be its market value, which should take into account its trading potential. This would mean the establishment being put on the market at a price that reflects its use as tourist accommodation, for a period appropriate to the area within which it is located. The lack of interest in premises that have been marketed for a value that reflects a potential residential use, rather than accommodation use, will not be considered to have satisfied the marketing test.
- 5.10. It is important to ensure that any previous tourism related planning approval has been given a reasonable time to become commercially established, and any claims that these changes are no longer financially viable must show the relationship between the original business planning and the current situation.
- 5.11. It is recognised that within the Tourist Accommodation Area, and particularly the Secondary Sector, a number of tourist accommodation establishments will be run as 'lifestyle businesses'. Commercial viability arguments are more difficult for 'lifestyle businesses' due to businesses being a blend of home plus income.

- 5.12. It is considered that an appropriate threshold for 'lifestyle businesses' is 15 letting bedrooms. Establishments that have 15 letting rooms or fewer are more likely to be run as 'lifestyle businesses' and would be expected to operate in a less commercial manner. Therefore such businesses would not be expected to have business plans and marketing tools that would be expected be available to larger businesses. The council will apply additional flexibility when examining evidence provided by a "lifestyle business.

Proposals within the Primary Sector of the Tourist Accommodation Area

- 5.13. There is a two-stage process for assessing proposals for the partial or complete loss of tourist accommodation within the Primary Sector of the Tourist Accommodation Area. Any application for the loss of tourist accommodation within the Primary Sector will be required to:

STAGE 1 – Meet criteria demonstrating that the existing tourist accommodation is not viable through the submission of specified evidence.

STAGE 2 – Consider the implementation of other tourist accommodation uses through a sequential approach to alternative uses.

Stage 1 - Demonstrating that continuing the existing tourist accommodation within the Primary Sector of the Tourist Accommodation Area is not viable

- 5.14. In order to demonstrate that continuing the existing tourist accommodation use within the Primary Sector of the Tourist Accommodation Area is not viable, proposals for the complete or partial loss of tourist accommodation should satisfy the following criteria:

Criteria A - There is no interest in the tourist accommodation business being bought as a going concern;

Criteria B – The tourism accommodation business has been run in a reasonable and professional manner, and a serious and sustained effort has been made to save the business;

Criteria C – The physical condition and cost of repair of the building would be prohibitive to running a viable business; and

Criteria D – The running costs of the business cannot be covered.

- 5.15. Any application promoting the loss of tourist accommodation would need to be accompanied by evidence that demonstrates the following:

Criteria A - There is no interest in the tourist accommodation business being bought as a going concern

- (A1) Evidence that the Tourist Accommodation establishment has been on the market at a price that reflects its tourist accommodation use and condition for reasonable period (which the Council would expect to be a period of a minimum of **2 years**). The type of material that should be submitted to satisfy this includes:
- Details of the agent used to market the business for sale, including whether they have any local or specialist expertise, and evidence of active marketing;
 - Where and when the site was advertised, including copies of advertising material, sale particulars, website entries, brochures, etc.;
 - Details of responses received, what interest has been shown and why any offers have been rejected (if known);
 - Details of the agreed sale price, including any reductions made in asking price during the course of marketing.

Criteria B - The tourism accommodation business has been run in a reasonable and professional manner, and a serious and sustained effort has been made to save the business

- (B1) Evidence of occupancy and room rates for comparison with competitors, including:
- Number of trading weeks per year over the last 3 years
 - Total number of available room nights per year over the last 3 years
 - Details of occupancy per trading week over the last 3 years
 - Average room rate for each trading week over the last 3 years
 - RevPAR for each trading week over the last 3 years
- (B2) Owner's Personal Statement, outlining the following areas:
- Length of ownership
 - Their personal background before running the business
 - Their explanation as to why they believe the business is not sustainable
 - An outline of what they believe they have done to make the business viable (which will be further expanded on by reference to the evidence referred to in the following sections)

- Reference to be made to online reviews – positive and negative. If negative an indication of how issues have been addressed and if they cannot be – why not?
- An indication of the change in business trends they have witnessed and how they have tried to adapt the business to follow those trends or explain why they could not.
- Any anecdotal information they have from neighbouring businesses that affirms the personal statement.

(B3) Evidence of marketing and business promotion, including but not limited to:

- Engagement with Eastbourne Borough Council's Tourism Department (or a statement indicating why assistance was not sought)
- Evidence of marketing activity over last 12 months
- Evidence of regularly updated website for the establishment
- Evidence of the establishment being placed with Online Travel Agents (OTAs)
- Evidence of how social media has been used to promote business (or why social media was not appropriate to the business model)
- Copies of brochures, adverts and entries in accommodation guides
- A plan for marketing activity over the next 12 months

(B4) Evidence of annual business plan, including financial budget and sales/marketing strategy (except for 'lifestyle business' establishments with 15 rooms or fewer where it is accepted that business plans may not be available).

Criteria C - The physical condition and cost of repair of the building would be prohibitive to running a viable business

(C1) Evidence from a surveyors report prepared by a suitably qualified person that details the physical condition of the building, including cost of repairs, and the age and condition of the building and length of time in tourism use

(C2) Evidence of investment on refurbishment and maintenance to the property for each year over the last 5 years

Criteria D - The running costs of the business cannot be covered

(D1) Evidence of costs of running the business, including:

- Profit and Loss Accounts covering the previous three years
- Net income from rooms
- Net income from food and beverages
- Any other net income generated from the business
- Trading profit before interest, tax, depreciation and amortisation
- Breakdown of annual running costs for the business over the last 3 years including: commissions, wages, utilities, rates, food, beverage, additional guest services, administration costs, laundry, insurance, business to customer marketing, bank interest/charges, staff training and any other operating costs
- Number of people employed including applicant and applicants family split full time and part time

Stage 2 – Consider the implementation of other tourist accommodation uses through a sequential approach to alternative uses

5.16. Where it can be demonstrated that the existing tourist accommodation use is unviable through Stage 1, consideration should be given to retaining an element of tourist accommodation use. The retention of an element of tourist accommodation use should be considered on a sequential basis, as identified below and should be evidenced within the application:

- a) partial conversion to other types of serviced or non-serviced accommodation with a clear link in terms of the ownership;
- b) full conversion to other types of serviced or non-serviced accommodation;
- c) partial conversion to non-tourism uses that would be compatible with the Tourist Accommodation Area (including residential) where there is an agreement to invest in the remaining tourist accommodation.

5.17. The sequential approach means that criterion (a) should be met before criterion (b) is considered, and so on. Only where it can be demonstrated that all criteria are satisfied and there is no potential for conversion to other tourist uses will a complete loss of tourist accommodation be a possibility.

5.18. Applications for the partial loss of tourist accommodation should satisfy all criteria in Stage 1, and the criteria in Stage 2 in sequential order. Applications that

include non-serviced accommodation should take into account considerations for non-serviced accommodation outlined in paras 5.23 and 5.24.

5.19. To ensure that any non-serviced tourist accommodation created is used for tourist accommodation purposes only, or to ensure investment in remaining tourist accommodation as a result of partial conversion to non-tourism related uses, the Council will look to secure this by use of a condition on the planning permission or through a Section 106 planning obligation.

5.20. In order to demonstrate that alternative tourist accommodation uses have been considered, the following should be submitted but not limited to:

Criteria E

(E1) Evidence from independent experts that tourism alternative uses have been fully considered, including justification to clearly explain why other tourism accommodation uses are not viable, based on a sequential approach to alternative uses:

- a. partial conversion to other types of serviced or non-serviced accommodation
- b. full conversion to other types of serviced or non-serviced accommodation
- c. partial conversion to non-tourism uses (including residential) where there is an agreement to invest in the remaining tourist accommodation.

5.21. The evidence from independent experts that is needed to meet these requirements could be in the form of a specialist viability report, or it could be evidence from a number of different specialists in a report compiled by the applicant.

Establishments with no trading history

5.22. Where no trading history for the tourist accommodation establishment exists, applicants should submit evidence under (A1), (C1), (C2) and (E1), alongside a forward business plan with cash flow projections, including information required to secure a bank loan/financial investment, with a clear demonstration that an attempt has been made to implement it.

Conversion to non-serviced accommodation

- 5.23. Where partial or complete conversion to non-serviced accommodation is proposed within the Primary Sector of the Tourist Accommodation Area, the non-serviced accommodation must aspire to be high end holiday flats, and should be designed and sited so as to maximise the on-going attractiveness of the holiday flats to visitors to ensure that it is viable. Therefore, proposals should include details of how holiday flats will be accessed, designing out shared accesses and corridors with residential units, and evidence of a business plan to show that the business can be operated as sustainable tourist accommodation.
- 5.24. In light of this, evidence should be provided to demonstrate that the following have been considered:
- Providing a separate entrance from any tourist accommodation or residential uses.
 - Designing internal layouts to cluster holiday flats together for ease of management and minimise potential noise impacts and conflicts with other uses
 - Ensuring that main bedspaces are located within bedrooms and not within lounges or other non-bedroom spaces, although sofa beds would be permitted to maximise occupancy potential;
 - Ensuring that holiday flats have all of the facilities that would be required by a visitor, ensuring that holiday flats meet the requirements for Visit Britain/AA self-catering accommodation standards.

Proposals within the Secondary Sector of the Tourist Accommodation Area

Proposals for partial loss of tourist accommodation

- 5.25. Within the Secondary Sector, proposals for partial or full conversion of serviced accommodation to non-serviced accommodation will be supported where the principles identified in paras 5.23 and 5.24 are taken into consideration.
- 5.26. In addition, proposals for part conversion to other uses that are compatible with the Tourist Accommodation Area will be supported if investment is made in improving the remaining tourist accommodation. This will be secured by a Section 106 planning obligation.

Proposals for complete loss of tourist accommodation

5.27. In order to demonstrate that continuing the tourist accommodation use within the Secondary Sector of the Tourist Accommodation Area is not viable, all proposals for the complete loss of tourist accommodation will be required to satisfy the following criteria:

Criteria F – There is no interest in the tourist accommodation business being bought as a going concern;

Criteria G – The tourism accommodation business has been run in a reasonable and professional manner; and

Criteria H – The running costs of the business cannot be covered.

5.28. In order to allow a proposal for the loss of tourist accommodation to be assessed, it would need to be accompanied by evidence that demonstrates the following, as applicable:

Criteria F – There is no interest in the tourist accommodation business being bought as a going concern

- (F1) Evidence that the Tourist Accommodation establishment has been on the market at a price that reflects its tourist accommodation use and condition for reasonable period (which the Council would expect to be a period of a minimum of **1 year**). The type of material that should be submitted to satisfy this includes:
- Details of the agent used to market the business for sale, including whether they have any local or specialist expertise, and evidence of active marketing;
 - Where and when the site was advertised, including copies of advertising material, sale particulars, website entries, brochures, etc.;
 - Details of responses received, what interest has been shown and why any offers have been rejected (if known);
 - Details of the agreed sale price, including any reductions made in asking price during the course of marketing.

Criteria G – The tourism accommodation business has been run in a reasonable and professional manner

(G1) Evidence of occupancy and rooms rates for comparison with competitors, including:

- Number of trading weeks per year over the last 2 years
- Total number of available room nights per year over the last 2 years
- Details of occupancy per trading week over the last 2 years
- Average room rate for each trading week over the last 2 years
- RevPAR for each trading week over the last 2 years

(G2) Evidence of efforts to sustain the business, including

- Engagement with Eastbourne Borough Council's Tourism Department (or a statement indicating why assistance was not sought)
- Evidence of marketing activity over last 12 months

Criteria H – The running costs of the business cannot be covered

(H1) Evidence of costs of running the business, including:

- Profit and Loss Accounts covering the previous two years
- Evidence that the business is unable to generate a sufficient return to provide sustainable income for the proprietors

Appendices

Appendix 1: Glossary

Core Strategy – Adopted in 2013, this Local Plan sets out the long term strategic planning vision for Eastbourne to 2027.

Day-trippers – a visitor who visits for the day and spends the night elsewhere.

Development Plan - A set of documents that set out the local planning authority's policies and proposals for the development and use of land and buildings in the authority's area, which are used in the determination of planning application., For Eastbourne, this comprises the Eastbourne Borough Plan 2001-2011 saved policies, the Eastbourne Core Strategy Local Plan 2006-2027, the Eastbourne Town Centre Local Plan 2006-2027, the Eastbourne Employment Land Local Plan 2012-2027, and the East Sussex Waste and Minerals Plans.


Eastbourne Borough Plan 2001-2011 – Adopted in 2003, contains policies mainly related to development management. The policies were saved indefinitely in 2007, although some have since been deleted as a result of the adoption of other Local Plans.

Local Plan - The plan for the future development of the local area, drawn up by the local planning authority in consultation with the community. In law this is described as the development plan documents adopted under the Planning and Compulsory Purchase Act 2004.

New Eastbourne Local Plan – Currently under production, the Eastbourne Local Plan will, once adopted, replace all existing planning policies.

Non-serviced accommodation – This category includes self-catering options such as holiday cottages, campsites and short-stay apartments where guests are generally responsible for their upkeep during their stay.

Online Travel Agency (OTA) – An Online Travel Agency is a website that allows booking of hotel rooms, holiday packages, etc. Tourist Accommodation providers can advertise their product with OTA and customers can book rooms via the OTA website, with the OTA taking a commission.



RevPAR – Revenue per available room is a performance measure used by the tourist accommodation industry and is calculated by dividing total room revenue by the number of rooms available (or multiplying the average daily room rate by the occupancy rate).

Section 106 Planning Obligations – S.106 Planning obligations are legal obligations entered into to mitigate the impacts of development or to restrict how a development or piece of land may be used. Planning Obligations are secured under section 106 of the Town and Country Planning Act 1990 (as amended) via a planning agreement entered into by a developer and the local planning authority; or via a unilateral undertaking without the local planning authority.

Serviced accommodation - These establishments provide daily services such as cleaning, housekeeping, and reception. Common examples include hotels, guesthouses, bed and breakfasts, and serviced apartments.

Tourism - The World Tourism Organisation's definition of tourism is: 'a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes'.

Tourist Accommodation - an establishment that has a room, or rooms, to rent for a fixed period generally no greater than three months. This accommodation is not the renter's primary residence and the renter generally contributes to the revenue of the town, is not registered to vote in the town and is not a burden on local social services.

Tourist Accommodation Study (2024) - A study undertaken by Tomorrow's Tourism Ltd in 2024 on behalf of Eastbourne Borough Council to assess the current supply and demand for hotel and visitor accommodation in Eastbourne and how this has changed over recent years, the potential for growth or reduction in demand for accommodation; the scope for investment in the accommodation offer in the town; and the scale of the problem in terms of the loss of accommodation stock and the pressure for residential conversion.

Appendix 2: Adopted planning policies relating to tourist accommodation

Borough Plan TO1: Tourist Accommodation Area

Policy TO1: Tourist Accommodation Area

Within the tourist accommodation area, shown on the Proposals Map, planning permission will be refused for proposals which are incompatible with the tourist accommodation use.

In considering proposals for development within this area regard will be made to the different lifestyles and special requirements of tourists. This consideration will include the following:

- a) the effect on residential and visual amenity (see Policies HO20 and UHT4);
- b) the likely hours of operation;
- c) safety and security implications.

Borough Plan TO2: Retention of Tourist Accommodation

Policy TO2: Retention of Tourist Accommodation

Within the tourist accommodation area identified on the Proposals Map planning permission will not be granted for the redevelopment or change of use of tourist accommodation to any other use. In this Policy “tourist accommodation” means serviced tourist accommodation (Class C1 use) and unserviced tourist accommodation.

Only in exceptional circumstances will planning permission be granted for any other use. This means that the applicant must demonstrate that the continuing use of land as tourist accommodation is not viable.

In determining viability the following factors will be taken into account:

- a) the location of the premises;
- b) the physical condition and cost of repair of the premises;
- c) the potential for refurbishment, including the cost of works;
- d) the potential for conversion to other tourist uses, including the cost of works;
- e) the market valuation of the property reflecting the above factors;
- f) whether the direct costs of running the business can be covered; and
- g) whether a commercial rate of return on investment can be achieved.

However, factor g) above will be excluded from the viability analysis in all instances where the operator has private accommodation on the premises comprising at least 10% of the building (defined in terms of the proportion of the total habitable floor area, excluding hallways and landings).

Borough Plan HO14: Houses in Multiple Occupation.

Policy HO14: Houses in Multiple Occupation

Planning permission will be granted for the establishment and retention of Houses in Multiple Occupation (HMOs) provided they comply with residential, visual and environmental amenity considerations set out in Policies HO20, UHT4 and NE28.

HMOs will not be permitted in the tourist accommodation area defined in Policy TO1.

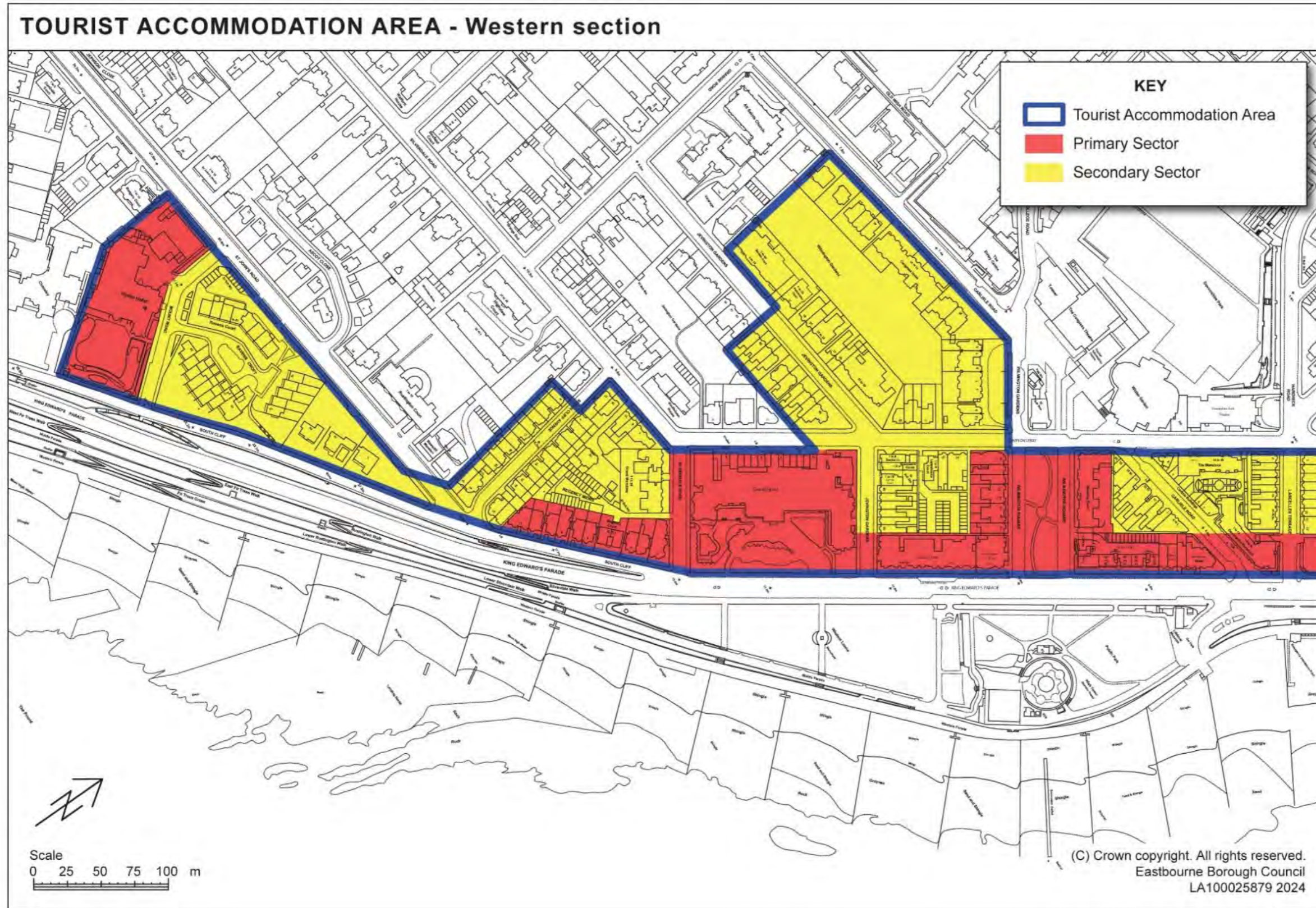
Core Strategy Policy D3: Tourism and Culture

Policy D3: Tourism and Culture

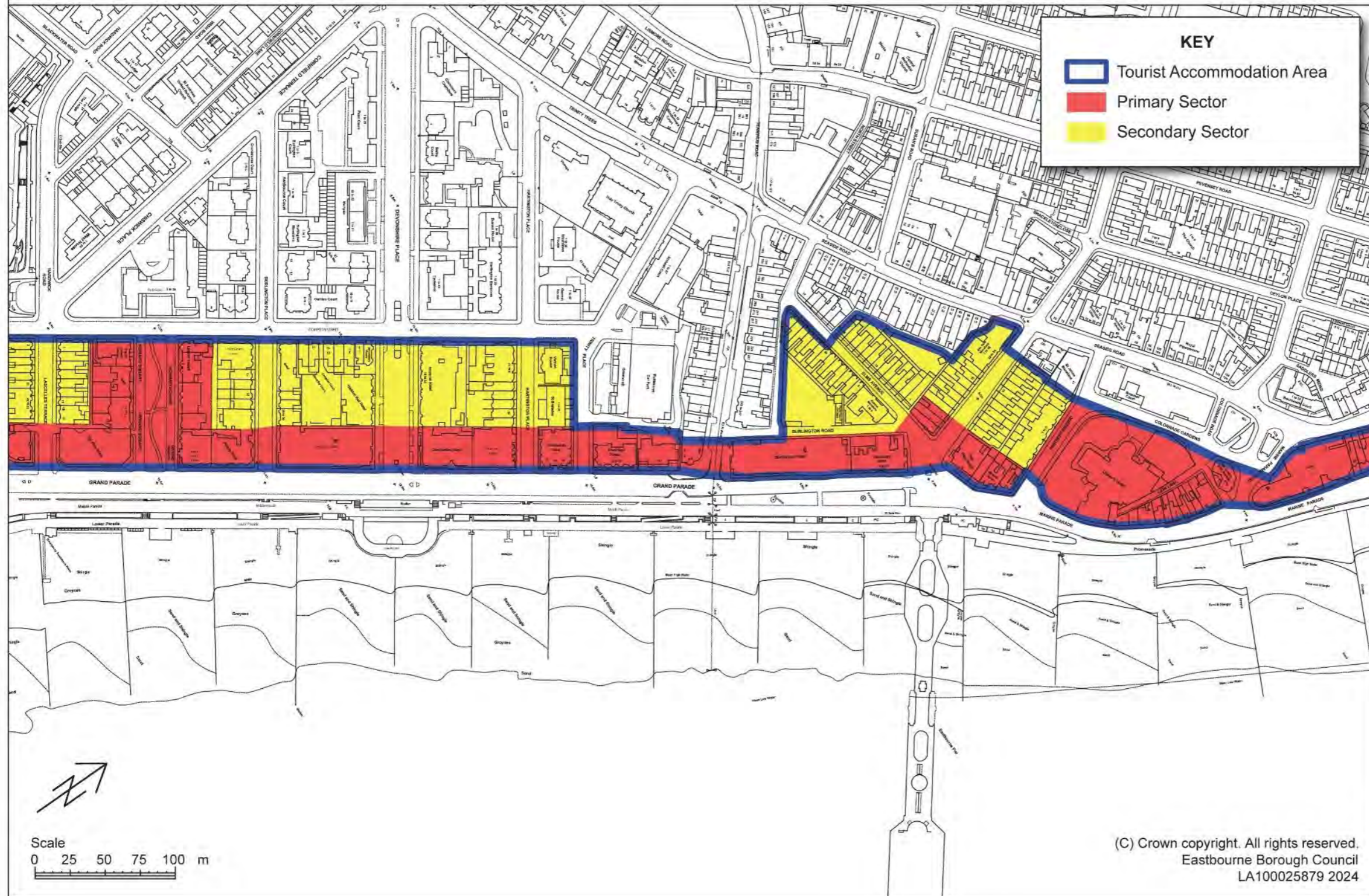
The importance of the entertainment, cultural and sports facilities to the economic prosperity of Eastbourne is recognised. The Council will support the preservation and enhancement of these through the following measures:

- Resist the loss of visitor accommodation through the retention of a tourist accommodation area and protection policy;
- Support the appropriate upgrading of existing hotels and holiday accommodation to provide improved facilities for visitors as well as supporting proposals for additional accommodation in the sustainable centres;
- Support new entertainment, cultural and sporting facilities in Eastbourne, where appropriate
- Recognise the value of the South Downs National Park as a visitor and recreation asset and work with the Park Authority, to protect the area from development which would damage or adversely affect its character and/or appearance;
- Support the retention and enhancement of the entertainment, cultural and sports facilities in Eastbourne through development management measures resisting changes which would lead to a downgrading in the town's cultural integrity and/or appearance;
- Prepare a strategy for the future of the seafront area through the production of a Seafront Area Action Plan; and
- Promote the development of the Wish Tower restaurant to provide an enhanced asset for the benefit of residents and visitors.

Appendix 3: Details maps showing Tourist Accommodation Area (Primary and Secondary sectors)



TOURIST ACCOMMODATION AREA - Central section



TOURIST ACCOMMODATION AREA - Eastern section

