

# Appendix 1



6 December 2011

Alderman Christopher Salford  
Chairman  
Belfast City Council Development Committee  
54 Cheviot Avenue  
Belfast  
BT4 3AH

Dear Alderman Salford

I am writing to you to call for a conference centre to be built in Belfast. We believe this investment will significantly improve the economy within the city and lead to increased employment. We understand that a proposal has been submitted to extend the Waterfront Hall and we would strongly support this development.

The Northern Ireland Hotels Federation is the representative body for the hotel sector in Northern Ireland. The Province has 136 hotels representing 7,589 bed spaces and the bulk of the Provinces hotels lie within the greater Belfast area with 57% of bedrooms within a thirty-mile radius of the city. There has been substantial private sector investment in the sector with the number of rooms in the city growing by 56% in the last five years.

This increase in supply has regrettably coincided with a decrease in demand partly due to the world global markets and a lack of consumer confidence. The city's leisure trade has held up relatively well with hotel occupancy holding up over the weekends. The rate for the leisure market remains volatile and has fallen from £59.77 in October 2009 to £55.79 in 2011, a drop of 6%.

The real issue for the city's hoteliers is the Sunday to Thursday weekday economy, which is driven by conferences, meetings and business needs. This market has reduced to alarmingly low levels with the city seeing an occupancy level of 64.8% during the week in October with weekends sitting at 86.5%. The average room rate during the week was £51.32 down 8.7% from the 2010 rate of £56.84\* and sitting well below the weekend leisure rate.

The lack of business tourism presents a real concern for the hotel properties in the city and we would like to come and speak with the development committee about the provision of a conference facility in Belfast, which we believe would address a number of the issues outlined above. Dublin, our nearest neighbour and a real competitor, has seen its weekday business grow in demand with hotel occupancy up 3% in October 2011 and room rates going steadily over the last six months. Whilst we accept this cannot entirely be attributed to the opening of the Convention Centre Dublin (CCD), it certainly has had a positive impact on trading in the city. Reports would suggest that this has spread beyond the hotel market with the average

## **Northern Ireland Hotels Federation**

The McCune Building, 1 Shore Road, Belfast BT15 3PG  
Tel: 028 9077 6635 Fax: 028 9077 1899 Email: office@nihf.co.uk  
nihf.co.uk - facebook.com/hotelsfederation - twitter.com/nihf - hospitalityexchange.co.uk

The Northern Ireland Hotels Federation is a company limited by guarantee and registered in Northern Ireland.  
Registration Number: NI35865. Registered Office at above address. VAT Registration: 740 5946 25

business tourist spending in the region of £136 per stay versus the leisure visitor who spends £36\*\*.

We would be keen to discuss how we can work with the council to ensure that business in the city grows and ensure that we have the necessary facilities to attract business tourism in greater numbers. We would be delighted to meet with you and the Development Committee at your convenience and if you require additional information please do not hesitate to contact me and I will be happy to help.

I look forward to hearing from you in the near future.

Best regards



Janice Gault  
Chief Executive

\* Source - STR Global, \*\* Source - Northern Ireland Tourist Board

DEMOCRATIC SERVICES			
13 DEC 2011			
SP & R	P & L	HOUSING	AUDIT
H & ES	TP	GR	COUNCIL
LIC	LEVEL	TRAN	
REFERENCE:	43555		
INTERVIEW TO:	DFAA		