

# Update on Government Contracted Accommodation Stock

*June 2023*



# Previous Position – March 2023



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- The April update related to March data provided by the Department of Children, Equality, Disability, Integration and Youth. Then there were some 50,000 beds under contract and approx. half were in Fáilte Ireland registered establishment.
  - It indicated that:
    - 28% of all Fáilte Ireland registered tourism bed stock was contracted to the State.
    - Excluding Dublin, the figure was provided as 34%.
  - Based on this understanding, Fáilte Ireland estimated that the economic impact on downstream tourism business was €1.1billion in lost earnings *before allowing for inflation*.
  - However, we now know that this assessment overstated the percentage of Fáilte Ireland registered tourism bed stock under-contract.
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# June Update



# Updated Position - June 2023

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- Note: As before, the working assumption is that one person equals one bed.
  - According to the data provided by the Department of Children, Equality, Disability, Integration and Youth:
    - There are 76,143 beds under contracts
    - 29,555 beds are under contract to the government in premises on Fáilte Ireland registers and/or listings, (39%)
    - The remaining 46,588 (61%) is in non-registered properties.
  - 85% of the beds in registered premises are in hotels and guesthouses.
  - Nationally, 13% of all registered tourism bed stock is under Government contract.
  - There are five counties with over 20% of registered tourist accommodation stock removed. They are Offaly, Mayo, Leitrim, Meath & Clare. Clare tops the list at 33%, followed by Meath at 28%
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# Updated Position – June 2023

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- Looking at the 46,588 beds in unregistered properties, *up to* 24,000 are in establishments which could be tourism related.
  - Unregistered tourism relevant properties include former hotels, inns, lodges, unlisted guesthouses, unregistered B&Bs, re-purposed accommodation retreat centres.
  - Note that only hotels and guesthouse are legally obliged to register with Fáilte Ireland.
  - The 13% (29,555 beds) national average increases due to a significant number of beds under contract in unregistered but tourism relevant establishments.
  - This highlights the need for and importance of a fully inclusive register of all tourist accommodation stock.
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# Contracted Beds Summary Table

data provided by DCEDIY



All Government Contracted Beds	Number	% Share
Beds in Fáilte Ireland Registered Properties	29,555	39%
Beds in non-Fáilte Ireland Registered Properties	46,588	61%
- of which tourism relevant, i.e., non-Fáilte Ireland registered accommodation likely to have been trading in the tourism sector in the recent past	12,000 – 24,000	16 – 32%
<b>Totals</b>	<b>76,143</b>	<b>100%</b>

# Contracted Beds by County, Fáilte Ireland Registered Only



## Percentage of Contracted Beds in Registered Properties Relative to County's Total

Clare	33	Kerry	11
Meath	28	Limerick	10
Leitrim	22	Laois	10
Mayo	21	Kilkenny	9
Offaly	20	Galway	8
Wicklow	19	Tipperary	7
Westmeath	18	Longford	7
Donegal	15	Waterford	7
Cavan	15	Carlow	6
Sligo	14	Monaghan	5
Dublin	12	Wexford	5
Cork	12	Roscommon	5
Louth	11	Kildare	1
<i>All County Average</i>			13
<i>All County Average excluding Dublin</i>			13



# Tourism Revenue at Risk



# Tourism Revenue at Risk

## – Up to €1billion

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- We are quoting a range rather than a single value because not all contracted beds are in Fáilte Ireland registered premises.
- Based on the data provided by DCEDIY, the updated *inflation adjusted* estimate of the economic impact of displaced bed stock is in the range of €700 million to €1billion.
- This is explained as follows:
  - a) If we only factored registered stock into the calculation (29,555 beds), the revenue hit is €700 million per annum.
  - b) If we broaden the calculation to include contracts in (a) registered stock and (b) half of the unregistered tourism relevant properties (12,000 beds), then the estimate is €1billion.