

Travelodge – made in China, built in the UK

Travelodge is using modern methods to speed up construction

INNOVATION

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Budget hotel chain Travelodge is undertaking a significant shift in its construction methods, with modular builds expected to be used on behalf of all projects in the not too distant future.

However, despite the company's ambitious targets for growth, the way Travelodge embraces modern methods of construction may actually result in its UK supply chain being cut as it looks for increased levels of prefab work to be undertaken abroad.

Its first modular scheme, a 121-room hotel at Uxbridge, is scheduled for completion mid-year. The project was developed with construction partner **Verbus** Systems, a London-based company that builds rooms in metal containers in factories near Shenzhen, China.

For this initial scheme only the basic dry-lined walls and bathrooms were completed before the containers were shipped, but director of property and development Paul Har-

vey hopes in years to come the modules will be simply "plug and play".

"In due course we would expect to fit out more sections of the room before shipping to the UK. We'd look to have the walls finished, the desk unit and wardrobe in, and all of the lighting done," he says.

"Modular build is something we have researched for some time. It can contribute to driving down costs in every element of our business."

The process, he says, included much less material wastage and offered a lesser carbon footprint – despite the requirement for sea transportation.

While the containers are being produced bespoke for Travelodge, there are precision benefits which result from construction being undertaken in a factory environment.

"There is much less wastage and sustainable benefits, because in effect they are a recyclable product," he says.

"And while there is a bit of lag time because you have to include transportation, we can ramp up construction quite easily."

The company's second project

using the new method is a 307-room hotel near Heathrow Airport, for which the modules are currently being shipped over.

Costs and time savings

Mr Harvey estimated modular construction offered cost savings of between five and 10 per cent on traditional methods, as well as a 25 per cent reduction in programme time.

"That's a very significant gain for us," he says.

"There is the opportunity over time to complete about 50 per cent of our hotels this way – which is about 20 a year.

"It may take time to build that up, though. It takes time for the development community to accept new methods of working in partnership with developers."

Finding sites also takes time, Mr Harvey added. However the company is doing everything it can to speed up that process.

It recently announced it would pay a fee to anyone who helps it find a site for a new hotel, and has since received "thousands and thousands of leads".

He says: "We have had a few crazy ones, like Canary Wharf

or the Houses of Parliament, but we have about 100 good suggestions we are looking at."

And despite the worsening credit situation Travelodge will stand by its plans to increase its portfolio by more than 40 hotels annually, which will inevitably increase its number of rooms from 225,000 to 700,000 over the next two decades.

Mr Harvey says there were 205 hotels in the present pipeline, with another 300 in the very early stages of purchase.

According to the firm its business plan is reasonably recession resilient.

In fact, the downturn in the financial market seems to leave the bosses at Travelodge wearing a cheeky smile.

Mr Harvey says, not only does the company benefit from consumers wanting to spend less on accommodation, but it also offers acquisition opportunities when other firms go bust.

"I am certainly not saying we would welcome a recession, but we feel very well placed for one," he adds.

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