

## WEST SOMERSET DISTRICT COUNCIL

Meeting to be held on Wednesday 18 February 2015 at 4.30 pm

Council Chamber, Williton

### AGENDA

1. Apologies for Absence

2. Minutes

Minutes of the Meeting of Council held on 21 January 2015 to be approved and signed as a correct record – **SEE ATTACHED.**

3. Declarations of Interest

To receive and record any declarations of interest in respect of any matters included on the agenda for consideration at this meeting.

4. Public Participation

The Chairman to advise the Committee of any items on which members of the public have requested to speak and advise those members of the public present of the details of the Council's public participation scheme.

For those members of the public wishing to speak at this meeting there are a few points you might like to note.

A three-minute time limit applies to each speaker and you will be asked to speak before Councillors debate the issue. There will be no further opportunity for comment at a later stage. Your comments should be addressed to the Chairman and any ruling made by the Chair is not open to discussion. If a response is needed it will be given either orally at the meeting or a written reply made within five working days of the meeting.

5. Chairman's Announcements

6. Regeneration of East Quay, Watchet

To consider Report No. WSC 31/15, to be presented by Councillor T Taylor, Leader of Council – **SEE ATTACHED.**

The purpose of this report is to consider the outcome of the recent process of seeking expressions of interest from relevant organisations for proposals to facilitate regeneration of the area around the harbour at Watchet and to approve a preferred bidder to continue to work with the Council towards potential asset transfer.

The report makes reference to a confidential appendix and should Council wish to discuss this part of the report it will be necessary to consider excluding the press and public in accordance with Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

7. **Request for Allocation of Planning Obligations Funding – Minehead Illuminations Project**

To consider Report No. WSC 27/15, to be presented by Councillor K V Kravis, Lead Member for Resources and Central Support – **SEE ATTACHED.**

The purpose of the report is to make proposals for the allocation of monies secured through planning obligations to individual schemes.

8. **Hinkley Tourism Action Plan Strategy and Action Plan**

To consider Report No. WSC 30/15, to be presented by Councillor K M Mills, Lead Member for Regeneration and Economic Growth – **SEE ATTACHED.**

The purpose of this report is to consult with Council on the contents of the Hinkley Tourism Action Partnership (HTAP) Strategy and Action Plan, and to outline proposals to Council for the drawdown of HPC S106 Tourism mitigation funding to support delivery of four projects in the action plan.

9. **Hinkley Point C – Proposed Changes to EDF Energy’s DCO Plans**

To consider Report No. WSC 28/15, to be presented by Councillor C Morgan, Lead Member for Environment - Hinkley – **SEE ATTACHED.**

The purpose of this report is to bring to Members attention EDF Energy’s proposed changes to the DCO ‘plot plan’ (essentially the details plans of the buildings on site during operation) and to formulate West Somerset Councils response to those changes.

10. **Hinkley C Connection Project – Local Impact Report and DCO Examination**

To consider Report No. WSC 29/15, to be presented by Councillor C Morgan, Lead Member for Environment - Hinkley – **SEE ATTACHED.**

The purpose of this report is to provide Members with an overview of National Grid’s Hinkley C Connection Project; identifies the key issues pertinent to West Somerset; sets out the key steps in the Examination Timetable; explains and seeks Member approval to submit the Joint Local Impact Report in accordance with the Examination Timetable; and finally sets out the resource implications for the Council and seeks approval to vire up to £25,000 from an Earmarked Reserve for the purposes of procuring specialist technical and legal advice during the Examination.

11. **Minutes and Notes for Information**

Notes and minutes relating to this item can be found on the Council’s website using the following links:

- Notes of the WWQ Area Panel held on 16 December 2014  
<http://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Watchet,-Williton-and-Quantock-Area-Panel/Watchet,-Williton---Quantocks-Area-Panel---16-Dec.aspx>

- Notes of the Exmoor Area Panel held on 20 January 2015  
<http://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Exmoor-Area-Panel/Exmoor-Area-Panel---20-January-2015.aspx>
- Notes of the Dunster Area Panel held on 26 January 2015  
<http://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Dunster-Area-Panel/Dunster-Area-Panel---26-January-2015.aspx>

## **COUNCILLORS ARE REMINDED TO CHECK THEIR POST TRAYS**

### **The Council's Vision:**

**To enable people to live, work and prosper in West Somerset**

### **The Council's Corporate Priorities:**

- Local Democracy:  
Securing local democracy and accountability in West Somerset, based in West Somerset, elected by the people of West Somerset and responsible to the people of West Somerset.
- New Nuclear Development at Hinkley Point  
Maximising opportunities for West Somerset communities and businesses to benefit from the development whilst protecting local communities and the environment.

### **The Council's Core Values:**

- Integrity
- Fairness
- Respect
- Trust

## RISK SCORING MATRIX

Report writers score risks in reports uses the scoring matrix below

**Risk Scoring Matrix**

<b>Likelihood</b>	5	Almost Certain	Low (5)	Medium (10)	High (15)	Very High (20)	Very High (25)
	4	Likely	Low (4)	Medium (8)	Medium (12)	High (16)	Very High (20)
	3	Possible	Low (3)	Low (6)	Medium (9)	Medium (12)	High (15)
	2	Unlikely	Low (2)	Low (4)	Low (6)	Medium (8)	Medium (10)
	1	Rare	Low (1)	Low (2)	Low (3)	Low (4)	Low (5)
			1	2	3	4	5
			Negligible	Minor	Moderate	Major	Catastrophic
<b>Impact</b>							

<b>Likelihood of risk occurring</b>	<b>Indicator</b>	<b>Description (chance of occurrence)</b>
1. Very Unlikely	May occur in exceptional circumstances	< 10%
2. Slight	Is unlikely to, but could occur at some time	10 – 25%
3. Feasible	Fairly likely to occur at same time	25 – 50%
4. Likely	Likely to occur within the next 1-2 years, or occurs occasionally	50 – 75%
5. Very Likely	Regular occurrence (daily / weekly / monthly)	> 75%

- Mitigating actions for high ('High' or above) scoring risks are to be reflected in Service Plans, managed by the Group Manager and implemented by Service Lead Officers;
- Lower scoring risks will either be accepted with no mitigating actions or included in work plans with appropriate mitigating actions that are managed by Service Lead Officers.

**WEST SOMERSET COUNCIL****Minutes of the Meeting held on 21 January 2015 at 4.30 pm****in the Council Chamber, Williton****Present:**

Councillor G S Dowding ..... Chairman  
Councillor A F Knight..... Vice-Chairman

Councillor M J Chilcott	Councillor H J W Davies
Councillor M O A Dewdney	Councillor J Freeman
Councillor S Y Goss	Councillor A P Hadley
Councillor B Heywood	Councillor K V Kravis
Councillor E May	Councillor I R Melhuish
Councillor C Morgan	Councillor P H Murphy
Councillor S J Pugsley	Councillor K J Ross
Councillor D J Sanders	Councillor L W Smith
Councillor T Taylor	Councillor A H Trollope-Bellew
Councillor K H Turner	Councillor D J Westcott

**Officers in Attendance:**

Chief Executive (P James)  
Assistant Chief Executive and Monitoring Officer (B Lang)  
Director of Operations (S Adam)  
Assistant Director – Operational Delivery (C Hall)  
Assistant Director – Planning and Environment (T Burton)  
Parking and Community Safety Manager (T Biss)  
CIM Fund Manager (L Redston)  
Housing Initiatives Implementation Officer (A Devine)  
Planning Policy Manager (T Bryant)  
Principal Planning Officer – Policy (T Clempson)  
Principal Planning Officer – Policy (M Wilsher)  
PR and Communications Officer (D Rundle)  
Meeting Administrator (K Kowalewska)

**Also in Attendance:**

Mark Blaker, Somerset Waste Partnership

**C91      Apologies for Absence**

Apologies for absence were received from Councillors R P Lillis, K M Mills and M A Smith.

**C92      Minutes**

(Minutes of the meeting of Council held on 17 December 2014, circulated with the Agenda.)

**RESOLVED** that, subject to the inclusion of Councillor A H Trollope-Bellew declaring a personal interest as an owner of a water supply pertaining to Minute No. C83, and amending the last bullet point of Minute No. C83 to read 'A question was raised regarding the new charges proposed for caravan site licences and clarification was provided during the meeting', the Minutes of the meeting of Council held on 17 December 2014 be confirmed as a correct record.

### C93 **Declarations of Interest**

Members present at the meeting declared the following personal interests in their capacity as a Member of a County, Parish or Town Council:

Name	Minute No.	Member of	Action Taken
Cllr H J W Davies	All	SCC	Spoke and voted
Cllr S Y Goss	All	Stogursey	Spoke and voted
Cllr P H Murphy	All	Watchet	Spoke and voted
Cllr K J Ross	All	Dulverton	Spoke and voted
Cllr L W Smith	All	Minehead	Spoke and voted
Cllr K H Turner	All	Brompton Ralph	Spoke and voted
Cllr D J Westcott	All	Watchet	Spoke and voted

In addition, the following interests were declared:

Name	Minute No.	Description of interest	Personal or Prejudicial	Action Taken
Cllr H J W Davies	C99	Williton business owner	Prejudicial	Left the Chamber
Cllr P H Murphy	C99	Business permit holder	Personal	Spoke and voted

### C93 **Public Participation**

Peter Grandfield, Stuart Moffitt and Mike Copleston spoke on Agenda Item 9 – HPC Planning Obligations Board – Allocations of CIM Funding, in relation to the Holford and Kilve Broadband Campaign application which was considered and not approved by the Planning Obligations Board, emphasising the importance of the provision of high speed broadband for local businesses and the community. They urged Members to reconsider the funding decision for the broadband campaign in light of the uncertainty of the Connecting Devon and Somerset (CDS) project and the detrimental effect that any delay would have on the area.

### C94 **Chairman's Announcements**

The Chairman had no announcements to make.

### C95 **Somerset Waste Partnership Business Plan 2015-20**

(Report No. WSC 16/15, circulated prior to the meeting.)

The purpose of the report was to seek approval for the Somerset Waste Partnership's Draft Business Plan for 2015-2020. Whilst the business plan has a 5 year horizon Members were only requested to approve the plan for 12 months.

The Lead Member for Environment – General introduced the item and welcomed to the meeting Mark Blaker from the Somerset Waste Partnership (SWP). The Lead Member went on to reassure Members that SWP's main priority was saving money for the Council; and he reported that everything put out for recycling was indeed recycled and stressed the importance of using food waste and recycling bins as there was far too many recyclable products, particularly food, being thrown out in the general waste.

The Lead Member proposed the recommendation contained within the report which was seconded by Councillor M O A Dewdney.

Mark Blaker from SWP provided Members with a brief overview of the SWP business plan, and drew attention to the following:

- Since 2010-11 the amount of household waste had increased.
- Budget projections highlighted a 0.66% uplift in costs.
- A major review of the fundamentals of the waste service relating to disposal and collections, and various trials, were taking place, to make the service as efficient and cost effective as possible.
- The three key priorities areas for 2015/16.

During the course of the discussion the main points raised included:

- An intensive and very efficient waste service was being provided.
- The hard work of the local drivers and operatives who collected the recycling/refuse was greatly appreciated and thanks was also expressed to the courteous and helpful staff at the recycling centres.
- It was clarified that approximately 50% of the general refuse could be recycled using the current kerbside service thereby reducing landfill costs.
- An explanation was provided on how the anaerobic digestion plant for recycling food waste operated.

**RESOLVED** that the Somerset Waste Partnership's Draft Business Plan, attached to the report, be approved.

**Note:** With the agreement of the Chairman this item was brought forward on the Agenda.

## **C96 HPC Planning Obligations Board – Allocations of CIM Funding**

(Report No. WSC 17/15, circulated with the Agenda.)

The purpose of the report was to present the recommendations of the Hinkley Point C Planning Obligations Board and Cabinet, for the allocation of monies secured through the Section 106 legal agreement for the Site Preparation Works at Hinkley Point. The relevant fund is the "Community Impact Mitigation (CIM)" Fund.

The Lead Member for Resources and Central Support presented the report and provided an overview of the projects submitted to the Planning Obligations Board (POB). She reported that the consensus of the Board was that the finances and business plans of certain projects had not been fully developed and further evidence was required to link the applications to the Hinkley Point C project. It was highlighted that the POB was still in the early stages of development and the process would continue to be improved in order to assist decision making and help applicants during the bid submission stage.

The Lead Member went on to explain how the decision was reached regarding the Holford and Kilve Broadband Campaign, and stressed that there was a lot of knowledge and interest relating to broadband on the POB and the Board were very supportive of the bid as it had proven links to the Hinkley project and a good business plan, however, it was strongly felt that the timing of the bid was wrong, and she explained further the background to the decision. She stated that WSC was fully committed to ensuring broadband was provided to as many areas of the district as possible and urged the Holford and Kilve parish councils to trust the officers involved in the CDS project to advise them of when the timing was right to resubmit the bid to the POB.

The Lead Member proposed the recommendations in the report, and in order to strengthen the Council's commitment to Holford and Kilve proposed an additional recommendation, to read 'that Council separately and in addition to acknowledging the recommendation from the Planning Obligations Board on Holford and Kilve Broadband, note and support the desire to see Holford and Kilve benefit from the provision of high speed broadband and ask the Assistant Director – Business Development to work with the Holford and Kilve Broadband Campaign to develop, if necessary, a subsequent CIM fund application at the appropriate time'.

The recommendations, as amended, were seconded by Councillor M O A Dewdney.

A lengthy discussion centred around broadband issues.

**RESOLVED (1)** that the decision of the Hinkley C Planning Obligations Board\* be noted as follows:

To award £800 of CIM Funding to the Porlock Bay Shellfish Project to fund a website as part of a wider project to establish mussel and oyster beds in Porlock Bay.

\*On 4th June 2014 Cabinet agreed the delegation of authority to the Planning Obligations Board to approve applications for funding up to £1000.

**RESOLVED (2)** that the decision of Cabinet on 7th January 2015 be noted as follows:



That CIM funding for The Sedgemoor Project is not approved, as the application did not clearly demonstrate and evidence how the project mitigates impacts on the community of the Hinkley Point C project.

That CIM funding for the Bridgwater Digital Radio Link Project is not approved, as the application did not provide evidence of the potential impacts on the community of the Hinkley Point C project and how the project with mitigate those impacts.

**RESOLVED (3)** that the recommendations of the Hinkley C Planning Obligations Board and Cabinet be endorsed as follows:

That funding for the Holford and Kilve Broadband project is not approved, as the need for funding cannot be established at this time and that the Parish Councils are advised to work with WSC officers to reapply with an amended proposal at a more appropriate time.

That funding for the Watchet Hidden History Project is not approved, as the application did not provide evidence of partner support and relevant permissions to deliver the project.

That funding for the St George's Parish Centre project is not approved due to a current lack evidence of future community need for the project in light of a recent CIM funding award for a project delivering similar outcomes within the locality.

**RESOLVED (4)** that separately and in addition to acknowledging the recommendation from the Planning Obligations Board on Holford and Kilve broadband, the desire to see Holford and Kilve benefit from the provision of high speed broadband be noted and supported; and the Assistant Director – Business Development be asked to work with the Holford and Kilve Broadband Campaign to develop, if necessary, a subsequent CIM fund application at the appropriate time.

**Note:** With the agreement of the Chairman this item was brought forward on the Agenda.

**C97**      **HPC Section 106 Agreement – Allocations of Housing Fund**

(Report No. WSC 13/15, circulated with the Agenda.)

The purpose of the report was to present the recommendations of the Hinkley Point Planning Obligations Board (POB) which were endorsed by Cabinet for the allocation of Housing Fund monies secured through the Section 106 legal agreement for the Site Preparation Works at Hinkley Point.

The Lead Member for Housing, Health and Wellbeing presented the report advising that there was a Hinkley Housing Fund of £4 million available to help mitigate the loss of housing that may arise from the Hinkley Point C development. He provided Members with a summary of the three bids highlighting the cost per bed space for each proposal, and then went on to propose the recommendation of the report which was duly seconded by Councillor E May.

Members were supportive of the three bids and questions and issues were raised on matters relating to the Living Over the Shop scheme on how funds were allocated and how properties were identified; and on how loans were administered and repaid under the First Time Buyers Home Loan scheme.

**RESOLVED** that the release of funds for three projects from the £4,000,000 that has been paid by EDF Energy to West Somerset Council for the Housing Fund be approved:

- Enabling Fund – Old Croft House, Williton - £56,000
- Living Over the Shop - £204,750
- First Time Buyers Home Loan Scheme – £105,000.

#### **C98 West Somerset Local Plan**

(Report No. WSC 15/15, circulated with the Agenda.)

The purpose of the report was to recommend to Council that the Draft West Somerset Local Plan to 2032 should be formally published early in February 2015.

The Lead Member for Housing, Health and Wellbeing presented the report in detail advising that officers had been working on the Local Plan for a number of years and he thanked them for all their hard work and due diligence. He advised that it was a legal obligation for a local authority to produce a local plan and he went on to provide details of the public consultations undertaken, duty to cooperate, timescales, the Strategic Market Housing Assessment and the delivery of affordable housing. With regard to criticism received for not having a local plan, the Lead Member hoped that WSC would have one that was compliant with Government's National Planning Policy Framework and if approved by the Planning Inspector, WSC would be one of a few number of councils in the country to have an adopted Local Plan.

During the debate the following main points were raised:

- Communities needed sustainability of village services which depended on the growth of affordable and market housing development and WSC was correct in rejecting the ENPA's request.
- Off-site provision of affordable housing was welcomed.
- Clarification was sought on the identification of a primary and secondary retail area for Minehead.

- If would be helpful if officers could acknowledge/answer any positive suggestions submitted during the consultation process, and it was hoped that the public would engage in the next round of consultation and all parish/town councils were urged to participate and make comments.
- The importance of new build developments to provide homes for life and assurance was requested that this would continue to be worked on.
- The Local Plan was an essential document and an effective tool for development management purposes and the Planning Committee and would provide a degree of protection.
- It was proposed to include Watchet as a gateway settlement within Policy EC10 of the Local Plan in order to promote the town more fully.

The Lead Member proposed the recommendation, to include the amendment to Policy EC10 'Gateway Settlements' of Appendix 1 to the report, and this was duly seconded by Councillor A F Knight.

**RESOLVED** that

- the Draft West Somerset Local Plan to 2032 attached at Appendix 1 to the report, including the amendment to Policy EC10, and including the Figures and Proposals Map amendments at Appendix 2, be formally published;
- the amended Local Development Scheme timetable attached at Appendix 3 to the report be adopted;
- the schedule of which saved 2006 local plan policies are to be replaced by which new West Somerset Local Plan to 2032 policies attached at Appendix 4 to the report be endorsed;
- the request from Exmoor National Park Authority to accommodate the objectively assessed open market housing need arising from the West Somerset local authority area within the National Park be rejected; and,
- the Published Plan will be submitted to the Secretary of State following the formal representation period subject to the Portfolio Holder for Housing, Health and Well-being, as guided by officers, considering there are no substantive soundness issues raised which would warrant further amendment to the Plan.

**C99 Proposed Increase in Parking Fees**

(Report No. WSC 14/15, circulated with the Agenda.)

The purpose of the report was to set out a number of proposals for the alignment and increase to parking fees and permits.

The Lead Member for Resources and Central Support presented the item and provided Members with the background information. She drew Members' attention to the fact that there had been no increase to the current car parking charges for three years and it was proposed to introduce new tariffs in order to be as considerate and have as little impact as possible on local residents. She also made reference to the additional revenue that would be raised.

The Lead Member went on to propose the recommendation which was duly seconded by Councillor K H Turner.

**RESOLVED** that the following proposals be approved resulting in new parking charges being introduced with effect from 1 June 2015:

- A winter and summer tariff for off-street parking for West Somerset Pay & Display car parks;
- An increase and alignment of summer parking fees;
- An increase to parking permits charges.

**C100 Minutes and Notes for Information**

(Minutes and Notes relating to this item, circulated via the Council's website.)

**RESOLVED** that the notes of the Minehead Area Panel held on 10 December 2014 be noted.

The meeting closed at 6.43 pm

*Report Number:* WSC 31/15  
*Presented by:* Councillor T Taylor Leader of the Council  
*Author of the Report:* James Barrah-Director of Housing and Communities  
*Contact Details:*  
     *Tel. No. Direct Line* 01823 358699  
     *Email:* j.barrah@tauntondeane.gov.uk  
  
*Report to a Meeting of:* Council  
*To be Held on:* 18<sup>th</sup> February 2015  
  
*Date Entered on Executive Forward Plan* 18/12/14  
*Or Agreement for Urgency Granted:*

## **REGENERATION OF EAST QUAY - WATCHET**

### **1. PURPOSE OF REPORT**

- 1.1 The purpose of this report is to consider the outcome of the recent process of seeking expressions of interest from relevant organisations for proposals to facilitate regeneration of the area around the harbour at Watchet and to approve a preferred bidder to continue to work with the Council towards potential asset transfer.

### **2. CONTRIBUTION TO CORPORATE PRIORITIES**

- 2.1 The recommendations in the report may assist in obtaining a capital receipt and so supporting a sustainable future for the Council, but they will also facilitate the regeneration of this area of the town to the benefit of Watchet and the wider community.

### **3. RECOMMENDATIONS**

- 3.1 That Council approves:
- (i) To appoint the Onion Collective as the Council's preferred bidder for asset transfer of land at East Quay, Watchet.
  - (ii) The principle of entering into a three year option agreement with the Onion Collective to allow them to develop a detailed scheme design and funded business case that complies with the Council's conditions, prior to full asset transfer taking place.
  - (iii) To delegate authority to the Director of Housing and Communities to work with the Lead Member for Asset Management to negotiate and agree full terms of the option agreement.

#### 4. RISK ASSESSMENT (IF APPLICABLE)

##### Risk Matrix

Description	Likelihood	Impact	Overall
Funding for proposed scheme does not materialise.	3	4	12
<i>Completion of any future Asset Transfer will be conditional on full scheme funding being in place, this will be addressed and mitigated in Option Agreement.</i>	3	3	9
Agreement cannot be reached on financial contribution to the Council.	3	4	12
<i>Completion of Asset Transfer will only take place when full agreement reached on financial return to Council, this will be addressed and mitigated in Option Agreement.</i>	3	3	9
Proposed preferred bidder cannot fully address and accommodate the ongoing operation of the marina in the design of any scheme sufficiently to allow development to progress.	3	4	12
<i>Completion of full asset transfer will only take place once the Council is satisfied that all issue relating to the ongoing operation of the marina are resolved, this is addressed and mitigated by a condition in the Option Agreement.</i>	3	3	9
Following completion of Asset Transfer scheme does not materialise for any reason.	3	3	9
<i>Terms of Asset Transfer will include long stop dates for development and provisions for asset return to Council control if development does not materialise.</i>	3	3	9

The scoring of the risks identified in the above table has been based on the scoring matrix. Each risk has been assessed and scored both before and after the mitigation measures have been actioned.

#### 5. BACKGROUND INFORMATION

- 5.1 The Council has been seeking to facilitate the development of land in its ownership at East Quay, Watchet. For many years attempts to bring forward a commercial development with the appointed development partner Urban Splash have not proved successful. Subsequently the Development Agreement with Urban Splash has been formally terminated. Whilst certain overage provisions remain, the Council is now free to explore other avenues for this site.

The termination of the Urban Splash Development Agreement coincided with interest in the site from local residents of Watchet. For many months a group of residents have been undertaking extensive community consultation in Watchet and formulating a range of creative community projects around the town. As part of that process representations have been made to the Council concerning the potential for a creative industries development on East Quay. This dialogue has prompted the Council to consider a new route to regeneration for East Quay, following the previous failed attempts to bring a more commercially based scheme forward and look instead at facilitating a community based organisation to carry out their own proposals.

## **6. ASSET DISPOSAL**

Where the Council does not wish to develop an asset in its ownership itself, but wishes to facilitate development by disposal, there are a range of options available. The Council may under Section 123 of the Local Government Act 1972 dispose of its land as it chooses but is under a general duty to obtain the “best consideration” which is obtainable, ie commercial market value. A blanket Ministerial consent (the General Disposal Consent Order 2003) is in place to allow land to be sold at less than best consideration where the disposal will contribute to the promotion/improvement of the economic, social or environmental wellbeing of the area and that the undervalue does not exceed £2m. This route is known as Community Asset Transfer.

## **7. MARINA OPERATIONS**

As Members will be aware the Marina is leased to Watchet Harbour Marina under the terms of a long lease. This lease includes provision of on shore facilities for boat storage, fuel storage, crane operations, car parking etc. A separate lease is in place between the Council and Watchet Harbour Marina for the use of the Harbour Masters Office for onshore facilities for the marina and boat owners.

The activities of the Marina will need to be integrated into any development proposals so that the Marina can continue to operate effectively and a viable development can take place. This presents a considerable challenge to any prospective developers and forms the basis of a Council condition to be applied to this potential transaction and is considered later in this report.

## **8. SEEKING EXPRESSIONS OF INTEREST FOR COMMUNITY ASSET TRANSFER**

Whilst there is no strict legal requirement to advertise the site, during January 2015 the Community Asset Transfer development opportunity was advertised in the media to assess the extent of any interest from relevant organisations. Appendix 1 to this report contains the marketing material produced for this purpose.

The advertising resulted in a number of enquiries, however following the closing date on 30 January only one application had been received. The details of that application are set out below.

Assessment criteria for expressions of interest were created and these are attached at Appendix 2. The one completed application received is attached at Appendix 3. A draft confidential business case and supporting Appendices has also been submitted and is available for members to review in hard copy in the Council Offices.

## **9. BIDDERS SCHEME AND APPLICATION SUMMARY**

Onion Collective is proposing a workspace and cultural regeneration/community development called “East Quay Foundry”. This proposal is born from the extensive community consultations carried out in April and May 2014, and aims to deliver lasting social and economic benefits for the town. It is comprised of a Foundry building which includes high quality public space, with a double storey café/restaurant, a communal makerspace, workshops for businesses and co

working space. It also includes an expanded “Contains Art” building, including low cost flexible space for artists and a high quality gallery. A “Vertical Pier” lookout tower will enable visitors to climb to the top and experience views of the town, its coast and countryside, whilst also providing places to stay.

## 10. EVALUATION

The application submitted is comprehensive and of high quality. A panel of officers have used the scoring template to evaluate the application. The completed assessment of the Application is attached at Appendix 4. Overall the application scored 33 out of a possible score of 35. On this basis Officers are content to recommend Bidder 1, Onion Collective as the Councils preferred bidder.

## 11. NEXT STEPS

If the Council approves the recommendation to appoint the Onion Collective as the preferred bidder, the next steps and process will be as follows:-

- (i) Officers will work with the bidder and legal advisors to develop, agree and sign off an option agreement.
- (ii) The preferred bidder status and subsequent option agreement will allow the successful applicant to develop full details of a scheme, supported by the necessary approvals and a fully funded business case, with the Council’s authority and sanction. The successful applicant will also have to satisfy the Council’s two key conditions as set out at the outset of the process, namely:
  - scheme plans will be required to include the delivery of a substantial capital receipt or revenue stream for the Council.
  - agreement must be reached with Watchet Harbour Marina in relation to all aspects of interaction between the marina operations and the development proposed, to incorporate issues such as on shore facilities, boat storage, car parking, access routes etc. This will ensure all outstanding matters and lease issues can be resolved between Watchet Harbour Marina and the Council prior to any asset transfer taking place.

Suitable wording for these conditions will be developed in the option agreement. This document will also seek to protect the Council’s interests in all respects with the consideration of suitable long stop dates and break clauses.

- (iii) Once the above steps are complete it is proposed that a final decision to complete the transfer of the asset will be presented to Council for approval.

If the conditions are not met within the deadline of the Option Agreement, the preferred bidder’s status will cease and the land will not be transferred to them. The Council will then need to consider its next steps for the future of Watchet Harbour and the marina.



## 12 FINANCIAL/RESOURCE IMPLICATIONS

- 12.1 Using taxpayer-funded resources to provide assistance to an organisation in a way that gives an advantage over other organisations may be a state aid issue. The total de minimis aid which can be given to a single recipient is 200,000 euros over a three year fiscal period. This issue will need early consideration if the Onion Collective is selected as the preferred bidder.
- 12.2 West Somerset currently has a severely limited capital programme due to a lack of available funding. Whilst this proposal may deliver a substantial capital receipt the Council needs to ensure that best value is obtained from the sale of all of its surplus assets to fund future capital priorities.
- 12.3 As the proposal moves forward it will be necessary to consider potential VAT implications as these may impact on scheme costings.

## 13. COMMENTS ON BEHALF OF SECTION 151 OFFICER

- 13.1 This proposal is in line with the West Somerset Capital Strategy, a key part of which is to fund future capital expenditure through the disposal of surplus land and building assets. Further due diligence will be undertaken on the financial appraisals submitted as part of the bid prior to final transfer.

## 14. EQUALITY AND DIVERSITY IMPLICATIONS

- 14.1 **Members need to demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process.** The three aims the authority **must** have due regard for are:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

15. There are no implications directly associated with recommendations in this report, the details of any final scheme will fully consider equalities issues.

## 16. CRIME AND DISORDER IMPLICATIONS

- 16.1 There are no implications directly associated with the recommendation in this report.

## 17. CONSULTATION IMPLICATIONS

- 17.1 Although no consultation has been carried out by the Council directly, officers have had sight of extensive community consultation which has been carried out by the applicant and these are referred to in their submission. Further consultation will be undertaken as the scheme develops and via the planning process.

## **18. ASSET MANAGEMENT IMPLICATIONS**

- 18.1 Asset Management implications are set out in the main body of the report. However the proposed scheme has the potential to address a number of Council assets that have historically been difficult to manage or are currently in a poor condition or not fully utilised. The project has the potential to realise both financial and community value from a currently dormant asset so is considered a sound asset management decision. In addition the Council fully expects to receive either capital receipt or income from this asset? Albeit that members need to realise such returns may not be forthcoming for a number of years.

## **19. ENVIRONMENTAL IMPACT IMPLICATIONS**

- 19.1 No adverse impact, the scheme will be undertaken in accordance with all relevant regulatory requirements. The scheme as proposed will enhance the physical environment around the harbour.

## **20. HEALTH AND WELLBEING**

Demonstrate that the authority has given due regard for:

- People, families and communities take responsibility for their own health and wellbeing;
- Families and communities are thriving and resilient; and
- Somerset people are able to live independently.

Many of the community benefits outlined in the potential scheme for this site will have a positive impact on community health and wellbeing.

## **21. LEGAL IMPLICATIONS**

There are several issues that members need to be aware of when considering this issue: the regulations surrounding the disposal of land for less than best consideration (as mentioned above); the implications of disposing of land to a third party who will have the control to make decisions about the management and development of that land and, in particular the need to ensure that the public procurement regulations are not breached; and issues of state aid around the potential undervalue grant of land to a third party.

Confidential legal advice is attached at Appendix 5.

### **Appendices.**

1. Site marketing material.
2. Bid Assessment Criteria
3. Bidder 1. Application
4. Bidder 1. Assessment
5. Confidential Legal Advice.

## APPENDIX 1

### **Community Development Opportunity – East Quay, Watchet**

Have you – or your group – good ideas on how East Quay and Watchet Harbour, could be changed and improved to benefit the community?

West Somerset Council owns the land at East Quay (described below). The Council is committed to the regeneration of the area for the benefit of the economic and social well-being of the people of Watchet and its visitors.

West Somerset Council considers that the best way to achieve this may be to release the East Quay to a body or bodies who have realistic and sustainable plans to regenerate and develop the area. It is therefore keen to hear from any organisation who believes it can produce and undertake viable development proposals, whilst respecting existing rights and obligations.

The East Quay land incorporates an area from the cliff edge to the sea wall, including the Harbour Master's Office, former Quay West Radio Building and an area of land leased to Watchet Harbour Marina Limited.

The Council is looking for creative and viable Expressions of Interest from those who would be interested in the regeneration and/or community-based development of this area.

To request an application pack please contact Kathryn Gilligan, West Somerset Council, West Somerset House, Killick Way, Williton, TA4 4QA or by email to

[kjgilligan@westsomerset.gov.uk](mailto:kjgilligan@westsomerset.gov.uk). If you wish to further discuss the Council's intentions in more detail please contact Tom Gillham on [T.gillham@tauntondeane.gov.uk](mailto:T.gillham@tauntondeane.gov.uk)

Completed application packs must be submitted by 12 noon on 30<sup>th</sup> January 2015.



# **WEST SOMERSET COUNCIL COMMUNITY DEVELOPMENT OPPORTUNITY RELATING TO LAND AT EAST QUAY, WATCHET**



**Brief produced: January 2015**

## **Community Development Opportunity - Watchet East Quay**

### **Introduction**

West Somerset Council are the owners of the land known as the East Quay area in Watchet (shown edged in red on the plan) the land incorporates the East Quay, the Harbour Master's Office, former Quay West Radio Building and the Watchet Harbour Marina (shown hatched blue on the plan) and are seeking creative and viable Expressions of Interest from any persons who would be interested in the regeneration/community development of this area.

### **A Great Location**

Watchet is a small town with a population of approximately 4,500. It is situated on the coast of the Bristol Channel, between the Brendon and Quantock Hills making it a key destination to visit and live. The great challenge for Watchet has been to raise the quality of the built environment to establish it as a desirable place to live and work.

### **Incorporating Existing Interests**

The Expressions of Interest would need to take into consideration the Harbour Marina, Land & Buildings, specifically accommodating the needs of the Marina such as a shared office space, toilet/marina facilities, and space to accommodate storage for up to 18 boats plus car parking. The Marina is covered with a long lease (with around 115 years remaining) and therefore requires on-shore operational facilities to be made available that will need to be appropriately considered and built into your proposal for the site.

The preferred bidder will need to reach agreements with the current owners of Watchet Harbour Marina and the Council on the design, boundaries and reasonable access arrangements on the site (both onshore and offshore). The proposal must provide a safe environment and high quality experience for visitors, customers and boat users facilities, as expected from a successful working Marina.



The site also comprises the Harbour Master's Office and the former Quay West Radio buildings (see pictured above) and associated land in any scheme proposed and the

impact on the current lease held by Watchet Harbour Marina in relation to the Harbour Master's Office and its revenue.

### **Access arrangements**

The site is accessed by Harbour Road and is bordered to the southern boundary by the West Somerset Railway line. The eastern boundary by the coastline adjoining Splash Point and the Pleasure Gardens to the northern boundary by the sea and to the western boundary across the Marina. The Marina was constructed and opened in 2001 and has the capacity for approximately 240 berths.

### **Something Special for Watchet**

Proposals for the comprehensive development of this site should be able to demonstrate how a quality development can enhance and improve the area. The proposal is to include the current marina, the area known as the East Quay, the Harbour Master's Office and the old Quay West Radio building.

### **Expectations and Value**

There is a great opportunity to deliver regeneration on this site and create lasting value for Watchet and therefore the Council is expecting a substantial capital receipt to be offered by the successful applicant, from the significant benefit released by a future asset transfer. Any applicants will have to demonstrate wider community benefit to be derived from the scheme proposed to support a possible Asset Transfer route i.e. less than full market value.

### **Fresh Approach Encouraged**

This brief is purposefully unrestrictive in its scope. At this stage, our aim is to seek practicable but imaginative proposals that will bring the site forward in a way which facilitates the growth, regeneration and community benefits to this area.

### **Summary of Information required in your Application**

Please provide:

1. Your full name, address and telephone number:
2. Details of your organisation:
3. Details of available funding:
4. Business plan for the site and a statement outlining how your proposals will accord with the requirements for the site and in particular, complement and enhance the Conservation Area.
5. Community benefit:

### **Deadline for return submissions**

The closing date for Expressions of Interest to be received by:

**12 noon on Friday 30<sup>th</sup> January 2015.**

Interested parties are invited to submit their written proposals and please return your application to: Kathryn Gilligan, West Somerset Council, West Somerset House, Killick Way, Williton, Somerset, TA4 4QA or email to: [kjgilligan@westsomerset.gov.uk](mailto:kjgilligan@westsomerset.gov.uk).

### **Any further queries**

If you have any questions regarding this brief and would like to discuss this further please contact: Tom Gillham, Assistant Director, Asset Development Projects. Email: [T.Gillham@tauntondeane.gov.uk](mailto:T.Gillham@tauntondeane.gov.uk) (alternatively Tel: 01823 356471 or M: 07585306981)

### **Legal**

*Please note: the Council will not be liable for any costs incurred by third parties through the preparation of expressions of interest.*

*This brief is set out as a general guide only and do not constitute an offer or contract. None of the statements contained in these particulars as to the property are to be relied on as statements of facts. The Council reserves the right to retain all submission material.*

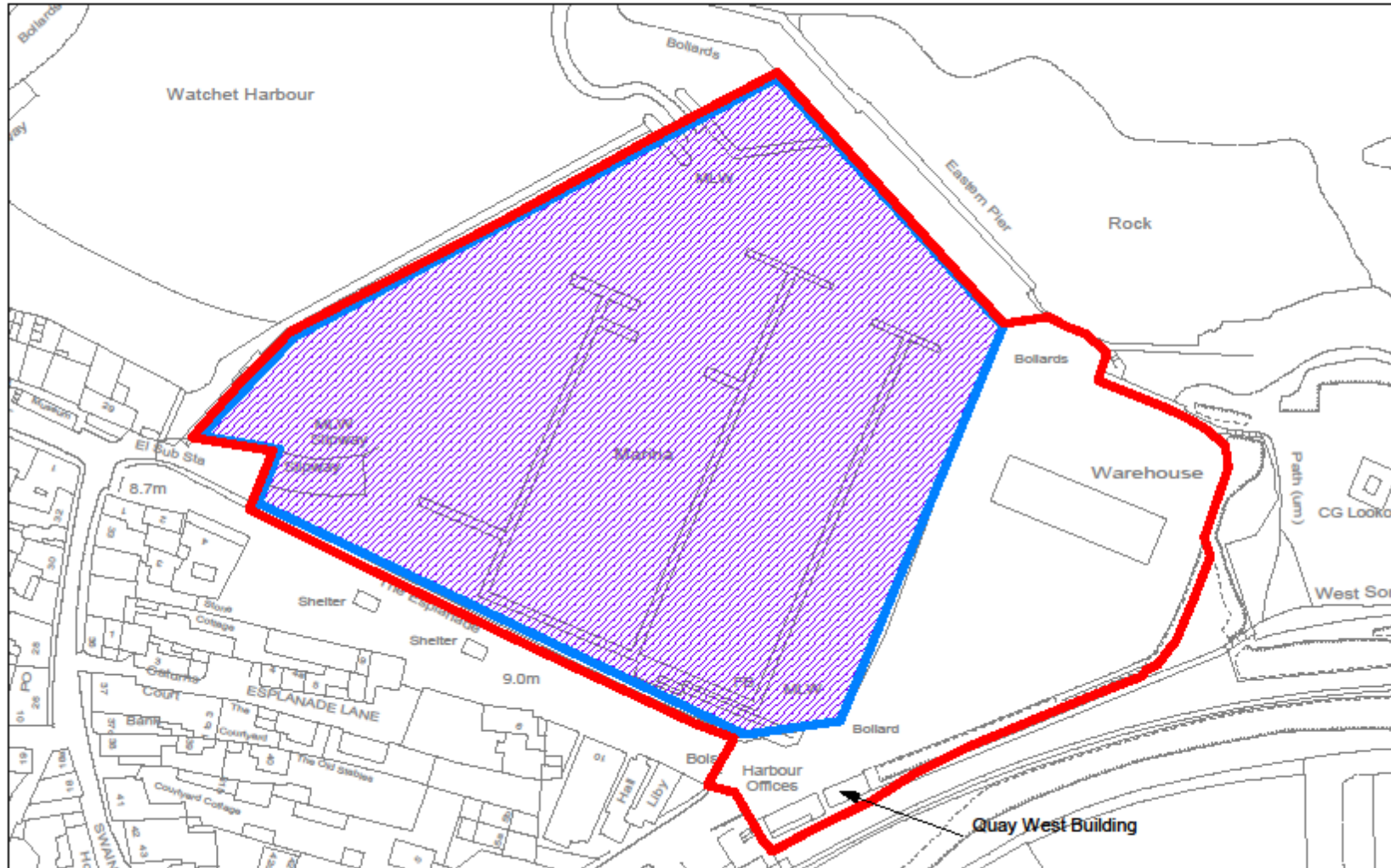
*Bidders are advised to make their own enquiries as to legal rights and obligations and any other relevant facts.*





# WEST SOMERSET COUNCIL

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Scale 1:1250  
Date Produced 14/01/2015



Eol No: .....

## ASSESSMENT EXPRESSIONS OF INTEREST FOR THE LAND AT EAST QUAY WATCHET

Quality and evidence of response to questions: Score = 0 to 5 marks

**0 = no response**

**1 = fair/missing some key information in parts**

**3 = satisfactory generally good but parts ambiguous**

**5 = excellent, comprehensive and clear evidence with examples**

Section A: Is the organisation constituted does it have charitable status Yes/No

Section B (ii) Is the proposal clearly defined? Yes/No

Criteria	Score				Total	Comments:
	0	1	3	5		
<b>► Section B</b>						
(iii) Does the bidders proposal identify clear benefits to Watchet and the wider community in line with the wider aspirations and economic regeneration of Watchet? For example town plan, or any recent consultation with residents and businesses						
(iv) (a) Does the proposal clearly explain how it will deliver intended achievements?						
(b) how it will measure/increase community value e.g. job creation, training, visitors etc.						

(v) (a) Have they provided a basic business plan or indicated where funding would come from?						
(vi) Would the proposal be beneficial to other businesses/local economy in Watchet?						
(vii) How does the proposal contribute to the wider regeneration of Watchet in respect of enabling wider development opportunities for the Town and West Somerset?						
(viii) Does the proposal demonstrate viability with existing parties						
<b>TOTAL SCORE</b>						

**Supporting evidence for reference only:**

1. Expressions of support or evidence from community groups/local businesses/public/support collaboration from other stakeholders
2. Does proposal increase value of WSC retained land/assets in the vicinity e.g. car parking etc.
3. Capacity of the organisation to deliver, including qualifications and experience

<b>Are Financial benefits to Council stated e.g. capital revenue Yes/No</b> <b>Amount: £</b>
---

**Signed:** .....

**Name:**.....

**Dated:** .....



## Expression of Interest Application Form

### COMMUNITY DEVELOPMENT OPPORTUNITY RELATING TO LAND AT EAST QUAY, WATCHET

#### SECTION A: Applicant's Details

Organisation  
Name:

Onion Collective Community Interest Company

Address:

Mayfly Studio  
41B Swain Street  
Watchet

Postcode:

TA23 0AE

Telephone Number:

07799 260854

E-mail Address:

jess@onioncollective.co.uk

Contact Name(s):

Jessica Prendergrast

Position in  
organisation:

Director

Is your organisation:

Parish/Town Council

No

Formally constituted Club/Association/Trust

No

Registered Charity

Yes

No

Other

*Please specify*

**Community Interest Company (Company Number: 8323538)**

Does your organisation have a constitution? If yes, please provide a copy with your application.  
See attached at Appendix A

Yes

No

## SECTION B: Details of Proposed Project

(i) Project Name:

East Quay Foundry

(ii) Please give details of your proposal

Onion Collective CIC proposes building a workspace cultural development that sits alongside and complements Watchet Harbour Marina. Situated in the southern third of the East Quay site, the development will use architecture to promote public space, provide an interesting place to visit, enable low cost work spaces for start-up businesses, entrepreneurs, artists and makers and provide a beacon that will attract visitors from far and wide, putting Watchet deservedly on the tourist and business map.

The scheme comprises of 3 separate but interconnecting elements:

### **A work 'Foundry'**

The work Foundry will sit along the eastern edge of the site, parallel to the West Somerset Railway. It will be made up of a communal makerspace, individual studios, co-working space, a restaurant café, courtyards and walkways. Its function is two-fold. First it will act as a 'welcome' to the site, inviting visitors to continue their walk from the Esplanade and to explore and interact with the activity taking place there. Public space and visitor interaction is a key theme, multiple 'entry points' will invite people to wander through the site, sit in courtyards, watch makers at work and enjoy the views of the surrounding town, marina and landscape. The restaurant will provide great food at reasonable prices and enable enjoyment of the views even in bad weather.

Secondly, but importantly this building is about fostering work, business, opportunity and a sense of purpose for people of West Somerset. The ground-floor communal makerspace is a place of inspiration, learning and skills sharing. Following a model that is gaining momentum world-wide, a makerspace is essentially a 'tool library' with shared benches for hobbyists, students and start-up businesses alike. Taking its lead from the Men Shed Movement makerspaces are well known as places that promote positive mental health, social interaction and a sense of purpose. On the first floor there will be individual studios for businesses who are more established and need their own space, and also co-working space, for businesses who work digitally but would prefer working with others for networking and social reasons, but cannot necessarily afford office space.

### **The Vertical Pier**

This 'walkway to the sky' lookout tower is inspired by Victorian piers common in coastal towns. Places where people can go to experience the beauty and exhilaration of the sea and surrounding landscape, where visitors can walk up the tower to a 'lookout' pod at the top and see unsurpassed views of West Somerset and its coast. Because this is a community enterprise, the walkway is literally wrapped around one of the revenue streams that supports the whole project - a lookout made up of beautiful, bespoke, extraordinary places to stay one on top of each other.

These pods will be not dissimilar to beach huts, light and low tech but bespoke, unusual and gem-like. The architecture of the Vertical Pier is intended to reflect coastal structures such as lighthouses and beacons and celebrate the eclectic vernacular of Watchet's built environment.

### **Contains Art**

The site currently is home to a grassroots community arts project, Contains Art. Housed in refurbished, repurposed shipping containers, and built by volunteers from the town, it has a burgeoning reputation and has already had a demonstrable significant social impact in an area of low cultural engagement. An expansion of this project will become the flagship cultural tenant in the scheme. The new building will house a double height gallery that will widen the reach and scope of the project, meaning that touring exhibits of national import can be proudly shown here. The new Contains Art building speaks of traditional wharf-side



design: it is lightweight, flexible and the workspace area will be flooded with northern light in order to give artists the low cost, but flexible, light space they need, within a vibrant, busy working environment that promotes networking, collaboration and social interaction.

The project will also include enhanced **Marina facilities**, including upgraded and larger showers, toilets and laundry facilities, a new double storey Marina office with views over the marina and boatyard, plus the retention of 43 berthholder car parking spaces on the quayside, rather than on Harbour Road.

## SECTION B: Details of Proposed Project (continued)

(iii) Please specify how your proposal will benefit the Watchet area and wider community.

This proposal is developed from in-depth community consultation. In April and May 2014, Onion Collective conducted a consultation 'campaign' to establish what Watchet people wanted to enable a stronger future for their town. The consultation reached around 500 people, included 10 workshops, hardcopy and on-line questionnaires, visitor comment cards, drop in sessions, youtube videos, market stalls and school fete stands and made full use of social media. All the ideas gathered from this exercise were counted and weighted and resulted in 4 regeneration proposals, of which the East Quay workspace and cultural development is one. We believe that true regeneration is only possible when it is led by local people. In this way the West Somerset community can feel ownership of this project and are more likely to become involved and feel that the development is theirs, thereby utilising the benefits and in turn helping to ensure its success. We have divided the benefits into social and economic. The social benefits include the following:

### **Skills swap, knowledge transfer, training and mentoring**

An important ethos of the whole scheme is that knowledge and skills are transferred in a circular fashion. Projects will be run for those who have knowledge and skills, but perhaps lack a sense of purpose or social network and which can help those who are just starting out on their entrepreneurial journey. Younger people may be able to help older people with modern technologies such as digital programming or social media. Those learning new skills can 'pay' by imparting the skills they already have and so on. In this way training and mentoring will take place, skills will be swapped and vital knowledge, such as traditional rural skills will be passed to a new generation. Upskilling will take place in a way that does not involve costly consultants or courses, and an ethos of 'learning by doing' is fostered and encouraged.

### **Stimulating the involvement of local people in shaping their community**

The Contains Art project was an important marker in understanding the power of community engagement in social enterprise. The containers were refurbished entirely by community volunteer members, and as such those that were involved retain a strong sense of ownership in the project, many now running community events, courses and even meals at the space. This is something that Onion Collective wish to learn from and expand upon. In terms of the East Quay proposal this can take many forms, an active involvement in helping to decide what takes place has already been established, with the result of strong public support for the project. There is wide remit for strong continued public involvement, not least with using the actual build as a mechanism for upskilling, and training, something which Invisible Studio are especially keen to take forward. Other projects could also take place, such as the restoration of Splash Point. There has also been keen interest in running public events, music, theatre and film events, community meals and mini festivals. All of which have the potential to be community-run and community-led, and which have the effect of binding communities together, inspiring confidence, passing on skills and empowering people to believing that they can shape their own community.

### **Supporting the social enterprise sector to thrive locally within the national movement**

The social enterprise sector is rapidly gaining momentum. The central aim of using business to affect social good, means that working for a 'good cause' can also be financially viable and resilient rather than relying solely on charitable gifts and government grants. Imagine a future if most business ran on this ethos! Onion Collective wish to use their combined experience in the social enterprise sector (specifically Minehead Eye and Contains Art) to inspire and train new generations of social entrepreneurs, and help empower them to set up their own social enterprises in West Somerset. Using the preferred method of 'learning by doing' apprentices will have the opportunity to learn, make mistakes, deal with challenges and difficult situations in the 'real world' and realise that nothing (or very little) is insurmountable and that a combination of hard work, intelligent thinking and team work make most things possible.

### **Helping mental health and reducing isolation and loneliness**

Watchet is in the top 10<sup>th</sup> percentile nationally for mental health issues, according to the 2011 census. As a particularly rural district, West Somerset often suffers from the problems that go hand in hand with rural living. Isolation, loneliness and lack of a support network can severely impair mental health. A key aspiration for the East Quay project is to bring people together, particularly for business and social support. The project aims to give people a sense of purpose and an understanding that they are part of something important.

The Menshed Movement is an excellent example of how this can be shown to work effectively. Where different generations of people come together, solve problems, make friends, share skills and collaborate on projects.

### **Individual benefits of confidence, pride; shifting of aspirations for young people**

Changing low aspirations in young people is one of the key motivating factors for Onion Collective. Two OC Directors are also Director and Chair of Minehead Eye and as such have a real understanding of the problems that young people currently face across our District. All four OC Directors are bringing up children in the area, and wish to create opportunities for young people, so that they don't have to move away to get a job, they would be able to gain the confidence and skills to empower them to start their own businesses in West Somerset in the understanding that further business support is available to them when needed.

### **Increasing opportunities and access to public engagement in the arts**

Culture-led regeneration has a proven track record for uplifting and transforming towns. The coastal towns of the South East are a particular case in point. Towns such as Margate, Whistable, Folkestone and Hastings have received significant investment through the arts and as such their economies are boosted and community confidence and engagement increased. Anthony Gormley's Another Place in Crosby attracted 600,000 extra visitors in its first 18 months, therefore the role of the arts in regeneration is a proven and successful one. However in Watchet Onion Collective aim to put a particular focus on participation, so that the arts play a strong role in building cohesion in communities. Our aim is to democratise art, so that children growing up here will have the confidence to see it as a method of understanding and communicating what it means to be human, rather than view it as an elitist, incomprehensible art form, meant for 'someone else'. We want children to grow up familiar with seeing art is pure communication, and to feel as at home in a London gallery as any one.

The economic benefits of the proposal include the following:

#### **Direct and indirect savings and income to the Council:**

Maintenance savings on Quay West and Harbour Masters.	£10k	Conservative estimate
Not re-running tender process for	£50k	Conservative estimate; £275k sunk

housing development.		costs due to Urban Splash; of which £150k written off.
Car-parking income related to retention of Harbour Road spaces.	£150k	Half of Harbour Road brings approx £13k pa; calculated over 10 years with compound interest.
Additional car-parking income related to additional visitors.	£80k	Calculated over 10 years with compound interest; based on impact of Verity on Ilfracombe parking take.
Business rates from new business premises and workspaces.	£192k	Calculated over 10 years with compound interest; approx half retained directly by Council.
<b>Increase in visitor numbers and spend:</b>		
Additional visitor numbers visiting Watchet for a significant period of time due to development.	100k	Range of scenarios considered based on EKOS Consulting methodology and analysis of impacts of harbour-side developments across UK. Range from 8k (2% increase) to 250k (25% of all WS visitors visit Watchet).
Additional visitor spend.	£2.3m	Range of scenarios considered based on EKOS Consulting methodology and known day/overnight spend figures. Range from £80k to £5.5m.
Value of financial savings across multiple agencies/HMT due job creation	£5.4m	Calculated against DWP cost-benefit value of a jobseeker entering work (£10025 pa), over 10 years, with no compound interest applied (see CLG/Manchester and Birmingham Councils Unit-Cost Database and DWP Social Cost-Benefit Analysis framework (Working Paper 86).
Value of financial savings to HMT due to apprenticeships	£40k	Based on Apprenticeship Level 2 Qualification. Over 10 years, with no compound interest applied. See CLG/Manchester and Birmingham Councils Unit-Cost Database. BIS (2011): Returns to Intermediate and Low Level Vocational Qualifications.
<b>Inward investment and multiplier effects:</b>		
Capital investment in development	£2.5m	Based on build estimate on current plans; grant/social investment funded.
Multiplier effect	£690k	For every £1 spent locally there is an additional 30 pence injected into the local economy from further rounds of spending. Based on additional visitor spend only - not taking into account spend due to extra jobs, or due to proportion of the capital build costs that will be spent locally.
Knock-on regeneration benefits for wider district, generating inward investment (the Padstow effect)	?	Not quantified due to too many unknowns at present time.

Growth benefit of collaborative environment for the individuals and businesses operating from the Foundry	?	Not quantified due to lack of monetized impact figures but significant evidence gathered by NESTA of higher growth where businesses cluster and collaborate due to greater innovation.
<b>Not-so-easily monetizable social and community benefits:</b>		
Skills swap, knowledge transfer, training, mentoring within communal Makerspace.		
Stimulating the involvement of local people in shaping their community.		
Supporting the social enterprise sector to thrive locally within the national movement.		
Increasing volunteering and opportunities and space for community interaction.		
Helping mental health and reducing isolation and loneliness, for example, echoing the menshed movement that is taking place in shared workshops all over the country – of different generations of people coming together, solving problems, making friends.		
Individual benefits of confidence, pride; shifting of aspirations for young people.		
Increasing opportunities and access to public engagement in the arts.		

(iv) Please help us understand what your project will achieve and what success will look and feel like?

(Please see enclosed book of architectural designs). The projects objectives are entirely formed from the extensive community consultation carried out in April and May 2014. The results of the consultation produced the following objectives:

**Watchet Community Objectives:**

- Create more for visitors to do (Tourism)
- Meet the needs of the community, including young people (Community)
- Generate jobs and enterprise (Jobs & Enterprise)
- Deliver improved public space (Public Space)
- Enhance the arts/cultural offer (Culture)
- Enhance the marina/maritime offer (Maritime)
- Exhibit high quality, sensitive design (Architecture)
- Improve cycling/walking infrastructure (Pathways)
- Celebrate the coast, heritage, geology of town (Heritage)
- Retain and build on the unique vibe of the town (Vibe)
- Effectively market/brand the towns offer (Brand)
- Improve parking and traffic management (Parking)
- Enhance Civic Space (Civic)

The East Quay workspace and cultural development will achieve these objectives by:

1. **Create more for visitors to do:** Visitors will be able to explore the courtyards, pathways and public space of the development, watch makers at work, climb the Vertical Pier and see unsurpassed views of spectacular coast and countryside. They can visit the nationally interesting gallery, and watch and participate in events, meals, performances, and festivals that take place in the development. They will also be able to eat, meet friends and relax in the new 2 storey café/restaurant, sitting inside or out in the courtyard to admire the views.
2. **Meet the needs of the community:** The development will meet the needs of the community on many different levels, from providing quality public space in the heart of town, to providing a place of work and learning, to upskilling, to year round community events taking place there. The whole concept of the development is entirely bound up in meeting the needs of the community.
3. **Generate jobs and enterprise:** The work Foundry and Contains Art are very much about generating new business and enterprise. 20 new jobs will be created by the Foundry building and there will be space for 10 artist studios in Contains

Art. Low cost workspace and business support will be a key element of the development. The accommodation pods and café will also generate 33 related jobs and plus opportunities for apprenticeships.

4. **Public Space:** High quality public space is an important factor in the scheme and will enable community events, performance, workshops and mini festivals to take place, as well as providing a vibrant place to relax, meet friends and soak up the atmosphere.
5. **Enhance the cultural offer:** Contains Art will provide space for 10 flexible low cost artist studios, plus an improved gallery suitable for national exhibitions and provide community space to house projects and events that encourage community participation.
6. **Enhance the maritime offer:** The development will include brand new marina facilities, with upgraded and larger showers, toilets and laundry facilities. It will also include a new double storey marina office with views over the marina and boatyard.
7. **Exhibit high quality architecture:** Invisible Studio is one of the most exciting architectural practices in UK today. Piers Taylor was Studio Master at the University of Cambridge and is Fellow of the Institute of Architecture. Building structures that speak explicitly of their surroundings and context is a vital part of the Invisible ethos, as well as using collaboration, and exceptionally local materials, they are interested in designs that fit within their context but are also relevant and exciting in the 21<sup>st</sup> Century.
8. **Improve pathways:** Pathways, flow and public movement is an important element within the architectural themes of the development. Pathways will lead you up, around and through the development, culminating in a pathway up the Lookout Tower to the views at the top.
9. **Celebrate the coast, geology and heritage of the town:** All these elements will be celebrated within the architecture, views of the coast from the lookout tower, local materials such as Blue Lias being used as a building material and the heritage is celebrated in the wharf-like Contains Art building, and the contextual vernacular of the architecture and the celebration and continuation of Watchet's industrial heritage.
10. **Retain the unique vibe of the town:** Watchet's vibe is about hard graft, community cohesion, fun and activity and Onion Collective want build on all of this by encouraging more of it. The development will take on a kind of 'village green' effect, by running year round events and activities, performance, exhibitions, music and (perhaps) even dancing!

This development is far more than the sum of its buildings; its concept is about developing the maximum public benefit possible, whilst running as a business. As a social enterprise, the added value is what makes the development worthwhile. It is Onion Collective's aim to create a 'game changing' development that will truly transform the lives of the people who live in the area, by creating work opportunities, by becoming a social network through activities and events, encouraging volunteering and ownership of the project by local people and by fostering confidence and wellbeing so that those who take part feel empowered to start their own businesses. For example, the makerspace will be a shared workshop for use by the community and businesses, and will help to improve skills and employment opportunities for young people. There will be year round skills sharing projects and courses, which will help to alleviate mental health issues and combat loneliness.

The number of jobs and apprenticeships created will be as follows:

**Direct and indirect job creation and apprenticeships:**

Foundry and workspace based jobs	11 jobs	Based on rentable workshops, office and workspaces floor area and applying English Partnerships
----------------------------------	---------	---

How you intend to measure added value. For example, may be the creation of new work or training places generated by the proposal

		workspace densities part for workshops and part serviced offices. Makerspace floor area excluded.
Restaurant, self-catering and gallery based jobs	10 jobs	Based on floor space and applying English Partnerships workspace densities for café/restaurants etc.
Indirect jobs related to additional visitor spend	33 jobs	Based on mid-scenario spend above; starting point of EKOS Consulting calculations for jobs supported by additional visitor spend; but reduced by approx 50% due to more conservative approach than EKOS and to avoid double counting.
Value of financial savings across multiple agencies/HMT due job creation	£5.4m	Calculated against DWP cost-benefit value of a jobseeker entering work (£10025 pa), over 10 years, with no compound interest applied (see CLG/Manchester and Birmingham Councils Unit-Cost Database and DWP Social Cost-Benefit Analysis framework (Working Paper 86).
Apprenticeships offered	5 +	In Makerspace, social entrepreneurship and with businesses operating from Foundry as well as during the build phase itself.
Value of financial savings to HMT due to apprenticeships	£40k	Based on Apprenticeship Level 2 Qualification. Over 10 years, with no compound interest applied. See CLG/Manchester and Birmingham Councils Unit-Cost Database. BIS (2011): Returns to Intermediate and Low Level Vocational Qualifications.

There is a comprehensive monitoring and evaluation system as set out in the business plan section 11 which describes our detailed approach to measuring the many and varied different value elements of the project.

(v) Please give us an idea of how you intend to fund your proposal.

We have identified a number of potential capital funding streams for the build phase of the project. Many of these are time sensitive and more research will be carried out over the coming months to ensure we have a resilient and realistic funding mix which will work within our timeframes. Creating the combinations needed for a robust capital funding plan can be difficult however this project can be split up and phased with different elements funded from different funding streams and taking place over a longer period of time. The expansion of Contains Art, for example, could be in receipt of funding separate from the main build and give some flexibility over the build times, however this will potentially incur some additional build costs.

(  
The table below outlines some of the funding sources which we believe fit well with the project and which would be appropriate in the current funding and build timeframe.

<b>Major capital grant funds</b>	<b>Min</b>	<b>Max</b>
----------------------------------	------------	------------

Power to Change	-	£1,000,000
Coastal Communities	£50,000	£2,000,000
Henry Smith Charity	£20,000	£150,000
<b>Specific grant funds</b>		
Arts Council England	£10,000	£500,000
Garfield Weston (Arts)	£1,000	£100,000
<b>Other funding options</b>		
Social investment/private investment	-	£500,000
Local philanthropy	-	£500,000
Community share issue	£20,000	£33,000

### **Power to Change**

The Power to Change is a new, independent charitable trust, set up with a £150 million endowment from the Big Lottery Fund. Power to Change will specifically fund community enterprise at all levels from start-ups to established organizations, and will fund capital and revenue, often in combination. Funding and support will be available to organisations at each stage of their journey to becoming a sustainable community business, from inspiring and nurturing ideas to scaling up and expansion.

In the coming months, the Power to Change will operate an initial grants programme for existing community businesses already making a difference in their local communities. We have been working hard to ensure that Onion Collective CIC and the projects we are working on are known to the fund's CEO and trustees to which end we have recently submitted a short film to their national film competition, and won first prize! The interim CEO has laid out his interest in an email, stating; "I want to come down and see what is happening in Watchet because judging by your plans, your track record and your winning film entry(!) you are exactly what we are looking for to apply to us for grants in the new year. My Chairman feels the same and has talked about the Onion Collective at several board meetings as an exemplar of the kind of local organisations we want to see grow and challenge the big national names and in the process put their town and community on the map".

We are fully engaged in the 'pipeline' activities for this fund including completing their Community Enterprise Checker, diagnostic tool and have met with an assessor to begin initial discussions about our funding requirements.

### **Coastal Communities**

This fund is designed to support economic development in coastal and seaside areas. The Coastal Communities Fund was created in 2012 to invest in seaside towns to help them achieve their economic potential, reduce unemployment and create new opportunities for young people in their local area.

The Coastal Communities Fund is designed to support the economic development of coastal communities by promoting sustainable economic growth and jobs, so that people are better able to respond to the changing economic needs and opportunities of their area. Capital and revenue grants are available for a wide range of applicant organisations and projects which benefit coastal communities.

Three rounds of the Coastal Communities fund have been completed with very local projects (The Beach Hotel and Steam Coast Trail) securing funding. It has not yet been confirmed that there will be a Round 4 of the fund but it has been a very successful funding stream and we are anticipating a further round of funding in 2016/17. In terms of fit with the East Quay project Coastal Communities is a good funding match and the focus is particularly around job creation, tourism and opportunities which reflect the aspirations of Onion Collective for this scheme.

### **Henry Smith Charity**

The Henry Smith Charity is a large grant making charity. They make grants totalling approximately £25 million each year for both capital and revenue projects throughout the UK for initiatives and projects that address social inequality and economic disadvantage.

The Henry Smith fund fits particularly with the makerspace and community elements of the East Quay development with some of their categories of work including projects that promote positive mental health, working with older people with priority given to projects in areas of high deprivation and those where rural isolation can be demonstrated, and projects and services that help maximise the potential of young people who experience educational, social and economic disadvantage

### **Arts Council**

A specific grant funder that must be considered is the Arts Council England (ACE), in light of the creative sector focus of much of the workspace. Initial discussions with the Somerset ACE relationship manager suggests that some potential may exist for strategic funding – particularly if the project can be conceived as growing out from the pilot Contains Art project. Certainly Grants For the Arts may offer some opportunity for start-up funding in the early stages and it may also be possible to apply for capital funding through this route. It should also however be recognised that ACE has gone through a period of contraction, and that national government support for Arts projects is certainly on the wane – though on the flipside its support for the ‘creative industries’ remains solid and encouraging.

### **Garfield Weston and similar trusts**

There are a number of trust funds, Garfield Weston included who have a strong focus around arts funding, and this can often be for contribution towards capital build projects. Further research will need to be carried out to explore the routes in to specific trust funding and how it fits with the rest of the project and the funding mix. Trust funding can often be particularly beneficial as they are often keen to build a supportive relationship with projects and fund both capital and revenue over a number of years where the project clearly responds to their focus for activities.

### **Social/private investment**

Social investment as a way to fund social enterprise development is certainly ‘of the moment’ and the market is growing with some rapidity – including major funders such as the Lottery joining the more niche providers. We have also begun initial discussions with a number of potential private investors who are interested in the scheme. Repayments for any loan will need to be factored in to the revenue budgeting and appropriate negotiations undertaken. Both social and private investors expect solid returns on their investments and can often be even more robust in their analysis of the business plan than grant funders.

### **Local philanthropy**

In line with potential private investors as mentioned above, we have also begun to explore potential philanthropic donors, particularly with local connections and/or those who have a specific interest in one or more elements of the scheme. There are of course no guarantees with this source of funding but with appropriate time invested can show very good returns. We are taking advice as to the best approaches for this source of funding and working with a number of different individuals.

### **Community share issue**

It will also be important to pursue smaller and community-based funding options, such as fundraising, possibly through a crowd-funding model, ‘buy a brick’ type schemes, and potentially a community share issue – these routes are unlikely to bring significant monies but they can play a crucial role in convincing other funders of local commitment to and enthusiasm for the project.



## SECTION C: Declaration

I confirm that I have read and understood the guidance notes and I am authorised to sign on behalf of the applicant:

<b>Signed:</b>		<b>Date:</b>	29.01.15
Print Name	Jessica Prendergrast		
Position in organisation:	Director		

## SECTION D: Next step

Please return the completed Expression of Interest form to:

**All applications must be returned by 12 noon on 30<sup>th</sup> January 2015**

Kathryn Gilligan  
 West Somerset Council, West Somerset House, Killick Way, Williton, TA4 4QA  
 Email: [kjgilligan@westsomerset.gov.uk](mailto:kjgilligan@westsomerset.gov.uk) Tel: 01984 635265



## EoI No: 1 - Onion Collective

## APPENDIX 4

## ASSESSMENT EXPRESSIONS OF INTEREST FOR THE LAND AT EAST QUAY WATCHET

Quality and evidence of response to questions: Score = 0 to 5 marks

**0 = no response**

**1 = fair/missing some key information in parts**

**3 = satisfactory generally good but parts ambiguous**

**5 = excellent, comprehensive and clear evidence with examples**

Section A: Q. Is the organisation constituted & does it have charitable status. A. Not charitable but formally constituted (CIC).

Section B (ii) Q. Is the proposal clearly defined? A. Yes, in terms of the scheme and very clearly set out

Criteria	Score				Total	Comments:
	0	1	3	5		
<b>► Section B</b>						
(iii) Does the bidders proposal identify clear benefits to Watchet and the wider community in line with the wider aspirations and economic regeneration of Watchet? For example town plan, or any recent consultation with residents and businesses					5	OC have done consultation with the community and have also made reference to local priorities, job creation, social well-being, community benefits etc..
(iv) (a) Does the proposal clearly explain how it will deliver intended achievements?					5	Excellent indications at an early stage they have described how they would seek funding. Acknowledged by panel that it is too early in the process to set out details on how they could confirm derived income.
(b) how it will measure/increase community value e.g. job creation, training, visitors etc.					5	Figures indicated on additional employment and training demonstrated. Some estimates around direct and indirect job creation may be on the high side.

(v) (a) Have they provided a basic business plan or indicated where funding would come from?					5	Extensive and comprehensive draft business plan with funding channels identified And proven experience in seeking external funding demonstrated on this and other Schemes.
(vi) Would the proposal be beneficial to other businesses/local economy in Watchet?					5	Yes, positive comments how they have comprehensively articulated.
(vii) How does the proposal contribute to the wider regeneration of Watchet in respect of enabling wider development opportunities for the Town and West Somerset?					3	Raising aspirations expectations difficult at this stage. However, in some instances not Quantified but generally good.
(viii) Does the proposal demonstrate viability with existing parties					5	Provided for extensive facilities for the Marina within the scheme. In principle agreement with WHM.
<b>TOTAL SCORE</b>					<b>33</b>	

**Supporting evidence for reference only:**

4. Expressions of support or evidence from community groups/local businesses/public/support collaboration from other stakeholders **Yes**
5. Does proposal increase value of WSC retained land/assets in the vicinity e.g. car parking etc. **Yes, as far as can be quantified**
6. Capacity of the organisation to deliver, including qualifications and experience. **Yes**

**Are Financial benefits to Council stated e.g. capital revenue Amount: to be financially tested**

**Signed:** .....

**Name:**.....

**Dated:** .....

Report Number: WSC 27/15  
 Presented by: Cllr K Kravis  
 Author of the Report: CORINNE MATTHEWS ECONOMIC REGENERATION & TOURISM  
 Contact Details: MANAGER

Tel. No. Direct Line 01984635287  
 Email: [cmatthews@westsomerset.gov.uk](mailto:cmatthews@westsomerset.gov.uk)

Report to a Meeting of: Council  
 To be Held on: Wednesday 18<sup>th</sup> February 2015  
 Date Entered on Executive Forward Plan Or Agreement for Urgency Granted: 17.10.14

## REQUEST FOR ALLOCATION OF PLANNING OBLIGATIONS FUNDING – MINEHEAD ILLUMINATIONS PROJECT

### 1. PURPOSE OF REPORT

1.1 The purpose of this report is to make proposals for the allocation of monies secured through planning obligations to individual schemes.

### 2. CONTRIBUTION TO CORPORATE PRIORITIES

2.1 No clear links within the proposals.

### 3. RECOMMENDATIONS

- 3.1.1 Council approves the allocation of £34,416.76 for the Minehead Illuminations Project to be added to the capital programme and funded from planning obligations contributions.
- 3.1.2 Council approves that £4,102.33 underspend from previous approved allocation from planning obligation contributions (related to same Agreement as outlined in paragraph 5.3) to be reallocated to the Minehead Illuminations Project

### 4. RISK ASSESSMENT (IF APPLICABLE)

#### Risk Matrix

Description	Likelihood	Impact	Overall
Failure to allocate monies correctly in line with legal agreements causing requirements to repay	3	4	12
<i>The proposals within the report are matched to the legal agreements and monies available in that area</i>	1	4	4
Failure to spend monies before date required in any legal agreements and trigger a requirement to repay	2	3	6
<i>The recommended projects use funds that are available and in date requirements</i>	1	3	3
Projects do not progress in accordance with plan and therefore money remains unspent	2	2	4
<i>Set timescale for delivery of project. Reallocate money if required</i>	1	2	2

The scoring of the risks identified in the above table has been based on the scoring matrix. Each risk has been assessed and scored both before and after the mitigation measures have been actioned.

## 5. **BACKGROUND INFORMATION**

- 5.1 The authority has established arrangements to allocate monies secured through planning obligations. These match schemes to the authority's priorities.
- 5.2 Proposals are considered by the internal planning obligations group against priorities, appropriate strategies and any identified local priorities to create recommendations for Cabinet to consider on a quarterly basis. Any individual proposals over £25,000 require both Cabinet and Full Council approval. Proposals are considered against set criteria as a part of the formal consideration of projects to allow allocation of funds and subsequent release of monies.
- 5.3 **Minehead Illuminations Project:** The Section 106 Agreement with Morrison Supermarkets stipulates that the Council "*will not spend the 'Town Centre Enhancement' contribution or any part thereof for any purpose other than towards the cost of:*

*Enhancing footpath and/or cycleway links between the Land and the Town Centre including the cost of any associated lighting, street furniture, signage or information boards together with the future maintenance of any works carried out;*

*Such improvements or enhancements within the town of Minehead which the District Council considers will improve or maintain the viability and/or vitality of the Town Centre together with the future maintenance of any works carried out."*

- 5.4 The Agreement amount was £150,000 and expenditure for activity has to be fully committed by 12 April 2015. To date £115,583.24 has been allocated to a variety of projects including public realm improvements, empty shop project, shop local scheme, the Minehead Shoppers application, arts markets and the Heritage Trail. There is £34,416.76 remaining to be allocated.

The Minehead Illuminations Project consists of two discreet projects. Project (1) provides for illuminated signage for the Regal Theatre at a cost of £5,000. This work will help to improve the visibility and raise awareness of Minehead's cultural centre and will complement the Regal's new entrance that was completed in 2014. The Regal Theatre will be responsible for carrying out the work and will take full responsibility for all permissions and subsequent maintenance. The project has come about as a result of consultation with the Regal Theatre's clients, Minehead Amateur Theatrical Association (MATA) and board members. They intend to consult their clients, MATA and board members further on the design of the signs once these have been produced as well as the wider community in Minehead. Once the design has been agreed, the Regal Theatre will apply for advertisement consent.

Project (2) is to provide lighting within 26 trees along the Avenue. This project has been championed and will be managed by the Minehead Chamber of Trade. A pilot tree that was partially funded by Minehead Town Council was adorned with the LED lights prior to Christmas. The pilot tree has been extensively consulted upon within the local community with over 200 positive comments received. Both local residents and Minehead traders have strongly indicated that this project will significantly enhance the visual appeal of the Avenue and will entice footfall from the lower end of the Town (supermarket quarter and seafront) to the main stream Town Centre and the Town Centre shops. It is felt that this project will be quite unique within Somerset, and will be an innovation that will be admired and quite likely copied in the future by other market and coastal towns.

The Minehead Chamber of Trade has undertaken considerable research and consulted with a number of statutory bodies to fully understand the implications of rolling out the pilot to include numerous trees along the avenue. This has included Highways, SCC's arboriculturalist, electricity companies to ascertain the cost of having the trees lit all the year around, WSC Grounds maintenance staff to understand the on-going maintenance and health & safety checks, as well as gauging Traders appetite for supporting the project with funding from Chamber reserves as well as on-going costs for the future.

To enable this project to happen a Highways Section 50 Agreement (a Street Works Licence to install apparatus in the highway) needs to be entered into with Somerset County Council, with this Agreement having to be submitted by a Local Authority. West Somerset Council has agreed to be the accountable authority for this, but via a contractual arrangement will 'gift' the lights to the Minehead Chamber of Trade who will become the responsible body for managing the project and on-going maintenance once three years have elapsed. The initial costs of this project allow for three years of maintenance costs that will be retained by WSC in an escrow account to allow for the works to be undertaken at no further costs to the Council's revenue budget.

#### Cost Breakdown for Minehead Illumination Project

Tree Lighting	£23,697.70
Installation	£5,924.00
S50 License	£390.00
Regal Theatre illuminated signage	£5,000
Contingency costs (for tree lights element)	£2,368.18
Three years running costs, including insurance, inspection and energy usage	£2,989.21
<b>Total Project Cost</b>	<b>£40,369.09</b>
Total amount requested from Morrisons S106	£34,416.76
Total requested from underspend of already allocated Morrisons S106	£4,102.33
<b>Total S106 requested</b>	<b>£38,519.09</b>
<b>Plus match funding</b>	
Match funding from Minehead Chamber of Trade and Commerce	£1,700.00
Match funding from Regal Theatre	£150.00
<b>Total Project Cost</b>	<b>£40,369.09</b>

- 5.5 In developing this project, Minehead Vision Group have been kept regularly apprised of progress and presentations have been made to MTC by the Chair of the Chamber of Trade.

## **6 FINANCIAL/RESOURCE IMPLICATIONS**

- 6.1 The request for funding in respect of the Minehead Illuminations Project meets the requirements of agreement 3/21/09/042.

## **7 COMMENTS ON BEHALF OF SECTION 151 OFFICER**

- 7.1 In accordance with Financial Regulations, a virement in excess of £25,000 needs to be agreed by Full Council, to demonstrate proper processes are being followed in the management of budgets.
- 7.2 To aid monitoring and reporting against financial approvals, the sum would be added to the Capital Programme creating an agreed budget for the schemes, and will be funded from contributions received. This will not impact on the use of 'un-ring-fenced' capital resources i.e. capital receipts.

## **8 EQUALITY & DIVERSITY IMPLICATIONS**

- 8.1 **Members need to demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process.** The three aims the authority **must** have due regard for are:
- Eliminate discrimination, harassment, victimisation
  - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
  - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

- 8.2 The proposals enhance the opportunities for access for all.

## **9 CRIME AND DISORDER IMPLICATIONS**

- 9.1 None

## **10 CONSULTATION IMPLICATIONS**

- 10.1 The proposals have been considered by the Council's Planning Obligations Group and has been developed in accordance with the Council's agreed practices. The Chamber of Trade has undertaken extensive community and business consultations in respect of the tree lights element of this project. The Regal Theatre's element of the project is as a result of consultation with their clients, MATA and board members, with further consultation planned with the wider community once their designs are available. Minehead Town Council has confirmed in writing that it has no objection to the project provided West Somerset Council take responsibility and all appropriate legal documentation is in place.

## **11 ASSET MANAGEMENT IMPLICATIONS**

- 11.1 Paragraph 5.4 explains the requirement for West Somerset Council to enter into a S50 Agreement with SCC Highways, and the intention to contractually pass the obligations and on-going maintenance to the Minehead Chamber of Trade.

## **12 ENVIRONMENTAL IMPACT IMPLICATIONS**

- 12.1 The proposal will not give rise to any negative environmental impacts

## **13 HEALTH & WELLBEING**

Demonstrate that the authority has given due regard for:

- People, families and communities take responsibility for their own health and wellbeing;



- Families and communities are thriving and resilient; and
- Somerset people are able to live independently.

13.1 The improved opportunities for access deriving from this proposal is to be welcomed.

**14 LEGAL IMPLICATIONS**

14.1 The proposed allocation has been checked and is in accordance with the relevant planning obligation (3/21/09/042).



*Report Number:* WSC 30/15  
*Presented by:* Cllr Karen Mills – Cabinet Lead for Economic Regeneration & Tourism  
*Author of the Report:* Corinne Matthews – Economic Regeneration & Tourism Manager  
*Contact Details:*

*Tel. No. Direct Line* 01984 635287  
*Email:* [cmatthews@westsomerset.gov.uk](mailto:cmatthews@westsomerset.gov.uk)

*Report to a Meeting of:* Council  
*To be Held on:* Wednesday 18th February 2015  
*Date Entered on Executive Forward Plan Or Agreement for Urgency Granted:*

## **HINKLEY TOURISM ACTION PLAN STRATEGY AND ACTION PLAN**

### **1. PURPOSE OF REPORT**

- 1.1 To consult with Council on the contents of the Hinkley Tourism Action Partnership (HTAP) Strategy and Action Plan.
- 1.2 To outline proposals to Council for the drawdown of HPC S106 Tourism mitigation funding to support delivery of four projects in the action plan.

### **2. CONTRIBUTION TO CORPORATE PRIORITIES**

- 2.1 The Council's 2<sup>nd</sup> Corporate Priority is in relation to New Nuclear Development at Hinkley Point: Maximising opportunities for West Somerset communities and businesses to benefit from the nuclear development whilst protecting local communities and the environment.
- 2.2 Objective 4 of the Corporate Plan is that the economic opportunities that arise from the development and associated activities are maximised.
- 2.3 Key Task 4.3 states that the Council will “work with tourism partners to mitigate the negative effects of the development and take advantage of any opportunities created”.

### **3. RECOMMENDATIONS**

- 3.1 That Cabinet recommends to Council formal approval of the HTAP Strategy and activity in the Action Plan subject to the inclusion of any amendments or comments that are made at this meeting.
- 3.2 Council approves the drawdown of the Phase 1 S106 Tourism Contribution of £125,385 to support the delivery of the 4 projects identified within the HTAP Action Plan.
- 3.3 To note that £45,000 of the action plan delivery was previously agreed by Council in November 2014.

#### 4. **RISK ASSESSMENT (IF APPLICABLE)**

##### Risk Matrix

Description	Likelihood	Impact	Overall
The tourism industry suffers negative impacts in respect of the HPC Site preparation works	4	4	16
<i>Effective activities delivered to improve the resilience and profitability of the tourism industry together with effective promotion and marketing promotions</i>	2	4	8

The scoring of the risks identified in the above table has been based on the scoring matrix. Each risk has been assessed and scored both before and after the mitigation measures have been actioned.

#### 5. **BACKGROUND INFORMATION**

5.1 Schedule 15 of the HPC Site Preparation S106 makes provision for an allocation of £160,000 payable on the implementation of Phase 2 (which took place in May 2014), with a further £160,000 payable on the first anniversary of the implementation of Phase 2 in May 2015. In addition to this the first payment includes indexation which has increased the amount available to allocate to £170,385.

5.2 The Section 106 Agreement states that this allocation is for the purposes of the Tourism Action Partnership carrying out the **Marketing and Promotional Initiatives** and carrying out the **Tourism Monitoring Survey**. The Survey is defined as *the annual survey to identify the potential types and levels of impact of the construction and operation of the Development and/ or other elements of the project (if permitted) on tourism in Somerset and identifying the impacts that this will have on tourism as an economic sector in Somerset.*

#### 5.3 **Hinkley Tourism Action Partnership (HTAP)**

This is the Partnership identified within the S106 Agreement tasked with establishing and over-seeing the delivery of a Strategy and Action Plan. HTAP is defined as *the means by which West Somerset Council, Somerset County Council and Sedgemoor District Council will come together to decide how certain elements of the tourism contribution shall be applied after requesting and taking into account representations from other representative bodies of business in the tourism sector.*

HTAP's membership has been designed to ensure that consultative mechanism is embedded in all of its activity, and therefore has extended the membership to include the Exmoor Tourist Association, Somerset Tourist Association, Exmoor National Park Authority and EDF Energy, as well as the three Councils.

#### 5.4 **Tourism Strategy and Action Plan**

The HTAP Strategy and Action Plan is attached as Appendix A and B respectively to this report. The Strategy has been worked on collaboratively by the HTAP partners over the course of the last 9 months. There have been a series of industry consultation events held, as well as making good use of tourism market intelligence gathered by partners including Somerset County Council, Exmoor National Park, Visit England and the annual Somerset Value of Tourism data.

In addition to this the key partners have spent the past 18 months piloting specific rural tourism initiatives via the Cool Tourism Project. This European funded programme has provided support to implement small scale localised activity that it is considered can be effectively scaled up using an element of the tourism mitigation funding. A very successful Exmoor Tourism Conference was held in November 2014 where much of this activity was show cased to industry acclaim, including the launch of the new Visit Exmoor website, a tool kit for the trade to enable them to make better use of the natural assets around them, as well as a colour supplement showcasing 30 experiences for the visitor to undertake within Somerset and Exmoor. This supplement was inserted in the January edition of County File magazine, will appear in a future edition of the Exmoor magazine and will be taken to a selection of Trade Shows.

## 5.5 **Structure and key elements of the Action Plan**

The Strategy is based on the simple premise that it is all well and good attracting visitors to Somerset using effective and targeted marketing and promotional activity – but when the visitor arrives they must enjoy their holiday, and want to return, as well as telling all their friends and family what a good time they had. How potential visitors research their holidays, and the type of break they expect, together with the quality of that experience is an ever changing environment and it is necessary for the tourism provider to be equipped for this. Working with the added factor that the visitor could suffer some travel delays due to the implementation of the HPC Project on top of existing levels of traffic. The interventions that the Action Plan proposes has to accommodate all of these issues.

The Strategy reviews the value of tourism, identifies challenges and opportunities from the HPC development, and sets out a six year vision, aims, key priorities and strategic threads, to tie in with potential tourism allocations from the Site Prep and DCO Section 106 agreements. Action plans will be developed on an annual basis to tie in with current allocations actually available.

The overarching vision is that Somerset and Exmoor will have a strong tourism industry that has successfully capitalised on opportunities from the HPC development, leaving a legacy of one of the best managed visitor experiences in the country where businesses are dynamic, resilient and working in partnership to compete at the highest level.

The strategy is structured around three strategic aims:

- Improve visitor experiences
- Attract and retain customers
- Increase industry resilience.

Under this sit nine key priorities with activity under each set out in the action plan.

1. Fostering positive perception and awareness
2. Creating a welcoming and informed travel experience
3. Monitoring impacts on visitors and businesses
4. Evolving new products for changing customer needs
5. Capitalising on digital trends and partnerships
6. Evidence based, targeted marketing campaigns
7. Building long term capacity of industry
8. Encouraging higher value sustainable growth
9. Supporting local distinctiveness and action

## 5.6 Funding and delivering the Action Plan

The Action Plan for activity to be undertaken during 2015 is attached as Appendix B. Members will recall that the decision to fund the Visitor Monitoring Survey (a requirement of the S106 Agreement) and to put in place a fund to support Watchet during the construction of the Washford Cross roundabout had already been agreed by Cabinet and Council in November 2014. Some of the Action Plan activity will not require specific funding as it will either be undertaken using existing staff resource and partnership activity, or, requires a review in order to determine funding implications going forward (e.g. action 2.4 – a review of signage and planned road works).

Appendix C provides more detail about the activity that will be implemented using Phase 1 of the Site Preparation Works S106 Funding. The Project sheets provide information about the type of activity that will be commissioned against specific priorities and aims. It also gives an indication of where it is aimed to lever in additional external funding and sets out what the key outputs and outcomes as well as describing how the impact of the intervention will be evaluated and measured.

All activity will be procured and commissioned in line with the Council's financial regulations. The project management of each area of activity will be undertaken on a day to day basis by the relevant tourism officer (West Somerset and Sedgemoor with support from Somerset County Council) and HTAP will retain an overall strategic and monitoring role of the programme. Regular reports will be made to the West Somerset Economic Regeneration & Tourism Policy Advisory Group and a request will be made to Scrutiny Committee that they add an annual report of activity and progress to their forward plan.

It needs to be noted that whilst the delivery of tourism information services are an integral part of the HTAP Strategy, their specific funding requirements in respect of the S106 provision is currently dealt with separately. HTAP has a strategic overview of both programmes of activity and ensures that the linkages are made.

## 6. FINANCIAL/RESOURCE IMPLICATIONS

- 6.1 The Phase 1 HPC Tourism mitigation Fund Contribution of £170,385 (which includes indexation) was received by West Somerset Council on 6<sup>th</sup> May 2014.
- 6.2 The Phase 2 (Part 2) allocation of £160K (not including indexation) will be paid to WSC on 6<sup>th</sup> May 2015.
- 6.3 The following table summarises the activity within the Action Plan that will require funding.

<b>Projects requiring funding under action plan (Appendix C)</b>			
<b>Aim</b>	<b>Plan Ref.</b>	<b>Activity</b>	<b>Cost</b>
Improve visitor experiences	1.1	PR & Social Media support	£ 20,000
Attract & retain customers	6.1	Marketing Plan Activity	£ 65,385
Increase industry resilience	7.1	Industry body capacity building	£ 20,000
Increase industry resilience	8.1	Business support	£ 20,000
			<b>£ 125,385</b>

## **7. COMMENTS ON BEHALF OF SECTION 151 OFFICER**

- 7.1 As the accountable body for the S106 funding, the total expenditure of £125,000 will be recorded in the Council's accounts. It is important to note that the S106 funding is one-off monies and it is advisable to use this to support one-off spending in order to prevent an ongoing budgetary commitment for the Council. It is not expected that there will be any associated costs, other than staff time and minimal administration, in respect of this item.
- 7.2 To aid monitoring and reporting against financial approvals, it is recommended that the sum of £125,000 is added to the Revenue Budget creating an agreed budget for the expenditure, with a matching income budget of £45,000 and be funded from contributions received. This will not impact on Council's Net Budget position.
- 7.3 It is noted that a further £160,000 (plus indexation) one-off receipt is due to be received in May 2015.

## **8. EQUALITY & DIVERSITY IMPLICATIONS**

- 8.1 **Members need to demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process.** The three aims the authority **must** have due regard for are:
- Eliminate discrimination, harassment, victimisation
  - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
  - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it
- 8.2 In working with our tourism industry and those companies that we commission to deliver activity for us, we embed the Council's equality and diversity values.

## **9. CRIME AND DISORDER IMPLICATIONS**

- 9.1 None that are relevant to this report.

## **10. CONSULTATION IMPLICATIONS**

- 10.1 There has been extensive consultation held throughout the process of writing the strategy, which has included direct communications and surveys held with the tourism industry and key stakeholders. Sedgemoor District Council and Somerset County Council as key partners in delivering the Strategy and Action Plan have or will be taking the documentation through their own democratic processes. The final Action Plan where practicable and relevant will reflect the outcomes of these consultations and will also take on board comments made by Members at Cabinet on 4<sup>th</sup> February and Council on 18<sup>th</sup> February.

## **11. ASSET MANAGEMENT IMPLICATIONS**

- 11.1 There are no asset management implications.

## **12. ENVIRONMENTAL IMPACT IMPLICATIONS**

- 12.1 The principle of sustainable tourism is enshrined within the Strategy.

**13. HEALTH & WELLBEING**

Demonstrate that the authority has given due regard for:

- People, families and communities take responsibility for their own health and wellbeing;
- Families and communities are thriving and resilient; and
- Somerset people are able to live independently.

- 13.1 The Strategy sets out to encourage and increase more day visits as well as staying visitors and will be raising awareness about the types of healthy activity that families can enjoy and benefit from.

**14. LEGAL IMPLICATIONS**

- 13.1 The recommendations that form part of this Report are in line with the requirements of the HPC Site Preparation S106 – Schedule 15



## Hinkley Tourism Action Partnership

# Hinkley Tourism Strategy 2015-20

Successfully managing opportunities and challenges for tourism in Somerset and Exmoor during the development of Hinkley Point C



## Executive Summary

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The development of Hinkley Point C (HPC) nuclear power station will provide opportunities and challenges for the tourism industry in Somerset and Exmoor. The Hinkley Tourism Action Partnership (HTAP) is tasked with developing a strategic vision and successful management plans that will provide a legacy for the future.

The overarching vision of the strategy is that Somerset and Exmoor will have a strong tourism industry that has successfully capitalised on opportunities from the HPC development, leaving a legacy of one of the best managed visitor experiences in the country where businesses are dynamic, resilient and working in partnership to operate at the highest level.

The strategy has been written to influence a six year period over which a total of £1.12 million of financial contributions will be paid by EDF Energy to local authorities for tourism activity aimed at delivering the strategy and carrying out monitoring surveys. Separate funding for six named information centres and tourism officer resource are also referenced.

Following an assessment by the partnership, and taking in views from tourism industry representatives and businesses, the strategy has been developed in the context of the current health and performance of the industry and the likely future influence of the project. It takes into account a number of anticipated opportunities including funds for marketing and development, an influx of visitors and increased international spotlight. At the same time it refers to potential challenges such as effects on traffic levels, perception and employment, which will need careful management.

Three principle aims are identified as being the focus of strategic activity - **improve visitor experiences, attract and retain customers** and **increase industry resilience**. These are supported by nine key priorities and objectives that can be measured to gauge success. The strategy will then be supported by annual action plans detailing specific activity and budgets.

### Key Priorities

1. Fostering positive perception and awareness
2. Creating a welcoming and informed travel experience
3. Monitoring impacts on visitors and businesses
4. Evolving new products for changing customer needs
5. Capitalising on digital trends and partnerships
6. Evidence based, targeted marketing campaigns
7. Building long term capacity of industry
8. Encouraging higher value sustainable growth
9. Supporting local distinctiveness and action

## Introduction

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Hinkley Point C (HPC) is set to be a multi-billion pound nuclear power station development that will offer some 25,000 employment opportunities throughout a ten year build and will eventually power some five million homes.

This document sets out strategic activity for tourism in Somerset and Exmoor by the Hinkley Tourism Action Partnership (HTAP) in relation to successfully managing opportunities and potential challenges for the industry from the development.

Members of HTAP are: West Somerset Council, Sedgemoor District Council, Somerset County Council, EDF Energy, Exmoor National Park Authority, Visit Somerset and Exmoor Tourism.

HTAP was set up following the granting of planning permission to EDF Energy for the site preparation needed to build HPC. Permission included a legal agreement containing a planning obligation for tourism and detailing financial contributions to be paid by EDF Energy over a two year period.

A Development Consent Order for construction of the key buildings on the HPC site in West Somerset and Associated Development, mainly in Sedgemoor, will be enacted should EDF Energy decide to proceed with the next stage of the project. This consent includes a legal agreement detailing contributions by EDF Energy for tourism over a further four year period.

Under the terms of these agreements, a total of £1.12 million of tourism contributions will be provided over a six year period for the purposes of delivering activity in accordance with a tourism strategy and action plan, and for carrying out a monitoring survey. Additional contributions have been included for employing tourism officer resource and support for six named information centres.

This document will set out the context in which the strategy will operate, along with the aims, objectives and actions, initially over two years in line with the site preparation planning agreement, and then after a review, for the following four years if the scheme proceeds.

A number of key sources have been used in the development of this document, which can be found in the references section.

## The Value of Tourism

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Tourism is a key sector in Somerset's economy generating £1.3bn turnover, 2.6m staying trip visitors, 23m day visitors and employing 10% of the workforce.

In West Somerset and Sedgemoor tourism is significant, accounting for 40% of all staying visitor activity across the county. Sedgemoor receives 25% more visitor spend than any other district, while in West Somerset 27% of the workforce is engaged in Tourism.

Visitors are drawn to Somerset & Exmoor largely for its landscape and opportunities for outdoor pursuits. It is defined by its coastal scenery, seaside resorts, rural charm, heritage, village life, food and drink and festivals. Leisure and visiting friends and relatives (VFR) markets are by far the most significant with business tourism typically restricted to key towns.

The importance of landscape is backed up by visitor surveys where 'the scenery' features as the single most important factor, followed by heritage and things to see and do. Many of the best examples have become iconic such as Glastonbury Tor, Cheddar Gorge, Exmoor National Park and the Quantock Hills, and are prized for their tranquillity.

Visitor surveys also provide important information as to where visits originate. The vast majority are by UK domestic visitors from within three or four hours away (e.g. West Midlands, South West, London and South East). Typically UK visitors stay 3.8 nights and spend £175 per person in West Somerset and Sedgemoor.

Overseas markets account for 8% of staying visits in Somerset. However, the value of overseas visitors shows that a typical trip will mean 6.9 nights and spending of £355 per person. French, German and Dutch markets are still the most significant in terms of those seeking landscape-based holidays.

Group Visits make up a particularly important sector for the area. Some 1300 coaches pass through Cartgate Services on the A303 on an annual basis. The industry bodies and key attractions such as West Somerset Railway and Burnham-on-Sea also put resources into targeting groups.

The make-up of accommodation across the area varies markedly. West Somerset has a larger proportion of small serviced and self-catering hotels, B&B's and cottages with 27% more bed spaces and units than Sedgemoor. While Sedgemoor has 47% more bed spaces, pitches and units in camping, static and touring caravans and holiday centres.

A reduction in public sector funding has led to a fundamental change of approach in terms of supporting the tourism industry. In recent years just about all funds for tourism activity have been sourced from external funding bodies or via industry advertising contributions. Funding has led to the development of websites, apps, training workshops, and support for information centres, events and marketing of the area.

In 2012 the four local authorities in HTAP secured £132k of match funding from EU Interreg working with partners in France and south east England under the COOL Tourism Project. Aimed at growing rural tourism the partnership has delivered activity in supporting business networks, research, marketing and training. The project has provided a successful example for HTAP of how strategic partnership working can maximise potential.

Information centres in the area have also been affected by the cuts in public funding. Alongside helping visitors to enjoy their stays, the centres are now expected to find ways of generating income to support their operations. Most rely on volunteers and operate limited opening hours.

Supporting the industry are two tourism industry bodies. The Somerset Tourism Association (STA), now trading as Visit Somerset, has evolved in a short space of time to take on responsibility for championing the cause of the County nationally. Its website now receives more than 900,000 annual visits; it has a brochure and an app.

The Exmoor Tourist Association (ETA) has been in existence since 1981 and has 240 members. It takes on responsibility for the Visit Exmoor website and marketing the 'Exmoor: Dream, Discover, Explore' brand across the National Park, West Somerset and Quantock Hills. It is currently in the process of merging with the public/private sector Exmoor Tourism Partnership to form one organisation, known as Exmoor Tourism.

In terms of the wider strategic picture, ambitions for tourism are cited in a variety of regional economic documents. Locally, Exmoor Tourism Partnership's Strategic Action Plan, sets out a plan for 2013-18 to increase the value of visitors and develop sustainable tourism. The STA are also in the process of developing a destination management plan for Somerset, including ambitions for increasing market share and developing rural tourism.

At a national level Visit England's The Strategic Framework for Tourism in England 2010 – 2020 sets out ambitions to increase global market share, deliver compelling destinations of distinction, champion a thriving industry and improve engagement with visitors.

## At a glance

**Somerset and Exmoor have:** the **world's biggest** music festival; a **National Park**; the **largest** managed wetlands in western Europe; the **world famous** Cheddar gorge and caves; the **biggest** illuminated carnival in Europe; an **International** Dark Sky Reserve; the **largest** coastal realignment scheme in Europe; England's **first** Area of Outstanding natural Beauty; one of the **oldest** engineered roads in the world; the **highest** inland and coastal cliffs in the country; the **tallest** tree in England; the **longest** standard gauge heritage railway; **the origins** of Cheddar cheese, cider and skittles; the home of the **first** King of England and the site of the **last** battle on English soil.

## Value of Tourism 2013

Indicator	West Somerset	Sedgemoor	Somerset
Domestic staying trips	346,000	612,000	2,389,000
Average domestic number of nights per trip	3.8	3.8	3.4
Average domestic spend per trip per person	£182	£171	£162
Overseas staying trips	26,000	40,000	212,000
Average overseas number of nights per trip	6.7	7.8	7.1
Average overseas spend per trip per person	£380	£375	£355
Day Visits	2,562,000	3,893,000	23,033,000
Day visitor spend	£83,319,000	£113,900,000	766,923,000
Total Spend (staying trips and day visits)	£160,025,000	£249,286,000	£1,283,779,000
Tourism workforce	3,663	6,198	35,051
Proportion of all employment in tourism	27%	11%	10%

## Tourism during HPC construction

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### Opportunities

The financial contributions paid by EDF Energy to support tourism over six years, constitute a significant and consistent level of funding, which also provides the opportunity for match funding.

During the development of HPC some 25,000 jobs will be created. At the peak of activity there will be 5,600 full time equivalent roles operating on site. In addition to this will be large numbers of workers associated with support businesses. The opportunity is there to target these newcomers, their friends and families, and encourage them to visit the area for leisure and business in future.

The influx of workers will take place throughout the year and could help in addressing issues of seasonality and encouraging all year round employment. Visit England report that 70% of day visits into the countryside take place in the spring or summer. Development focused on extending stays and day visits, and greater flexibility in opening hours by the industry will be vital.

Another major opportunity will be the construction of the HPC Visitor Centre, which will promote the project and the wider area. It will provide a unique educational attraction that will help raise the profile of the area and bring in new types of customers.

The tourism contributions available for the six named information centres in Minehead, Porlock, Watchet, Burnham, Bridgwater and on the M5 will provide an opportunity to evolve more effective services and develop new income streams, which will support long-term sustainability.

There are some key social trends that will have implications for marketing and development of tourism. Visit England predicts 'families are changing in size, shape and composition'. The concept of an 'ageing

society' is well known, but there are other crucial factors. Families are becoming more 'vertical' in nature with fewer siblings and cousins, more generations, and younger grandparents more involved with childcare.

Despite the economic downturn consumers have continued to prioritise leisure spending. According to Visit England research, younger generations have a different attitude towards leisure time and see it as a need in their lives, rather than a luxury. Access to information via technology has been at the heart of this trend. People have become used to searching for good deals, lots of choice and not paying over the odds for goods.

However, people are increasingly becoming time poor and despite the desire for choice, also want simplicity. It is predicted that short break, health, active and skills tourism markets are to grow, which could present an opportunity to target markets such as walkers and cyclists. Visitors are increasingly moving away from choosing holidays based on a destination towards seeking out new and specific experiences, which help to fulfil needs in their busy lives.

Another growing trend is the increasing use of web technology. The Office for National Statistics indicates that 38 million UK adults access the Internet every day. Travel and accommodation bookings are two of the four most popular activities online. Some 96% of 16-24 year olds, 74% of 45-54 year olds and 57% of 55-64 year olds access the internet using smartphones, laptops and tablets.

This use of technology has led to major changes in how companies target customers. Digital advertising overall has doubled in five years, with web search advertising worth £3.5bn alone, while traditional methods have been in decline. Even back in 2010, the Somerset visitor survey showed a drop from 18% to 11% of visitors using printed literature

to make holiday decisions. At the same time visits to the Visit Somerset and Visit Exmoor websites have increased rapidly.

Across the area, a number of tourism related projects are currently in development, which could lead to new jobs and tourism facilities. These include Steart Marshes, the Great Crane Project, Steam Coast Trail and the new Watchet Boat Museum. All opportunities for collaboration should be explored to maximise benefits for the area.

### Challenges

The HPC development will impact on different parts of the area in a variety of ways. For instance the development includes a programme of highways alterations, which may cause specific local issues. The strategy will need to have flexibility and to include specific actions for core areas as well as activity that benefits the wider area.

Following consultation the tourism industry has raised several concerns over the potential impacts of the HPC development. One of these is around perceptions, such as that the whole area is 'a construction site' or difficult to reach because of traffic delays.

In early 2014 the industry locally was badly affected by flooding. Although just 2% of the land was under water the perception was that the County was a 'no go area' and this meant that in some cases bookings fell by 40%. There are valuable lessons to be learnt in terms of media coverage, managing perception and building business resilience.

Traffic congestion is another major concern given the nature of the area's roads, and in particular the A39 and A358, which have been cited as a barrier to visits by the industry for many years. Currently 90% of visitors arrive by road, and with all HPC deliveries set to use the M5, there is the potential for congestion issues. EDF Energy and Highways have already put in place

significant mitigation plans, but it will be important that specific plans for tourism are developed to ensure that negative visitor experiences are kept to a minimum.

To house workers, EDF Energy have made plans that include making use of local accommodation. However, much of this accommodation is made up of small sized businesses, so it will be important to monitor the impact and ensure that during peak times visitors are able to still find places to stay.

There is also a wider challenge around the potential pressures on tourism infrastructure both in terms of dealing with demand and maintaining and improving a quality experience. One concern is that staff in the tourism industry could be attracted away to better paid roles at the HPC site, making it difficult for businesses to provide services.

Although the area has good provision of small quality accommodation, there is a lack of mid and large sized properties, which reduces the potential for targeting groups and those visitors seeking a higher level of facilities. In order to remain competitive it will be important to prioritise quality and support new hotel developments.

The Somerset Growth Plan (2014) sums up the challenge: "The tourism sector is important to Somerset, but is characterised by too little high value activity. This leads to seasonal, part time and low paid employment in many cases. There are opportunities to increase the value of activity through developing the quality of the product and targeting new markets to drive demand."

At a strategic level neither Visit Somerset nor Exmoor Tourism are represented at a national level on Visit England's Destination Management Forum. It is vital that this is rectified so that businesses are represented and the area does not miss out on new funding and marketing opportunities.



## Strategic Vision

### Approach

A review of the current and anticipated tourism picture, taken in the context of the HPC development, reveals a number of opportunities and challenges. The key to managing many of these will be how effectively the area can respond, making use of its strengths to capitalise on opportunities and overcome weaknesses and potential threats.

While it is vital that plans are focused on protecting the tourism industry and improving interaction with visitors, it is important that resources are used proactively to target new customers and support higher value growth. This combination will enable the industry to grow and become more resilient. The strategy therefore has identified three principle strategic aims.

The following pages set out the vision and context for the strategic aims and key priorities. It also identifies key success indicators over the course of 2015 and 2016 to tie in with available tourism contributions under the two year Site Preparation legal agreement. A separate action plan highlights activity expected in the first year and that may also cover both years. A further logic value chain analysis will be used to evaluate targets, outputs and successes every 6 months.

### SWOT Analysis

<b>Strengths – current, internal</b>	<b>Weaknesses – current, internal</b>
<ul style="list-style-type: none"> <li>▪ Important sector; major employer</li> <li>▪ Diverse and quality rural and coastal landscape/wildlife, protected with multiple designations (e.g. National Park, AONB's, Reserves, SSSI's)</li> <li>▪ Closer to London; good M/way link</li> <li>▪ Internationally recognised attractions</li> <li>▪ Strong in food &amp; drink production</li> <li>▪ Rich heritage &amp; historical links</li> <li>▪ Vibrant SME businesses</li> </ul>	<ul style="list-style-type: none"> <li>▪ Fragmented industry lacking one single voice, brand and trade communication channel</li> <li>▪ Poor rural transport links</li> <li>▪ Lack of 4/5 star mid-sized accommodation</li> <li>▪ Traditionally low paid and low skilled sector</li> <li>▪ Seasonal industry with many life-style and other businesses that close over winter</li> <li>▪ No seat at national table for industry bodies</li> <li>▪ Lack of funding to effectively target overseas visitors and other new markets</li> </ul>
<b>Opportunities – future, external</b>	<b>Threats – future, external</b>
<ul style="list-style-type: none"> <li>▪ Trends in customers seeking short active leisure breaks and new experiences</li> <li>▪ Influx of HPC workers, their friends &amp; families</li> <li>▪ Area in news spotlight due to HPC</li> <li>▪ Inward investment including hotels</li> <li>▪ Hi-speed broadband and digital technologies</li> <li>▪ Match funding HPC contributions</li> <li>▪ HPC Visitor Centre</li> <li>▪ Ability to build on COOL project work</li> <li>▪ New strategic partnerships and networks</li> </ul>	<ul style="list-style-type: none"> <li>▪ Risks from flooding</li> <li>▪ Traffic congestion</li> <li>▪ Planned additional road works</li> <li>▪ Sustainability of information centres</li> <li>▪ Perception of a 'nuclear' County, construction site and media focus on bad news stories</li> <li>▪ Pressure on accommodation</li> <li>▪ Leakage of workforce from tourism to HPC</li> </ul>



## Vision

Somerset and Exmoor will have a strong tourism industry that has successfully capitalised on opportunities from the development of Hinkley Point C, leaving a legacy of one of the best managed visitor experiences in the country and with businesses that are dynamic, resilient and working in partnership to compete at the highest level.

### Strategic Aim 1 – Improve visitor experiences

Improve experiences for business and leisure visitors, during the development of Hinkley Point C by working in partnership with information centres and communities to create a visitor management legacy; that fosters positive perceptions, informs the travel journey, supports businesses and understands visitor movements.

#### Priorities

1. Fostering positive perception and awareness
2. Creating a welcoming and informed travel experience
3. Monitoring impacts on visitors and businesses

### Strategic Aim 2 – Attract and retain customers

Attract and retain business & leisure visitors, taking advantage of opportunities to grow existing markets and new market segments by evolving vibrant visitor products and experiences, which will be promoted through targeted marketing campaigns, increasing use of digital tools and strategic partnerships.

#### Priorities

4. Evolving new products for changing customer needs
5. Capitalising on digital trends and partnerships
6. Evidence based targeted marketing campaigns

### Strategic Aim 3 – Increase industry resilience

Increase industry resilience and competitiveness by focusing on encouraging higher value growth and quality, support for industry bodies in championing the area nationally, innovative funding partnerships, business support and locally led network activity that maximises opportunities.

#### Priorities

7. Building long term capacity of industry
8. Encouraging higher value sustainable growth
9. Supporting local distinctiveness and action

### Key Success Indicators by 2020

Indicators will be measured over 6 years in line with the strategy, with the first milestone results due in 2016. They have been devised based on an assessment of currently available tourism data to the end of 2013, and anticipated economic and market trends.

To increase staying trips by domestic and overseas markets by 10%

To increase spend from all visitors by 2% annually

To increase day visits by 9%

To increase website traffic to Visit Somerset and Visit Exmoor by 20%

To achieve and maintain a 95% satisfaction rate with the overall visitor experience

## Strategic Aim 1 – Improve visitor experiences

### Aim

Improve experiences for business and leisure visitors, during the development of Hinkley Point C by working in partnership with information centres and communities to create a visitor management legacy; that fosters positive perceptions, informs the travel journey, supports businesses and understands visitor movements.

### Priorities

1. Fostering positive perception and awareness
2. Creating a welcoming and informed travel experience
3. Monitoring impacts on visitors and businesses

### Approach

The development of HPC will bring a number of opportunities. However, the sheer size of the construction in an area already facing many rural and urban challenges potentially brings with it issues for visitors and residents, both real and perceived.

Early on in discussions about supporting tourism, a number of anticipated challenges were identified around areas such as traffic and travel, perception, accommodation and shortages in the tourism workforce. These are exacerbated by certain local characteristics and factors such as limited access into and around the area, the uncertain future of information centres, the nature of widely spread small and micro tourism businesses and the potential for parts of the tourism workforce to be tempted by better paid jobs at Hinkley.

The approach will need to be proactive in trying to anticipate and manage challenges on an area by area basis, while putting in place plans for dealing with potential issues if and when they arise. It will also seek to maximise any opportunities to raise awareness of the area locally and nationally. It is vital that significant funds are directed at supporting information centres and local communities to help in delivering a dynamic visitor experience from the ground up.

### PRIORITY 1 – Fostering positive perception and awareness

During construction of HPC, the perception of the area as a place to visit is likely to be influenced by press coverage. The media has a tendency to focus on the negative so it must be expected that there will be stories about congestion, upheaval and disruption to normal life. Even if this is not the case, the constant reference to ‘construction of a new nuclear power station in Somerset’ will have connotations for some that the area is a place to avoid. As witnessed when the Levels were flooded, businesses right across Somerset and Exmoor were affected by reduced bookings so the strategy must consider the impact on the wider area.

To counteract any negative stories and to take advantage of the positive interest generated, it will be necessary to use a range of communications tools including PR, social media and events. This will be supported by a comprehensive tourism-specific communications plan that identifies key messages and activities. The other major element of raising awareness will be in providing all potential targets – visitors, businesses, communities, media and organisations – with timely and correct information to help inform their travel journey. A review of information provision will be carried out to identify potential gaps in the customer experience from when visitors leave home to reaching their destination.

### PRIORITY 2 – Creating a welcoming and informed travel experience

The M5 will be the main route for all Hinkley road deliveries, which will see hundreds of lorry journeys a day during the peak of construction activity. The A39, A358 and A303 roads have long

caused concerns for tourism businesses and their travelling visitors. Mondays and Fridays are changeover days at Butlins in Minehead, which can lead to an additional 6000 holidaymakers travelling in each direction along the A39 or A358. EDF Energy and Highways have been planning for this for some time and a number of road improvements are currently taking place, which will alleviate some problems. For visitors the journey is a considerable part of the overall experience so this strategy must address ways in which it can help make things easier.

A review of signage around the area for visitors is a 'must do' piece of activity, along with identifying funds to implement action. These efforts must be supported by good information using off and online methods. It will be important to set up local communication networks in order to send information out to all points (e.g. local businesses, websites and information centres) where visitors find information. Websites and variable message signs will have a part to play in keeping travellers informed. Some creative work will also be required to identify different ways in which to provide visitors with information and help them enjoy the area. Developing a 'Local Ambassadors' scheme is one such idea that could aid awareness and satisfaction rates.

There is a major role here for the information centres as a community conduit. Lack of funding recently has seen them scale back opening hours, reduce paid staff and rely more on volunteers. With efforts to attract new customers, and Hinkley workers staying all year round, it will be important to ensure sensible opening times. This applies to other tourism businesses too. Specific tourism contributions have been allocated to support the six named information centres. These funds should be used to help the centres in generating new income to improve long-term sustainability and developing a first class welcome for domestic and overseas visitors.

### **PRIORITY 3 – Monitoring impacts on visitors and businesses**

As part of the planning agreements with EDF Energy, the HTAP is required to deliver a regular monitoring survey to measure visitor impacts during the construction of the power station. To ensure independence and a robust survey, it will be important that the research methodology is designed by an accredited research agency that employs professional researchers. A number of surveys have been carried out on visitors to Somerset and Exmoor over the years, which will provide a good starting point. The 2009/10 Somerset Visitor Survey in particular looked at visitor profiles, motivations, perception and satisfaction with the visit, as well as segmentation analysis, which provided crucial information about customers to support targeted marketing activity.

A separate business survey is necessary to measure impacts, particularly around visits to attractions and accommodation occupancy. A potential issue could arise in relation to Hinkley workers. At its peak the construction site will employ some 5,600 workers on site, a proportion of whom will use local accommodation. It will be important to understand whether visitors are finding it difficult to get accommodation during peak months, or how generally business has been affected.

The funded information centres are required to report on visitor feedback as part of their agreements and this will add to the picture being formed by the survey data. An annual review will take place of all available tourism data. As Hinkley will feature in national news stories it may be useful to pay for a cuttings service to monitor all references to the development so that communications plans can adapt accordingly. Locally it will be important to measure how car parks are used and results of any road monitoring surveys carried out by Highways will be noted.

## Strategic Aim 2 – Attract and retain customers

### Aim

Attract and retain business & leisure visitors, taking advantage of opportunities to grow existing markets and new market segments by evolving vibrant visitor products and experiences, which will be promoted through targeted marketing campaigns, increasing use of digital tools and strategic partnerships.

### Approach

Consistent levels of funding over a six-year period will enable a more sustained and targeted approach to marketing of the area. This will see a shift in emphasis away from purely promoting the destination to one focusing more on new product experiences and targeting them at specific market segments. This will be informed by the annual research programme and marketed increasingly through use of digital tools and online marketing techniques, although integration with traditional offline methods will still play an important part.

The vast majority of visitors to the area are from leisure domestic markets and are day visitors or seeking relatively short breaks (2-7nights), often to suit a specific need or purpose at a certain time of year. For example: a relaxing short break, walking weekend, self-catering family break, or a celebration. This is not to say that the 'attract and disperse' approach to destination marketing, whereby icons are used to target new customers before opening them up to less known attractions, is not still required. This approach works well in targeting first time customers who know little of an area so potentially will have its place in targeting overseas markets. It will also be important to use this approach when trying to manage perceptions, raise awareness and generate a 'feel good' factor during construction as covered in strategic aim 1.

### PRIORITY 4 – Evolving new products for changing customer needs

Before considering other elements of the marketing mix it is necessary to take some decisions around the product. It can be considered that domestic markets have been maturing for some time. Visitors have become less motivated by the idea of a destination and more interested in the quality and value for money of the experience on offer. Customers are seeking new depth and sophistication to their experiences. As the competition improves expectations of quality rise. Many visitors are seeking unique experiences to remember and to recount to friends and family. Busy lives mean that people want things made easier with information readily available.

Current trends around a need for active lifestyles, learning new skills and a desire for unique experiences play to the area's main strength - its natural landscape. The key to gaining a competitive advantage will be in working with businesses to develop the quality required to meet customer expectations, as well as ensuring that the attention to detail is taken on assembling distinctive all round products and experiences that will genuinely match messages to each market.

It is important that there is one eye on the future too, and plans are put in place to target potential new markets with new products. Although considerable data exists on families and couples, not enough is currently known in certain specific markets. The same can be said of the ambition to target Hinkley workers, as well as growing market share in traditional French, German and Dutch markets. Further research and analysis could also be carried out on how best to influence group operators to ensure that current activity remains competitive.

### Priorities

4. Evolving new products for changing customer needs
5. Capitalising on digital trends and partnerships
6. Evidence based targeted marketing campaigns

**PRIORITY 5 – Capitalising on digital trends and partnerships**

Any current approach to marketing should seek to take advantage of growing trends and mechanisms that bring significant added value to budgets. Strategic marketing partnerships offer one such solution for effectively targeting new customers. Partnerships could be at a local level between Visit Somerset and Exmoor Tourism to establish new advertising opportunities for members. At a wider level partnerships could be considered with other destinations, such as Visit Devon and Visit Bath, with Visit Britain for overseas markets, Visit England for domestic markets, and even other private sector companies that have significant power to reach the same target markets, such as walkers, cyclists and birdwatchers.

For some time now there has been a growing trend in using digital technology to not only research and book holidays online, but to enhance visitor experiences in destinations. Statistics to the Visit Somerset and Visit Exmoor websites have grown significantly and indicate that visitors are seeking inspiration about things to do. Visit England has recognised this by changing the focus of its own website away from destinations to 'having great experiences'. The success of websites such as 'Secret Escapes' and 'Greentraveller', show how thematic approaches can also be successful. Local examples such as the Coleridge Way story walk app and QR code poetry have shown how digital tools can enhance an experience. Going forward a review is required to identify new opportunities. This could include the use of augmented reality to bring alive walks and trails, or harnessing the power of Trip Advisor to champion quality accommodation.

PR, e-newsletters, blogs and social media campaigns will be employed to raise awareness and grow engagement with customers. Search advertising and careful placement of digital display and banner advertising should be increasingly used over more traditional tools in integrated campaigns. Creative use of videos, offers, competitions and content will need to play a key part in driving traffic back to websites.

**PRIORITY 6 – Evidence based, targeted marketing campaigns**

With the short timescales governing the HTAP funding initially, the plan for campaigns should first concentrate on growing market share in key strength areas, where products can be evolved quickly. This will specifically mean targeting family holidays and couples seeking short breaks in the shoulder months, as well as the day visitor market and of course HPC workers and their families. Work will continue in the background to develop other products for potential campaigns later in 2015 and into 2016, which could include overseas markets, cycling and wildlife.

Family campaigns should target parents with toddlers and pre-teenage children and position the offer as being great value, both in terms of price and the huge range of things to do. Traditional seaside and farm holidays present the best backdrop for this. Previous customer profiling survey results indicate that short break campaigns should target more mature and affluent markets with quality and unique added value walking, wildlife, romance and heritage experiences. The arrival of HPC workers will boost the visiting friends and family market so a specific day visit campaign to drive local and regional traffic to the new Visit Somerset mobile app makes perfect sense.

Overall the opportunity is there to grow the reputation of the Somerset and Exmoor brands by displaying the breadth of holiday choices on offer. Both have key strengths in the eyes of different sets of visitors that must be used to capitalise on potential. For instance the stars of any seaside or heritage offers should make most use of Somerset's strong established reputation, while the reputation of the Exmoor brand will be crucial in attracting customers for walking and wildlife breaks. Strong collaboration and cross-selling will be required to make this a reality.

### Strategic Aim 3 – Increase tourism resilience

#### Aim

Increase industry resilience and competitiveness by focusing on encouraging higher value growth and quality, support for industry bodies in championing the area nationally, innovative funding partnerships, business support and locally led network activity that maximises opportunities.

#### Approach

Success in improving visitor experiences and attracting new customers may not be possible without focusing some resource at supporting the industry in adapting to meet changing customer needs. The overall approach needs to encompass the different layers of the industry and actively foster delivery in each, in order that maximum benefits can be brought to the local economy.

It is important that the tourism industry is represented at a wider regional and national level by strong industry bodies leading the way, supported by the experience and knowledge of the public sector. On an individual level it is vital that businesses have the tools to target new customers successfully, continue to raise quality levels, and tie in with destination marketing campaigns. Furthermore the approach will encourage more action from the ground up by supporting key community and business groups that may face specific challenges or be able to maximise opportunities from the HPC development.

#### Priorities

7. Building long term capacity of industry
8. Encouraging higher value sustainable growth
9. Supporting local distinctiveness and action

#### **PRIORITY 7 – Building long term capacity of the industry**

With the future of public sector funding being very unclear, it will be important that all efforts are made to support the main tourism bodies in achieving their ambitions to lead the industry. One key issue centres on the area's lack of voice at a national level. Neither Visit Somerset nor Exmoor Tourism have a place at Visit England's Destination Management Forum due to not yet meeting all of their criteria for membership. This means that businesses across the area are not being represented at the highest level and the area is missing out on marketing and funding opportunities. There is work to do to ensure that all criteria for joining the forum is met. Separately to this, work is also required to help both bodies grow commercially, improving membership benefits and long term organisational sustainability.

In recent times the public sector has been particularly successful in securing hundreds of thousands of pounds in external match funding for tourism and economic development activity. Using this knowledge it will be important to continue this trend. One potential opportunity will be around developing a new EU Interreg Tourism project following the success of the current COOL Tourism Project, which brought in an additional £135k for rural tourism and opened up new partnerships in France and Southeast England. Other opportunities may exist around LEADER funding, the Local Economic Partnership, other EU funding pots and coastal communities funds.

Overall, the strategic focus must be on encouraging higher value tourism activity. Typically the tourism sector is characterised by seasonal low paid and part-time work, and small/micro businesses often operating within tight margins. The development of HPC could provide new opportunities for people to take better paid jobs and all year round work. The strategy therefore needs to address this by encouraging, quality, hospitality careers and visitor infrastructure.



**PRIORITY 8 - Encouraging higher value sustainable growth**

Encouraging higher value growth will occur at different levels from support for individual businesses to local projects and major developments. In terms of businesses HTAP can draw on the success of the recent COOL Tourism Project, which supported individual businesses via the development of a business toolkit, training workshops and marketing initiatives. Support has focused on improving digital marketing presence, social media planning, customer service, quality and developing new products and experiences. This and other business support activity will help in aligning businesses with the overall plans HTAP develops for marketing the area.

On the horizon, a number of tourism related projects are being planned by various groups in the area that could have a direct impact on achieving higher value growth. These include, Somerset Wildlife Trust's Brilliant Coast project, the Onion Collective's work to transform Watchet Boat Museum, the cycling related Steam Coast Trail Project and the Crown Estate's ambitions to create a Dunster Forest Activity Park. HTAP will need to keep abreast of these projects as they develop to identify if and when support would provide added value.

As part of the HPC construction, EDF Energy are planning to build a new 'state of the art' visitor centre, which will provide new jobs and attract thousands of visitors annually. The Centre will focus on all types of energy creation from nuclear to green fuels, as well as promoting the local area. It will provide a unique all year round visitor attraction unlike any other in England, and will open up opportunities to attract new types of visitors including educational related groups.

**PRIORITY 9 – Supporting local distinctiveness and action**

In recent times, local authorities have invested considerable effort in supporting community and business network groups in developing local tourism and economic development activity. The principle being to foster a sense of local ownership and involvement in achieving ambitions. Partners involved in HTAP have continued this work through the COOL Tourism Project, supporting the development of new business networks. Communities have also been supported in developing funding bids for specific local projects. This has all led to a wide variety of valuable activity from new events, signage, smartphone apps, market stalls, social media activity and branding exercises. The essential principles of this work will be carried over into the HTAP strategy where appropriate.

It is already anticipated that the HPC development will impact upon specific places at different times during construction. For instance, 2014/15 work will take place on the new Washford Cross roundabout, which is part of overall plans to help alleviate traffic congestion around HPC. The closure of the exit to Watchet from the crossroads will mean that traffic is diverted through Williton for some months. This could lead to potential visitor issues for the town, and funding and resource needs to be directed at helping the community deal with challenges. During construction other areas such as the Steart Peninsular, Bridgwater, Combech and Cannington may well need specific assistance at times going forward, and therefore the HTAP strategy will need a degree of flexibility to manage this.

A theme that received significant support at the tourism industry workshop in 2014 was the concept of celebrating coastal heritage and wildlife. This is an important theme, and one that can be picked up in different ways. Marketing activity will certainly seek to maximise potential, while businesses should be supported in taking advantage of local distinctiveness. Another idea is that a coastal heritage festival could be developed. As has already been described a number of other coastal related projects are being planned, and so the opportunity exists to see how all these initiatives can collaborate and best be exploited.

## References

A number of key documents have been used in the development of this document.

- Exmoor Strategic Action Plan for Sustainable Tourism 2013-18
- Visit Somerset Marketing and Business and Development Plan 2015/16
- Visit England Strategic Framework for Tourism in England 2010-2020
- Visit England Marketing Strategy and Action Plan
- Visit England Rural Tourism Action Plan
- Visit England Seaside Resorts Action Plan
- Somerset Volume and Value Data 2013
- Somerset Visitor Survey 2009/10
- Exmoor Visitor Survey 2010 and 2012
- Exmoor Business Survey 2013
- Exmoor Non Visitor Survey 2012
- Visit England Domestic Leisure Tourism Trends for the next Decade
- Visit Britain Overseas Trend Data for each Nation & Region
- Visit Britain Overseas Visits to different parts of the country
- [www.visitbritain.org/insightsandstatistics](http://www.visitbritain.org/insightsandstatistics)
- Ofcom Communications Market Reports Aug 2014
- Somerset Growth Plan 2014
- West Somerset Economic Strategy 2011
- Somerset Economic Strategy

Map of the Somerset and Exmoor area around Hinkley Point C





## Hinkley Tourism Strategic Action Plan for 2015

73\* Please see reference notes and tables at the end of the action plan \*\*\*

Strategic Aims and Priorities		Ref. Action	Lead Partners	Delivery Date	Activity Cost	Budget Phase	Match Potential	Notes	
Improve visitor experiences	1. Fostering positive perceptions and awareness	1.1	Employ a PR professional to advise, devise and deliver a plan for PR and social media activity, campaigns and travel experience tools	WSC, SDC	Apr-15	£ 20,000	2	£ -	Request for funds from WSC in Feb 2015
		1.2	Develop an industry focused communications and travel plan, including a contacts database, protocols and key messages	WSC, SDC	Mar-15		2		This plan replaces the visitor management plan outlined in section 106 agreements
		1.3	Investigate the potential for creating a 'Local Ambassadors Scheme' to assist and enhance visitor welcome	TIC Group	Jun-15		3		Review required to identify potential budget implication
	2. Creating a welcoming and informative travel experience	2.1	Support information centres using separate S106 budgets to improve and deliver services, monitor impacts and set up TIC group	TIC Group	Jan-15		1		Separate budgets exist for 6 named TIC's.
		2.2	Review customer service and language training needs of TIC staff, ambassadors and businesses to improve welcome experience	TIC Group	Jun-15		3		Review required to identify potential budget implication
		2.3	Investigate potential of improving services and welcome to group operators, working with local partners and national bodies	TIC Group	Jun-15		3		Review required to identify potential budget implication
		2.4	Carry out a review of tourism signage and planned road works and develop a plan for implementation later in 2015/16	WSC, SDC	Mar-15		3		Review required to identify potential budget implication
	3. Monitoring impacts on visitors and businesses	3.1	Procure a research agency to deliver 4 visitor surveys over 2 years, including analysis of data and contribution to marketing review	SCC	Feb-15	£ 35,000	1	£ -	35k signed off by WSC in Dec 14 - 50% in 2015, 50% in 2016
		3.2	Devise a survey and plans for analysing the impacts on businesses	WSC, SDC, SCC	Jun-15	£ 5,000	1	£ -	5k signed off by WSC in Dec 14
3.3		Continue to fund participation in annual South West Tourism Value of tourism report, including data for districts and selected towns	WSC, SDC, SCC	Apr-15		2		Costs and activity will be part of marketing plan	
Attract and retain customers	4. Evolving products for changing customer needs	4.1	Identify product development and information needs for target markets in line with marketing plan ambitions, using marketing budget to fill gaps and working with the industry to develop new packages, experiences, offers and web content	WSC, SDC	Mar-15		2		Costs and activity will be part of marketing plan
		4.2	Review potential new target segments in overseas and domestic markets, in conjunction with Visit Britain and partners	WSC, SDC	Dec-15		4		Review required to identify potential budget implication for future marketing activity
	5. Capitalising on digital trends and partnerships	5.1	Explore potential strategic marketing partnerships through marketing strategy and planning (e.g. Visit Britain, Visit Devon)	Marketing group	Mar-15		2		Costs and activity will be part of marketing plan
		5.2	Development of a subsite by Visit Somerset to provide Hinkley workers and their families with inspiration and offers	VS	Mar-15		1		Development funded separately by EDF, hosting costs picked up by HTAP in 2016
		5.3	Investigate development of digital tools to enhance products on the ground and websites (e.g. augmented reality, QR codes, apps)	WSC, SDC	Jun-15		3		Review required to identify potential budget implication
	6. Delivering evidence based, targeted marketing campaigns	6.1	Implement activity as set out in the 2015 marketing. The plan will identify target markets, product development needs and strategic marketing partnerships, as well as include the procurement of a creative advertising agency to deliver largely digital focused targeted advertising campaigns.	Marketing group	Mar-15	£ 65,385	2	£ 15,000	Request for funds from WSC in Feb 2015, potential match from Visit England, existing COOL budgets and advertising
6.2		Carry out an annual marketing review, with an analysis of current data and trends and recommendations for future marketing	WSC, SDC	73 Nov-15		4		Analysis required for marketing and development in 2016	

Increase Industry Resilience	7. Building strategic capacity of industry	7.1	Support industry bodies in growing strategically, commercially, and improving long-term sustainability, by committing funds that could be match funded later in 2015 with a LEADER bid.	VS, ET	74 Mar-15	£ 20,000	2	£ 10,000	Request for funds from WSC in Feb 2015, Potential match from LEADER
		7.2	Complete current EU Interreg match funded COOL Tourism Project	WSC, SDC, SCC, ENPA	May-15		2		Project to be completed by May 2015
		7.3	Identify major match funding opportunities, including potential to develop a new tourism EU Interreg bid for 2015/16	WSC, SDC	Nov-15		4		Work is taking place with partners to bid for EU Interreg funds in Autumn 2015
	8. Encouraging higher value growth	8.1	Match fund the procurement of an agency or specialist to support businesses with digital and other development needs	WSC, SDC	Apr-15	£ 20,000	2	£ 20,000	Request for funds from WSC in Feb 2015 - Match funded with Economic Development budgets
		8.2	Procure an agency or consultant to deliver a series of workshops supporting businesses in using the COOL Tourism Business Toolkit	WSC, SDC	Apr-15		2		Costs and activity will be part of marketing plan
		8.3	Keep abreast of significant tourism projects encouraging high value with a view to providing support and potential match funding	WSC, SDC	Dec-15		4		Review required to identify potential budget implication
	9. Supporting local distinctiveness and action	9.1	Fund and support Watchet in devising a plan to mitigate impacts from the development of Washford Cross in 2014/15	WSC	Jan-15	£ 5,000	1		Work ongoing with businesses and community
		9.2	Work on plans for potential funding and support for other areas that will need to mitigate against impacts on tourism from HPC	SDC	Jun-15		3		Review required to identify potential budget implication
		9.3	Continue work from COOL and other projects of supporting local business networks in developing tourism projects and funding bids	WSC, SDC	Dec-15		3		Review required to identify potential budget implication
						<b>Total Budget (+ potential match)</b>	<b>£ 170,385</b>		<b>£ 45,000</b>

Strategic Aim Breakdown	Number of actions	Budget	Match
Strategic Aim 1 - Improve visitor experiences	10	£ 60,000	£ -
Strategic Aim 2 - Attract and retain customers	7	£ 65,385	£ 15,000
Strategic Aim 3 - Increase Industry resilience	9	£ 45,000	£ 30,000

<b>Site Preparation Section 106 Tourism Contributions</b>	<b>Budget Phases</b>
2015 = £160,000 + uplift to £170,385	1 = Pre-2015
2016 = £160,000	2 = Feb-15
Total Budget = £320,000	3 = Approx Jul-15
	4 = Approx Dec-15

<b>*** NOTES ***</b>
<b>Printing</b> this spreadsheet can be done in either A4 or A3 landscape with 1 cm borders. Printing in A4 will lose column K.
<b>Sorting Information</b> can be done by highlighting the actions only (starting at 1.1) from columns D to K.
<b>Budget Phase</b> relates to when Section 106 contributions are requested from council (see below for dates).

## Appendix C – Specific Project Proposals

<b>Project 1</b>	PR & Social Media (Reference 1.1 in Action Plan)	
<p><b>Strategic Aim:</b> Improve visitor experiences  <b>Priority:</b> 1. Fostering positive perceptions and awareness</p> <p><b>Action:</b> 1.1. Employ a PR professional to advise, devise and deliver a plan for PR and social media activity, campaigns and travel experience tools.</p> <p><b>Funding Request:</b> £20,000 (to be spent over a 12 month period in 2015/16)</p> <p><b>Overview</b>          During construction of HPC, the perception of the area as a place to visit will be influenced by media coverage. The media often have a tendency to focus on the negative so it must be expected that there will be stories about congestion, upheaval and disruption to normal life. The constant reference to 'construction of a new nuclear power station in Somerset' could also have connotations for some that the area is a place to avoid. As witnessed when the Levels were flooded, businesses right across the area were affected by reduced bookings. A workshop in June 2014 with 60 tourism businesses and organisations, plus consultation with industry bodies and local business networks, all identified that maintaining a positive perception of the area should be one of the top priorities for the HTAP strategy.</p> <p><b>Proposal</b>          It is proposed to employ the services of a PR professional or agency on an initial twelve month contract for 2015/16. The contract would include the potential for an extension in 2016/17 depending on success and a review of strategic need by HTAP. A robust procurement exercise will ask potential suppliers to evidence significant relevant experience, ideas and media contacts in order to deliver the following:</p> <ul style="list-style-type: none"> <li>➤ <b>To instigate public relations activity both off and online, which will raise the profile of the area locally, regionally and nationally.</b> <ul style="list-style-type: none"> <li>- This will include working up a plan of activity for researching and writing press releases, articles and copy, acting as a key point of contact supporting the media, generating familiarisation trips, monitoring activity and liaising with Visit England on national and international opportunities.</li> </ul> </li> <li>➤ <b>To increase perception and awareness of Somerset and Exmoor with visitors, businesses and the media using digital marketing tools, such as social media, e-newsletters and blogging.</b> <ul style="list-style-type: none"> <li>- This will include planning for and leading on tweets and posts on twitter and facebook pages for Visit Exmoor and Visit Somerset, researching and writing blogs and copy for e-newsletters.</li> </ul> </li> <li>➤ <b>To develop a set of communication and travel tools that will help improve the experience visitors have in travelling to and around the area, and that will portray a positive perception.</b> <ul style="list-style-type: none"> <li>- This will include developing itineraries, travel games, tips, inspirational new content for websites and practical suggestions for travel arrangements</li> </ul> </li> <li>➤ <b>To ensure that all activity works in collaboration with the communication and travel plans that are to be developed in the tourism action plan under action 1.2, and related to action 2.4.</b> <ul style="list-style-type: none"> <li>- The communication and travel plans will identify key messages, tools and protocols for communicating with the tourism industry, media and visitors. It will also map out planned road works and signage issues identified in the planned review (action 2.4)</li> </ul> </li> </ul>		
<p><b>Anticipated Outcomes</b> (to be achieved by 2016):</p> <ul style="list-style-type: none"> <li>➤ 24 or more new media opportunities via public relations activity</li> <li>➤ 10 or more new media familiarisation trips</li> <li>➤ Increase followers and likes from social media accounts by 20%</li> <li>➤ Develop 10 or more new travel tools</li> <li>➤ 5% increase in awareness of area in visitor monitoring survey</li> <li>➤ 5% increase in visits to Visit Somerset and Visit Exmoor websites</li> </ul>		<p><b>Anticipated Match Funding:</b></p> <ul style="list-style-type: none"> <li>➤ None at current time</li> </ul>

## Appendix C – Specific Project Proposals

<b>Project 2</b>	Marketing Plan Activity	
<p><b>Strategic Aim:</b> Attract and Retain Customers  <b>Priority:</b> 6. Delivering evidence based targeted marketing campaigns</p> <p><b>Action:</b> 6.1 Implement activity as set out in the 2015 marketing. The plan will identify target markets, product development needs and strategic marketing partnerships, as well as include the procurement of a creative advertising agency to deliver largely digital focused targeted advertising campaigns.</p> <p><b>Funding Request:</b> £65,000</p> <p><b>Overview</b>          The approach to marketing is centred around 3 key threads: re-packaging and evolving new products/experiences to meet changing customer needs, capitalising on digital trends and strategic partnerships to maximise budgets; and a focus on targeted marketing campaigns. Research shows that customers are increasingly seeking specific tourism short breaks (e.g. walking breaks, family fun, heritage seekers, relax and recharge breaks), as opposed to the more traditional approach of selecting a specific destination for a holiday. As the competition improves, the challenge is on for destinations to develop new and exciting experiences that will inspire visitors. Furthermore, the vast majority of holiday decisions now take place online, whether it be via social media, accommodation booking websites or video advertising.</p> <p><b>Proposal</b>          Use all funds to implement activity in the 2015 marketing plan.</p> <p>The plan will identify an approach and justification for targeting key domestic and overseas markets for short breaks and day visits. This will include integration with current marketing activity, including Visit Somerset and Visit Exmoor websites and brochures. Rather than directly support current marketing activity however, funds will largely be used to develop new marketing initiatives that without previous funding have not been possible, and that will add value to the overall promotional picture of the area. This will include:</p> <ul style="list-style-type: none"> <li>➤ £15k allocated to developing strategic marketing partnerships in order to maximise the potential of budgets. Potential partnerships could be formed with Visit England, other destinations such as Visit Devon, or private sector led companies, such as www.greentraveller.com.</li> <li>➤ £45k allocated to procuring the services of a creative advertising agency to run a number of targeted marketing campaigns in late Spring and Autumn (e.g. family, heritage, walking, relaxing breaks), and which will capitalise on growing customer trends for making holiday decisions online and via digital advertising tools. Costs will include running competitions and developing new inspirational content where needed for Visit Exmoor and Visit Somerset websites to tie in with campaigns.</li> <li>➤ £5k allocated to match funding and extending the recent COOL Tourism marketing campaign - 'Great Escapes'. This campaign saw the production of 100,000 small A5 sized brochures promoting 30 great experiences in Somerset and Exmoor. Developed by Greentraveller, 80,000 were distributed in partnership with Countryfile magazine and locally Exmoor magazine. Funds can be used to match fund remaining budgets in COOL Tourism.</li> </ul>		
<p><b>Anticipated Outcomes</b> (to be achieved by 2016):</p> <ul style="list-style-type: none"> <li>➤ 3% increase in staying trips by domestic visitors</li> <li>➤ 5% increase in overseas visitors</li> <li>➤ 2% increase in visitor spend</li> <li>➤ 4% increase in day visits</li> <li>➤ 10% increase in website traffic to Visit Somerset and Visit Exmoor</li> </ul> <p>*** With the exception of website traffic, outcomes will be measured in line with annual tourism volume and value data, which is released a year later. Current figures are based on trends from 2011, 2012 and 2013 data.</p>		<p><b>Anticipated Match Funding:</b></p> <ul style="list-style-type: none"> <li>➤ £10k of funding could be match funded by Visit England for joint campaigns and advertising</li> <li>➤ £5k of funding could be match funded with existing COOL Tourism budgets</li> </ul>

## Appendix C – Specific Project Proposals

<b>Project 3</b>	Support for tourism industry	
<p><b>Strategic Aim:</b> Increase industry resilience  <b>Priority:</b> 7. Building long-term capacity of the industry</p> <p><b>Action:</b> 7.1 Support industry bodies in growing strategically, commercially, and improving long-term sustainability, by committing funds that could be match funded later in 2015 with a LEADER bid.</p> <p><b>Funding Request:</b> £20,000</p> <p><b>Overview</b>          With diminishing public sector resource for tourism, there has been a strong desire in recent times to support the main tourism bodies in achieving their ambitions to lead the industry. With the situation unlikely to change it is important that all efforts are made to build their capacity. One key issue centres on the area's lack of voice at the national table. Neither Visit Somerset nor Exmoor Tourism have a place at Visit England's Destination Management Forum due to not yet meeting all the criteria. This means that businesses across the area are not being represented at the highest level and miss out on opportunities. For instance often large funding sources will request that destination management organisations are recognised by Visit England in order to apply. There is work to do to ensure that all criteria for joining the forum is met. Separately to this, work is also required to help both bodies grow commercially, improving membership benefits and improve long term organisational sustainability.</p> <p><b>Proposal</b>          Operating under separate service level agreements, the proposal is to provide funds to Visit Somerset and Exmoor Tourism each to procure part-time support in growing their organisations strategically, commercially, and in improving long-term sustainability.</p> <ul style="list-style-type: none"> <li>➤ <b>Helping to develop new funding streams and commercial opportunities that can be sustained through the revenue raised, once established</b> <ul style="list-style-type: none"> <li>- This could include marketing initiatives or using the power of clusters of businesses to achieve discounts and savings for members.</li> </ul> </li> <li>➤ <b>Developing viable strategic business and destination plans</b> <ul style="list-style-type: none"> <li>- The business plan should outline clear and attractive membership offers and proposals and the destination plan will enable organisations to meet Visit England criteria</li> </ul> </li> <li>➤ <b>Providing organisational support</b> <ul style="list-style-type: none"> <li>- This will include helping to set up good systems, policies and procedures for current staff and committees to follow, as well as investigating funding opportunities, such as working up a LEADER bid, when this funding comes on line later in 2015.</li> </ul> </li> <li>➤ <b>A small travel expense budget</b> <ul style="list-style-type: none"> <li>- Board members for both organisations are all volunteers. A small budget (approx. £1k in total) would be provided to support selected representatives in attending HTAP, Visit England and other key strategic tourism meetings.</li> </ul> </li> </ul>		
<p><b>Anticipated Outcomes</b> (to be achieved by 2016):</p> <ul style="list-style-type: none"> <li>➤ 20% increase in members</li> <li>➤ 8 new sustainable income generating initiatives</li> <li>➤ 2 business and destination plans</li> <li>➤ 4 new policies and procedures</li> </ul>		<p><b>Anticipated Match Funding:</b></p> <ul style="list-style-type: none"> <li>➤ £10k from LEADER</li> </ul>

## Appendix C – Specific Project Proposals

<b>Project 4</b>	Business support	
<p><b>Strategic Aim:</b> Increase industry resilience</p> <p><b>Priority:</b> 8. Encouraging higher value sustainable growth</p> <p><b>Action:</b> 8.1 Match fund the procurement of an agency or specialist to support businesses with digital and other business development needs</p> <p><b>Funding Request:</b> £20,000</p> <p><b>Overview</b>          The tourism sector is typically characterised by seasonal low paid and part-time work, and small businesses often operating within tight margins. The development of HPC could provide new opportunities for residents to learn new skills, take better paid jobs and find all year round work. With 27% of people currently employed in tourism in West Somerset, HPC could have a significant and possibly detrimental impact on the industry. We need to urgently address these down-stream requirements.</p> <p>The other major issue is that there is a need to support businesses with adapting and raising the quality of products and experiences in order to meet the needs of changing customer needs. The COOL Tourism Project, which ends in May 2015, has piloted a number of initiatives that could now be taken forward and developed under this proposal, including the COOL Tourism Business Toolkit, experience and digital workshops. A focus on this also will serve to help increase the competitiveness of Somerset and Exmoor as holiday destinations.</p> <p><b>Proposal</b>          Use funds to match with £20,000 from West Somerset Council and Sedgemoor District Council economic development allocations to develop a plan of business support activity that will encourage higher value sustainable growth, and which will also support the development of product offerings that will support destination promotions. This will involve:</p> <ul style="list-style-type: none"> <li>➤ <b>Procuring a business support specialist or agency to provide a digital advice and mentoring service</b> <ul style="list-style-type: none"> <li>- This would involve offering training, clinics, 1 to 1 consultancy to increase confidence, maximise potential, create new products and improve business efficiency through the use of digital tools and opportunities (e.g. social media, websites, e-commerce, bookings, research, courses)</li> </ul> </li> <li>➤ <b>Carry out a review of business development needs and commission appropriate business development workshops</b> <ul style="list-style-type: none"> <li>- Topics would include quality, customer service, using local food, management, marketing Workshops would also look to use the COOL Tourism Business Toolkit, which has been developed to help and support businesses in developing their business, marketing and promotion, using local distinctiveness and working together in business networks. This activity will also dovetail with other existing support mechanisms where appropriate referrals will be made to business mentors / Growth Hub support etc.</li> </ul> </li> </ul>		
<p><b>Anticipated Outcomes</b> (to be achieved by 2016):</p> <ul style="list-style-type: none"> <li>➤ 200 businesses supported.</li> <li>➤ 50 intensive business support opportunities provided.</li> <li>➤ 10 workshops provided</li> </ul>		<p><b>Anticipated Match Funding:</b></p> <ul style="list-style-type: none"> <li>➤ £10k West Somerset Council Economic Development Allocation</li> <li>➤ £10k Sedgemoor District Council Economic Development Allocation</li> </ul>

*Report Number:* WSC 28/15

*Presented by:* Cllr Chris Morgan, Lead Member Environment – Hinkley Point

*Author of the Report:* Andrew Goodchild, New Nuclear Programme Manager

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*Report to a Meeting of:* Full Council

*To be Held on:* 18<sup>th</sup> February 2015

*Date Entered on Executive Forward Plan Or Agreement for Urgency Granted:* N/A

## HINKLEY POINT C – PROPOSED CHANGES TO EDF ENERGY’S DCO PLANS

### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to bring to Members attention EDF Energy’s proposed changes to the DCO ‘plot plan’ (essentially the details plans of the buildings on site during operation) and to formulate West Somerset Councils response to those changes.

### 2. CONTRIBUTION TO CORPORATE PRIORITIES

- 2.1 The most relevant objective within the Corporate Plan in relation to this report is objective 6: The development at Hinkley Point is carried out in accordance with the approved plans and ensuring that the Council actively monitors the development and responds to any complaints received in a timely and sound manner.

### 3. RECOMMENDATIONS

- 3.1 That Full Council raise no objection to the proposed changes to the DCO plans as proposed by EDF Energy and that delegated authority is granted to the New Nuclear Programme Manager to respond to the consultation undertaken by the Planning Inspectorate; and
- 3.2 That delegated powers are granted to the New Nuclear Programme Manager, following consultation with the Lead Member for Environment – Hinkley Point, to respond to further proposed non-material changes to the DCO plans relating to Hinkley Point where there are no significant effects identified from such changes.

### 4. RISK ASSESSMENT (IF APPLICABLE)

#### Risk Matrix

Description	Likelihood	Impact	Overall
That the proposed changes to the DCO plans are not properly assessed and have materially different effects and that the impact on communities is increased	2	4	8

<i>That the proposed changes are considered properly and any concerns are brought to the attention of the Planning Inspectorate prior to their decision</i>	1	4	4
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The scoring of the risks identified in the above table has been based on the scoring matrix. Each risk has been assessed and scored both before and after the mitigation measures have been actioned.

## **5. BACKGROUND INFORMATION**

- 5.1 Members will be very familiar with the Hinkley Point C project and will recall that the operational plant will include not only the 2 main reactor buildings and turbine halls but also a wide of ancillary buildings which will support the operation of the power station. Details of these buildings were included on the 'plot plan' and various associated drawings that were approved as part of the Development Consent Order granted by the Secretary of State in March 2013.
- 5.2 EDF Energy have recently made an application to the Planning Inspectorate for changes to the plot plan which they consider to be non-material changes. As the host District, the Planning Inspectorate are required to consult West Somerset under The Infrastructure Planning (Changes to, and Revocation of, Development Consent Orders) Regulations 2011, and as such is appropriate for the Council to consider the proposed changes and respond with the Councils view to the Planning Inspectorate so they take account of any comments that the Council wishes to make. The Planning Inspectorate will, in accordance with the regulations, notify the Council as to its decision.
- 5.3 EDF Energy have identified 4 main reasons for the changes which have been proposed and submitted to the Planning Inspectorate these are:
- A review of design resilience in response to events in Fukushima;
  - Changes to ensure compliance with UK Regulations;
  - Learning from Flamanville and Taishan; and
  - Optimisation Studies
- 5.4 The proposed changes see 9 new or relocated elements to the plant which require new buildings or structures, 9 buildings that have been redesigned and have been increased in size compared to that approved, 15 buildings which have moved from their original location on the approved plans and 6 buildings are proposed to be removed because they are no longer required.
- 5.5 Whilst the total number of changes is high, in reality the changes all relate to the ancillary buildings on the edges of the operational site. When the prospect of an application for the changes was initially discussed with officers, EDF Energy were asked to submit environmental information alongside the proposed changes to enable an assessment to be made as to the impacts of the changes particularly in relation to any potential landscape and visual impacts. EDF have also considered the implications of the proposals on ecology.
- 5.6 The most significant of the proposed changes includes:
- A new emergency response store which is 13m high
  - The raw water and potable water supply which was underground and is now up to 8m high
  - The EDF Site Offices have been relocated and are now increased in height by 5m to 15m high
  - Removal of one of the contaminated tools storage building which was 13m high
  - Relocated contaminated tools storage building and increased in height by 2m to 15m



5.7 Having assessed the content of the landscape and visual assessment which accompanies the application and assessed the short, medium and long term views that might be effected it is considered that the proposed changes are not significant. The buildings affected are all located to the north of Green Lane well away from any residential properties. None of the changes would result in any changes to the processes and vehicle movements associated with the construction of the power station. Members are recommended to raise no objection to the proposed changes.

5.8 In addition it is suggested that delegated powers are granted to the New Nuclear Programme Manager who, in conjunction with the Lead Member for Environment – Hinkley Point, would provide a response to such applications if there are no materially significant effects involved.

## **6. FINANCIAL/RESOURCE IMPLICATIONS**

6.1 There are no financial or resource implications in relation to the proposal.

## **7. COMMENTS ON BEHALF OF SECTION 151 OFFICER**

7.1 None for the purpose of this report.

## **8. EQUALITY & DIVERSITY IMPLICATIONS**

8.1 **Members need to demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process.** The three aims the authority **must** have due regard for are:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

8.2 There are no equality and diversity implications in relation to the proposal.

## **9. CRIME AND DISORDER IMPLICATIONS**

9.1 There are crime and disorder implications in relation to the proposal.

## **10. CONSULTATION IMPLICATIONS**

10.1 Consultation for the proposed changes is being carried out by the Planning Inspectorate.

## **11. ASSET MANAGEMENT IMPLICATIONS**

11.1 There are no asset management implications in relation to the proposal.

## **12. ENVIRONMENTAL IMPACT IMPLICATIONS**

12.1 The environmental impacts of the proposed changes have been considered and are not significant.

## **13. HEALTH & WELLBEING**

Demonstrate that the authority has given due regard for:

- People, families and communities take responsibility for their own health and wellbeing;
- Families and communities are thriving and resilient; and

- Somerset people are able to live independently.

13.1 There are no health and wellbeing implications in relation to the proposal.

14. **LEGAL IMPLICATIONS**

14.1 There are no legal implications in relation to the proposal.

*Report Number:* WSC 29/15

*Presented by:* Cllr Chris Morgan, Lead Member Environment – Hinkley Point

*Author of the Report:* Andrew Goodchild, New Nuclear Programme Manager

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*Report to a Meeting of:* Full Council

*To be Held on:* 18<sup>th</sup> February 2015

*Date Entered on Executive Forward Plan Or Agreement for Urgency Granted:*

## **HINKLEY C CONNECTION PROJECT – LOCAL IMPACT REPORT AND DCO EXAMINATION**

### **1. PURPOSE OF REPORT**

- 1.1 This report seeks to provide Members an overview of National Grid's Hinkley C Connection Project; identifies the key issues pertinent to West Somerset; sets out the key steps in the Examination Timetable; explains and seeks Member approval to submit the Joint Local Impact Report in accordance with the Examination Timetable; and finally sets out the resource implications for the Council and seeks approval to vire up to £25,000 from an Earmarked Reserve for the purposes of procuring specialist technical and legal advice during the Examination.

### **2. CONTRIBUTION TO CORPORATE PRIORITIES**

- 2.1 There are no specific Corporate Objectives relating to the National Grid project however, the 2<sup>nd</sup> Corporate Priority relating to maximising opportunities for West Somerset communities and businesses whilst protecting local communities and the environment in relation to the Hinkley Point C development is equally applicable to this project.

### **3. RECOMMENDATIONS**

- 3.1 It is recommended that Council:
- i. Agrees to endorse the content of the draft Local Impact Report (LIR) and grants delegated powers to the New Nuclear Programme Manager to submit the LIR on behalf of West Somerset Council on 26<sup>th</sup> February 2015; and
  - ii. Agrees that up to £25,000 from the National Grid PPA Earmarked Reserve can be vired to an expenditure budget for the purposes of procuring specialist technical and legal advice during the forthcoming Examination.

#### 4. **RISK ASSESSMENT (IF APPLICABLE)**

##### **Risk Matrix**

<b>Description</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Overall</b>
That an LIR is not submitted and as a consequence the opportunity to influence the DCO examination process is limited to views already expressed and the opportunity to secure appropriate mitigation for adverse impacts of project is constrained	3	4	12
<i>That Full Council grant delegated powers to the New Nuclear Programme Manager to respond to deadlines set out within the Examination Timetable</i>	1	4	4
That the Council is not able to adequately represent communities affected by the project leading to appropriate mitigation not being secured and issues not being brought to the attention of the Examining Authority	2	4	8
<i>That Full Council agrees to vire monies from the Earmarked Reserve to procure technical and legal advice as necessary</i>	1	4	4

The scoring of the risks identified in the above table has been based on the scoring matrix. Each risk has been assessed and scored both before and after the mitigation measures have been actioned.

#### 5. **BACKGROUND INFORMATION**

- 5.1 Members will recall from previous reports relating to the formal consultation undertaken by National Grid that the Hinkley C Connection Project seeks approval to erect pylons and install a section of underground cabling to connect the Hinkley Point C New Nuclear Power Station to the National Grid and that this involves works from Hinkley Point to Seabank in Avonmouth. The project involves five other local authorities as it passes through West Somerset, Sedgemoor (and Somerset County Council's area), North Somerset, South Gloucestershire and Bristol City – the six Local Authorities are known as the Joint Councils in relation to this project.
- 5.2 National Grid submitted their Development Consent Order (DCO) Application on 28<sup>th</sup> May 2014 and it was accepted for Examination on 19<sup>th</sup> June 2014. The Joint Councils submitted a relevant representation on 26<sup>th</sup> August 2014 setting out their initial views on the DCO application. As discussed with Members at the recent Hinkley PAG, the Preliminary Meeting for the project was held on the 19<sup>th</sup> January 2015 and the 'Rule 8' letter which sets the Examination Timetable was issued by the Examining Authority on 29<sup>th</sup> January 2015.

##### **The Examination Timetable**

- 5.3 The key dates set out in the Examination Timetable are as follows:

<b>Matters</b>	<b>Date</b>
Deadline for receipt of: Local Impact Reports Statements of Common Ground Responses to the 1 <sup>st</sup> Written Questions	26 <sup>th</sup> February
Open floor Hearings	17 <sup>th</sup> and 18 <sup>th</sup> March
Issue Specific Hearing on DCO and Mitigation	14 <sup>th</sup> April

Site Visits	8 <sup>th</sup> April, 15 <sup>th</sup> and 16 <sup>th</sup> April
Issue Specific Hearings on: Heritage and Historic Environment, Landscaping and Visual, Means of securing Mitigation, Highways and Transport, Air Quality, Noise, Ground Conditions, Water Quality, Pollution Prevention and Flood Risk, Health, Wellbeing, Electro-Magnetic Fields, Socio Economic, Biodiversity and HRA	21 <sup>st</sup> , 22 <sup>nd</sup> , 23 <sup>rd</sup> , 28 <sup>th</sup> , 29 <sup>th</sup> , 30 <sup>th</sup> April and 1 <sup>st</sup> May
Deadline for Final Draft of the DCO Completed Section 106 agreement	24 <sup>th</sup> June
Close of the Examination	19 <sup>th</sup> July

- 5.4 To give Members a flavour of the intensity of the Timetable and the level of resources needed to participate it is worth noting that the list of 1<sup>st</sup> Written Questions which was published on the 29<sup>th</sup> January and which need to be responded to in full by the 26<sup>th</sup> February extends to 120 pages.

### **Summary of Proposals and Key Issues for West Somerset**

- 5.5 The proposals in West Somerset are very much unchanged from previous rounds of consultation, the DCO application set out that 6 existing pylons would be removed and 12 new pylons will be erected to connect the new Shurton substation (the Hinkley Point C substation) to the existing network of overhead lines travelling away from the Hinkley Point complex. National Grid propose to use the traditional 'lattice' pylons in West Somerset in accordance with the Councils previous consultation responses and officer advice.
- 5.6 The route alignment of the 'Hinkley Line Entries' in West Somerset is consistent with the previous round of consultation material and is well understood by both Officers and members of the community in Stogursey Parish. National Grid has, in the case of this element of the overall project, historically responded positively to the views expressed by local people and the Parish Council. In December 2012 West Somerset Council supported this alignment in principle within its response and no objection to the alignment was raised in the Councils consultation response in October 2013.
- 5.7 It is disappointing to report that many of the more specific issues which were raised by the Council in its October 2013 response have not resulted in changes to the National Grid proposals and they continue to be 'not agreed' within the Statement of Common Ground which has been developed with National Grid over the last 6 months. From a West Somerset perspective there are a series of issues where further consideration and mitigation is considered necessary. These are summarised below:
- i. The Councils consider that National Grid has, through the methodology used within its Environmental Statement, underplayed the significance on the landscape and the visual effects of the development. The Environmental Statement does not therefore identify a number of high sensitivity receptors which would experience a major adverse effect which should have been mitigated.
  - ii. The cumulative assessment within National Grid's Environmental Statement only identify effects within individual topic assessments and significant adverse cumulative effects have not been addressed. In the view of the Joint Councils the assessment and considerations for mitigation need to be over and above that required to alleviate those individual direct effects.

- iii. There continue to be a very large number of identified moderate effects within the Environmental Statement which have not been mitigated by National Grid. Combined with the inadequate assessment of cumulative effects and the concentration of activity in Stogursey Parish over the next 10 years (Hinkley Point C, Bristol Ports Compensatory Habitat Creation and this project), it is considered that the mitigation offered by National Grid remains inadequate.
- iv. National Grid have developed proposals for an Off Site Planting and Enhancement Scheme (OSPES) which would see some planting delivered in Stogursey. However, given the issues identified above, the amount of planting in West Somerset that is offered is not considered to be sufficient (only around 1/3<sup>rd</sup> of what is required). In addition the mechanism to secure delivery of this planting is by no means clear and the Joint Councils consider the OPSES to be essential mitigation not a 'softening' scheme which remains contingent on landowner agreement.
- v. The OPSES does not seek to address other general and specific concerns which affect West Somerset including tourism and biodiversity and the Joint Councils continue to press National Grid to provide a Community Impact Mitigation Fund and other specific mitigation which could address the issues above and other less tangible effects.
- vi. The DCO as drafted contains a number of Requirements (planning conditions). The Joint Councils consider that a number of these Requirements need to be 'tightened up' to prove enforceable; that a number of measures and Management Plans set out within National Grid's Environmental Statement require additional controls and in some cases to be approved by the Joint Councils via Requirements; and that an approach to resourcing the Joint Councils to consider the detailed Requirements (a Service Level Agreement) - which has been agreed in principle - needs to be set out in the Section 106 agreement.

### **The Local Impact Report**

- 5.8 As has been the intention for some time, the Joint Councils have been developing and will submit a Joint Local Impact Report on the 26<sup>th</sup> February. The LIR remains the most appropriate opportunity within the Examination process for the Joint Councils to raise their concerns and to express what additional measures the Councils see as being necessary to mitigate the effects of the project.
- 5.9 The Planning Inspectorate have recently published guidance on documents to be submitted in relation to DCO Examinations and, in taking account of this guidance, it is intended that the LIR for this project will be more focussed than the LIR produced for the EDF Energy project. It seeks to identify a range of strategic route-wide impacts and then seeks to identify on a Local Authority areas which are supported by reference to national and local policy. A range of detailed topic papers will form appendices to the main LIR which seek to provide further evidence and justification for the Joint Councils position. As well as identifying specific issues, the LIR seeks to identify the Joint Councils proposed mitigation and rates the impact both 'before' and 'after' in an attempt to ensure that as many impacts are reduced to either neutral, positive or strongly positive and are not left as either negative or strongly negative.
- 5.10 Clearly the LIR will be used during the Issue Specific Hearings in April as the evidence base for the Joint Councils position and will hopefully result in the final form of the DCO (including Requirements) and the Section 106 agreement which need to be submitted on the 24<sup>th</sup> June being as robust and comprehensive as possible. The Timetable allows the Joint Councils and other Interested Parties to submit comments on these final form documents on or before the 13<sup>th</sup> July 2015 just prior to the close of the Examination. If significant issues remain then

a report will be prepared for the Cabinet meeting at the beginning of July so that the Councils formal views can be finalised and sent to the Examining Authority.

## **Resources**

- 5.11 Members will recall that the Joint Councils entered into a Planning Performance Agreement (PPA) with National Grid in 2010. Since then the work of the Councils and its advisors (Arup, Pinsent Masons, JMP and Turner and Townsend) has been paid for under a series of work packages with periodic invoices to National Grid. National Grid has always made it clear that whilst it was happy to enter into the PPA during the pre-application phases of the project and acknowledged the importance of completing documents like the Statement of Common Ground it was not going to fund the production of the Local Impact Report nor was it going to fund the Councils to 'appear' during the Examination.
- 5.12 Following discussions at a Strategic Project Board meeting in January, National Grid have agreed that work which is on-going and will be completed by the 26<sup>th</sup> February can continue but thereafter, funding will almost certainly cease (save for instances where the Joint Councils and National Grid agree it is in their joint interests to respond to the Examining Authority). Importantly the legal input to the completion of the Section 106 agreement will continue to be covered as it is not due to be completed until June.
- 5.13 Given the number of outstanding issues where it is hoped that the Examination will result in National Grid agreeing to some or all of the Joint Councils position(s) the Joint Councils have agreed to combine resources to ensure that they are able to put forward their case, particularly via the LIR and during the Issue Specific Hearings in April. To cater for these anticipated costs since January 2014 all income from the PPA has been paid into the National Grid PPA Earmarked Reserve. It is requested that up to £25,000 of the balance of the Earmarked Reserve is vired to an Expenditure budget.

## **6. FINANCIAL/RESOURCE IMPLICATIONS**

- 6.1 At present the National Grid PPA Earmarked Reserve has a balance of £31,611. All income from the PPA has been paid into the reserve since January 2014. The other Local Authorities involved in the project are in the process of identifying funds and therefore it is proposed that a sum of £25,000 is released from the Earmarked Reserve for the purposes set out in 5.13 above. Once the collective position of the other Local Authorities is known, an appropriate contribution from West Somerset can be identified (up to £25,000). Any monies not used will be returned to the Earmarked Reserve in due course.
- 6.2 The resources to enable the Council to participate, other than described above, will fall on the New Nuclear Programme Manager. Members will note from the Timetable set out above that the month of April will be particularly intensive and the impacts of this will need to be carefully managed to ensure no negative effects on other projects are felt, particularly the Hinkley Point C project.

## **7. COMMENTS ON BEHALF OF SECTION 151 OFFICER**

- 7.1 The allocation of the funds from the earmarked reserve will provide the necessary budget approval to allocate funds as West Somerset's contribution towards the shared costs to: help the joint councils respond to questions; conclude the S106 agreement with National Grid; represent us at Hearings during the Examination; and help to finalise the key written documents that we need to submit in accordance with the Examination timetable.
- 7.2 The total estimated costs for the technical and legal advice is in the process of being finalised and will reflect the affordability based on the combined resources of the joint councils. The

expectation is that costs will be contained within the overall funding available, and commensurate work will be commissioned as required during the examination. The Councils will need to work within the principle that costs will be shared appropriately and that there will be no cross-subsidy. The use of earmarked reserves set aside for this purpose means there should not be any impact on the Council's general budget or reserves.

- 7.3 Sedgemoor DC (SDC) will commission the work and therefore deal with the procurement of the services required. As such SDC will be the accountable body for the expenditure and WSC will provide a contribution (together with the other joint councils) towards the shared costs within the approved budget. The costs are expected to be incurred between February and July 2015 therefore the funds from the earmarked reserve may be applied within the current and next financial years.

## **8. EQUALITY & DIVERSITY IMPLICATIONS**

- 8.1 **Members need to demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process.** The three aims the authority **must** have due regard for are:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

- 8.2 The Equality and Diversity implications of the project and the ways in which the consultation was undertaken and the Examination is run are not the responsibility of the Council. The Joint Councils have repeatedly requested that National Grid undertake a Health Impact Assessment which has not been done, this is identified as a principle issue by the Examining Authority. The Council did not raise any objections to the consultation process. The decision of the Council to submit a Local Impact Report will not have any adverse Equality and Diversity implications.

## **9. CRIME AND DISORDER IMPLICATIONS**

- 9.1 There are no direct impacts as a result of this report. The workforce for the National Grid project is not significant.

## **10. CONSULTATION IMPLICATIONS**

- 10.1 The responsibility of consulting both statutory consultees and the general public rests with the developers under the 2008 Planning Act (in this case National Grid). The Planning Inspectorate accepted National Grid's DCO application after having considered whether or not the consultation process was adequate.

## **11. ASSET MANAGEMENT IMPLICATIONS**

- 11.1 There are no direct impacts as a result of this report, the Council do not own land which will be affected by the project.

## **12. ENVIRONMENTAL IMPACT IMPLICATIONS**

- 12.1 The Environmental Impacts of the development are considered within National Grid's Environmental Statement. In the main the Council is content with the methodology used to assess the environmental impacts of the project save for those highlighted at 5.7 above.



**13. HEALTH & WELLBEING**

Demonstrate that the authority has given due regard for:

- People, families and communities take responsibility for their own health and wellbeing;
- Families and communities are thriving and resilient; and
- Somerset people are able to live independently.

- 13.1 The Joint Councils have repeatedly requested that National Grid undertake a Health Impact Assessment which has not been done, this is identified as a principle issue by the Examining Authority.

**14. LEGAL IMPLICATIONS**

- 14.1 It is important that the Council responds in accordance with its responsibilities set out in the Planning Performance Agreement and in accordance with its role as defined by the Planning Act 2008.