

Firepool Hotel

Summary of business consultation October 2018

Background

- Full Council decision to approve project mandate April 2018
- Full Council decision in June 2018 to defer April 2018 decision until a consultation process carried out

Consultation process

- Developed FAQs and on-line survey (BC, Project team, Media & Comms team, PFH) – FAQ informed by other council hotel projects
- Consultation period 1st – 31st October
- Informed the Taunton business community as follows
 - TDBC Press release issued and published on TDBC & www.investtaunton websites (1st Oct + follow-up 24th Oct)
 - Sent e-mails directly to 312 Taunton / town centre businesses on the TDBC Business Development & Visitor Centre databases (together with sending a message directly to the Taunton Chamber of Commerce)
 - Social media - promoted regularly throughout October via Twitter (TDBC and Taunton Business Twitter accounts)
 - Taunton Business twitter feed = c.2700 followers
 - TDBC corporate twitter = c.4000 followers

Analysis and findings

- Total responses = 35 (on-line survey) + 1 letter
- Breakdown of business type:
 - Professional services (eg Accountants, Architects, Insurance, Property) = 16
 - Leisure, tourism & transport = 8
 - Hotel and B & B = 6
 - Retail = 5

Q1) On balance do you agree with the proposal for a hotel on the Firepool site?

- Agree = 13/35 (37%)
- Neither agree nor disagree = 2/35 (6%)
- Disagree = 20/35 (57%)

Responses by business type:

- Professional services (total = 16)
 - Agree = 7/16 (44%)
 - Disagree = 9/16 (56%)
- Leisure, tourism & transport (total = 8)
 - Agree = 4/8 (50%)
 - Neither agree nor disagree = 2/8 (25%)
 - Disagree = 2/8 (25%)
- Hotel and B & B (total = 6)
 - Agree = 1/6 (17%)
 - Disagree = 5/6 (83%)
- Retail (total = 5)
 - Agree = 1/5 (20%)
 - Disagree = 4/5 (80%)

Key / most common topics/issues raised by those who AGREE:

- Complements Taunton town centre's regeneration / Firepool development
- A new quality hotel is needed in the town centre
- Existing provision is limited / inadequate, meaning visitors have to find inconvenient or costly accommodation in surrounding areas
- Highly advantageous in meeting SCCC's needs (eg supporting major events)
- Economic benefits, eg creating employment, local amenities will benefit, and it will bring custom to the night-time economy
- Environmental benefits – close proximity to railway station = reduces traffic and pollution

Key / most common topics/issues raised by those who DISAGREE:

- No clear direction for the development of the town centre / masterplan for Firepool
- Further Firepool development is required to attract more visitors to Taunton before a hotel is built (eg leisure & entertainment venue)
- Concerns that the proposal is high risk, low return (lack of transparency on proposal details)
- Private sector (not the council) should invest if there is a demand

- Council investment should concentrate on attracting new business investment, and focus on other areas, (eg attracting high quality jobs, empty shops, no business rates and cheaper rents)
- Plenty of hotels and available rooms in the town already
- Will risk the sustainability of current hotel operators (who are paying business rates to the council)
- Poor location due to traffic jams and inadequate parking in the centre of town

Q2) Do you agree with the Council investment in initiatives that are expected to directly benefit the town, its businesses and residents?

- Agree = 21/35 (60%)
- Neither agree nor disagree = 2/35 (6%)
- Disagree = 11/35 (31%)

Responses by business type:

- Professional services (total = 16)
 - Agree = 11/16 (69%)
 - Neither agree nor disagree = 1/16 (6%)
 - Disagree = 4/16 (25%)
- Leisure, tourism & transport (total = 8)
 - Agree = 7/8 (88%)
 - Disagree = 1/8 (12%)
- Hotel and B & B (total = 6)
 - Agree = 2/6 (33%)
 - Neither agree nor disagree = 1/6 (17%)
 - Disagree = 3/6 (50%)
- Retail (total = 5)
 - Agree = 1/5 (20%)
 - Neither agree nor disagree = 1/5 (20%)
 - Disagree = 3/5 (60%)

Key / most common topics/issues raised by those who AGREE:

- Principle of council investment supported as long as it genuinely benefits the town, businesses and residents
- However, some sceptical that investing in a hotel will directly benefit the town
- Council's should help kick-start / pump-prime quality growth schemes
- Must ensure there is a commercial case and the investment provides a return
- Positive economic development

Key / most common topics/issues raised by those who DISAGREE:

- This type of investment is not the council's job – should be private investment

- The council / public sector has a poor record of developing and being entrepreneurial
- This investment is bad as it won't benefit the town or deliver a return
- More imagination, bravery and drive in the vision and direction is needed

Q3) Do you agree with council investment in initiatives that are expected to yield a solid return - in order to better fund community services?

- Agree = 21/35 (60%)
- Neither agree nor disagree = 5/35 (14%)
- Disagree = 9/35 (26%)

Responses by business type:

- Professional services (total = 16)
 - Agree = 12/16 (75%)
 - Neither agree nor disagree = 1/16 (6%)
 - Disagree = 3/16 (19%)
- Leisure, tourism & transport (total = 8)
 - Agree = 5/8 (63%)
 - Neither agree nor disagree = 3/8 (37%)
- Hotel and B & B (total = 6)
 - Agree = 3/6 (50%)
 - Disagree = 3/6 (50%)
- Retail (total = 5)
 - Agree = 1/5 (20%)
 - Neither agree nor disagree = 1/5 (20%)
 - Disagree = 3/5 (60%)

Key / most common topics/issues raised by those who AGREE:

- Principle of council investment supported, however, some sceptical that investing in a hotel is appropriate for the council, and concerns expressed about the level of risk and that it is not a short-term speculative investment
- The council needs to establish a diverse income portfolio and use their assets to generate revenue to address council's funding cuts, and improve public infrastructure and services

Key / most common topics/issues raised by those who DISAGREE:

- This type of investment / business is not the council's job – should be private investment
- The council should support current businesses rather than make life more difficult for them

Q4) How else do you think the council could or should develop new sources of income for the maintenance of public services?

- 23 of the 35 respondents provided comments
- Invest in / encourage things to attract people and business to Taunton, eg:
 - a large conference/entertainment venue at Firepool,
 - other tourist/visitor attractions,
 - decent High Street markets, restaurants / cafes / stalls / places of entertainment etc along the river
- Invest in transport infrastructure, eg: roads, parking facilities, park & ride sites, public transport and coach facilities
- Help stimulate existing business growth, eg secured lending to local businesses
- Avoid high risk ventures, and only invest in projects expected to develop a long-term return
- Reduce business rates / offer rates holidays to encourage more start-ups
- Increase fines (eg littering, parking), and charge to park cars anywhere in a public place
- Charge more for large business planning applications
- Reduce car parking fees and bus fares to attract greater usage
- Purchase property assets or build new assets for rental income
- Increase council tax
- Invest in housing under new Govt initiatives

Q5) What do you think about the principle of the Council offering commercial loans to enable development?

- 29 of the 35 respondents provided comments
- 6 of these 29 explicitly stated they believed this is wrong / not appropriate for council's to do this
- 16 of these 29 stated they supported the principle
- 4 of the 29 stated that it depends on the development (ensure ethical investment and quality development), or the adequacy of the investment
- A good idea for young entrepreneurs
- The council does not have the skills or expertise to assess risk
- The council should fund development of council houses and affordable housing, and support local & self builders
- Several suggested that there should be loan conditions, such as:
 - never used to facilitate high-risk ventures;
 - not be offered to large / multi-national / well-funded companies;
 - priority given or exclusively available to local and smaller businesses;
 - the developments must enhance the town and benefit businesses and residents;
 - the company must employ local people;

- must be safeguards or insurance policy to ensure loans are not defaulted;
- should be a socially desirable imperative for the development;
- last resort – to only ever cover council costs;
- subject to due diligence and scrutiny of security and repayment;
- must provide a good / long-term return on investment

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