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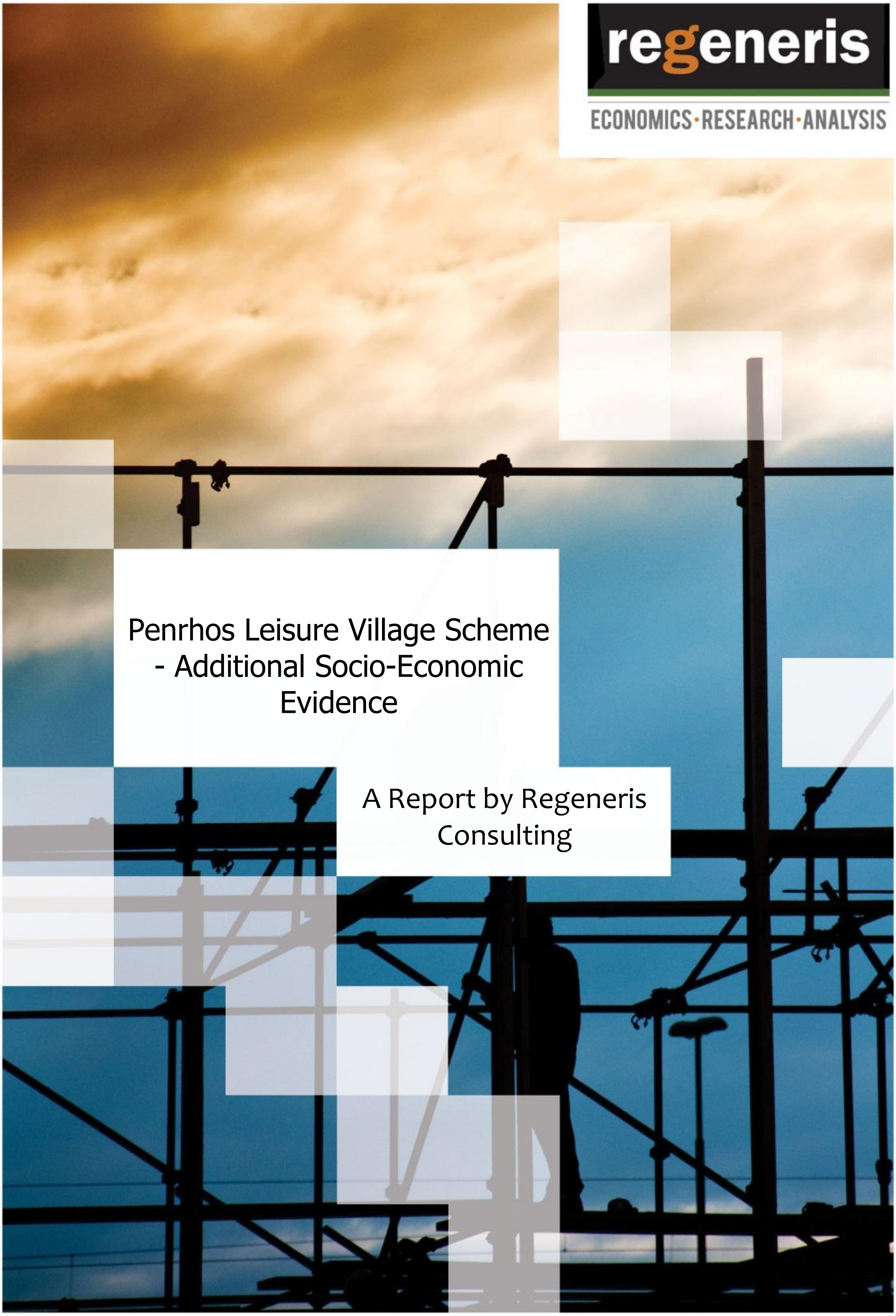

Penrhos Leisure Village Scheme - Additional Socio-Economic Evidence

A Report by Regeneris Consulting

Land & Lakes Limited

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April 2013

Regeneris Consulting Ltd

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Contents

Executive Summary

i. A previous report by Regeneris Consulting[1] outlined the substantial economic and tourism benefits from the Penrhos Leisure Village scheme. The analysis covered in detail the full array of direct, indirect and wider catalytic economic benefits. It is clear that the proposal represents a unique opportunity to transform the socio-economic fortunes of Anglesey.

ii. It is not the purpose of this report to repeat any of this previous analysis, although Section 1 does provide a quantified summary of the main categories of economic benefit.

iii. The purpose of this report is to respond to a request from consultees for supplementary socio-economic evidence on the following four matters:

- A more detailed assessment of potential displacement effects between the proposed development and the existing portfolio of visitor accommodation in Anglesey.
- More details on the nature of the jobs and supply chain opportunities that will be created, and how the applicant is proposing to ensure that these benefits are captured by local resident and local firms.
- A more detailed assessment of the existing supply of social infrastructure and services, likely levels of demand on this infrastructure as a result of the Penrhos Leisure Village scheme and the need for any mitigation.
- More evidence on the nature of the national need for the project and the absence of suitable alternatives.

Issue 1 – Displacement

iv. The profile of visitors to Anglesey shows a high proportion of budget conscious family trips and is highly seasonal. The average age of visitors is higher than many other parts of the UK, reflecting the fact that another key market segment is trips by more affluent older couples.

v. An estimated 80% of visitor bed-spaces are on caravan and camping parks; largely small parks and without substantial on-site facilities. There are no contemporary year-round leisure village destinations on Anglesey.

vi. The target market for Penrhos will largely be ABC1 families with high spending power, and with high levels of occupancy throughout the whole year. The scheme will target those seeking a Center Parcs type experience but focussing on healthy lifestyles and coastal experience.

vii. There is only very limited overlap between the target markets for the Penrhos leisure village and existing visitors, and as such any diversion of trade will be negligible/very low. Where displacement does occur it will be predominantly from other UK leisure village destinations.

[1] Economic & Tourism Need and Benefits Report. Regeneris Consulting. November 2012.

viii. Even if low rates of displacement do occur, the net jobs impact from the Penrhos Leisure Village scheme will be significant.

ix. The views of several existing accommodation providers have been sought, and they reinforce the conclusion that there will be no substantial diversion of trade from existing businesses.

x. These views are also shared by the North Wales Tourism Partnership, who explicitly state (see Appendix A) that the development will be "…introducing a new product model to the Isle of Anglesey and to North Wales, and in effect growing the market, rather than displacing existing business".

xi. Any discussion on displacement/net economic benefits also needs to recognise the positive wider benefits the scheme will have on raising the profile of Anglesey as a destination and the impetus it will give to product development and innovation elsewhere in the local tourism sector.

Issue 2 – Nature of Jobs & Local Employment Strategy

xii. The on-site construction jobs will amount to some 150 FTE posts per annum[2]. They will primarily span occupations within the early infrastructure works (earth moving, service roads, utilities contractors etc), the main build programme (bricklayers, carpentry, electricians etc) and site landscaping.

xiii. A fully quantified profile of the likely nature of operational jobs has also been provided. Overall some 465 FTE on-site jobs will be created. The main bulk of jobs are in housekeeping, food and beverage, leisure services and general administration.

xiv. Many more jobs will be provided off-site as a result of the development. We cautiously assume 110 FTE off-site jobs, although discussion with IACC suggests they believe the figure could be higher. Off–site jobs include those in local food and drink producers (to sell in on-site outlets) and other facilities and activities linked to tourism spend.

xv. In general, the majority of jobs do not require advanced level skills.

xvi. Local labour market data reveals plenty of existing skills in the occupations likely to be required. The data also reveals lots of latent capacity with a total of 900 JSA claimants currently seeking jobs in construction and personal/customer service type occupations.

xvii. The applicant is in the process of preparing a local Employment, Training and Supply Chain Strategy. This is likely to include a commitment to:

- Provide and disseminate an Annual Statement of Predicted Tender Work Packages
- Facilitate an annual Meet the Buyer event around key construction phase contracts
- Ensure lead contractors inform IACC of all construction-related job vacancies

[2] This is in addition to a large amount of off-site construction jobs in pre-fabrication and the construction supply chain, most of which will be non-local.

- Work with local training providers during the construction phase to ensure they are aware of the upcoming permanent opportunities for staff and are scaling up their provision accordingly
- In the peak recruitment period, to hold a Penrhos Job and Careers Fair
- Make available a number of local apprenticeships in key occupations.

xviii. The characteristics of the likely workforce have been assessed in respect of their potential impact on the well-being of the Welsh language. It is concluded that there will be no detrimental impact, and the scheme will help retain Welsh speaking workers on Anglesey. The scheme may indeed have significant benefits for the Welsh language through the retention of young people as workers and through the various ideas emerging for educating visitors in aspects of Welsh language and culture.

Issue 3 – Social and Community Infrastructure Assessment

xix. A systematic assessment of the SCI demands of four main groups has been assessed[3]. For each, the analysis looks at education, healthcare and wider leisure/community requirements.

xx. The construction workers for the scheme are shown to place only minimal additional demands on the local SCI infrastructure, as most will be existing Anglesey residents. These minimal demands are derived from the small amount of visiting construction workers potentially requiring emergency services for which there is sufficient existing capacity.

xxi. Likewise the visitors and operational phase workers at the development will only place minimal additional demands on the local SCI – again in relation to health services. The proposal is to provide permanent health infrastructure on site to meet these needs, with a small amount of additional activity assumed for local A&E to meet more serious health needs.

xxii. The Cae Glas temporary workers accommodation will place more substantial demands for SCI provision – primarily in relation to health and leisure services. However, the proposal within the planning application is to develop a workers hub that will meet the vast majority of these needs. The hub will include an on-site medical facility, restaurants, bars and leisure facilities, TV lounges and outdoor football/sports pitches. There are no significant off site needs emerging from this group.

xxiii. The position outlined above applies in much the same way in respect of the temporary occupation of the Kingsland residential units by nuclear workers. The vast majority of their health and leisure needs will be met on the nearby Cae Glas workers hub. There are no significant off site needs emerging from this group.

xxiv. When the Kingsland residential development reverts to "conventional" occupation (expected to be no sooner than 2022) then this will place more substantial demands on the local SCI. These demands relate to school places, health and some leisure facilities. Analysis

[3] These four groups are (i) the construction workers for the Pernhos scheme, (ii) visitors/staff at the development, (iii) the temporary nuclear workers housed at Cae Glas and (iv) the temporary/long term occupiers of the Kingsland residential units.

of the local education infrastructure reveals substantial capacity at both some primary and secondary level. It is likely that in the mid 2020's some modest new primary school provision (in the form of extra places at the existing Kingsland primary school will be required) although this will need to be tested more fully nearer the time. Whilst we await final data on health capacity it is likely that the Kingsland development will require some small scale expansion at local GP/dentist facilities, again at some point in the mid 2020's.

Issue 4 – National Need

xxv. The need for economic growth and regeneration in Anglesey has long been recognised in national government. Job losses and the selective out-migration of working age residents have been significant in the last decade. Wealth levels per head of population stand at just 50% of the UK average.

xxvi. Further erosions in the local economic base will place additional burdens on public finances, at a time when the national economy can least afford it.

xxvii. Anglesey needs several solutions to address its economic issues. The energy sector is one such solution, with tourism being the only other significant sector where substantial growth could occur.

xxviii. Visit Wales recognises that the Penrhos Leisure Village development is a rare opportunity to fundamentally strengthen the local tourism base. They note that Anglesey is an area where tourism has a vital economic role, but also where the opportunities are harder to realise. There are no other pipeline developments on Anglesey that will achieve substantial growth in the tourism sector.

xxix. Visit Wales also recognises that the scheme meets many of the objectives of the new National Tourism Strategy, including "investing in high quality, reputation-changing products" and "driving a product-led approach that identifies fresh reasons to visit Wales".

xxx. The UK government has stated that a series of new nuclear power stations are to be constructed and start generating power as soon as possible. Wylfa in Anglesey is identified as one of just eight sites that the Government has determined are potentially suitable for the deployment of new nuclear power stations before the end of 2025.

xxxi. With such a large construction workforce IACC has decided that the Wylfa B nuclear new build project requires substantial purpose built workers accommodation. The proposed Cae Glas & Kingsland elements of the Penrhos Leisure Village development is designed to meet this need, which in turn is derived from the national need for new nuclear power generation at Wylfa.

xxxii. It has been demonstrated through extensive analysis that potential alternative sites in Anglesey are not available, suitable or viable for a comparable development. The Penrhos Leisure Village site is the only viable site to meet a range of national needs relating to economic growth, tourism and energy policy.

1. Introduction

1.1 In November 2012 Regeneris Consulting prepared an Economic and Tourism Benefits report in respect of the proposed Penrhos Leisure Village scheme[4]. Evidence in our report was used by WSP, alongside other materials, to prepare the socio-economic chapter of the Environmental Statement for the scheme.

1.2 This new report has been prepared by Regeneris Consulting to respond to requests for additional socio-economic evidence made by both the Economic Development Unit within Isle of Anglesey County Council (IACC) and the Countryside Council for Wales (CCW)[5].

1.3 Specifically the report is designed to respond to the following four requests:

- A more detailed assessment of **potential displacement effects** between the proposed development and the existing portfolio of visitor accommodation in Anglesey. In doing this we provide a more detailed overview of the existing stock of visitor accommodation in Anglesey.
- More details on the nature of the jobs and supply chain opportunities that will be created, and **how the applicant is proposing to ensure that these benefits are captured by local resident and local firms**. We have also sought to provide additional information that has been requested on how the development, and in particular the visitors and workforce at the development, will impact on the well-being of the Welsh language.
- A more detailed assessment of the **existing supply of social infrastructure and services**, likely levels of demand on this infrastructure as a result of the Penrhos Leisure Village scheme and the need for any mitigation.
- More evidence on the **nature of the national need** for the project and the absence of suitable alternatives.

1.4 Following discussion with IACC some requests for additional information have been scoped out of the process of preparing this report – namely the request for evidence on the financial viability of the scheme (which is not considered a relevant issue in determining the planning application) and a request for evidence on the cumulative impacts with respect to the Wylfa B new build (the approach to cumulative impact assessment was agreed at the earlier EIA Scoping stage).

1.5 In responding to the various requests we will build on the existing evidence on the employment impacts of the scheme. For ease of reference, these employment impacts have been extracted from the original analysis and are summarised over-page.

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[4] The scheme incorporates development at Penrhos, Cae Glas and Kingsland.

[5] Note : From 1 April 2013 responsibilities of CCW will be transferred to the new Natural Resources Wales body (NRW).

Reminder of Employment Estimates

1.6 The following categories of employment impact were modelled as part of the original assessment:

- Construction jobs – as a result of on-site construction activity and in off-site prefabrication and supply chain activity. These are temporary in nature, although the construction programme will span a number of years
- On-site operational phase jobs – these are the permanent jobs involved in running the leisure village and span a wide variety of occupations
- Off-site operational phase jobs – these are permanent employment effects that occur the via the off-site expenditure of visitors and via corporate supply chain expenditure by the leisure village operator
- Induced jobs – the employment resulting from the additional wage expenditure in Anglesey businesses of on and off-site operational workers
- Induced jobs (via Kingsland) – the employment effects arising from the additional household expenditure of Kingsland residents

1.7 The scale of these effects is summarised in Table 1.1. These estimates are based on an assumed 150,000 visitors per annum. The employment effects of a higher level of annual visitors (200,000) were also modelled.

1.8 The scheme has considerable potential to change the image and perceptions of Anglesey as a tourism destination. The leisure village scheme would, we believe, deliver wider catalytic benefits and stimulate other operators to invest drawing in yet more visitors. Leisure operators and investors have clear criteria for investment in new locations or formats, taking account of the presence of complementary and competitor operators.

1.9 In addition to the jobs and positive economic benefits listed above , the scheme will house up-to 2,000 temporary construction workers from the proposed Wylfa B nuclear power station development. These jobs are not a result of the Penrhos Leisure Village scheme, and are not claimed as such. However, the location of a large volume of workers on-site will place certain demands on social and community infrastructure in the local area and these demands are assessed as part of this supplementary analysis.

<table>
<tr><th colspan="5">Table 1.1 – Summary of Quantifiable Employment Impacts</th></tr>
<tr><td>Type of Employment Impact</td><td>Quantum</td><td>Share of Jobs assumed to be taken by Anglesey residents</td><td>Share of Jobs assumed to be taken by non-Anglesey residents</td><td>Phasing</td></tr>
<tr><td>Construction</td><td>Average of 420 FTEs per annum over construction period. A mixture of on-site and off- site prefabrication and supply chain work. Off-site activities spread throughout the UK.</td><td>Assume 110 to 170 FTEs (mid-point of 140 FTEs) are taken by Anglesey residents</td><td>Assume 280 FTEs. Majority of these will never visit site as involved in off-site prefabrication and dispersed supply chain.</td><td>Construction will cover an eight year period from 2015 to 2023.
Majority of spend 2015 to 2018 during which construction jobs will rise above the estimated average level.</td></tr>
<tr><td>Direct on-site Operational*</td><td>465 FTEs when leisure facility fully operational.</td><td>Between 75% and 90% assumed to be taken by Anglesey residents – equates to between 350 FTEs to 420 FTEs.</td><td rowspan="3">Remainder taken by non-Anglesey residents. Given nature of work remainder likely to be residents of other areas nearby in North West Wales.</td><td>Staffing levels build up from 2016 onwards.</td></tr>
<tr><td>Indirect off-site Operational*</td><td>80 FTEs in Anglesey via the off-site expenditure of visitors and via corporate supply chain expenditure in Anglesey businesses.</td><td>Between 75% and 90% assumed to be taken by Anglesey residents – equates to between 60 FTEs to 70 FTEs.</td><td>Build up in same time period as operational jobs</td></tr>
<tr><td>Induced off site Operational*</td><td>30 FTEs via the wage expenditure in Anglesey businesses of direct/indirect workers.</td><td>Between 75% and 90% assumed to be taken by Anglesey residents – equates to between 20 FTEs to 30 FTEs.</td><td>Build up in same time period as operational jobs</td></tr>
<tr><td>Induced off site via Housing</td><td>40 FTEs via off site expenditure of Kingsland residents.</td><td></td><td></td><td>Build up as residential units are completed, from 2015 onwards</td></tr>
<tr><td colspan="5">*Based on 150,000 visitors per annum. The employment effects of 200,000 visitors, which is more akin to a similar sized Center Parcs development, were also modelled. There are also a range of wider positive catalytic impacts, as highlighted on the previous page.</td></tr>
</table>

2. Displacement Effects

Key Points

- The profile of visitors to Anglesey shows a high proportion of budget conscious family trips and is highly seasonal. The average age of visitors is higher than many other parts of the UK, reflecting the fact that another key market segment is trips by more affluent older couples.
- An estimated 80% of visitor bed-spaces are on caravan and camping parks; largely small parks and without substantial on-site facilities. There are no contemporary year-round leisure village destinations on Anglesey.
- The target market for Penrhos will largely be ABC1 families with high spending power, and with high levels of occupancy throughout the whole year. The scheme will target those seeking a Center Parcs type experience but focussing on healthy lifestyles and coastal experience.
- There is only very limited overlap between the target markets for the Penrhos leisure village and existing visitors, and as such any diversion of trade will be negligible/very low. Where displacement does occur it will be predominantly from other UK leisure village destinations.
- Even if low rates of displacement do occur, the net jobs impact from the Penrhos leisure village scheme will be significant.
- The views of several existing accommodation providers have been sought, and they reinforce the conclusion that there will be no substantial diversion of trade from existing businesses.
- These views are also shared by the North Wales Tourism Partnership, who explicitly state (see Appendix A) that the development will be "…introducing a new product model to the Isle of Anglesey and to North Wales, and in effect growing the market, rather than displacing existing business".
- Any discussion on net economic benefits also needs to recognise the positive wider benefits the scheme will have on raising the profile of Anglesey as a destination and the impetus it will give to product development and innovation elsewhere in the local tourism sector.

What is Displacement?

2.1 In the context of the Penrhos Leisure Village scheme, displacement is the effect of **diverting trade** away from existing accommodation providers in Anglesey[6]. If these effects are proven to be significant then they will dampen down the *net* employment impacts of the scheme.

2.2 We have previously argued that any local displacement effects will be **negligible**, with any displacement that does occur being from other UK Center Parcs and similar leisure destinations. This section provides additional evidence on why we maintain this position. For illustrative purposes, we also model the quantitative effects of a range of low to medium level displacement scenarios and demonstrate that even under these scenarios the net employment effects of the scheme are still significant.

2.3 As an aside, it is worth noting that the threat of displacement/competition is what drives product innovation and improvement in the tourism industry. The introduction of new accommodation product in Anglesey is likely to serve as an impetus for others to raise

[6] There is also the related effect of diverting *staff* away from existing operators. With such a substantial pool of economic inactivity and under-employment in Anglesey, this is not considered to be a genuine threat. We do however cover this issue later in this section. .

standards in what is a quality driven market. This is in the context of a recognised lack of product improvement and development in tourism accommodation in Anglesey in recent years.

2.4 In addition, the enhanced profile which this development would bring to Anglesey as a whole could also benefit other accommodation providers as they leverage additional visits on the back of greatly improved awareness.

The Target Market for the Penrhos Leisure Development

2.5 The business model for the proposed Penrhos leisure development is based on replicating the successes of Center Parcs but with the added USP of a coastal location and linkages with key operators on Anglesey to maximise the guest offer. The Center Parcs model has been highly successful since the company established itself in the UK in 1987. There are now over 1.6m visitors per annum to its four sites in Nottinghamshire, Cumbria, Suffolk and Wiltshire. A fifth site is currently being developed in Bedfordshire. Center Parc's offer is based on a choice of high quality visitor accommodation (villas, lodges and apartments) set in a woodland/natural location, combined with an extensive range of sports, leisure and entertainment facilities on-site.

2.6 Center Parcs have not released information into the public domain regarding the socio-economic composition of their visitors. However, company case studies, corporate statements, press releases and interviews all point towards their focus on higher spending and more affluent ABC1 social class visitors[7], who are predominantly families. Martin Dalby, Center Parcs Chief Executive, in a recent newspaper interview stated that around *"…75% of Center Parcs visitors are families, with most from the ABC1 demographic"*[8]. The Center Parcs business model has some other key characteristics and strengths which underpin its success. These include:

- Center Parcs' average occupancy rate does not drop below 95%[9] - visitors are attracted to Center Parcs throughout the whole year, given its mix of accommodation and facilities.

- The model of visit is geared towards shorter breaks throughout the whole year, with the letting week split into two segments. Evidence suggests that very few visitors use Center Parcs as their main annual holiday (less than 10% of visitors staying for a whole week), with the majority of visitors stayed for either 4days/3nights (40.3%) or 5days/4nights (46.4%)[10].

- Visitors are attracted by the range of accommodation and on-site activities. This combination and satisfaction with the offer has built brand loyalty, resulting in a high proportion of return visits (70% of surveyed visitors had previously stayed at

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[7] ABC1 social class is predominantly comprised of higher order occupational groups (managers, professionals, associate professionals etc).

[8] *Center Parcs at 25 and still looking for growth*. Nottingham Evening Post.

[9] Center Parcs Annual Report, 2011

[10] SHU, 2005 - Sheffield Hallam University (SHU) research on Center Parcs

one of the Center Parcs Villages).[11]

- In recent years, Center Parcs has seen significant increases in larger group and business-related bookings, and has focussed some of its more recent marketing efforts in these areas.

2.7 Given the all year round nature of the facilities proposed for Penrhos, the expectation is that the scheme can also achieve a high average year round occupancy rate. Having the capacity and facilities to attract visitors during the traditional off-season will be a significant factor in bringing new visitors to Anglesey and reducing the impact of seasonality within the Anglesey visitor economy.

2.8 Like Center Parcs, the target visitor market for the Penrhos Leisure Village will be predominantly ABC1 visitors, with a focus on families. In particular the target markets are:

- **Younger and more affluent families**, who are not necessarily constrained by tight leisure and recreation budgets

- Visitors seeking a **short break**, rather than a main holiday The Penrhos Leisure Village scheme will also be based on a providing a range of accommodation choices and leisure activities for its visitors to enjoy as part of short-breaks.

- Visitors seeking **contemporary accommodation** and facilities which meets a range of individual and family needs

- Visitors seeking a destination which has a complementary **range of on-site activities** and interests, as well as the flexibility to enjoy off-site activities.

- **Group breaks**. Analysis of provision suggests that there are currently a limited number of accommodation options on Anglesey which meet both larger group needs, as well as the needs of businesses seeking an accommodation and activities offer (e.g. away days, team building) within a contemporary setting.

- **Irish market**. There is no large scale leisure village operation in Ireland and the ease of access to Holyhead port will drive a large new Irish market to Penrhos Leisure Village.

- **London Market**. The regular direct train from London Euston will provide easy access for the London market to visit the only quality Coastal leisure Village in the UK.

2.9 Evidence from Center Parcs suggests that the type of visitors attracted to Penrhos would be particularly inclined to return in the future (over two-thirds of current Center Parcs visitors have been to a Center Parcs before).

[11] SHU, 2005 - Sheffield Hallam University (SHU) research on Center Parcs

Current Trips to Anglesey

2.10 It has been possible to draw together a robust profile of existing visitors to Anglesey using data sources such as the Anglesey Bedstock Survey (2008 and 2011), the Anglesey Visitor Survey (2009 and 2012) and the STEAM model.

Scale, Value and Visitor Breakdown

2.11 Research and evidence[12] points towards the Anglesey tourism market being based, in large part, on its natural assets, namely its coastline and rural landscape. However, there are a number of historic properties, heritage and other attractions that complement these natural assets.

2.12 The latest visitor data (STEAM, 2010) estimates that Anglesey attracts over 1.5m visitors annually, generating around £147m in direct visitor expenditure. Approximately two-thirds are staying visitors (973,700), and one-third day visitors (535,500). This estimate of total visitors excludes those visitors who pass through Holyhead as a result of the ferry, or those visitors as a result of the Cruise Ships[13]. These estimates could potentially be higher now, given the evidence on increases in 'staycation' breaks and holidays in Anglesey as a result of the prevailing economic climate.

Table 2-1: Scale and Breakdown of Visitors to Anglesey, 2010

	Visitors	%
Staying Visitors	974,000	65%
Serviced Accommodation	*190,000*	*20%*
Non-Serviced Accommodation	*678,000*	*70%*
SFR	*106,000*	*10%*
Day Visitors	535,000	35%
Total Visitors	1,509,000	100%

Source: STEAM, 2010; cited in Anglesey Destination Management Plan Appendices

2.13 Key points on the Anglesey visitor market are as follows:

- Day visitor spend accounts for about only 9% of all tourism spend in Anglesey – overnight stays are therefore the clear drivers of economic impact.
- Trips to non-serviced accommodation contribute the majority of spend – approximately 75% of all spend is from trips to Anglesey involving a stay in non-serviced accommodation. A further 13% of all spend is tied to trips to serviced accommodation, and 3% from trips to stay with friends and relatives.
- Evidence suggests that staying visitors stayed an average of 5.1 nights on Anglesey, although this varied between 1.75 nights in serviced accommodation and 6.5 nights

[12] Anglesey Destination Management Plan 2012-16, Anglesey Tourism Product Appendix II, June 2012

[13] Estimates suggest 2m people pass through the Holyhead ferry terminal annually and 30,000 cruise liner passengers.

in self-catering accommodation (i.e. weekly stays).

- Of those staying visitors, around 70% choose to stay in non-serviced accommodation.

Existing Accommodation Offer

2.14 The evidence base on Anglesey's tourism product also provides a greater insight into the range of current visitor accommodation on Anglesey (both type and scale of availability). The key points include:

- While there is a mix of accommodation on Anglesey, the staying market is **dominated by self-catering provision**, particularly camping and caravanning provision. This sector is primarily led by static caravan provision on Anglesey. The camping and caravanning segment of the overnight market provides approximately 80% of all bed-spaces on the island[14].

- Data is not available, or consistent, but there is a view that many of the caravan units on parks in Anglesey are largely in private ownership, rather than in major holiday operators' control. As a result their use is predominantly dominated by private owners and their decisions on private lettings.

- Other self-catering (excluding camping and caravanning) refers to holiday cottages and houses, of which there around 190 establishments on Anglesey according to the data. This accommodation accounts for only around 12% of all Anglesey bedspaces, with a mix of single units or small groups of cottages/houses. Occupancy levels for this type of accommodation are around 55%.

- There are around 135 serviced accommodation establishments on Anglesey. Around 80% of the establishments are in small B&B's, guest houses and farmhouses. Of the hotel provision, only a small proportion have more than 10 or 20 bedrooms.

Table 2-2: Visitor Establishments and Bedspaces on Anglesey, 2012

Table AII.1: Visitor establishments and bedspaces on Anglesey

Sector	Estabs.	Rooms/units	Bedspaces	% Bedspaces	No Graded
Caravan/Cmpg	86	2,272*	27,224*	80%	22
Hostels	4	70	198	<1%	2
Self-catering	186	1,317	4,098	12%	81
Serviced	135	1,204	2,614	8%	47
Total	**411**	**4,863**	**34,134**	**100%**	**150**

Source: Anglesey Destination Management Plan 2012-16, Anglesey Tourism Product Appendix II, June 2012 (p19). Sourced from IACC Bedstock Survey 2011.

[14] Bedspaces estimated as part of a survey by IACC Bedstock Survey, 2011. Cited in Anglesey Destination Management Plan Appendices

Characteristics of Visitors & Market Segmentation

2.15 Further evidence within the 2012 Anglesey Destination Management Plan[15] highlights the following points about Anglesey visitors:

- The age profile of visitors to Anglesey tends to be **older, rather than younger** (40% are aged 55+, with 45% aged 35-54). The island has a below average level of younger visitors (16-34 years) with 13% compared to 17% nationally.

- This evidence highlights how Anglesey attracts two particular market segments:

  - The first is th**e traditional family holiday market** (i.e. typically longer holidays, and also highly seasonal). This segment still predominates with families staying in the many caravans and self-catering units and, to a lesser extent in the serviced accommodation. Most, but not all, of the caravan and camping users are on a strict **budget** while much of the self-catering (cottages/houses) are of sufficient standard to attract a discerning and more affluent customer for longer stays.

  - An associated market are older couples, although evidence suggests that these visitors may also come at off-peak times as well. Many of these visitors will be caravan owners and are therefore **regular visitors** to the area, increasingly on shorter breaks.

  - The second segment is made up of the **more affluent, often older couples** who come to stay for the weekend in one of the better hotels or self-catering options on the Island (e.g. high quality holiday home/cottages). This market tends to have a longer season, with visitors attracted by outdoor activities and scenery.

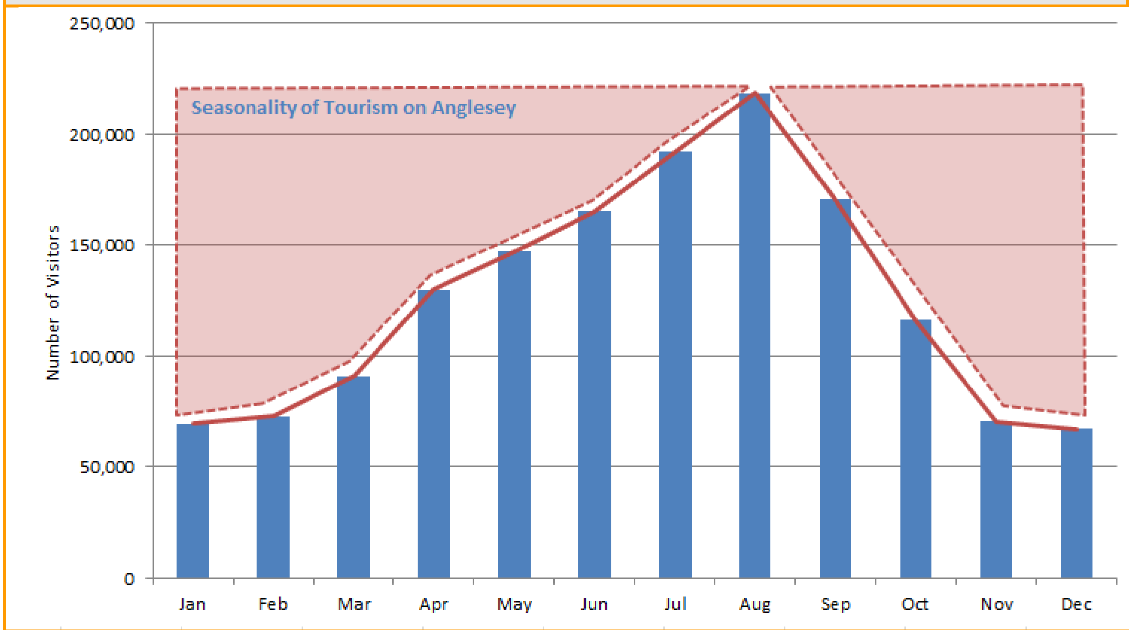
Issue of Seasonality

2.16 Various tourism research reports for both Anglesey and North Wales more generally identify the seasonal nature of the industry. This is borne out by the data reported by the STEAM reports from 2005-2010.

2.17 The STEAM data illustrates the monthly variations in visitor numbers to Anglesey over the period of a year for the past five years. At present there is a significant peak in visitor numbers to Anglesey between June and September (49% of all visitors to Anglesey per annum), with low visitor levels in the shoulder months. This seasonality has a **major impact** on employment and earnings locally, as well as levels of **under-occupancy** in visitor accommodation.

[15] Anglesey Destination Management Plan 2012-16, Appendix III – Visitor Market

Figure 2-1: Seasonality in Anglesey's Tourism Market



Source: Regeneris Consulting, based on STEAM 2010 data

Visitor Awareness and Perceptions of Anglesey

2.18 Surveys of existing visitors to Anglesey show that tourists are widely positive about their experience, with high levels of satisfaction expressed. However, evidence from focus groups undertaken in the North West of England, containing people who have either not been to Anglesey before, or returned for some years, suggests that Anglesey has **significant challenges** ahead in addressing prevailing perceptions (e.g. stereotypes of the visitor offer focussed on natural assets, but little else to do), and in attracting new visitors to the island[16].

2.19 Some of the key messages which emerged from the focus groups were:

- **Anglesey has an inability to cater for a wider set of family/visitor needs:** While the coastline and outdoor activities of Anglesey were very attractive to some families, the focus group participants wanted more reassurance/evidence that all aspects of their visits would be catered for – there was clear and important reference to including wet-weather options. This reassurance will be critical in helping to inform their future holiday and short-break decisions.

- **Anglesey currently has an unattractive visitor proposition for younger/single people:** The focus group showed that young singles were the least likely to show enthusiasm for visiting Anglesey. There was a view that the island would not be able to offer them enough to do and that it would be too quiet, except perhaps for a very short break.

[16] Anglesey Destination Management Plan 2012-16, Appendix Iva Focus Group Research. Using the latest Anglesey Visitor Survey 2012.

2.20 The research undertaken for the DMP process points to Anglesey's tourism product still being orientated towards visitors on the basis of its coast and rural environment, both helping to attract new visitors as well as keeping its core audience. However, it also points to the need to **stand out** more from other parts of North Wales and other areas across the UK, perhaps linked to a more dynamic range of activities and attractions.

Comparing Target Markets and Existing Anglesey Visitors

2.21 In comparing the target market for Penrhos and the existing visitor base for Anglesey, we believe that there would be **minimal overlap and displacement** between the type of visitors and their rationale for their trip to the Penrhos leisure village, and those existing staying visitors to Anglesey.

2.22 As the Center Parcs evidence suggests, visitors are predominantly on a short break with their families, and are there to enjoy the experiences which only a Center Parcs type facility can provide throughout the whole year – the mix of accommodation and on-site activities. This is a very different offer to the one which currently exists on Anglesey, and we believe it will attract a different set of ABC1 visitors to Anglesey. The evidence suggests that the Penrhos development would have little impact on the trading performances of existing accommodation providers – particularly those which serve the more budget end of the market, or those which serve a different and older client base (e.g. self-catering cottages/houses for longer breaks with a different rationale for visiting).

2.23 The development could also lead to further benefits for existing accommodation providers, and reduce the seasonality of the Anglesey's tourism offer. Evidence from Center Parcs visitors highlighted that a high proportion of visitors stated that they would like to return to the area as part of another leisure visit – not necessarily to Center Parcs. Penrhos Leisure Village concept is one of actively promoting and linking with other key activity operators on the Anglesey and this exposure will promote Anglesey for the long term. Therefore, we believe that the project has the potential to raise the profile of Anglesey as a short-break/holiday destination through Penrhos visitors, but also to grow the total visitor economy further, through return visitors sampling different aspects of the Anglesey visitor offer.

2.24 **Raising the profile of Anglesey is a key consideration**. The evidence presented within the DMP focus groups highlighted the untapped market for attracting a much wider set of visitors to Anglesey. This evidence highlighted how there was a lack of awareness of Anglesey's offer, and that potential visitors needed greater reassurance that Anglesey, as a short-break and holiday destination, could meet a wide range of needs, particularly in light of wet weather considerations.

2.25 There is also evidence that a significant number of Welsh residents already leave Wales to access this type of UK short-break offer. Evidence from the Sheffield Hallam University reports on Center Parcs (see earlier reference) showed that around 5% of all Center Parcs visitors were Welsh. While this was based on a survey of visitors to three out of four of the Center Parcs, if this was applied to the current total visitors (1.6m) the Welsh Center Parcs market is estimated to be approximately 80,000 visitors per annum. A development of the kind proposed for Penrhos has the potential to claw-back, and retain in Wales, a significant proportion of these visitors and their expenditure. We would argue that any source of displacement, which could be associated with the Penrhos development, will be associated with displacing this type of trip from other Center Parcs, not from existing Anglesey providers.

Table 2-3: Key Comparisons

Penrhos Leisure Village Scheme	Anglesey's Existing Market Profile
• Provision of an all year round visitor attraction meeting a wide variety of visitor needs. • Short-break focussed, based on a 3-4 night model, with high occupancy • A more affluent and higher spending visitor base • A focus on younger, more activity-orientated families • Attracting higher spending group breaks (corporate and social)	• A highly seasonal market with a product that caters for a relatively small number of market segments. • 1 week (or longer) stays dominate, with significant lulls in occupancy in shoulder months • While some more affluent visitors (house accommodation), dominated by more budget conscious visitors (caravanning) • Typically an older visitor base • Very few group based bookings

Source: Regeneris Consulting

Views of Existing Accommodation Providers

2.26 We have sought to elicit opinions from existing accommodation providers on the proposed development and they generally **reinforce the view** that the Penrhos Leisure Village will offer an entirely new product to the accommodation offer and trade on quite different markets to those currently attracted to the Island. Their comments include:

- *"There is no existing or planned facility similar to the proposal on the Island"*
- *"There is concern that this attraction may have a detrimental impact on existing tourist venues/attractions but I do not believe this is credible. There are insufficient quality attractions presently available to visitors staying for more than a few days and a dilution effect is unlikely"*
- *"It is this kind of major development that will provide a step change in the tourism fortune for Anglesey and actually help to sustain our business".*
- *"I think it is important that we register our support as we feel this kind of development will complement rather than conflict with our business by attracting new tourism business".*

2.27 These views of individual operators are reinforced by the view of the North Wales Tourism Partnership, who have recently written to the applicant and stressed that it has been a long held aspiration of the Partnership to secure a self-catering holiday village of this nature for North Wales.

2.28 Specifically in relation to displacement, the North Wales Tourism Partnership note:

- "*This development is therefore considered to be introducing a new product model to the Isle of Anglesey and to North Wales, and in effect growing the market, rather than displacing existing business*".

2.29 The North Wales Tourism Partnership draw attention to the Bluestone's Holiday Village Pembrokeshire, which they note was…"*of benefit to the independent self catering accommodation in the area, the holiday village investment generated greater awareness of the area, and increased demand, and offered day visitor leisure and recreational facilities to those holidaying in the independent self catering accommodation*".

2.30 A full overview of the letters and comment from existing accommodation providers and tourism agencies is included at Appendix A.

Labour Market Displacement/Churn

2.31 The EDU at IACC has requested a consideration of whether existing tourism businesses will in any way be hampered as the Penrhos Leisure Village recruits staff. The concern is that the year round availability of jobs will mark out the Penrhos scheme as a "preferred" employer and make it more difficult for other tourism business to recruit and retain staff.

2.32 Labour market displacement of this nature is normally only an issue where (i) the skills required are very specialist and/or (ii) there is very little surplus capacity in the local labour market. We do not consider there will be harm to Anglesey businesses from these effects for the following reasons:

- There is lots of space capacity in the Anglesey labour market and this is unlikely to change. Data in the next section of this report shows that the number of JSA claimants in Anglesey over the last two years has averaged around 2,000.

- The tourism sector does not, in the main, require specialist skills. Any tourism based business can quickly train staff with the requisite skills.

2.33 Very recent redundancies in Anglesey have released yet more job seekers into the local labour market, many of whom could be very quickly trained with the skills required to work at the Penrhos leisure village.

Modelling Displacement

2.34 The evidence contained in this Section supports the original conclusion that there will only be negligible or very low displacement of trade from the existing visitor accommodation base in Anglesey. The displacement that does occur will come predominantly from other UK year round leisure village operations.

2.35 Using official guidance on these matters[17] would suggest that at worst the Penrhos Leisure project would be described as a low displacement project…"*the scale of displacement effects*

[17] HCA and OffPAT Additionality Guidance 2008.

will vary depending upon the nature of activity supported and local markets. For example if the supported business has few local competitors then the level of product market displacement will be low".

2.36 Table 2-4 suggests that for low displacement projects a rate of 25% diversion should be assumed and 0% diversion for projects with no displacement. Our assessment of the Penrhos leisure development as a negligible/very low displacement project would fall somewhere between these two figures. With this in mind, we have modelled rates of 10%, 15% and 20% displacement.

2.37 The starting position for this assessment is the 465 FTE operational jobs on-site at Penrhos and the 80 FTE off site jobs associated with corporate supply chain expenditure and off-site visitor expenditure (545 FTEs in total) – see the earlier Table 1.1.

2.38 The *net* new jobs under each of the displacement scenarios is follows:

- 10% displacement = 490 net additional FTE jobs
- 15% displacement = 465 net additional FTE jobs
- 20% displacement = 435 net additional FTE jobs.

2.39 The clear conclusion is that even under the worst case displacement scenario, the scale of job creation via the Penrhos Leisure Village scheme is still substantial. Any diversion that does occur would, in our opinion, be counterbalanced by the effects of the project on an overall enhanced profile for Anglesey and the new visitor trips that this could generate for existing businesses.

Table 2-4 : Suggested Displacement Rates

Table 4.6: Displacement

Level	Displacement	Displacement effect
None	No other firms/demand affected	0%
Low	There are expected to be some displacement effects, although only to a limited extent	25%
Medium	About half of the activity would be displaced	50%
High	A high level of displacement is expected to arise	75%
Total	All of the activity generated will be displaced	100%

Source : HCA/OffPAT Additionality Guide p.22

3. Local Jobs, Training & Supply Chain Strategy

Key Points

- The on-site construction jobs will be significant and will primarily span occupations within the early infrastructure works (earth moving, service roads, utilities contractors etc), the main build programme (bricklayers, carpentry, electricians etc) and site landscaping.
- A fully quantified profile of the likely nature of operational jobs has been provided. Overall some 465 FTE on-site jobs will be created. The main bulk of jobs are in housekeeping, food and beverage, leisure services and general administration.
- Many more jobs will be provided off-site as a result of the development. We cautiously assume 110 FTE off-site jobs, although discussion with IACC suggests they believe the figure could be higher. Off–site jobs include those in local food and drink producers (to sell in on-site outlets) and other facilities and activities linked to tourism spend.
- In general, the majority of jobs do not require advanced level skills.
- Local labour market data reveals plenty of existing skills in the occupations likely to be required. The data also reveals lots of latent capacity with a total of 900 JSA claimants currently seeking jobs in construction and personal/customer service type occupations.
- The applicant is in the process of preparing a local Employment, Training and Supply Chain Strategy. This is likely to include a commitment to:
- *Provide and disseminate an Annual Statement of Predicted Tender Work Packages*
- *Facilitate an annual Meet the Buyer event around key construction phase contracts*
- *Ensure lead contractors inform IACC of all construction-related job vacancies*
- *Work with local training providers during the construction phase to ensure they are aware of the upcoming permanent opportunities for staff and are scaling up their provision accordingly*
- *In the peak recruitment period, to hold a Penrhos Job and Careers Fair*
- *Make available a number of local apprenticeships in key occupations*
- The characteristics of the likely workforce have been assessed in respect of their potential impact on the well-being of the Welsh language. It is concluded that there will be no detrimental impact, and the scheme will help retain Welsh speaking workers on Anglesey. The scheme may indeed have significant benefits for the Welsh language through the retention of young people as workers and through the various ideas emerging for educating visitors in aspects of Welsh language and culture.

3.1 This section of the report provides more details on the nature of the jobs and supply chain opportunities that will be created as part of the development, and compares this with both capacity and skills in the local labour market. Information is also provided on how the applicant would propose to help ensure that the economic benefits are captured by local resident and local firms, and how the visitors and workforce at the development will impact on the well-being of the Welsh language.

More Details on the Nature of Jobs & Supply Chain Opportunities

Construction Phase Jobs

3.2 Overall there will be an average of 420 FTE construction jobs created per annum. This figure includes *all* construction activity associated with the development – both those on-site and supply chain jobs associated with the manufacture and pre fabrication of products off site.

3.3 It is difficult to be precise on the exact balance of on and off site work required to construct the scheme. Based on our analysis of comparable projects we would estimate the construction jobs will comprise:

- 150 FTE on-site positions, likely to be taken in the main by Anglesey residents
- 270 FTE jobs off site – the majority of whom (estimated at 200 FTEs) will never need to visit the site. We anticipate an average of about 70 FTE off site contractors who will make periodic visits to the site.

3.4 The above construction job estimate is an average figure over a construction programme likely to span 8 years. Construction activity is likely to peak in 2016, when the total number of on-site construction jobs could be in excess of 350 FTEs.

Table 3-1: Build-up of Construction Employment, 2014-2022

Construction jobs	2015	2016	2017	2018	2019	2020	2021	2022	2023
Cae Glass - Nuclear worker facilities and other site infrastructure	104	104	104						
Cae Glass - Lodges & Hotel (Build for nuclear workers 2014-2015, refurbishment for visitor accommodation 2021)	226	226						226	
Kingsland Residential		125	125	125	125	125	125	125	125
Penrhos Centre and Services		156	156	156					
Penrhos Lodges		440	440	440					
Total (rounded)	330	1,050	825	720	125	125	125	350	125
Share of Jobs on-site	*116*	*368*	*289*	*252*	*44*	*44*	*44*	*123*	*44*
Share of Jobs off-site	*215*	*683*	*536*	*468*	*81*	*81*	*81*	*228*	*81*

Source: Regeneris Consulting

3.5 The construction works that lend themselves most to the local sourcing of contractors and labour, and constitute the vast majority of on-site activity, are as follows:

- Early infrastructure works (earth moving, service roads, utilities contractors etc)
- Main build programme (foundations, bricklayers, carpentry, electricians etc)
- Site landscaping and related works.

On Site Operational Jobs

3.6 Table 3-2 provides detailed occupational data on labour patterns in a typical Center Parcs development and adjusted to apply directly to the specifics of the Penrhos Leisure Village development. It is envisaged that the jobs at the leisure village will span a variety of occupations with the main categories including housekeeping (195 jobs), leisure/sport related occupations (approximately 85 jobs) and food and beverage (approximately 110 jobs). The **majority of jobs do not require advanced level skills**.

Table 3-2: Indicative Staffing Breakdown for the Penrhos / Cae Glas Leisure		
Roles	FTE jobs (lower estimate)	%
Admin & General	23	5%
Food & Beverage	112	24%
Finance	9	2%
Housekeeping	195	42%
Human Resources	4	1%
Leisure Services	84	18%
Retail	28	6%
Technical Services	14	3%
Total FTEs	465	100%
Source: Sheffield Hallam University, December 2005/Regeneris Consulting		

3.7 At existing Center Parcs over a third of all staff are employed on a full-time basis, with the majority working part-time hours of varying length - see Table 3-3. We would expect a similar contracting situation to emerge at the Penrhos / Cae Glas leisure village.

Table 3-3: Employee status of Center Parcs Employees	
Employee Contract Status	% share of all employees (exc. Temporary Staff)
Contracted 150hrs over 4 week period (37.5hrs per week or more)	36%
Contracted 80-149 hrs per 4 week period (ie 20-37 hrs per week)	18%
Contracted less than 80 hrs per 4 week period (ie less than 20 hrs per week)	46%
Source: Sheffield Hallam University, December 2005	

3.8 The Penrhos accommodation is estimated to become fully operational by 2020[18], when approximately 330 FTE jobs will be created to support this first phase. With the addition of the Cae Glas leisure accommodation (refurbished lodges and hotel) by 2023, the full operational employment requirement will be required – 465 FTE jobs based on the lower end of the visitor number range. A number of these Case Glas jobs could materialise sooner to service the on-site facilities at the proposed temporary nuclear workers hub.

Off–site Indirect Jobs

3.9 A substantial array of off-site indirect jobs will be created, both via the corporate supply chain expenditure of the operator and via the off-site expenditure of visitors.

3.10 The operation of the new facility will support Anglesey businesses and employment creation/support through the corporate supply chain expenditure of the leisure village operator. The potential scale of operational expenditure on local bought in goods and services has been estimated by using evidence from the expenditure patterns at three of the Center Parcs identified in Sheffield Hallam University's research[19].

[18] The build up of operations at the Penrhos component will however commence as early as 2014/15.

[19] The Local Economic Impact of Center Parcs Holiday Villages. Sheffield Hallam University, December 2005

3.11 Penrhos Leisure Village, once fully operational, is estimated to spend approximately £3.9m on bought in local goods and services annually within a 20 mile radius of the site. This expenditure has the potential to support in the region of 25 FTE off-site local jobs[20]. We would expect these jobs to be in sectors including:

- Local food and drink produce to sell in on-site outlets
- Laundry (depending on on-site facilities)
- Specialist grounds and machinery maintenance functions

3.12 The vision for Penrhos is a flexible concept, providing visitors greater freedom to go off-site as part of their stay and visit other attractions/undertake activities. This openness presents opportunities for visitors to spend locally on activities, or food and drink. With an assumed 150,000 visitors per annum this expenditure would lead to an injection in to the local economy of around £3.6 million per annum. This expenditure would support around 55 FTE local jobs. These jobs will be in off-site food and drink outlets and in other facilities and activities linked to tourism spend.

Induced Jobs

3.13 We estimate that the total employee remuneration (on and off site) stands at some £5.6 million per annum. Our analysis suggests that approximately £2.8m of this expenditure, around 50%, will be retained within the local area after taking account of evidence of retail expenditure for convenience and comparison goods in Anglesey[21]. We estimate that this expenditure will support around a further 30 FTE off-site jobs (based on average turnover per head in relevant sectors). In addition to the above, the proposed Kingsland residential units will also support more spending in Holyhead and other centres, supporting around 40 FTE jobs.

3.14 These jobs will occur in sectors which receive a high proportion of local household expenditure – namely retail, leisure, and personal and household services.

Information on Local Labour Market Capacity and Skills

3.15 The 2011 Census shows that Anglesey is home to a total population of 70,000 people, of whom around 39,500 are of working age (56.5%). This is lower than the rate for North Wales (58.2%) and Wales (60%). Anglesey's working age population fell slightly between 2003 and 2011 (by 200 people), but increased by 4.5% in Wales and 1.2% in North Wales.

3.16 Data from the 2011 Census shows that 26.1% of the population had at least an NVQ level 4 qualification (broadly equivalent to a degree), compared to 23.9% in North Wales and 24.5% in Wales.

[20] Approximately £142,000 of turnover per FTE job based on turnover and employment data across the whole economy from the Annual Business Survey and BRES

[21] Analysis based on the 2006 Local Development Plan – Retail Assessment. This analysed where Anglesey residents spent on convenience and comparison goods.

3.17 Anglesey also had a higher share of population with a minimum qualification of NVQ 2 (broadly five GCSEs at grades A*-C): 58.9% compared to 56.5% in both of the other areas.

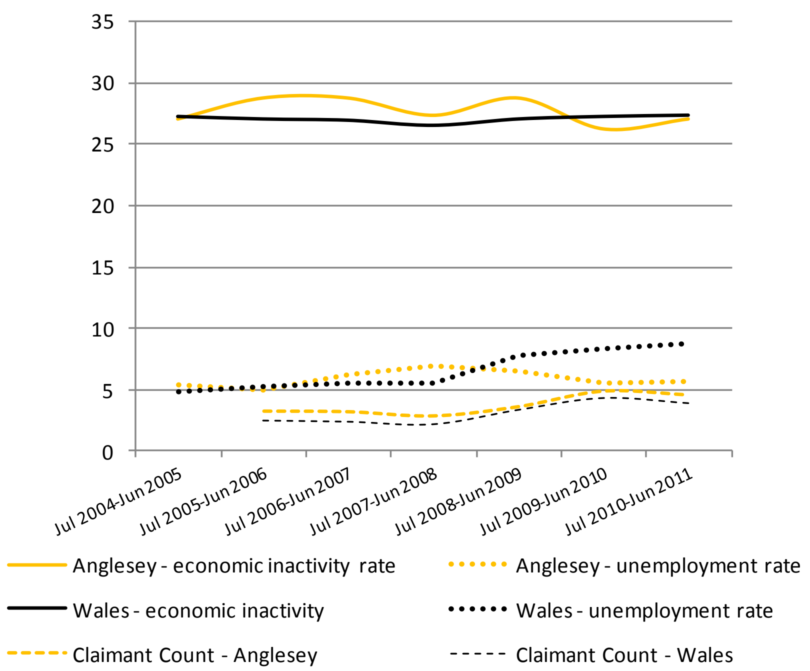
3.18 The percentage of people working in skilled trades was considerably higher on Anglesey (16.7%) than either North Wales (14.3%) or Wales (13.4%). This is of relevance since it indicates that the Island's workforce could provide a pool of transferrable skills, which could be employed during the construction works to generate economic benefits for Anglesey. The data also shows a relatively high proportion of residents employed in tourism related occupations.

3.19 The rate of Job Seekers Allowance (JSA) claimants as a proportion of working age population in Anglesey has increased a little since 2007 to 4.5% in 2010-11, although the trends have largely mirrored those experienced across Wales as a whole (see Figure 3-1). The actual number of JSA claimants in Anglesey over the last two years has averaged around 2,000.

3.20 Table 3-3 shows that there are **290 JSA claimants** in Anglesey currently seeking positions in skilled trades occupations, who will have a good fit with the new construction sector opportunities. The data also shows there are nearly **600 JSA claimants** seeking personal and customer service positions, which fits well with the range of operational phase leisure/tourism jobs arising from the development.

3.21 Overall we consider there to be a good fit between the skills and capacity within the local labour market and the nature of the jobs to be created as a result of the development.

Figure 3-1 : Unemployment & Economic Inactivity Rates for Anglesey and Wales 2004/5 to 2010/11, Annual averages for the period July to June.



Source: Annual Population Survey, Unemployment and Inactivity Rates, ONS Crown Copyright Reserved, accessed via Nomis, Jan 2012.

Table 3.3 – Occupations sought by Anglesey JSA Claimants	
Main occupation sought	Number
0 : Occupation unknown	20
1 : Managers and Senior Officials	55
2 : Professional Occupations	60
3 : Associate Professional and Technical Occupations	85
4 : Administrative and Secretarial Occupations	140
5 : Skilled Trades Occupations	290
6 : Personal Service Occupations	155
7 : Sales and Customer Service occupations	595
8 : Process, Plant and Machine Operatives	190
9 : Elementary Occupations	560
Total Number of Job Seekers (JSA claimants)	2,150
Source : ONS Crown Copyright Reserved, accessed via Nomis, March 2013	

A Local Employment, Training and Supply Chain Strategy

Understanding the Timing of Emerging Opportunities

3.22 Table 3.4 provide a current best estimate on the timetable for when contracts and/or vacancies will be advertised.

Table 3.4 – Phasing of Main Economic Opportunities	
Category of Opportunity	Timing
Construction contracts	- Construction contracts will be let from 2014/5 onwards. The precise format of work packages is not yet known, but there is likely to be a single main contractor, who will in turn appoint a wide range of sub-contractors.
Operational employment	- An initial phase of recruitment will occur from 2016 for staff catering for the Cae Glas nuclear workers hub facilities and early activity on Penrhos. - First substantial phase of recruitment on main leisure village facility to occur from 2017 onwards.
Supply chain contracts	- First main phase of sourcing supply chain partners to occur from 2018 onwards.
Off-site visitor spend	- Start looking for partners from activity based leisure providers from 2014 onwards to provide off site options - Longer term partners for leisure facilities from 2015 onwards.

The Applicant's Commitment

3.23 The applicant has already committed to prepare a local Employment, Training and Supply Chain Strategy as part of any planning conditions attached to approval. Key aspects we would anticipate being included are outlined below:

Construction Stage Interventions

3.24 In order to **encourage local contractors to bid for work packages**, the Employment, Training and Supply Chain Strategy is likely to include a commitment to:

- Provide to the Head of Economic Development at IACC a schedule of tender works packages six months prior to the commencement of the development, and a commitment to provide an updated schedule when new tenders are proposed.

- Notifying key project partners of the main construction contracts to be let. In large part this will be based on disseminating an Annual Statement of Predicted Tender Work Packages which the lead contractor will provide to the Council and a number of other relevant parties.

- Utilise any "list of suitable contractors" the Council may hold, ensuring that all appropriate companies on this list are aware of upcoming tendering opportunities.

- Facilitate an annual Meet the Buyer event, where the lead contractor will make themselves available for a series of pre-scheduled meetings with local suppliers.

- Include a request in all contracts issued by the applicant, and any appointed lead contractors on the scheme, that asks contractors to:

  - ➢ Inform IACC of any construction-related job vacancies prior to them being more widely advertised.

  - ➢ Utilise appropriate local channels/projects when advertising any vacancies.

- Provide a written statement in any tender documentation sent out to contractors and sub-contractors informing them of the contents of the Employment, Training and Supply Chain Strategy.

Operational Stage Interventions

3.25 To ensure the **local labour force and other businesses benefit to maximum effect** when the full scheme is operational, the Employment, Training and Supply Chain Strategy will include a commitment to:

- Work with local training providers during the construction phase to ensure they are aware of the upcoming permanent opportunities for staff and are scaling up their provision accordingly

- Work with the local business community at construction phase to alert them of what goods and services are likely to be bought in on an ongoing basis.

- In the peak recruitment period, to hold a Penrhos Job and Careers Fair. This would be a partnership event which will raise awareness of contracting and subsequent employment opportunities amongst local workers, sole traders and small firms.

- Make available a number of local apprenticeships in key occupations such as retail, leisure attendants, and food and beverages.

Welsh Language Implications of the new Workforce/Visitors

3.26 A series of additional questions have been raised in response to the Welsh Language assessment produced by HOW Planning. A number of these questions relate directly to the characteristics of the workforce and visitors at the development, and as such they are responded to here. Other points raised in response to the original Welsh Language Assessment have been addressed elsewhere in the ES Addendum materials (April 2013).

3.27 It is worth nothing that the Welsh Language implications of the scheme housing 2,000 Wylfa B workers on a temporary basis are not assessed here, and should be examined in full in the planning procedures for the Wylfa B project itself. This position has been discussed and agreed with senior officers at IACC.

Will the scheme attract newcomer workers to the area?

3.28 As outlined above, the on-site construction workforce will be predominantly local and already resident in the area.

3.29 There is a substantial volume of off-site construction activity in manufacture and prefabrication. The majority of the workers involved in this off site work will never visit the site, although a proportion (estimated at about 70 workers) will make periodic visits to the site. Of these contractors who do make periodic visits to the site, it is considered very unlikely that any will have motives to settle permanently in Anglesey.

3.30 During the operational phase, the analysis in this report shows that there is a very good fit between the skills of the workforce and the nature of the jobs likely to be on offer. Furthermore, there is lots of capacity in the local labour market with several hundred JSA claimants seeking jobs in relevant occupations. We envisage the vast majority of operational jobs will be taken by existing Anglesey residents, a number of whom may well have left the Island in search of other employment opportunities.

Will the project lead to a changing age structure locally?

3.31 One of the major economic issues that Anglesey faces is the loss of working age residents, with Annual Population Survey data suggesting there has been a loss of circa 1,000 working age residents since 2005.

3.32 The nature of the job opportunities are such that will appeal to all age cohorts, with a number of the leisure related jobs being particularly attractive to younger people. We envisage that the scheme will overall help Anglesey retain a balanced community and help prevent the continued loss of Welsh speaking working age residents to other parts of Wales/UK. This is a key benefit of the scheme.

Will there be a detrimental effect on local businesses?

3.33 Section 2 of this report contains a comprehensive analysis of potential displacement effects on existing tourism accommodation providers in Anglesey. The analysis is clear that there is only very limited overlap between the target markets for the Penrhos leisure village and existing visitors, and as such any diversion of trade will be negligible/very low.

3.34 There will also be positive wider benefits the scheme will have on raising the profile of Anglesey as a destination and the impetus it will give to product development and innovation elsewhere in the local tourism accommodation sector.

3.35 More generally there will be substantial benefits for other Anglesey businesses who are not accommodation providers, as follows:

- The local construction sector will benefit from new contracts, and any visiting contractors will spend in local shops and other facilities.
- The corporate expenditure of the leisure village operators will benefit a range of local businesses. Penrhos Leisure Village is actively promoting the local produce, heritage and culture of Anglesey and Wales and is proposing to develop a 'Farmers market' on site to promote local produce.
- Visitors will spend money off-site on other food/drink/leisure related activities.
- Overall the additional wage income will benefit local businesses which receive a high proportion of local household expenditure – namely retail, leisure, and personal and household services.

What will be the impact of a high volume of non-Welsh speaking visitors?

3.36 Anglesey already hosts a large volume of non-Welsh speaking visitors each year. The degree to which this has developed or hampered the well-being of the Welsh language in Anglesey is not known. Likewise it is difficult to predict whether there will be any harm to the Welsh language from attracting further visitors.

3.37 It should be noted that Penrhos Leisure Village is to be located near Holyhead – an area with less concentration of Welsh speaking residents (as compared with other areas on Anglesey). The specific location is predominantly English speaking due to the proximity of the Port and its key links between Ireland and mainland UK. The impact of incoming non Welsh speaking visitors will be less noticeable in this location as compared with other more concentrated Welsh speaking areas on Anglesey.

3.38 Notwithstanding the above, there are measures that can be put in place to mitigate any perceived threat to the Welsh language from attracting further non-Welsh speaking visitors to Anglesey. These include:

- The design of the facility would incorporate dual signage, in order to replicate signage protocols elsewhere in Anglesey.
- Some of the activities within the leisure village can be configured to promote understanding of the Welsh language amongst visitors (e.g. displays, short courses etc)
- Staff (who need it) can receive training in Welsh language skills in order that the facility provides a genuine dual language environment. This would be promoted as one of the Villages key USP's – with the feel of being on holiday in another country with its own language and culture.

4. Social & Community Infrastructure

Key Points

- A systematic assessment of the SCI demands of four main groups has been assessed. For each, the analysis looks at education, healthcare and wider leisure/community requirements.
- The construction workers for the scheme are shown to place only minimal additional demands on the local SCI infrastructure, as most will be existing Anglesey residents. These minimal demands are derived from the small amount of visiting construction workers potentially requiring emergency services for which there is sufficient existing capacity.
- Likewise the visitors and operational phase workers at the development will only place minimal additional demands on the local SCI – again in relation to health services. The proposal is to provide permanent health infrastructure on site to meet these needs, with a small amount of additional activity assumed for local A&E to meet more serious health needs.
- The Cae Glas temporary workers accommodation will place more substantial demands for SCI provision – primarily in relation to health and leisure services. However, the proposal within the planning application is to develop a workers hub that will meet the vast majority of these needs. The hub will include an on-site medical facility, restaurants, bars and leisure facilities, TV lounges and outdoor football/sports pitches. There are no significant off site needs emerging from this group.
- The position outlined above applies in much the same way in respect of the temporary occupation of the Kingsland residential units by nuclear workers. The vast majority of their health and leisure needs will be met on the nearby Cae Glas workers hub. There are no significant off site needs emerging from this group.
- When the Kingsland residential development reverts to "conventional" occupation (expected to be no sooner than 2022) then it will place more substantial demands on the local SCI. These relate to school places, health and some leisure facilities. Analysis of the local education infrastructure reveals substantial capacity at both some primary and secondary level. It is likely than in the mid 2020's some modest new primary school provision (in the form of extra places at the existing Kingsland primary school will be required). hilst we await final data on health capacity it is likely that the development will require some small scale expansion at local GP/dentist facilities, again at some point in the mid 2020's.

4.1 The WSP socio-economics environmental statement chapter assesses the significance of the social and community infrastructure (SCI) requirements as a result of the various components of the development.

4.2 IACC has requested a more comprehensive assessment of the existing supply of social infrastructure and services, likely levels of demand on this infrastructure as a result of the Penrhos Leisure Village scheme and the need for any mitigation. This section responds to this request.

Demand for Social and Community Infrastructure

4.3 In order to present a more thorough and systematic assessment of the implications for local SCI, four groups, which have the propensity to generate specific demands, have been identified. These comprise:

- Penrhos Leisure Village construction workers i.e. any potential demands from those workers associated with the development of Penrhos Leisure Village, the Cae Glas site and the Kingsland residential units.

- Penrhos Leisure Village operations – i.e. any potential demands made by on-site workers, as well as visitors to the facility.

- Wylfa B Temporary Workers – i.e. any potential demands made by these temporary workers being resident at Cae Glas during their stay on Anglesey.

- Kingsland residents – i.e. any potential demands made by these new residents when the units are finally occupied in a conventional sense by Anglesey residents/families. Separately we assess the SCI demands that temporary occupation by nuclear workers will give rise to.

4.4 Figure 4-1 sets out, for these four groups, the extent to which SCI demands may occur as a result of the development proposals. For the purposes of this assessment, the following categories of SCI have been assessed:

- Healthcare

- Education

- Leisure/Community uses.

Construction Workers

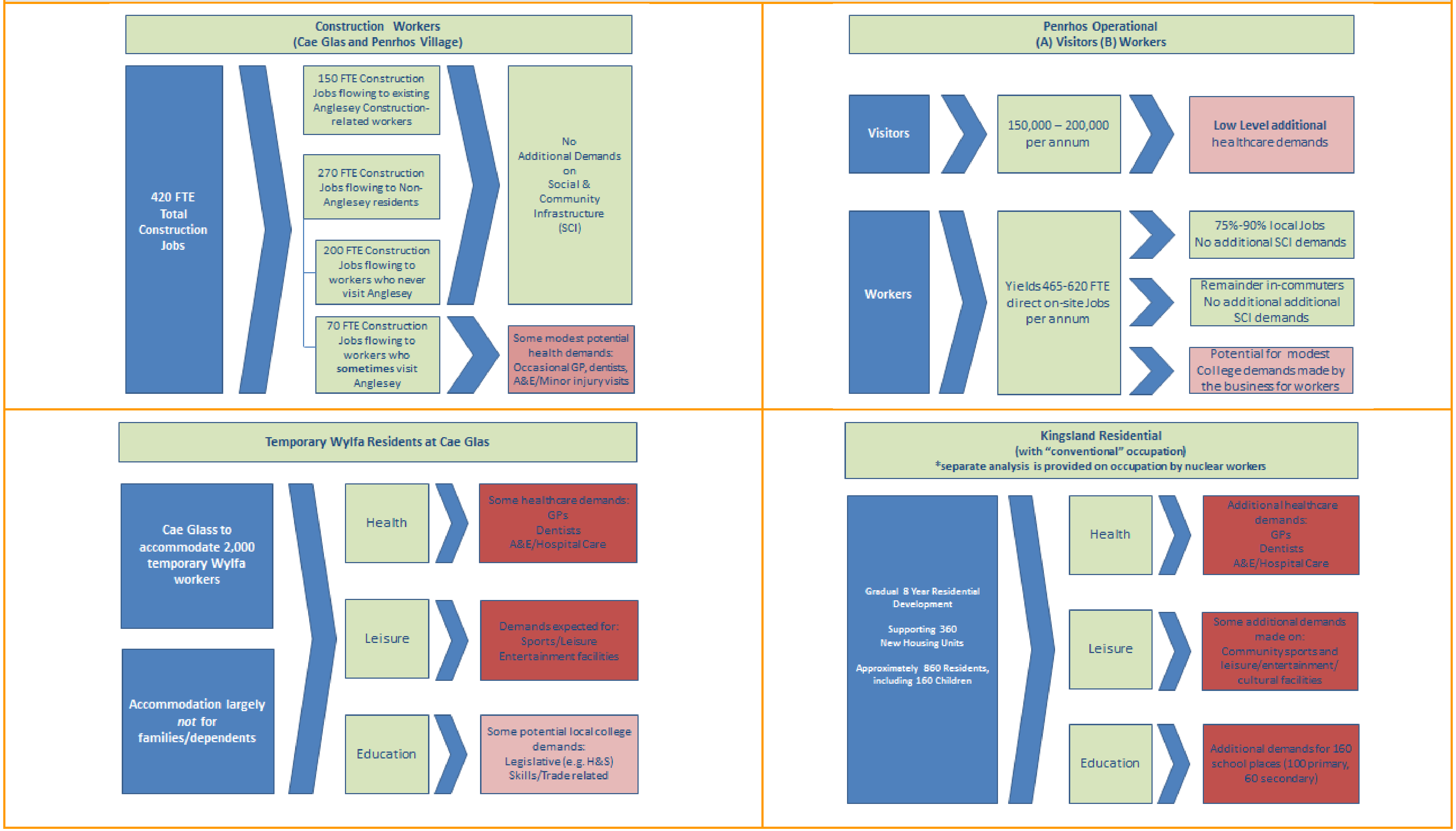
4.5 The economic impact assessment estimates that the construction of the Penrhos Leisure Village, including the works required at Cae Glas and Kingsland, will support an average of 420 FTE jobs per annum. This average figure can be broken down as follows:

- Around 150 FTE construction jobs are estimated to flow to existing Anglesey construction-related workers. As these are existing Anglesey residents**, no additional SCI demands** will occur.

- Of the 270 FTE construction jobs which will flow to non-Anglesey residents, it is estimated that around three-quarters (approximately 200 FTE jobs) will support jobs for workers who will never visit Anglesey (i.e. jobs supported through distant construction expenditure on fabrication, other construction services). Consequently, these workers **do not give rise to any additional SCI demands**.

- The remaining construction jobs, approximately a quarter (70 FTE construction jobs), are estimated to flow to workers who sometimes visit Anglesey as part of their contract. These workers will be on-site for particular periods of the build, either staying locally for short periods or operating as in-commuters. Given their nature, it is anticipated that these workers will give rise to some **potentially modest SCI demands**. It is anticipated that this would be mainly for healthcare reasons, with occasional GP, dentist and minor injury/A&E requirements – although the scale of these demands will be modest.

Figure 4-1: Summary of Potential SCI Demands



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Penrhos Operational Phase

4.6 This group splits into two elements of potential demand generation:

- Penrhos Leisure Village Visitors – it is estimated that the leisure village, when fully open and operational will attract at least 150,000 visitors per annum.
- Penrhos Leisure Village Workers – it is estimated that the leisure village, when fully open and operational will support in the region of 465 FTE jobs.

4.7 The following provides an assessment of likely demand considerations:

- Given the range of activities and facilities on-site, we believe that these visitors will make no additional demands on community and leisure facilities, or indeed education. However, a small proportion of these visitors **are likely to generate a low level of healthcare demand during their stay**[22].
- The majority of workers at Penrhos (75%-90%) are expected to be Anglesey residents. These workers **do not generate any additional SCI demands**.
- It is estimated that the remaining workers are in-commuters to Anglesey. These non-resident workers may have **occasional need** for some form of medical treatment as part of their working day.
- The operator of the leisure park may enter into discussions with the local colleges regarding course and accredited training for workers (e.g. hospitality, health and safety etc). However**, the scale of these educational/training demands may vary** if the operator elects to use private sector providers.

Temporary Wylfa Residents at Cae Glas

4.8 The proposal at Cae Glas represents an opportunity to temporarily house a large proportion of the construction workers associated with the proposed nuclear development at Wylfa B. In total, it is estimated that there will be sufficient accommodation for up to 2,000 nuclear construction workers. It is anticipated that the Cae Glas site would not in the main be appropriate provision for worker families, or dependents. As such, the focus of this analysis is on the potential SCI demands which workers, rather than their families, may generate.

4.9 It is anticipated that the location of up to 2,000 temporary Wylfa workers at the Cae Glas site could potentially lead to the following SCI demands:

- Healthcare: Based on benchmarks for GP and Dentist provision[23], it is estimated that the proposed level of additional new worker residents **would generate demands** for 1.1 GPs, 1.3 Dentists, as well as some demands for minor injury and A&E clinical services, as required.

[22] There is no evidence or benchmarks available which can quantify this further, at this stage.

[23] Based on 1GP per 1,800 residents and 1 Dentist per 1,500 residents (General Medical Council/Department of Health)

- Education: There may be a requirement for nuclear contractors to fulfil training and accreditations during their time on Anglesey. While the scale of these demands, and how they would be met, is not yet known, there could be **some additional demands** placed on local public colleges for course and accredited training for workers. However, the scale of these demands may vary if the operator elects to use private sector providers.

- Leisure: With 2,000 workers living on-site, and an array of shift patterns likely to emerge as part of the nuclear construction process, there will be **considerable demand** for food and drink, leisure and entertainment facilities both on and off-site. The Cae Glas proposal would accommodate a good proportion of the required leisure, food & drink demand.

Kingsland Residential – when occupied by nuclear workers

4.10 Along with Cae Glas, the development of 360 new houses at the Kingsland site also has the potential to be used to accommodate a large proportion of the construction workers associated with the proposed nuclear development at Wylfa B. The houses can be designed to accommodate circa 4 workers per house, but be future-proofed in their design, to ensure a transition to conventional family dwellings. On this basis it is estimated that the 360 houses could accommodate around 1,440 workers and potentially lead to the following SCI demands:

- Healthcare: Based on benchmarks for GP and Dentist provision[24], it is estimated that the proposed level of additional new worker residents **would generate demands** for 0.8 GPs, 1 Dentist, as well as some demands for minor injury and A&E clinical services, as required.

- Education: There may be a requirement for nuclear contractors to fulfil training and accreditations during their time on Anglesey. While the scale of these demands, and how they would be met, is not yet known, there could be **some additional demands** placed on local public colleges for course and accredited training for workers. However, the scale of these demands may vary if the operator elects to use private sector providers.

- Leisure: With 1,440 workers living on-site, and an array of shift patterns likely to emerge as part of the nuclear construction process, there will be **considerable demand** for food and drink, leisure and entertainment facilities.

Kingsland Residential – under "conventional" occupation

4.11 The development of 360 new houses at the Kingsland site has the potential to accommodate around 860 residents, including approximately 160 children (see below). For the purposes of this assessment it is assumed these residents would be additional to Anglesey.

4.12 The following demands are estimated to be the maximum once the site is developed for "conventional " housing:

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[24] Based on 1GP per 1,800 residents and 1 Dentist per 1,500 residents (General Medical Council/Department of Health)

- Healthcare: Based on benchmarks for GP and Dentist provision[25], it is estimated that the proposed level of additional new residents would generate demands for **0.5GPs**, **0.5 dentists**, as well as some demands for minor injury and A&E clinical services.

- Education: The development scheme will place additional demands for around **160 school places.** On completion of the development, it is estimated that there would be a requirement for 100 primary places and 60 secondary places[26]. It is worth noting that this child yield is based on a survey of planning assumptions used by 40 local authorities. Education officers at IACC have suggested a higher figure but the survey evidence is considered more robust.

- Leisure/Community: This new community of 860 residents will also **place some additional demands** on other leisure and community infrastructure. This will include public facilities such as libraries, leisure centres and community centres/facilities.

Supply of Social and Community Infrastructure

Education

4.13 The information in the WSP analysis for education provision in proximity to the proposed developments was comprehensive, providing a range of information on primary and secondary schools within 3km, including an analysis on school places. This information was provided by IACC. Figure 4-2 shows all of the identified primary and secondary schools and their spatial relationship to the proposed Kingsland development site. Table 4-1 and Table 4-2 present a current assessment of each schools current capacity, its current roll, and forecast rolls up to 2016.

4.14 Section 444(5) of the Education Act 1996 suggests a maximum walking distance of 2 miles (3.2km) for a child who is under the age of eight. This is used as the cut-off point for determining eligibility for free school transport. Living Streets' 2010 policy briefing note on walking to school endorses this definition as "a reasonable distance to walk or cycle and opposes any move to alter or shorten the statutory distance".

4.15 In practice, however, the majority of primary school age children live closer than 2 miles (3.2km) to their primary school. The 2010 National Travel Survey found that the average trip length for primary school children was 1.5 miles (2.4km), and this had increased from 1.3 miles (2km) in 1997. Our assessment has therefore focused primarily on primary schools within a circa 2km walking distance of the Kingsland site, which is considered a reasonable distance. The walking distance is based on the shortest safe walking route as measured using GIS. The key points to note are:

- Across all six primary schools in the 3km zone there was a surplus last year of almost 240 places. While this surplus will fall over the period to 2016, the total surplus will still be high at around 180 places.

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[25] Based on 1GP per 1,800 residents and 1 Dentist per 1,500 residents (General Medical Council/Department of Health)

[26] Estimated based on an average child yield of 0.28 primary school age children per dwelling and 0.17 secondary school age children per dwelling (based on a review of planning assumptions used by 40 local authorities by KEY Educational Associates).

- Within a radius of circa 2km (including those schools at 2.1km and 2.2km walking distance), the primary school capacity drops to 130 places currently, and 106 by 2016

- Within the closest school to the site (Kingsland primary) the current capacity is 19 places dropping to 11 places by 2016.

- Holyhead High School also currently has a surplus of around 390 secondary school places. While this surplus will fall slightly, by 2016 there will still be surplus of around 375 secondary school places in Holyhead.

4.16 It is important to note that the Kingsland residential units will only be occupied by families from the period 2022 onwards. In many respects analysis of the type outlined above is somewhat premature and should certainly be revisited as the picture on likely school capacity in the period 2020 onwards becomes clearer.

Table 4-1: Primary School Capacity and Forecast Rolls

School	Walking Distance from Kingsland Site (km)	School Capacity	Current 2012 Roll	Forecast Rolls			
				2013	2014	2015	2016
Ysgol Kingsland (Community School)	0.9	173	154	168	164	158	162
Ysgol Y Parch Thomas Ellis (Church in Wales)	1.8	162	122	124	125	126	127
Ysgol Santes Fair / St Mary's School (Roman Catholic)	2.1	160	187	188	188	183	185
Ysgol Llanfawr (Community School)	2.2	285	189	185	193	200	200
Ysgol Y Parc (Community School)	2.6	228	153	154	158	159	160
Ysgol Llaingoch (Community School)	3.0	223	199	199	206	206	216
Totals	-	1,231	993	1,018	1,034	1,032	1,050
Primary Places Surplus/Deficit (-)	-	-	238	213	197	199	181

Note: Regeneris measured the walking distance of the schools from the Kingsland residential site. Source: IACC, Regeneris Consulting. Note : IACC has very recently released new capacity and pupil roll data for Kingsland primary which needs to be verified.

Table 4-2: Secondary School Capacity and Forecast Rolls

School	Walking Distance from Kingsland Site (km)	School Capacity	Actual Roll 2011	Forecast Rolls				
				2012	2013	2014	2015	2016
Ysgol Uwchradd Caergybi (Holyhead High School)	2.4	1,180	791	820	815	822	826	805
Secondary Places Surplus/Deficit (-)	-	-	389	360	365	358	354	375

Note: Regeneris measured the walking distance of the schools from the Kingsland residential site. Source: IACC, Regeneris Consulting

Figure 4-2: Primary and Secondary Education Facilities within c.3km of the Proposed Development Sites

Source: Bing Maps; IOACC

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Healthcare

4.17 The proposed development lies within an area covered by the Betsi Cadwaladr University Health Board. The nearest hospital with an Accident and Emergency (A&E) department is the Ysbyty Gwynedd Hospital in Bangor, which is around 30km from the proposed development locations. In addition to this hospital, there is Ysbyty Penrhos Stanley Hospital located in Holyhead which has a minor accident unit, which is approximately 2km away.

4.18 The following table sets out the local GP and Dentist facilities in Holyhead (broadly within 3km of the Kingsland site). This table sets out the practice name and location. This information was provided to us following a freedom of information request to Betsi Cadwaladr University Health Board. Walking distances were estimated by Regeneris Consulting using a GIS measurement tool.

4.19 Unfortunately there are no on-line resources which set out current GP or dentist capacity levels for the local area. The FOI request reply stated that all of the identified GP surgeries have open lists and will accept new NHS patients. However, the response also stated that the capacity of any practice to take on patients will fluctuate throughout the year. For an up to date position on capacity the response suggests direct contact with the practices.

4.20 In response, we have telephoned each GP practice to attempt to gain a better understanding of their current capacity levels. We were successful in speaking with The Cambria Surgery Practice Manager. While the practice currently has some limited flexibility to take on a small number of additional patients, they considered that they and other two practices in the local area[27] were currently at, or near to, full operational capacity.

4.21 Attempts at telephoning dentist surgeries have not lead to any information on available capacity, although all provide NHS dentistry services.

Table 4-3: Proximity of NHS GP and Dentist Facilities

Facility	Location	Walking Distance from the Kingsland Site
GP		
Longford House	Longford House Surgery, Longford Road, Holyhead, Anglesey, LL65 1TR	1.9km
Victoria Surgery	Victoria Road, Holyhead, Anglesey, LL65 1UD	2.1km
Cambria Surgery	Ucheldre Avenue, Holyhead, Anglesey, LL65 1RA	2.1km
Dentist (NHS)		
Boston Terrace	Longford Road, Caergybi / Holyhead LL65 1TR	0.8km
Longford Road	28 Thomas Street, Caergybi / Holyhead, LL65 1RR	1.9km
Thomas Street	2 Boston Terrace, Dyffryn / Valley, LL65 2SS	2.1km

Source: Betsi Cadwaladr University Health Board, Regeneris Consulting

[27] We were not able to speak with the other two practices. However, the Cambria practice manager meets regularly with the other practice managers as part of NHS planning meetings. The Cambria manager was therefore able to provide an overview of capacity issues across other local practices.

Figure 4-3: NHS GP and Dentists Facilities within c.3km of the Proposed Development Sites

Source: Bing Maps; Betsi Cadwaladr University Health Board,

Leisure/Community

4.22 The following table summarises the key leisure and community facilities which are within 3km of the proposed development sites. Overall there are considered a good range of existing leisure and community facilities within close proximity of the site.

Table 4-4: Leisure and Community Facilities within 3km	
Category	Facility, Location
Leisure - Public Open Space	Kingsland Park, Kingsland Canada Gardens Park, London Road Breakwater Country Park, Holyhead Newry Beach Park, Newry Beach Llanfawr Park, Llanfawr Road Llaingoch Park, Holyhead
Leisure – Exercise	Holyhead Leisure Centre, Kingsland Local parks and open space (above) Holyhead Sailing Club, Holyhead
Community Facilities	Holyhead Town Hall, Holyhead Holyhead Library, Holyhead Post Office, Morawelon The Senior Citizens Club, Holyhead Holyhead Community Centre, Holyhead London Road Community Centre, Holyhead Gwelfor Community Centre, Llanfawr
Note: Excluded from this list are pubs, religious buildings and local retail.	

Comparing SCI Demand with Supply

4.23 Taking into consideration the demands generated as a result of the development, as well as the assessment of local SCI supply, the following provides an overview, by SCI element and by driver of demand, of the potential SCI implications for the local area.

Healthcare

- *Temporary Construction Workers:* It is anticipated that these workers, who sometimes will visit Anglesey, will give rise to some **potentially modest healthcare demands**. It is anticipated that this is likely to include occasional GP, dentist and minor injury/A&E requirements.

- *Penrhos Visitors:* Once completed and open for guests the Penrhos Leisure Village will have an **on-site medical facility** with trained medical staff able to meet the immediate needs of guests with healthcare-related issues. This provision will be in line with the operators health and safety requirements for a facility of this nature. It is anticipated that the majority of visitors immediate health needs can be met via this facility. However, if further medical attention is required, there may be cause for visitors to attend the Penrhos minor injuries hospital, or the Bangor A&E facility. On balance, it is judged that these additional demands for such services will be of a low order.

- *Penrhos Non-resident Workers:* It is judged that non-resident workers may have occasional need for some form of medical treatment as part of their working day. However, it is anticipated that the Penrhos on-site medical provision would deal with any such needs, in the first instance. As these workers are in-commuters, they are **unlikely to generate any significant additional healthcare demands**

- *Temporary Wylfa Workforce (based at Cae Glas and Kingsland):* Land & Lakes are proposing, as part of their designs for an on-site 'worker hub', to make provision for a first aid centre with trained medical staff. If this facility did not come on stream right at the outset of the development, there may be a requirement to discuss with the relevant health commission authorities the extent to which there is surplus capacity within the identified local medical and dentist surgeries. At present no data on surplus capacity has been reviewed. Once the on-site medical facility is on-stream, which will serve workers based at both Cae Glas and Kingsland, it is envisaged that day to day healthcare requirements of workers will place **no additional demands** on existing healthcare provision. There will also be healthcare facilities for workers on-site at Wylfa B.

- *Kingsland Residents:* This development will lead to a further 860 residents requiring healthcare facilities from circa 2022 onwards. It is estimated that this could generate demand for an additional 0.5 full-time equivalent GP and Dentist locally. Given the anecdotal evidence on local facilities being at/near capacity, **further provision** will be required locally to meet their healthcare needs.

- ***Healthcare Summary:***

  - We judge that the Penrhos non-resident temporary construction workers, Penrhos visitors, or non-resident Penrhos workers are **unlikely to generate any significant additional healthcare pressures locally**. The first category is a relatively small cohort operating over various build-out periods, with the local minor injuries services likely to meet their immediate needs. The proposed on-site medical facilities at Penrhos is likely to cater for most medical needs of the latter two groups, with local hospital services meeting any more serious needs.

  - However, there will be **some additional healthcare needs** which will need to be met, at least in the interim, for temporary nuclear workers, until their on-site hub has been completed. Discussions will need to take place with the local Health Board and Planning officers to assess how these needs will be met.

  - Allied to these discussions, the **additional healthcare demands** of the new residents at Kingsland will also need to be considered in the planning of future local provision.

Education

4.24 From assessing demand for education, and existing local supply, the key implications for local facilities are as follows:

- *Kingsland Residents:* The development of housing at Kingsland has the potential to deliver 160 children of primary and secondary school age, when occupied as "conventional" housing. It is important to note that occupancy of this nature will only occur from circa 2022 onwards. There is a significant **over-supply** of secondary school places locally and as a result, the development will not lead to any negative off-site implications for secondary schools locally, but potentially help to deal with falling school rolls. On primary schools, there is an overall surplus of places in the four primary schools within a circa 2.0km radius of the site, although three of these four schools are in excess of 1.8km distance from the Kingsland site. Surplus capacity at the nearest school is more modest, and in the longer term there is likely to be the need for some expansion of places at this facility – accepting that not all children will attend this one school for a variety of reasons.

- *College:* Workers from Penrhos and from Wylfa contractors may place demands on the local tertiary college infrastructure to meet their training and skills needs. Land & Lakes would approach the local college regarding course and accredited training for workers (e.g. hospitality, health and safety etc), while some Wylfa workers may also require on-going accreditations. While this provision may have implications for existing local college facilities, this could be lessened to some extent, with courses undertaken in facilities on-site at Penrhos or at Cae Glas[28]. However, the scale of these demands on the local college may vary if Land & Lakes and Wylfa contractors elect to use private sector providers.

Leisure/Community

4.25 From assessing demand for Leisure/Community facilities, and existing local supply, the key implications for local facilities are as follows:

- *Temporary Nuclear Workers:* With 2,000 workers living on-site at Cae Glas and 1,440 at Kingsland, as well as an array of shift patterns likely to emerge as part of the nuclear construction process, it is proposed that a worker hub facility will be developed to meet the **majority of workers' SCI demands.** As outlined above, this will include an on-site medical facility. However, the hub will also include provision to meet other worker needs including, worker administration, transportation pick-up points, restaurants, bars and leisure facilities, including gym, TV lounges, pool tables, and use of replacement football/sports pitches.

- While the hub will meet the majority of workers' demands across a range of leisure and entertainment facilities, workers may also place some further demands on some public and private sector provision locally (e.g. local swimming pools, libraries, as well as local bars, pubs, and restaurants). However, given the socio-economic assessment identified a falling overall and working-age population, and a need to

[28] Physical facility space implications may be lessened, although teaching staff may also be affected by these requirements.

stimulate the local economy, it is anticipated that the injection of new workers and their expenditure will bring **further additional benefits** (i.e. vitality and vibrancy) to Holyhead.

- *Kingsland Residents:* The development of new housing at Kingsland has the potential to accommodate around 860 new residents. These residents will also place some further demands on some public and private sector provision locally (e.g. local gyms, swimming pools, libraries, as well as local bars, pubs, and restaurants). Similarly to the above cohort, the additional population from Kingsland will play an important role **in supporting these facilities and helping to increase local patronage** of community and leisure facilities. This additional demand may also encourage further investment to improve the quality and scope of some of this provision. It is also proposed that Kingsland residents would be able to utilise the Penrhos Leisure Village facilities at subsidised rates.

5. National Need for the Project

Key Points

- The need for economic growth and regeneration in Anglesey has long been recognised in national government. Job losses and the selective out-migration of working age residents have been significant in the last decade. Wealth levels per head of population stand at just 50% of the UK average.
- Further erosions in the local economic base will place additional burdens on public finances, at a time when the national economy can least afford it.
- Anglesey needs several solutions to address its economic issues. The energy sector is one such solution, with tourism being the only other significant sector where substantial growth could occur.
- Visit Wales recognises that the Penrhos Leisure Village development is a rare opportunity to fundamentally strengthen the local tourism base. They note that Anglesey is an area where tourism has a vital economic role, but also where the opportunities are harder to realise. There are no other pipeline developments on Anglesey that will achieve substantial growth in the tourism sector.
- Visit Wales also recognises that the scheme meets many of the objectives of the new National Tourism Strategy, including "investing in high quality, reputation-changing products" and "driving a product-led approach that identifies fresh reasons to visit Wales".
- The UK government has stated that a series of new nuclear power stations are to be constructed and start generating power as soon as possible. Wylfa in Anglesey is identified as one of just eight sites that the Government has determined are potentially suitable for the deployment of new nuclear power stations before the end of 2025.
- With such a large construction workforce IACC has decided that the Wylfa B nuclear new build project requires substantial purpose built workers accommodation. The proposed Cae Glas & Kingsland elements of the Penrhos Leisure Village development is designed to meet this need, which in turn is derived from the national need for new nuclear power generation at Wylfa.
- It has been demonstrated through extensive analysis that potential alternative sites in Anglesey are not available, suitable or viable for a comparable development. The Penrhos Leisure Village site is the only viable site to meet a range of national needs relating to economic growth, tourism and energy policy.

5.1 The Countryside Council for Wales (CCW) have stated that insufficient evidence has been provided by the applicant to demonstrate that the development is responding to national needs. CCW state that since AONBs are national designations it is reasonable to expect large scale development to be accompanied by more than local justifications.

5.2 Three dimensions are pursued in this section in responding to the views of CCW, namely:

- To evidence the poor state of the Anglesey economy and the drag which Anglesey imposes on national economic performance.
- To evidence the fit and contribution the project has with a range of national tourism strategy objectives.
- To evidence the national need for the Wylfa B nuclear new build development, and as a result the national need for bespoke accommodation to house the large volume of workers that are required.

5.3 The analysis also comments on the lack of alternatives to meet these national needs.

Anglesey as a National Economic Priority

5.4 Anglesey has experienced a considerable decline in overall employment since 2003 with Welsh employment statistics showing a **loss of 2,000 jobs**, or -7.5%, between 2003 and 2010. This fall is dominated by job losses in the private sector, which declined by some 1,500 jobs over the period 2003-2010. These job losses occurred over a period during which Wales as a whole experienced total employment growth of just short of 1%, and an expansion in private sector jobs of 2.5%.

5.5 In recent years, there have been substantial job losses at Anglesey Aluminium (-450 jobs), Eaton Electrical (-220 jobs), the Hedsrom factory (-60 jobs) and Peboc (-100 jobs).

5.6 A recent Welsh Government publication[29] states that…"*the lowest levels of GVA[30] per head in Wales were in the Gwent Valleys at 53.3 per cent and the Isle of Anglesey at **57.2 per cent of the UK average**. These areas accounted for two of the five NUTS 3 regions throughout the UK with the lowest GVA per head relative to the UK average*".

5.7 A separate study by the Organisation for Economic Co-operation and Development, but using similar data, confirms the startling poverty gap between areas like Anglesey and other parts of the UK. The report singles out Anglesey in particular, where the average Gross Value Added is just half that of the UK's average, while in parts of London it is four times the average.

5.8 Commenting on the state of the Anglesey economy, the Anglesey Labour MP Albert Owen has recently said… "*It is clear that on Anglesey we have a **jobs crisis***".

5.9 The loss of jobs and poor GVA performance, has happened in parallel to a substantial **migration of working age residents away from the Island**. Annual Population Survey data shows there has been a net loss of 1,300 working age residents since 2005, a -3.3% decline compared to a 1.2% increase at the level of Wales. The loss of working age residents (in large part due to a shortage of suitable jobs) is becoming a real issue for Anglesey.

5.10 There are very few other places in the UK where working age population is being lost at such a rate, and quite rightly various policies and strategies have as a central objective stemming this flow. Anglesey cannot afford to lose jobs and working age residents at the rate of the last decade. Further erosions will place additional burdens on public finances, at a time when the national economy can least afford it, and call into question the longer term sustainability of the Island's communities.

5.11 The challenges set out above are **recognised in various national policies**.

5.12 Since 2010 Anglesey has been identified as one of a select group of just seven national priority regeneration areas. Prior to 2010 Anglesey was one of just two national priority regeneration areas. The need for economic growth and regeneration has therefore long been recognised in national government.

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[29] Source : Regional and Local GVA. December 2011

[30] GVA = Gross Value Added. This is a measure of the wealth generated in a particular area. In effect it is the share of company turnover that is distributed in the form of wages and profits.

5.13 Welsh Government has also prioritised Anglesey as one of seven national Enterprise Zone locations in order to significantly boost the economic base of the area.

National Tourism Needs

5.14 Tourism is a highly competitive industry. Although Wales is well placed to compete, there is far more to do, in development terms, to ensure that the tourism offer is of a world class standard. This view is reflected in recent correspondence between the applicant and Visit Wales.

5.15 This same correspondence[31] states that :

- "The development of a quality accommodation product…is seen as a strategic priority for Wales, both in delivering a higher quality experience and, in enabling higher performance and growth".

- "The emphasis [needs to be]…on projects that potentially can change perceptions and realise additional economic growth, jobs and wealth, evident both directly in the business concerned, and in delivering supply chain benefits".

5.16 Visit Wales note that…."this project has the potential to change the dynamics of tourism visits to the island (and wider regions) which could, subject to a due diligence review of displacement effects, complement the strategic vision for the development of tourism in Wales".

5.17 They conclude that…"Wales historically has seen few opportunities to attract tourism development on the scale of this project, particularly in assisted areas of western Wales where the economy is largely rural and marginal. This is true both in finding investors or entrepreneurs willing to take the financial risk, and also in identifying suitable locations. It is precisely in these fringes of western Wales where tourism has a vital economic role, but also where the opportunities are harder to realise".

5.18 Very recently a Tourism Sector Panel has prepared a new National Tourism Strategy for Wales, which is currently (March 2013) being consulted upon. The strategy includes within its main strategic objectives (p6):

- Stimulating investment in high quality, reputation-changing products and events
- Driving a product-led approach that identifies fresh reasons to visit Wales
- Targeting existing and new markets with most growth prospects
- Developing destinations that people want to visit and recommend
- Providing opportunities for local communities to deliver memorable visitor experiences

5.19 The North Wales Tourism Strategy calls for efforts to *'…re-establish North Wales as one of*

[31] Letter to applicant from Lawrence Manley – Visit Wales – March 2013

the UK's premier and most desirable locations' (p.27) and for North Wales to become *'...one of the top 5 UK tourism destinations'* (p.20).

5.20 Other important objectives for the local tourism sector in Anglesey and North Wales are (i) attracting higher spending visitors and (ii) reducing seasonality, as is evident from various policy statements:

- '*Promote the development of a more cohesive, high quality and year-round tourism offer targeting niche and high value markets...*' (p. 27, North West Wales Spatial Development Strategy – Second Consultation Draft, 2008).
- '*...what is needed in the area is sustainable, year–round, high quality tourism with an emphasis on attracting higher value segments*' (p. 27, North West Wales Spatial Development Strategy – Second Consultation Draft, 2008).
- '*...there is evidence to suggest that awareness and appeal of the region is slipping and that we are failing to attract new visitors and new markets*' (p3, Executive Summary. North Wales Tourism Strategy).

5.21 Overall the growth of the tourism sector in Anglesey is seen as a key priority, and the development helps achieve many of the strategic goals that Welsh Government has set for the sector nationally in the next 10 years.

5.22 We envisage the scheme will attract visitors from the mainland UK and further afield. The Irish market (particularly Dublin) is key market – enabling Anglesey to promote itself on a national platform. Cruise ship business attracted by the new Cae Glas Visitor Centre and Nature Reserve will also provide an international stage to promote Welsh culture and heritage.

The Need for Nuclear New Build

5.23 The UK government has recently launched its Long-term Nuclear Energy Strategy (2013). The Government believes that nuclear energy has an important role to play in delivering the long term objective of a secure, low carbon, affordable, energy future. Within 3 of the 4 key energy scenarios, nuclear energy is envisaged as delivering a much larger amount of power generation than that available now.

5.24 The earlier (2011) Overarching National Policy Statement for Energy (EN-1) stated that…"Nuclear power generation is a low carbon, proven technology, which is anticipated to play an increasingly important role as we move to diversify and decarbonise our sources of electricity" (p27).

5.25 It went on to say that (p30)…"given the urgent need for low carbon forms of electricity to contribute to the UK's energy mix and enhance the UK's energy security and diversity of supply, it is **important that new nuclear power stations are constructed and start generating as soon as possible** and significantly earlier than 2025".

5.26 National Policy Statement for Nuclear Power Generation (EN-6) identifies Wylfa in Anglesey as one of eight sites that the Government has determined are potentially suitable for the deployment of new nuclear power stations in England and Wales before the end of 2025.

5.27 In March 2010 Horizon Nuclear Power (Horizon) announced Wylfa as their preferred site for their first nuclear development in the UK. In March 2012, following a strategic review, separately carried out by both parent companies of Horizon, (RWE npower and E.ON), it was announced that they would not proceed to develop new nuclear power projects in the UK through the Horizon joint venture, including the new build scheme at Wylfa.

5.28 Horizon was made available for sale and in October 2012, E.ON and RWE announced that Hitachi Ltd had agreed to purchase Horizon. Hitachi are now progressing development work to bring the new build proposal to fruition.

5.29 With an estimated temporary construction workforce of 6,000, IACC has prepared the Wylfa Nuclear New Build: Construction Workers Accommodation Position Statement. The document has been adopted by the Council's Board of Commissioners.

5.30 Five options were developed and appraised to assess the Island's ability to accommodate the needs of construction workers at Wylfa. Option 5 – Mixed Accommodation Approach was the highest scoring option. Option 5 assumes the provision of a mix of accommodation, thereby minimising risk to the new build development through the **provision of a "working camp" facility**, and securing economic benefits through the use of new and existing provision. This approach uses case study experiences elsewhere, using the following split for temporary demand:

- 1/3 of workers accommodated in purpose built accommodation (this could be on or off site and could include temporary accommodation);
- 1/3 use private rented accommodation (mix of new and existing);
- 1/3 use tourist accommodation (mix of new and existing).

5.31 All stakeholders recognised that this option will require a collaborative approach with an agreed framework in place to ensure its successful delivery.

5.32 The Penrhos development is designed to meet the requirements of the Position Statement and will create a deliverable opportunity to provide purpose built accommodation for the Wylfa new build power station workers. Temporary accommodation will be available through a variety of lodges. Furthermore, the proposed residential development at Kingsland could provide accommodation for senior staff associated with the nuclear construction project and its subsequent operation.

5.33 The purpose built temporary workers accommodation is therefore derived directly from the national need to provide new nuclear power generation at Wylfa.

5.34 UK Government has been clear that nuclear new build should provide a long term legacy from its development in each host locality. The Penrhos Leisure Village proposes to be a key part of that legacy – by providing temporary workers accommodation that has a long term economic use after the construction process is complete.

The Absence of Alternatives

The absence of alternative growth sectors

5.35 Replacing lost private sector jobs and stemming out migration will not be easy given Anglesey's relatively peripheral location. Realistically there is probably **only a small number of sectors** locally (energy and tourism being the main ones) that can take advantage of this peripheral location and be relied on to deliver a substantial amount of new jobs. Many of the sectors that support substantial employment in less peripheral locations (business, professional & financial services, distribution, higher education etc) will simply never flourish in Anglesey.

5.36 Substantial new jobs are predicted in the energy sector as a result of the proposed Wylfa B nuclear new build, off-shore wind and a number of other opportunities (collectively grouped under the *Energy Island* initiative). However, these job opportunities should not be viewed as capable of solving all of Anglesey's economic problems:

- *They are uncertain* – with numerous investment and planning hurdles still to be overcome and the precise timing of the jobs benefits is still not known.
- *High levels of jobs "leakage"* – as a result of the specialist skills, resources and components required within the sector. Many of the jobs will rely on "imported" labour.
- *The benefits are mainly in the construction phases* - with the longer term operational benefits more modest.
- *The job opportunities are not suitable for all* – for example, the energy sector employs relatively few women and entry level jobs are rarer than in other sectors.

5.37 The energy sector alone is not capable of reversing the fundamental economic challenges which face Anglesey. Complementary investments, of a similar scale and ambition, are required in other sectors – of which tourism is the only viable option.

The absence of alternative transformational tourism projects

5.38 A number of investments have been made over the past five years in the Anglesey tourism offer, in particular at Holyhead marina where regeneration plans are being delivered and at Copper Kingdom and Trac Mon. There has also recently been some substantial investment in new quality restaurants on Anglesey. These all help to raise the offer and image of Anglesey for higher spending tourists. Other investments include upgrades to existing attractions and a number of environmental and public realm improvement projects – although none could be described as transformational.

5.39 Our analysis of pipeline projects has highlighted that there are no other private or public sector tourism projects of a comparable scale and impact to the Penrhos scheme, which are likely to come forward on Anglesey. Without the Penrhos development, visitor numbers will be locked at broadly current levels with no realistic chance of shifting Anglesey's visitor profile. The only other substantial pipeline scheme is the proposed Holyhead Waterfront mixed-use development. This is an exciting but potentially complex redevelopment that will focus on a largely different market segment to the Penrhos project. As such it will not serve as an alternative to the Penrhos development but will complement it.

The absence of alternative sites for the development

5.40 A report prepared by Colliers International, specialist leisure and tourism consultants, describes why the proposed leisure development needs to be in a coastal location. Colliers state that success in creating a new tourist and leisure destination at Holyhead relies fundamentally on access to both beach and coastal areas. The current model for new purpose built leisure developments in the UK is Center Parcs whose resorts are purposefully marketed as inland 'forest' destinations. An inland leisure development on the Isle of Anglesey would struggle to directly compete with Center Parcs established UK tourism destinations as well as other leisure complexes.

5.41 The applicant has undertaken an assessment of alternative sites. In assessing alternative locations, it is important to recognise that the success of the tourist and leisure destination relies fundamentally on access to both beach and coastal areas. Because of this central requirement, only sites in a coastal location were assessed. In total seven potential alternative sites were examined:

- Breakwater Country Park, Holyhead;
- Land East of Wylfa Power Station, Wylfa;
- RAF Valley, Valley; and
- The Former Shell Octel Site, Amlwch
- Land at the former Dynamex Ferodo Site, Caernarfon
- Newborough Forest, Newborough
- The Former Lairds Site, Beaumaris.

5.42 It was demonstrated through extensive analysis that the potential alternative sites were not available, suitable or viable for a comparable development.

Appendix ALetters of Support

TOURISM
PARTNERSHIP
North Wales

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TWRISTIAETH
Gogledd Cymru

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23 April 2013

Mr .Richard Sidi
Land and Lakes (Anglesey) Ltd
Kingmoor Park
Unit D, Kingmoor Business Park
Baron Way
Carlisle
Cumbria
CA6 4SJ

Dear Richard

RE: **Penrhos Leisure Development: Land and Lakes (Anglesey) Ltd**

Thank you for the recent presentation on the aforementioned.

Tourism Partnership North Wales supports your application, per above, as it is compliant with the second of four Strategic Objectives in Tourism Strategy North Wales 2010-2015, namely Investing in Product Excellence.

One of the Key Priorities within this Strategic Objective is Providing Quality Accommodation, with which this development proposal is compliant.

This Key Priority aims to ensure there is a sufficient supply and range of quality accommodation to meet changing markets needs, accommodate growth and support a thriving tourism economy.

More specifically the Strategy notes the need for 'A major new self-catering holiday village with leisure facilities'. It has been a long held aspiration of the Partnership to secure a self-catering Holiday Village for North Wales.

In this context, there are a number of holiday parks on the Isle of Anglesey, and across North Wales, but there are no holiday villages. The holiday parks are dominated by privately owned static caravans, and a small number of privately owned chalets. The proposed holiday village business model differs, as chalets will be corporately owned and let to holidaymakers. It is akin to the Center Parcs or Bluestone, Pembrokeshire product model. This development is therefore considered to be introducing a new product model to the Isle of Anglesey and to North Wales, and in effect growing the market, rather than displacing existing business.

Continued…

Ariennir gan
Lywodraeth Cymru
Funded by
Welsh Government

Continued…

In the context of self catering accommodation, the Strategy notes the development potential of additional quality accommodation from conversion of redundant farm buildings. This sector is dominated by small developments with limited servicing, in terms of on site offer of food and leisure provision. Again the comprehensive on site food offer and leisure provision will in effect grow the market, rather than displace existing business. The existing business will remain positioned as independent providers, with an appeal to an independent holidaymaker.

The situation developed at Bluestone, Pembrokeshire was of benefit to the independent self catering accommodation in the area, the holiday village investment generated greater awareness of the area, and increased demand, and offered day visitor leisure and recreational facilities to those holidaying in the independent self catering accommodation.

The all year round operation at the Penrhos site will create a significant number of all year round jobs. The number of jobs, and scale of operation, will create a hierarchy of posts, up to supervisory, management and director levels. This contrasts with smaller developments, where jobs will be mostly operational. The range of services on site will demand specialist skills, in contrast with smaller developments where jobs will be generic.

Without increase in accommodation capacity to replace dated accommodation, additional income will not be generated, nor will the objective to increase the dependence of the Isle of Anglesey on the visitor economy be achieved.

The Land and Lakes project would be of national significance in terms of tourism development and promotion. It will contribute to the national objectives of Visit Wales' Tourism 2020, ie to grow tourism in Wales by 20%, and increase the number of jobs by 17,000 between 2013 and 2020.

Yours sincerely

[redacted]

Dewi Davies
Regional Strategy Director

Yr Adran Busnes, Menter, Technoleg a Gwyddoniaeth
Department for Business, Enterprise, Technology and Science

Llywodraeth Cymru
Welsh Government

PRIVATE & CONFIDENTIAL

David Pryce Jones
Anglesey County Council
Planning Service
Llangefni,
Ynys Mon/ Anglesey
LL77 7TW

Ein Cyf/Our Ref: LM/
Date: 28 February 2013

Dear Mr Pryce Jones

We have recently been approached by Land & Lakes (Anglesey) Ltd (LLA) to provide a general commentary on how the proposed Penrhos Leisure Development (PLD) might align with some of the emerging priorities of the new national tourism strategy. What follows therefore are comments that have been invited by the developer from Visit Wales. It is not appropriate for Visit Wales to comment on individual planning applications, and the comments are therefore general in nature and are not to be construed as an independent view.

Tourism is a highly competitive and global industry. Although Wales is well placed to compete in terms of its rich culture, landscape and heritage, with places, products and experiences that differentiate it from other destinations, there is more to do to, in development terms, to ensure that the tourism offer is of a world class standard.

The development of a quality accommodation product, specifically, is seen as a strategic priority for Wales, both in delivering a higher quality experience and, in enabling higher performance and growth. The emphasis therefore is not just on best in class 'quality' but also on projects that potentially can change perceptions and realise additional economic growth, jobs and wealth, evident both directly in the business concerned, and in delivering supply chain benefits in the form of job creation and in providing local food (and other) products and services.

The proposal for PLD includes both hotel accommodation, with conference and leisure facilities, and lodge style accommodation. Visit Wales considers that there are too few 'high end' hotels with an ability to stimulate new demand. The creation of such a hotel, as part of this development, would therefore accord with the national tourism strategy. The inclusion of leisure facilities will also facilitate all year round demand (a strategic requirement), and conference facilities will add value to the offer.

Regarding lodge accommodation, Wales has a significant existing supply of self catering accommodation, from caravan parks through to farm cottages. However the scale and nature of the PLD proposal is very different, and, together with the proposed village and leisure facilities, this project has the potential to change the dynamics of tourism visits to the island (and wider regions) which could, subject to a due diligence review of displacement effects, complement the strategic vision for the development of tourism in Wales.

The natural environment is a key reason why visitors choose to holiday in Wales. The natural 'product' in Wales includes an 870 mile long all Wales coastal path, the only one of its kind in the world, and to which Anglesey is closely linked. In respect of the PLD proposal, the emphasis placed on environmental positives (including the coastal path) within this project could be seen to

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complement the wider tourism strategy, assuming of course that the development meets fully with the requirements of planning.

The relationship between tourism and the economy of Wales is crucial in that, strategically, the intention is to grow visitor spend, attract additional higher spending visitors, and help sustain an all year round tourism economy. This project, in creating some 600 direct and indirect jobs, will be one of the largest tourism proposals to happen in Wales, and in economic terms will support significant growth in employment, along with supply chain benefits. Environmental sustainability is also considered vitally important in ensuring Wales is at the forefront in this movement also.

Wales historically has seen few opportunities to attract tourism development on the scale of this project, particularly in assisted areas of western Wales where the economy is largely rural and marginal. This is true both in finding investors or entrepreneurs willing to take the financial risk, and also in identifying suitable locations for eg. a Center Parcs type proposal. It is precisely in these fringes of western Wales where Tourism has a vital economic role, but also where the opportunities are harder to realise.

The development of the tourism product in Wales is being driven also by a partnership approach to create ‘Destinations’ at a local and regional level. Anglesey as a Destination has a range of strengths in terms of its access to water (including the cruise markets), the coastal path, and both heritage and cultural assets in abundance. The existing accommodation base however comprises small to medium sized tourism businesses (predominantly small). A review is therefore needed to assess this existing stock, and its relationship to a new development of this scale and type.

Anglesey does not have a significant accommodation resort, and, therefore, this project is considered important both in helping deliver the county’s Destination Management Plan as well as significantly raising the profile of the island on a regional and national scale. Anglesey’s Destination Plan therefore includes the PLD proposal, as well as an audit of accommodation stock and demand appraisal, and from this perspective can be seen to be strategy compliant.

Given the potential employment effect of a project on this scale, with some 465 on site jobs, strategically Visit Wales would expect a comprehensive people plan showing best practice in terms of people skills and development. We would expect to see a customer focussed workforce delivering a distinctive service style, and able to provide world class high quality service to a global market.

In summary, this proposal complements the national Tourism Strategy in a number of ways, but particularly in its potential to:

- Grow the economy of North Wales, through on and off site expenditure and jobs;
- Create a leisure village that has the potential to change visitor perceptions and realise an all year round destination;
- Create a ‘high end’ hotel capable of attracting new markets;
- Create a product that complements strategic themes such as the Natural Environment, Activity Tourism and Distinctive Destinations.

This is also a project (in totality) that will require a co-ordinated cross sector and department engagement from Welsh Government. This response, though targeting Tourism and this project, at a strategic level, should not be taken out of context both as regards the development as a whole, and the many non tourism elements that will inevitably apply to a project of this nature.

Yours sincerely

LAWRENCE MANLEY
Head of Appraisal & Monitoring

David Pryce Jones

Isle of Anglesey County Council

Planning office

Llangefni

Anglesey

LL77 7TW

12th March, 2013

Dear Mr Pryce Jones

Ref : Outline Planning Application reference 46C427K – Penrhos , Cae Glas , Kingsland

As a Caravan Park operator in Gwynedd I am writing to register my support to this Application.

We are a medium sized business that currently attracts up to 7,000 visitors a year.

North Wales needs to improve its tourism profile across Wales and the UK and this proposal for a 'Destination holiday village' with year round facilities would undoubtedly provide a substantial marketing budget to promote Anglesey and North Wales as a whole.

It is this kind of major development that will provide a step change in the tourism fortune for Anglesey and actually help to sustain our business.

I think it is important that we register our support as we feel this kind of development will complement rather than conflict with our business by attracting new tourism business.

This is a well-considered Application taking detailed consideration of the various issues relevant to developing in a sensitive location.

Yours Sincerely

Sheila Baylis

BRYNTEG HOLIDAY HOME PARK

David Pryce Jones
Isle of Anglesey County Council
Planning office
Llangefni
Anglesey
LL77 7TW

April 3rd, 2013

Dear Mr. Pryce Jones

Ref: Outline Planning Application reference 46C427K – Penrhos, Cae Glas, Kingsland

As the Chief Executive Officer and founder of Natural Retreats, a hospitality and travel company offering generational, home-from-home holidays, exceptional residences, cottages and lodges surrounded by breath-taking natural beauty, I am writing to register my support to this Application.

We are a leading brand operator of self-catering locations in close proximity to national parks, historic destinations and areas of outstanding natural beauty in the UK, Ireland, the USA and the Canary Island. Natural Retreats truly believes in sustainability and that communities and landscapes within which it develops are the real amenities. Natural Retreats business that currently attracts 10,000 visitors a year. The operational portfolio has grown by over 40% over the past three years with a pipeline of over 850 properties either in development or under negotiation. Natural Retreats Llyn Peninsula represents our signature destination in Wales.

Anglesey needs to improve its tourism profile across Wales and the UK and this proposal for a 'Destination holiday village' with year round facilities would undoubtedly provide a substantial marketing budget to promote Anglesey and North Wales as a whole. It is this kind of major development that will provide a step change in the tourism fortune for Anglesey and actually help to sustain our business.

I think it is important that we register our support as we feel this kind of development will complement rather than conflict with our business, by attracting new tourism business. Our existing volume of trade is unlikely to be reduced when Penrhos Leisure Village becomes operational and raising the profile of Anglesey would potentially help our business.

This is a well-considered Application taking detailed consideration of the various issues relevant to developing in a sensitive location.

[redacted]

Yours Sincerely

Matthew Spence
Chief Executive Officer
Natural Retreats / Natural Assets

Anglesey Sea Zoo & Marine Resource Centre Ltd
Dr Dylan Evans

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Tel 01248 430411
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e-Mail dylan@angleseyseazoo.co.uk
Web www.angleseyseazoo.co.uk

David Pryce Jones
Isle of Anglesey County Council
Planning office
Llangefni
Anglesey
LL77 7TW

11th of March 2013

Dear Mr Pryce Jones

Ref : Outline Planning Application reference 46C427K – Penrhos , Cae Glas , Kingsland

As an Anglesey tourism business operator, I am writing to register my support to this Application.

The Anglesey Sea Zoo currently attracts around 100,000 visitors a year, and this proposal for a destination holiday village with year round facilities would undoubtedly provide a substantial boost to the promotion of Anglesey and North Wales as a whole.

It is exactly this kind of major development that will provide a step change in the tourism fortune for Anglesey and will actually help to sustain our business by moving towards reducing the extreme seasonality of the present situation.

I think it is important that we register our support as we feel this kind of development will complement rather than conflict with our business, by attracting new tourism business and year round custom.

This is a well-considered Application taking detailed consideration of the various issues relevant to developing in a sensitive location.

Yours Sincerely,

[redacted]

Dr Dylan Evans,

Stena Line PORTS

David Pryce Jones
Isle of Anglesey County Council Planning office
Llangefni
Anglesey
LL77 7TW

Friday, 05 April 2013

Dear Mr Pryce Jones,

Ref : Outline Planning Application reference 46C427K – Penrhos , Cae Glas , Kingsland

Stena Line Ports Limited as the Statutory Port Authority for Holyhead Port is pleased to register its support for these proposed developments.

As you are no doubt aware our Ferry businesses attract some 2.5 million passengers a year through the Port of Holyhead many of whom are return travellers.

Anglesey needs to improve its tourism profile across Wales and the UK and this proposal for a 'Destination holiday village' with year round facilities would undoubtedly provide a substantial marketing tool to promote Anglesey and North Wales as a whole.

It is this kind of major development along with our Holyhead Waterfront Development that will provide a much needed step change in the tourism and commercial fortunes of Anglesey and will without doubt help to sustain and secure many related businesses on the Island and North Wales.

I think it is important that we register our support as we feel this kind of development will complement rather than conflict with our core business, by attracting new tourism opportunities to and from Ireland. I could also quite easily see that this new destination attraction might also be very attractive to our ever increasing Cruise ship business. Passengers who join and leave from these ships are always looking for new shore offerings and as such the improvements proposed at Penrhos would seem to fit the bill nicely. The growth of this Cruise business in Holyhead remains a high priority for Welsh Government.

In conclusion I would say that this is a well-considered application and robust application and as far as I can see has taken detailed consideration of the various issues relevant to developing in this sensitive location.

Yours Sincerely

Wyn Parry
Ship Operations & Port Manager

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David Pryce Jones
Isle of Anglesey County Council
Planning office
Llangefni
Anglesey
LL77 7TW

20th March 2013

Dear Mr Pryce Jones
Ref : Outline Planning Application reference 46C427K – Penrhos , Cae Glas , Kingsland

As an Anglesey leisure and holiday cottage operator, I am writing to register my support to this Application.

We are a leisure business that currently attracts 3000 visitors a year
Anglesey needs to improve its tourism profile across Wales and the UK and this proposal for a 'Destination holiday village' with year round facilities would undoubtedly provide a substantial marketing budget to promote Anglesey and North Wales as a whole. It is this kind of major development that will provide a step change in the tourism fortune for Anglesey and actually help to sustain our business.
I think it is important that we register our support as we feel this kind of development will complement rather than conflict with our business, by attracting new tourism business.
This is a well-considered Application taking detailed consideration of the various issues relevant to developing in a sensitive location.

Yours Sincerely

Registered in England. Reg.No.541059.Registered Office Portobello Amlwch Gwynedd
Directors JM Pickering and EJ Pickering

MEYRICK ESTATE MANAGEMENT LTD

(Company No. 958684)

DIRECTORS:
SIR GEORGE MEYRICK Bt FRICS
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Our Ref : TB/kac

24 April, 2013

David Pryce Jones
Isle of Anglesey County Council
Planning Office
Llangefni
Anglesey
LL77 7TW.

Dear Mr Pryce Jones

RE: Land and Lakes (Anglesey) Ltd – Planning Application – 46C427K

I am the Estate Manager of the Bodorgan Estate located on the South Western side of Anglesey. I have been involved in the leisure industry, tourism and Estate management for the past eight years both here on Anglesey and previously in Leicestershire and Northamptonshire. This work has involved the development and management of significant visitor attractions and public events (such as rallies and concerts), the provision of accommodation and the consequent economic development. I write in an entirely personal capacity based on my knowledge and experience and the views expressed in this letter are entirely my own and should not be taken to represent those of my clients, the Trustees, Directors or family members for whom I act.

I am familiar with the planning application by Land and Lakes (Anglesey) Limited in Holyhead and have met and discussed this with the companies Chief Executive Officer Richard Sidi on a number of occasions. This included most recently at the Councils own business leaders dinner hosted in the Officers Mess at RAF Valley where we were both guests of Bryan Owen the Council Leader. I believe the proposed development will be beneficial to the future of Anglesey and could underpin existing services and businesses as well as being a catalyst to create and sustain new ones.

I write in support of the application made by the applicant for a number of very simple reasons which I set out below for your consideration;

Continued …/

Page 2

1. There is no existing or planned facility similar to the proposal on the Island

2. The County Council has through the DMP process identified the need for an improved and dynamic leisure offer to support economic growth on the Island and to secure its position as the potential premier destination it should be.

3. There is concern that this attraction may have a detrimental impact on existing tourist venues/attractions but I do not believe this is credible. There are insufficient quality attractions presently available to visitors staying for more than a few days and a dilution effect is unlikely.

4. I suggest that the delivery of this volume of accommodation can only bolster the visitor numbers at these attractions and indeed create the opportunity for new business opportunities. Please examine the positive impact of the Alnwick Garden in Northumberland and The Eden Project in Cornwall for first class examples of the positive benefits of these developments.

5. In addition I understand that there is concern that employees may be drawn away from existing businesses to this development. I believe that in a free market economy competition between employers can only be a positive thing and is surely set the benefit those presently active in the jobs market. If better pay and conditions are available to staff these benefits trickle down into the local economy

6. There is presently and worryingly a net migration of young people off the Island and any activity which might help support these people who are important to the future of the Island, its economy, traditions and future should be given every chance to remain. Jobs do this if the offer surpasses the opportunities elsewhere.

I hope this is helpful and I am happy to answer questions or add further comments.

Yours sincerely

Mr T C Bowie, PgD REM
Estate Manager

Regeneris Consulting Ltd

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