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Subject: RE: IACC Deadline 2 Submission : Local Impact Report - Tourism (email 7)
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Pnawn Da/ *Good afternoon,*

Gweler ynglwm cynrychiolaeth CSYM mewn perthynas â'r uchod / *Please see IACC's representation in respect of the above.*

Bydd fersiwn Gymraeg yn cael ei ddarparu cyn gynted a phosib / *A Welsh version of the submission will be provided in due course.*

Cofion/ *Regards,*

Manon

Swyddfa Rhaglen Ynys Ynni /
Energy Island Programme Office
01248 752435 / 2431
PMO@ynymon.gov.uk



www.ynsynimon.co.uk / www.angleseyenergyisland.co.uk



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Mae cynnwys y neges e-bost hon yn cynrychioli sylwadau'r gyrrwr yn unig ac nid o angenrheidrwydd yn cynrychioli sylwadau Cyngor Sir Ynys Mon. Mae Cyngor Sir

Ynys Mon yn cadw a diogelu ei hawliau i fonitro yr holl negeseuon e-bost trwy ei rwydweithiau mewnol ac allanol.

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**Isle of Anglesey
County Council**

**Tourism Topic
Report**

November 2018

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1.0 OVERVIEW OF IMPACTS

- 1.1 Nationally Significant Infrastructure Projects (NSIPs) create significant impacts, especially in rural areas, including environmental effects on seascapes, landscapes, habitats and diversity and visual, noise, light and air pollution. They also involve alterations to the cultural heritage and place-based values of communities and landscapes.¹ In the communities of Anglesey, this also has a significant linguistic dimension.² Horizon submitted its application to build two onsite reactors, generating 2.9 GW of power by the 2020s to the Planning Inspectorate on 1 June 2018, a document that includes details of its environmental impacts and the proposed mitigations to reduce them.
- 1.2 The construction of the Hitachi Horizon Wylfa Newydd Nuclear Power Station (WNP) station and its subsequent operation will have several adverse impacts on Anglesey's tourism sector. Horizon recognises: the need to protect the tourism sector; the widespread concerns about WNP's impacts on the sector; and the need to mitigate these impacts because of the sector's vital importance to the Anglesey economy. Impacts will occur during the Site Preparatory works phase; these will continue and worsen throughout the construction period and for a period when operation commences. The Isle of Anglesey County Council (IACC) requires that appropriate mitigation measures are implemented to address the likely scale of adverse impacts.
- 1.3 IACC must be involved in the design, content and operational strategy for any future planning application, which will seek to ameliorate the development of WNP. These include the temporary and permanent Visitor Centre at WNP.
- 1.4 WNP's construction and operation will impact Anglesey's tourism sector and its resilience through:
 - traffic congestion;
 - visual, noise and air pollution;
 - strains on the tourism accommodation stock; its availability and quality;
 - disruptions to staff and supply chains;
 - threats to Anglesey's tourism brand, reputation and visitor perceptions;
 - pressures on Anglesey's tourism offering, including the Area of Outstanding Natural Beauty (AONB), the Wales Coastal Path (WCP) and the wider Public Rights of Way (PROW) networks and other attractions;
 - adverse cumulative impacts.
- 1.5 There are also opportunities to develop and enhance the Island's wet-weather tourism offering through the development of a temporary high-quality, interactive and public information facility and a new permanent visitor centre, which is outwith the DCO application.

¹ Armeni, C. 2016. Participation in Environmental Decision-Making. Reflecting on Planning and Community Benefits for Major Wind Farms, *Journal of Environmental Law*, 28 (3), pp.415-44.

² Welsh Government 2008. Mon a Menai Action Plan; online at:

http://www.assembly.wales/Meeting%20Agenda%20Documents/Mon%20a%20Menai%20Action%20Plan%20-08072008-91809/action_plan-English.pdf.

2.0 EXECUTIVE SUMMARY

- 2.1. This chapter deals with the construction and operational phases of the WNP. Negative impacts on the tourism industry: i) will be greater during construction and operation than for the Site Preparatory Works stage; ii) are ongoing and cumulative throughout the remaining construction period and the operation of WNP; iii) though most acute within the North Anglesey (main site) and Anglesey West (associated development sites) vicinities, will be felt Island-wide because of its unique configuration. For all these reasons, there is a need for significant mitigation beyond any agreed for the Site Preparatory Works phase.
- 2.2. Horizon has already accepted: that tourism is 'vital to the economy of Anglesey',³ the principle of the negative impact on the tourism sector; and the need for mitigation through the creation of a Tourism Fund.⁴ Consequently, planning obligations will 'seek to ensure that the perceived impacts on the local tourism sector can be moderated using positive mechanisms to develop existing and new forms of tourism'.⁵ However, Horizon does not give full and proper consideration to WNP's impact (real, perceived and cumulative) on the sector or present appropriate mitigation measures; terming the effects as 'small/medium; minor to moderate adverse' significantly under-estimates them.
- 2.3. As currently proposed, Horizon's Tourism Fund is ambiguous and retrospective, committing to the release of funding for mitigations if impacts are established via monitoring surveys.⁶ Additionally, its statement that 'this fund would be available to address adverse effects if they arose'⁷ implies that WNP will exert a negligible impact on the tourism sector. This disregards the demonstrable experience of other host communities to NSIPs and the suite of mitigation measures agreed by other developers to alleviate disadvantageous impacts on their tourism sectors, most recently the EDF Hinkley Point C (HPC) Power Station.⁸ Mitigation agreements there commit a multi-million pound fund to protect and enhance the Somerset tourism sector, a much less tourism-dependent county than Anglesey, which is the UK's most tourism-reliant local authority.⁹

³ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics, para 1.3.22, p.C1-5.

⁴ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics, para 1.5.99, p.C1-41.

⁵ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics, para 1.6.19, p.C1-59.

⁶ Horizon Wylfa Newydd Project 6.2.2 B2 (Socio-economics) technical assessment, para 1.6.21.

⁷ Horizon Wylfa Newydd Project Table D 3-6 Mitigation Measures – Construction.

⁸ Tourism Contributions Para 2, Schedule 15, Tourism Site Preparation Works; Man Works Schedule 4 Economic Development and Tourism; Hinkley Tourism Action Partnership Terms of Reference.

⁹ Pritchard, A. 2014. Written Evidence to the Enterprise & Business Committee, National Assembly for Wales, Inquiry into Tourism, online at <http://www.senedd.assembly.wales/documents/s28193/EBC4-15-14%20p4%20-%20Professor%20Annette%20Pritchard.pdf>; Pritchard, A. 2017. Written Evidence to the Economy, Infrastructure and Skills Committee, National Assembly for Wales, Selling Wales to the World, online at

<http://www.senedd.assembly.wales/documents/s65701/EIS5-20-17%20p2%20Professor%20Annette%20Pritchard.pdf>;

Morgan, N. 2017. Written Evidence to the Economy, Infrastructure and Skills Committee, National Assembly for Wales, Selling Wales to the World, online at <http://www.senedd.assembly.wales/documents/s65702/EIS5-20-17%20p3%20Professor%20Nigel%20Morgan.pdf>.

2.4. Whilst the implementation of mitigation programmes is poorly documented worldwide,¹⁰ there is consensus that community benefit payments are recompense for the negative impacts of NSIPs.¹¹ However, the 'wait and see' approach to mitigation proposed by Horizon is completely unacceptable; good practice dictates that stringent protect and prevent measures are established to ensure that negative impacts are proactively addressed.¹² Horizon's proposals fail to recognise the significant and wide-ranging impacts WNP will have on Anglesey's tourism sector; impacts, which will be felt pre-, during and post-construction in Anglesey North, Anglesey West and across the whole Island.

2.5. Surveys conducted on Anglesey,¹³ together with evidence from other tourism-dependant areas hosting NSIPs, demonstrates that there will be significant economic impact on the tourism sector over the project lifecycle. Horizon accepts these surveys and uses them in its own proposals, notably the 2015 Visitor Survey, which demonstrated that 10% of current visitors would be less likely to visit the Island.¹⁴ This alone would incur an annual loss of £30m+ to Anglesey's tourism sector.

2.6. The most recent survey (2018) shows that this figure has increased - even prior to any visible WNP-related construction activity on the Island. The survey demonstrates that one in six visitors to self-catering cottages and apartments and hotels (Anglesey's highest spending visitors) would be less likely to visit due to increased road traffic. This would translate into losses during the construction phase of £50m+.

2.7. STEAM figures demonstrate that Anglesey's tourism sector has grown significantly and consistently during 2006-2017, outperforming the Wales and North Wales averages. This sustained growth is unusual in the UK, where destinations exhibit cyclical growth patterns (as is the case in Somerset, host to HPC).

2.8. It is extremely concerning that WNP may negatively impact on this decade-long growth and push the tourism sector into decline during the construction phase. This would have an acute impact on Anglesey's tourism sector well beyond the WNP construction phase, replicating the declines of other tourist destinations hosting NSIPs, notably Dunbar in Scotland (Torness) and Morecambe in the North-West (Heysham).¹⁵ In Anglesey's case, the impacts of this decline would be felt across the whole Island.

¹⁰ Wilson-Morris, A. & Owley, J. 2014. 'Mitigating the Impacts of the Renewable Energy Gold Rush', *Minnesota Journal of Law, Science and Technology*, Vol 15, No1, online at <https://scholarship.law.umn.edu/mjlst/vol15/iss1/18>.

¹¹ Kerr, S., Johnson, K. & Weir, S. 2017. 'Understanding Community Benefit Payments from Renewable Energy Development' *Energy Policy* June Vol 105 pp.202-211; Regen SW for the Department of Energy and Climate Change 2014. *Community Benefits from Onshore Wind Developments: Best Practice Guidance for England*, online at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/363405/FINAL - Community Benefits Guidance.pdf.

¹² Cape Wind Final Environmental Impact Statement MMS 2009, online at https://www.energy.gov/sites/prod/files/DOE-EIS-0470-Cape_Wind_FEIS_2012.pdf.

¹³ IACC Anglesey 2015 and 2018 Visitor Surveys and 2018 Accommodation Bedstock Survey and STEAM reports, 2006-2017.

¹⁴ IACC Anglesey 2015 Visitor Survey.

¹⁵ Bloxham, T. 2005. Morecambe Doesn't Need Any More Attractions. It's got a fantastic attraction and it's called Morecambe Bay, *The Architects' Journal*; online at <https://www.architectsjournal.co.uk/home/morecambe-doesnt-need-any-more-attractions-its-got-a-fantastic-attraction-and-its-called-morecambe-bay/135181.article>.

2.9. Horizon's evaluation of the impact of traffic congestion on the Island in general and on tourism specifically, is questionable. Horizon recognises that there will be considerable traffic issues¹⁶ and it assesses the magnitude of change to be medium but, 'using professional judgement the significance of the effect is considered to be minor adverse'.¹⁷ This assumption contradicts the evidence. Traffic congestion (actual and perceived) will strain tourist tolerances, particularly since holiday-makers are more sensitive than commuters to journey time¹⁸ and ease of access is important in holiday/day visit choices.¹⁹ Most UK visitors to Wales (94%) use road transport.²⁰ Any actual or perceived increase in traffic and congestion on Anglesey's road networks (especially on the Island's two bridges, which are already traffic choke points) will negatively impact on Anglesey's tourism sector.

2.10. Horizon recognises that the Wylfa Newydd Development Area (WNDA) could affect tourism-related businesses within the Local Area Impact (LAI) Zone because of a transference of visitors from the north of the Island.²¹ It also identifies the difficulty of demarcating the LAI because of ambiguities over the geographic spread and levels of tourist spend. However, due to the unique configuration of the Island, it is more the case that the whole community of Anglesey is host to WNP and, given that tourism is a whole-island sector, any negative impacts will be felt Island-wide.

2.11. In this context, Horizon's assertion in the DCO application that it seeks to maximise the benefits of its investment in the local and regional economy must be disputed. WNP will exert a negative impact on the tourism sector with losses (based on the 2018 survey) of £50m+ per year in the high-spending self-catering cottage and hotel accommodation. These losses will not be compensated by the anticipated £10.5m contribution of construction workers over a 3½ year peak occupancy period,²² which will itself also negatively impact on the accommodation and wider tourism sector.

2.12. At the same time, WNP construction will adversely impact on those very elements, which are integral to the Anglesey brand - notably the quality of its coastal-, sea- and landscapes, its peace and tranquillity and cultural/linguistic heritage. Destination brand and place reputation management require sustained investment to mitigate negative impacts and media stories.²³ Evidently, a substantial Tourism Fund must be established to protect, limit damage and maximise the tourism sector's contribution to the Island economy; the current limited mitigation suggested by Horizon does not offset WNP's negative impacts on the local economy.

¹⁶ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C3 Traffic and Transport para 3.5.19, p.C3-34.

¹⁷ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C3 Traffic and Transport para 3.5.20, p.C3-35.

¹⁸ Yang, L., Shen, Q. & Li, Z. 2016. Comparing travel mode and trip chain choices between holidays and weekdays, *Transportation Research Part A: Policy and Practice*, 91, pp.273-285.

¹⁹ Visitor Monitoring Report, Somerset 2015.

²⁰ Visit Wales, 2016. Wales Visitor Survey: UK Staying Visitors; online at <http://gov.wales/statistics-and-research/wales-visitor-survey/?lang=en>.

²¹ Horizon DCO Chapter D3 Socio-Economics, paragraph 3.5.21.

²² Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics para 1.5.83, p.C1-38.

²³ Morgan, N., Pritchard, A. & Pride, R. (Eds.) 2011. *Destination Brands: Managing Place Reputation*, Elsevier: Oxford.

3.0. INTRODUCTION

3.1. Background

3.1.1. WNP will provide some limited opportunities for the tourism industry on the Isle of Anglesey. However, its beneficial impacts will be very sector specific, particularly in property interests and parts of the accommodation sector that are currently catering for an intense period of business tourism associated with the development. It is questionable whether the wider visitor economy will see any net benefit and in fact it is highly likely to be negatively impacted. Indeed, its resilience and integrity will likely be compromised by the WNP development. Evidence from HPC clearly indicates that short-term benefits for some individual accommodation providers reduce the availability of bed-spaces for tourist use and increase visitor difficulties in accessing or finding suitable, available accommodation.²⁴ The experience of other NSIPs in tourism areas clearly illustrates the dangers of short-term boom followed by long term bust.²⁵

3.1.2. It is estimated that WNP will create up to 9,000 jobs during construction and 900 once operational, generating an additional economic boost of £20m per annum in wages for the Island over its 60-year life cycle. Horizon estimates that the much larger North Wales Key Socioeconomic Area (KSA) will potentially benefit (in total) between £200m-£400m over the 10-year construction period or some £20m-£40m annually. It is impossible to estimate how much the Island itself will benefit from this figure, however marginal, rural economies tend to receive the least benefit and see the most leakage; previous studies suggest that only around 2% of contracts will be issued across the whole North Wales KSA.

3.1.3. There are major concerns that WNP will adversely impact on the Island communities and on tourism in particular – a sector of fundamental importance to its economy since Anglesey is the UK's most tourism-dependant local authority. In response to these concerns Horizon have committed to provide a Tourism Fund, capital support for the promotion of Anglesey as a tourist destination and a visitor centre. There are examples of similar mitigation packages elsewhere, most recently the HPC-Somerset County Council agreement.²⁶ This creates precedent for measures, which could take several forms, including:

- Enhanced experientially-based product development;
- Enhanced branding, marketing, PR and social media campaigns via an agency to generate positive perceptions of Anglesey;
- Visitor monitoring surveys to establish awareness and impacts of WNP on visitor perceptions and experiences;
- Delivery of business support through workshop programmes;
- Funding to support Visit Anglesey to increase membership, build capacity and market Anglesey;
- Tourist Information Centre support;

²⁴ Somerset Council, 2012. Local Impact Report.

²⁵ Bloxham, T. 2005. Morecambe Doesn't Need Any More Attractions. It's got a fantastic attraction and it's called Morecambe Bay, *The Architects' Journal*; online at

<https://www.architectsjournal.co.uk/home/morecambe-doesnt-need-any-more-attractions-its-got-a-fantastic-attraction-and-its-called-morecambe-bay/135181.article>.

²⁶ Hinkley Tourism Action Plan Strategy, online at:

https://www.westsomersetonline.gov.uk/getattachment/Tourism---Leisure/Tourism/Hinkley-Tourism-Strategy/2015-20_Hinkley-Tourism-Strategy.pdf.aspx.

- Visitor travel advice plan to help alleviate any travel impacts;
- Support for Hospitality and Catering Education/Training facilities.

3.2. Report Scope and Purpose

3.2.1. In June 2018 the Isle of Anglesey County Council (hereafter IACC) commissioned Swansea University to provide specialist tourism expertise to establish appropriate mitigation measures for the tourism industry. This report thus:

- Contextualises the overall significance and value of tourism to the Isle of Anglesey;
- Considers and evaluates the opportunities, trends and challenges facing the industry, resulting from the WNP development;
- Establishes what mitigation measures are appropriate for the tourism industry in the light of this development, to:
 - Enhance visitor experiences;
 - Retain existing and attract new customers;
 - Build and enhance industry resilience;
 - Contribute to the development of a high-quality, sustainable tourism industry.

3.3. Programme of Work

Stage 1 (Familiarisation)

- Consider Horizon's draft Development Consent Order (DCO) documentation;
- Review IACC's previous responses to consultation (tourism);
- Review, assess and summarise available evidence base.

Stage 2 (Assess Impacts)

- Undertake impact assessment;
- Highlight any gaps in evidence base/baseline;
- Undertake additional evidence base work (as required);
- Identify key impacts/issues/against the evidence base.

Stage 3 (Mitigation)

- Review Horizon's migration proposals;
- Identify mitigation measures required (evidence based);
- Feed into S106 negotiations.

Stage 4 (Local Impact Report (LIR) & Statement of Common Ground (SOCG))

- Draft IACC Tourism Chapter(s) of the Local Impact Report;
- Inform IACC Statement of Common Ground negotiations with Horizon.

Stage 5 (DCO Examination)

- Act as IACC Expert Witness at DCO Examination (if required).

4.0. HIGH-LEVEL ISSUES

4.1. Overview

4.1.1. Anglesey is the UK's most tourism-dependant local authority, attracting almost 1.71m annual visitors. Tourism is the largest sector on the island, contributing £304 million to its economy each year. The sector supports over 4,200 jobs on an island with only 20,500 in total employment and accounts for almost 25% of its retail expenditure. A policy of 'monitor and mitigate' is not a reasonable option for a growth sector seeking to expand further. If not considered pro-actively and adequately mitigated, the WNP project could cause severe short and long-term damage to the tourism sector and therefore the Island communities' prosperity, resilience, health, equality, social cohesion and vibrant Welsh-language culture.

4.2. Issues

4.2.1. **Wales Coastal Path (WCP) & Area of Outstanding Natural Beauty (AONB).** There is a very real possibility that the project will lead to the degradation of Anglesey's Coastal Path and its AONB (which covers 95% of the island's 201km coastline and coastal habitat). The Island's special environments have been acknowledged and designated nationally and internationally and attract a large and growing number of visitors, who come to enjoy tranquillity and the island's flora and fauna. The existing Wylfa Nuclear Power Station, Cemaes Bay has been identified as a major degrader to the AONB, with a dramatic visual presence. The development of Wylfa Newydd will exacerbate this visual intrusion whilst the construction phase will generate significant air, light, waste and noise pollution, all of which are likely to negatively impact on wildlife, the visitor experience, and visitor likelihood to return or recommend.

4.2.2. **Accommodation.** There is a significant threat to the quality and viability of the Island's tourism accommodation base, which in turn will negatively impact on local tourism attractions. The threats lie in the loss of capacity and deteriorating accommodation as it is used by construction workers. The nature and distribution of bed-spaces, the pricing mis-match between worker demands and existing provision, licensing, site restrictions, practicalities of accommodating visitor and construction workers on the same sites and owner appetites for letting to construction workers require more research to fully understand the extent of the impact. Moreover, the use of 'bed-spaces' as the unit of analysis underestimates the complexity of demand. The Hinkley Point and Heysham Power Station experiences demonstrate that a race to the bottom is a very real scenario, with impacts on quality and provision.

4.2.3. **Resilience.** The IoACC considers the whole of the island to be a host community for WNP and in tourism terms, the offer is Anglesey. It is unreasonable to suggest that WNP impact will be limited to a 5km impact zone around the site. As an 'end' destination, dependent on the access provided by two bridges on which regular congestion (and associated pollution) already occurs, there are considerable implications for transport resilience and for visitor perceptions. One in six visitors have already indicated that they are less likely to visit because of the threat of construction.²⁷

4.2.4. **Reputation & Visitor Perceptions.** There are three dimensions to this impact. Firstly, during construction visitors will regard Anglesey as 'closed for business,' leading to a) a short-term diminution of visitors as they holiday elsewhere and b) a long-term loss of repeat/return/multi-generation visitors. Secondly, during and post-construction

²⁷ IACC Visitor Survey, 2018.

visitors may re-evaluate Anglesey's unique natural and historic environments, especially its natural, unspoilt, rich and diverse coastlines (its greatest tourism assets). There is a danger that the very tranquillity, which visitors seek on the island will be negatively impacted. Thirdly, there is a reputational risk for the island (which relies on older, ABC1 and family markets) that the presence of large numbers of construction workers will see a rise in anti-social behaviour, prostitution and drug- and alcohol-related incidents.

- 4.2.5. **Welsh Language.** The Welsh language is hugely significant for the island and over 60% of residents within the AONB speak Welsh as their daily means of communication. The Welsh language is a key dimension of Anglesey's identity and its strong presence in the AONB has been clearly identified as 'an economic asset.' There are serious concerns over the impact of the worker accommodation proposals on the continued vibrancy of the Welsh language.
- 4.2.6. **Displacement of Workers.** Evidence from other NSIPs demonstrates that their higher salaries will attract employees from local employers and that there are likely to be difficulties with staff recruitment and retention, wage inflation, etc. Horizon's worker campus will absorb local hospitality workers and exacerbate the existing shortage of qualified chefs in North Wales; moreover, with Anglesey having a 'tight' labour market (with a small labour force and low levels of unemployment and economic inactivity) these effects will be magnified.
- 4.2.7. **Displacement in Local Supply Chains.** If locally produced foods are diverted to the worker campus, this will starve the local tourism industry of the produce needed to differentiate the Ynys Mon 'offer.' This weakening of the links between the tourism sector and local producers on Anglesey will undermine the distinctive offer and support for farming, fishing and local craft producers.
- 4.2.8. **Visitor Centre.** There are significant opportunities presented by the proposed visitor centre, which can be a major wet weather visitor attraction, add to the range of educational facilities on Anglesey and make an ideal stop whilst circumnavigating the coastal path, or visiting the north of the island. 'Construction tourism' to the island may also be a potential niche market.

5.0. ANGLESEY'S TOURISM PROFILE

5.1. Overview

5.1.1. Growth in the Anglesey economy is led by the visitor economy.²⁸ It is the UK's most tourist dependant local authority with one of the highest percentages of employment in the tourism industries as a percentage of total employment.²⁹ It is also in the top ten of UK areas with main and second job employment in other tourism characteristic industries such as culture, sport and recreation.³⁰ Tourism is fundamentally important to sustaining the island's economy, environment and culture and has been supported by various initiatives and funding programmes designed to capitalise upon the unique cultural, linguistic, historic and environmental assets of North West Wales.³¹

5.1.2. Anglesey's Destination Management Plan (DMP) 2012-2016 highlighted how, as a peripheral location, only a small number of sectors can be relied upon to deliver local prosperity – primarily the tourism and energy sectors. These sectors are frequently mutually incompatible, however and the development of the energy sector must not be to the detriment of the tourism sector. The IACC's Corporate Strategy underlines tourism's priority status, highlighting its ambition to be: '...one of the most visited tourist destinations in Wales.'³² To this end, IACC have invested heavily in strategic initiatives to grow tourism, including: a multi-million-pound investment in the Wales Coastal Path, a Food Tourism Strategy (2015); the Anglesey Dark Skies Initiative (ongoing); and a strategic commitment to make Holyhead Wales' key gateway port for international cruise tourism (ongoing).

5.2. Economic Contribution

5.2.1. The DMP 2016-2020 makes it clear that Anglesey depends on a thriving, innovative and profitable tourism sector.³³ The Joint Anglesey/Gwynedd Local Development Plan (JLDP) 2011-2026 reflects this in its strategic approach to the sector.³⁴ Both authorities have adopted DMPs which set out their visions for a resilient and prosperous tourism sector, key to which is improving and managing all-year-round, sustainable provision. A successful and growing tourism industry is also key to IACC's ability to embed the Well-Being of Future Generations (Wales) Act 2015 into its prosperity, resilience, health, equality, social cohesion, vibrant culture, etc.³⁵ Tourism enhances both residents' and visitors' quality of life, sustaining a wider range of leisure, cultural and recreational

²⁸ Regional Growth Tracker, 2015; online at <http://www.RBS.com>.

²⁹ Pritchard, A. 2014. Written Evidence to the Enterprise & Business Committee, National Assembly for Wales, Inquiry into Tourism, online at <http://www.senedd.assembly.wales/documents/s28193/EBC4-15-14%20p4%20-%20Professor%20Annette%20Pritchard.pdf>; Pritchard, A. 2017. Written Evidence to the Economy, Infrastructure and Skills Committee, National Assembly for Wales, Selling Wales to the World, online at

<http://www.senedd.assembly.wales/documents/s65701/EIS5-20-17%20p2%20Professor%20Annette%20Pritchard.pdf>

Morgan, N. 2017. Written Evidence to the Economy, Infrastructure and Skills Committee, National Assembly for Wales,

Selling Wales to the World, online at <http://www.senedd.assembly.wales/documents/s65702/EIS5-20-17%20p3%20Professor%20Nigel%20Morgan.pdf>.

³⁰ ONS, 2016. Tourism Employment Summaries.

³¹ Welsh Government 2008. Mon a Menai Action Plan; online at: http://www.assembly.wales/Meeting%20Agenda%20Documents/Mon%20a%20Menai%20Action%20Plan%20-08072008-91809/action_plan-English.pdf.

³² DMP 2012-2016.

³³ IACC Destination Management Plan, 2016-2020.

³⁴ Joint Anglesey/Gwynedd LDP 2011-2026, 2017.

³⁵ <https://gov.wales/topics/people-and-communities/people/future-generations-act/?lang=en>

facilities and amenities than would otherwise be possible and the JLDP sets out a range of policies to develop these further.

5.3. Tourism Assets

- 5.3.1. In 2016, Anglesey was named the second-best UK holiday destination.³⁶ Anglesey's greatest tourism assets lie with its natural and historic environment, which have been acknowledged and designated nationally and internationally. Much of Anglesey's 201km coastline and coastal habitat is a designated AONB and it attracts a large and growing number of visitors to its beaches and 125m Coastal Path. The Isle of Anglesey AONB has 'one of the most distinctive, attractive and varied landscapes in the British Isles.'³⁷ It contains many diverse habitats supporting a wealth of marine and terrestrial wildlife, including rugged cliffs, heathland, sand dunes, salt marshes and mud flats.
- 5.3.2. Many of Anglesey's habitats have statutory protection, including Special Areas of Conservation (SAC), Special Protection Areas (SPAs), a National Nature Reserve (NNR), Sites of Special Scientific Interest (SSSI) and Local Nature Reserves (LNRs). Adjacent to WNP is the Cemlyn Nature Reserve, whilst the North Anglesey coast is home to internationally and nationally important wildlife. The diverse and frequently endangered wildlife species include: harbour porpoises, European eels, grey seals, silver studded blue butterflies, marsh fritillary butterflies, choughs, roseate and sandwich terns and red squirrels. The AONB is complemented by 50km of undeveloped Heritage Coasts: North Anglesey, Holyhead Mountain, and Aberffraw Bay. These coastal resources have been identified as Anglesey's Unique Selling Point (USP) for tourism and the protection, enhancement and management of these natural and heritage assets is recognised in the JLDP.³⁸

5.4. Tourism Volume & Value

- 5.4.1. Anglesey's tourism profile is unusual as the past decade has been one of sustained growth, unlike the cyclical patterns experienced by other Welsh and UK destinations. The Island's tourism sector has increased steadily during 2006-2017 (figure 1), growing by 63.7% from £185.89m in 2006 to £304.23m in 2017. Consequently, Anglesey's tourism sector outperforms the Welsh average and in 2017 grew by 7% whilst the Wales figures fell by 3%.³⁹
- 5.4.2. Three of the past five years have recorded year-on-year growth of +7.0%, reflecting the Island's appeal as a holiday destination. In 2017 staying visitors accounted for £272.95m (90%) and day visitors £31.28m (10%) of visitor expenditure. Staying visitors have recorded an expenditure growth rate of +61% on 2006 figures whilst day visitor expenditure has almost doubled (+93%). Critically, staying visitors account for 91% of all tourism employment on the Island.⁴⁰

³⁶ Office for National Statistics, 2016.

³⁷ The Isle of Anglesey Area of Outstanding Natural Beauty Management Plan Review 2015-2020, p.6.

³⁸ IACC & Gwynedd County Council Joint Local Development Plan, 2017.

³⁹ IACC Topic Paper 4, Economic Development, p.49.

⁴⁰ STEAM 2006-2017 Trend Analysis p.13.

Figure 1: Economic Impact -Historic Prices (£m)



Source: STEAM 2006-2017, Trend Analysis.

5.4.3. Table 1 highlights the sectoral distribution of tourism's economic impact, comparing the 2016 performance with 2017. Accommodation accounts for just under a quarter of this expenditure (23%), shopping for just under a fifth (18.5%), followed by food and drink (17.4%). This table highlights how vital tourist spending is to the economic wellbeing of the Island and its spread across many sectors and businesses. Moreover, tourism activity also accounts for almost 25% of the Island's retail expenditure.⁴¹

Table 1: Sectoral Distribution of Economic Impact (£m)

Sector	% Share 2017	2017	2016	% Change
Accommodation	23.0	56.28	54.01	+4.2
Shopping	18.5	69.83	69.94	+7.5
Food + Drink	17.4	52.86	49.17	+7.5
Transport	8.5	25.97	24.07	+6.9
Recreation	7.0	21.22	19.45	+9.1
Total Direct	74.3	226.17	211.64	+7.4
Indirect Total	25.7	78.06	72.70	+7.0

Source: STEAM Final Trend Report 2006-2017.

5.4.4. Visitor numbers have grown from 1.39m (2006) to 1.71m (2017), recording almost a million additional days over the same period (4.95m to 5.85m), an increase of 23.3%.⁴² STEAM data shows a similar upward trend in employment supported by tourism, with year on year growth 2016-2017 of 6.6% (4102). Staying visitors accounted for 90% of visitor expenditure but 60% of visitor numbers - 1,027.65m visitors and day visitors accounted for 683.8m in 2017. As the latest figures for 2017 demonstrate, Anglesey's tourism sector is outperforming the Wales average (whilst Anglesey's tourism increased by 7%, figures for Wales showed a 3% year on year drop).

5.4.5. Given that the tourism sector is vital to the Island's future wellbeing, it is crucial that WNP progresses with minimal disruption to the local communities and to the tourism sector, mitigating any risks to their prosperity. Anglesey's tourism sector attracts more

⁴¹ IACC Topic Paper 4, Economic Development, p.49.

⁴² STEAM 2006-2017 Trend Analysis.

than 1.7 million visitors annually. The average day trip spend is £48.92.⁴³ It supports over a quarter of employment on the Island. The Anglesey workforce is small, with only 19,100 employees and 20,500 in total employment, underlining tourism's significance to the island's economy.⁴⁴

- 5.4.6. Tourism-related businesses, such as accommodation and food service account for a higher proportion of the business base in Anglesey (10%) than in North Wales (9%) and Wales (8.5%).⁴⁵ Food and accommodation account for a high proportion of all employees on Anglesey (10.5%) and are more significant there than in North Wales (8.1%) and Wales (6.6%).⁴⁶ Importantly these figures utilise STEAM data to estimate tourism's significance.
- 5.4.7. STEAM employment estimates are relatively insensitive. Established methodologies estimating tourist-related employment utilised by all the National Tourism Organisations in the UK and accepted and utilised by their respective governmental departments/sponsoring bodies employ a metric of £54,000 tourist-related expenditure leading to one FTE job created. Utilising this more sensitive measure, tourism-related employment on Anglesey stands at 5,629 or 27% of all employment. Critically, staying visitors accounted for 60% of visitor numbers but 90% of visitor expenditure in 2017 and supported 91% of tourism related employment.
- 5.4.8. Table 2 illustrates the economic impact of the serviced and non-serviced sector to the Island's tourism economy. Both sectors have recorded very high growth rates between 2006-2017 – 59.2% for serviced and 62.3% for non-serviced accommodation. Table 3 illustrates the dominance of the non-serviced sector in Anglesey's tourism profile.

Table 2: Economic Impact (£m)

	Serviced Accommodation	Non-Serviced
2006	27.67	135.82
2017	44.06	220.46
% Growth	+59.2%	+62.3%

Source: STEAM Final Trend Report 2006-2017.

- 5.4.9. The STEAM analysis provides useful insights into how Anglesey's tourism sector is developing as a year-round destination, with tourism recording increases in 11 out of 12 months during 2006-2017.

Table 3: Visitor Numbers (000's)

	Serviced Accommodation	Non-Serviced
2006	186.85	605.11
2017	214.26	705.71
% Growth	+14.7%	+16.6%

Source: STEAM Final Trend Report 2006-2017.

- 5.4.10. Table 4 highlights how bed supply has changed over the 2006-2017 period, with 11 out of 12 months recording growth rates in available bed supply and subsequent increases in economic impact including 110% in April 98% in June and 84% in March. Even the core winter months of January and February have shown substantial increases, some

⁴³ STEAM Final Trend Report 2006-2017.

⁴⁴ IACC Topic Paper 4, Economic Development.

⁴⁵ IACC Topic Paper 4, Economic Development, p.46.

⁴⁶ IACC Topic Paper 4, Economic Development, p.46.

52% and 60% respectively. This is a work in progress and the 8-month March-October period remains core; however, the sector in North Wales is building a strong year-round offering with the growth of adventure attractions and outdoor activities such as the Wales Coastal Path. The Bluestone 2 Project (employing a further 900 people) will significantly boost this year-round offering, which is a key priority in both the Visit Wales/Welsh Government (VW/WG) and IACC Growth Strategies.⁴⁷

Table 4: Seasonal Availability of Bed Supply 2006-2017

Economic impact	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
% change 2006-2017	+51.9	+60.1	+84.3	+109.9	+58	+98.3	+69.2	+47	+43.6	+78.1	+24.7	-0.2

5.4.11. Although growth targets are to build a sustainable year-round industry, it is also true that the sector's accommodation supply varies throughout the year (Table 5). Available occupancy is lowest during November to February, with the non-serviced sector showing the greatest variation, from a 'low' in January of 13,199 to a 'high' in July and August of 27,039, when almost 10,000 extra bed spaces are available (Table 5). The serviced sector, in contrast is very consistent with only small losses in bed supply (up to 125). Much of the variation in bed space availability is explained by the licensing regulations which restrict winter occupancy caravan sites.

Table 5: Seasonal Bed Supply

SEASONAL AVAILABILITY OF BED SUPPLY 2017	2017											
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
All Paid Accommodation Total	15,296	15,488	25,439	27,973	28,141	28,822	29,261	29,261	28,874	25,510	16,434	16,112
Serviced Accommodation	2,097	2,140	2,187	2,217	2,217	2,222	2,222	2,222	2,222	2,188	2,123	2,109
Non-Serviced Accommodation	13,199	13,348	23,252	25,756	25,924	26,600	27,039	27,039	26,652	23,322	14,311	14,003

5.4.12. Anglesey attracts many families, extended family groups and couples, who come for short breaks (42%), longer holidays (31%) and secondary holidays (26%).⁴⁸ Visitors are overwhelmingly drawn from North-West England and tend to be older, although the Island attracts the highest proportion of families with young children of any destination in Wales.⁴⁹ Significantly, two-thirds of visitors are the much sought-after high-value ABC1 market and most come for its natural environment,⁵⁰ whilst walking, water-sports and wildlife tourism are key niche sectors. Families take longer caravan-based stays, whilst the high-value short-stay visitors tend to be concentrated in the serviced and self-catering sectors.

5.4.13. Coastal holidays are particularly important to visitors. Anglesey attracts many families, extended family groups and couples. Active family explorers seek new experiences and a high-quality coastal offering whilst others enjoy a more traditional 'bucket and spade' experience. Pre-family explorers are seeking coastal holidays and an outdoor, active playground. Scenic explorers are drawn by Anglesey's beautiful seascapes and

⁴⁷ Visit Wales, 2013. Partnership for Growth Strategy 2013-2020, online at <https://gov.wales/docs/drah/publications/130613-partnership-for-growth-en.pdf>.

⁴⁸ IACC Destination Management Plan 2012-16

⁴⁹ Visit Wales, 2016. Wales Visitor Survey: UK Staying Visitors; online at <http://gov.wales/statistics-and-research/wales-visitor-survey/?lang=en>.

⁵⁰ Visit Wales, 2016. Wales Visitor Survey: UK Staying Visitors; online at <http://gov.wales/statistics-and-research/wales-visitor-survey/?lang=en>.

landscapes, its wildlife, good quality accommodation and 'off the beaten track' coastal holidays.⁵¹ Many of these segments are described as Independent Explorers (30% of staying visitors in 2009 but even more significant now). The 2012-2016 Anglesey DMP targeted this market, especially Family Explorers and Active Explorers and the success of this strategy is shown by the comparative STEAM sectoral analysis, 2006-2017.

5.4.14. The AONB is a key factor in the success of Anglesey's tourism sector. The latest available research for the AONB (2014) shows that visitor spending has exhibited robust growth, doubling between 2007-2012 to circa £56m. Visitor days have soared by 71% and employment has almost doubled over the same period (45%). Many more AONB visitors are now staying on Anglesey with the non-serviced accommodation sector accounting for 77% of all visitor days to the AONB demonstrating its appeal to the higher spending ABC1 visitor markets. The number of visitors to the AONB has increased by 42% to almost 400,000. Table 6 provides a more detailed picture. Key to the AONB's growing success is the Anglesey element of the Wales Coastal Path which is very significant to the island's visitor economy, generating £14m.⁵²

Table 6: AONB Visitor Spend

Sector	Total Spend (£ millions) 2007	Total Spend (£ millions) 2012	% change
Accommodation	4.4	9.9	+122%
Food & Drink	4.8	9.3	+94%
Recreation	1.8	3.5	+101%
Shopping	6.2	12.3	+98%
Transport	2.3	4.5	+97%
Indirect Expenditure	7.6	16.4	+116%
Total	27.1	55.9	+106%

Source: State of the AONB Report for Anglesey 2014 p36; STEAM 2007, 2012

5.4.15. In addition to its 1.71 million visitors, Anglesey's tourism sector is further boosted by Holyhead, the UK's second busiest port, processing two million annual visitors travelling between the UK and Eire. More recently, Holyhead has emerged as Wales' premier cruise port. As such, it is strategically important to this fastest-growing and highly lucrative segment of the Welsh tourism product, itself central to Visit Wales' Partnership for Growth Strategy.⁵³ Cruise tourism provides one of the key avenues to attract greater numbers of overseas tourists to Anglesey and Wales.

5.4.16. In 2016 Holyhead received 30 vessels with over 15,500 passengers. In 2017 it received 43 with over 20,300 passengers and a cruise tourism impact of over £2m. Passenger numbers for 2018 have increased again as cruise ship arrivals have grown to 52 and almost 32,700 passengers, with a cruise tourism impact of +£3m; cruise passengers are high tourism spenders, contributing around £80-£100 each to the local economy.⁵⁴ In recognition of Holyhead's Strategic Gateway to Wales destination status, VW/WG are

⁵¹ Visit Wales (2018). Year of the Sea, <https://www.visitwales.com/>

⁵² www.walescoastpath.gov.uk

⁵³ Visit Wales, 2013. Partnership for Growth Strategy 2013-2020, online at <https://gov.wales/docs/drah/publications/130613-partnership-for-growth-en.pdf>.

⁵⁴ Peelports Group 2015 www.peelports.com.

currently investing £2.8m in upgrading the port facilities and related tourism product infrastructure to make Holyhead a must-see iconic destination.

5.5. Anglesey's Brand Image and Reputation

5.5.1. Anglesey has a relatively strong brand image amongst its current visitors, though it has low awareness in the UK as a consumer destination brand, evidenced by its over-reliance on the North-West of England.⁵⁵ Anglesey is perceived to be very different to other parts of North Wales and as an island has a strong sense of its own identity and sense of self.⁵⁶ Islands are 'places apart' with their own personalities and Anglesey is 'a place that inspires, a place that appeals to all the senses... to see, hear, taste, smell and feel... a place to get away from it all. But most of all a place to get out and do.'⁵⁷

5.5.2. Consumer research reveals key brand associations including:

- Its distinctive geography. As an island, the crossing of water is significant, signalling pride, independence, distinctiveness and separateness;
- Anglesey's coast is its strongest draw and it is in the intersection between land and water that much of Anglesey's magic happens;
- Anglesey may be small, but it packs a big punch with beautiful coastal scenery, from rugged to family friendly and a rolling green hinterland;
- Anglesey is seen very much as a retreat from everyday life;
- It offers outdoor and water sports playgrounds;
- Anglesey is authentic with an important place in Welsh history and clear ancient and heritage associations;
- Anglesey holds a special place in many visitors' hearts, it is a place of fond childhood memories (significant as childhood destinations influence the adult choices of almost half of UK holidaymakers⁵⁸). But it is not merely a nostalgia destination, as its popularity as water sports destination demonstrates.

5.5.3. Clearly, Anglesey's appeal centres around its pristine environment, which inspires people to visit and explore. Its spectacular and varied coastline, most of which is a designated AONB, is particularly significant. Outdoor activities (including coastal recreation and marine leisure) and the 'Blue Economy' are key (beach visiting/combing, walking, cycling, fishing, bird watching, coasteering, horse-riding, windsurfing, diving, jet skiing, boating, sailing, kayaking, outdoor/environmental education).⁵⁹ Anglesey has invested significantly (£7m+) in the Anglesey Coastal Path (part of the WCP network) to harness the island's unique coastal characteristics to capitalise on trends in leisure, recreation and tourism. This investment is continuing (£2.6m), and the ongoing improvement and enhancement of Anglesey's quality coast and country rich environment is key to its DMP 2016-2020 and its AONB management plan.

5.5.4. Anglesey's AONB is characterised by expansive views, the borrowed landscapes of Snowdonia, the Llyn, etc., and the ever-changing seascape, conveying perceptions of 'exposure, openness, wilderness and a feeling of isolation.'⁶⁰ Energy production and

⁵⁵ IACC Destination Management Plan 2012-2016.

⁵⁶ IACC Destination Management Plan 2012-2016.

⁵⁷ IACC Destination Management Plan 2016-2020.

⁵⁸ Somerset Monitoring Survey 2015 p.25.

⁵⁹ EU, 2018 Annual Economic Report on the Blue Economy,

<https://publications.europa.eu/en/publication-detail/-/publication/79299d10-8a35-11e8-ac6a-01aa75ed71a1>.

⁶⁰ IACC Summary of Evidence, base, legislative and policy context, Isle of Anglesey AONB p. 4.

transmission are threats to key aspects of the AONB including its expansive views and peace and tranquillity.⁶¹ The AONB has high levels of quietness and tranquillity and in 2009 58% of it was designated as 'undisturbed'.⁶² Tranquillity is a key measure and attraction of the AONB and it is a quiet area, which provides 'respite from noise, ultimately improving quality of life',⁶³ qualities that are highly valued by visitors.⁶⁴ Air quality is also good throughout the AONB and is 'important for both residents and visitors and threats to this, such as Energy Production have implications for health, tourism and recreation'.⁶⁵

- 5.5.5. The Welsh language is similarly significant for the AONB as 60%+ of people living within it speak Welsh as their daily means of communication. The Welsh language contributes towards Anglesey's identity and its strong presence in the AONB has been identified as 'an economic asset'.⁶⁶
- 5.5.6. Critically Wales is positively seen by most visitors as a sustainable destination and Anglesey's appeal is built around this offering.⁶⁷ The quality of the natural environment is crucial to the Welsh tourism offer and Anglesey is 'particularly dependent...' upon forms of tourism (such as wildlife and walking tourism), which relate to the environment.⁶⁸ Thus, the Anglesey Spring Visitor Survey (2018) clearly reinforces the dominance of the island's natural appeal in all its various guises including its natural landscapes/views, peace and quiet and beaches.
- 5.5.7. The most recent research demonstrates that accommodation operators are acutely aware that Anglesey's unique selling point, tourist reputation and brand identity is built around its AONB scenery, spectacular beaches and coastline.⁶⁹ They recognise that this is their biggest opportunity to generate and build sustainable businesses and that any disruption and damage to this would be the island's most significant challenge.
- 5.5.8. Both the Visitor and Accommodation Surveys recognise that challenges to the natural environment and any degradation of this pose significant risk to the visitor experience. Worries over WNP infrastructural and associated constructions such as 'pylon blight' are keenly felt. The Visitor Survey reveals that the presence of more pylons could lead to an immediate loss of 10% of overnight visitors and 10% of over-55 visitors, both segments, which are vital to the island's tourism economy. It is also likely that such figures under-estimate the actual impact as visitors are being asked to comment on something, which has yet to occur.
- 5.5.9. Any reputational damage and negative impact on word-of-mouth recommendations would be deeply felt, damaging the perception of Anglesey as a beautiful, natural destination. Whilst attempts have been made to put a monetary value on the natural environment, we must remain mindful that accurately calculating the value of Anglesey's AONB, WCP, its visual amenities, its sweeping views and borrowed

⁶¹ Watts, G. & Pheasant, R. 2013. Factors affecting tranquility in the countryside, *Applied Acoustics*, 74 (9), pp.1094-1103; Merchan, C.I., Diaz-Balteiro, L. and Soliño, M. 2014. Noise pollution in national parks: Soundscape and economic valuation, *Landscape and Urban Planning*, 123, pp.1-9.

⁶² AONB Management Plan, 2015-20, p.13.

⁶³ <https://www.eea.europa.eu/highlights/finding-europe2019s-quiet-areas>.

⁶⁴ <https://www.visitscotland.org/research-insights/trends>.

⁶⁵ Summary of Evidence, base, legislative and policy context, Isle of Anglesey AONB p. 22.

⁶⁶ Summary of Evidence, base, legislative and policy context, Isle of Anglesey AONB p. 20.

⁶⁷ Wales Visitor Survey 2013

⁶⁸ Valuing Our Environment: The Economic Impact of the Environment of Wales 2003.

⁶⁹ Anglesey's Accommodation Survey 2018.

landscapes is almost impossible. The Department for Environment, Food and Rural Affairs (DEFRA) questions whether it is possible to put a value on our natural landscapes; highlighting how we do not always need to know a monetary value to know that something is worth protecting... [any measurements are a] tool not an absolute arbiter.⁷⁰

5.6. The Scale of WNP

- 5.6.1. The impacts of WNP will be massive in scale physically but also socially, culturally, emotionally and perceptually. Calculating the costs of these impacts is more problematic than estimating its benefits and indeed some impacts may be very difficult - if not impossible - to quantify. That they present clear and present and future dangers to the Island and its economy are self-evident. The scale of WNP and the infrastructure required to support it is enormous and is difficult to envisage. A space the size of the Etihad Stadium will be excavated underneath *each* of the two reactors. WNP will encompass:
 - A power station, including two nuclear reactors;
 - Marine construction, including a Marine Off-Loading Facility (MOLF) and breakwaters;
 - Cooling water intake and outfall structure;
 - Electricity transmission structures;
 - Other associated buildings such as administration offices, park and ride facilities (at least 2 x 1900 spaces – Dalar Hir and WNP – and other smaller sites near Menai Bridge);
 - A campus site, which will be the third largest settlement on Anglesey hosting 4,000 workers, consisting of multi-story accommodation blocks (4-7 floors) and restaurant, bar, recreation facilities;
 - At least one logistics centre;
 - Interim waste and spent fuel storage facilities;
 - Construction of new access roads and four bypasses, haul roads and bridges;
 - Construction of a concrete batching plant.⁷¹
- 5.6.2. Further insight of scale is provided by HPC, which will be 252.5 times the size of Yeovil Town's football pitch, take 50 million work hours to complete, require 75 million times as much concrete as the Principality Stadium in Cardiff and 1,300 Olympic swimming pools' worth of earth to be excavated.⁷²

⁷⁰https://ecosystemsknowledge.net/sites/default/files/newsletters/pdf/EKNnews13_0.pdf.

⁷¹www.horizonnuclearpower.co.uk

⁷² Business West/Sedgemoor District Council, online at: <http://www.sedgemoor.gov.uk/business>

6.0. DETAILED MITIGATION ANALYSIS

6.0.1. The JLDP 2011-2026 clearly recognises that new developments, such as WNP must not 'result in unacceptable adverse economic, social, linguistic or environmental impacts',⁷³ ensuring that the 'adverse effects of WNP... are avoided or mitigated and where appropriate legacy benefits are provided'.⁷⁴ IACC recognises that the tourism industry is fundamental to the island's economy,⁷⁵ as does Horizon in its commitment to mitigate any negative impacts through the creation of a Tourism Fund.⁷⁶

6.1. Degradation of Wales Coastal Path and AONB and PRoW

6.1.1. The appeal of Anglesey and North Anglesey centres around its coastline, all of which (apart from Wylfa Head and Cemaes Bay), lies within the AONB and is also designated as Heritage Coast. The Anglesey Coastal Path has been identified as a major contributor to the Welsh and Anglesey economy (£14m on the Island) and is a major attraction for visitors to the Island.⁷⁷ Anglesey is seen by other Welsh authorities as an exemplar in leveraging economic wealth and cultural capital from this asset.⁷⁸ Most of the economic impacts attributed to the Path occur away from the coast itself as it is an enabler of expenditure within local economies, not just in obviously tourist-related activities, but also in sectors such as transport, communications and financial and business services.

6.1.2. There are distinct differences between user segments of the WCP.⁷⁹ Users of the Anglesey section tend to be older (average age 55), staying visitors with significantly higher socioeconomic profiles than the average (virtually 80% are ABC1). Reflecting this profile, Anglesey's WCP visitors spend more per night (£85.37) than the Wales (£74.11) or North Wales Coast (£52.63) average. Additionally, Anglesey Path users also recorded a high mean additional trip spend of £18.81.⁸⁰

6.1.3. Whereas most visitors to the WCP live in Wales (59%) and are on a day trip (61%), Anglesey Path users are much more likely to be staying visitors from England (56%), reflecting its position as a major tourist attraction for the Island. Crucially, Anglesey users exhibit high levels of path loyalty and correspondingly lower levels of preparedness to substitute for other routes – only 65% would be prepared to walk elsewhere compared to 93% in Carmarthen.⁸¹

6.1.4. The coastline is wild and sparse and a popular destination for wildlife watching from the coastal headlands, including birdwatching and porpoise, seal and dolphin spotting.⁸² Much of this coastline is a designated SAC, SPA, NNR, SSSI or LNR. Adjacent to WNP is the Cemlyn Nature Reserve and internationally and nationally important wildlife of the North Anglesey coast. It was recently identified as one of Britain's top locations for shark spotting.⁸³ Cemlyn Nature Reserve is a year-round attraction for bird-watchers due to its

⁷³ Joint Anglesey/Gwynedd LDP 2011-2026, 2017, p.85.

⁷⁴ Joint Anglesey/Gwynedd LDP 2011-2026, 2017, p.29.

⁷⁵ IACC DMP 2012-2016, DMP 2016-20

⁷⁶ DCO Application Chapter C1 para 1.3.22 p.5 and para 1.5.99 p.41.

⁷⁷ www.walescoastpath.gov.uk

⁷⁸ Monmouthshire B.C.A Strategy for Severnside.

⁷⁹ Beaufort Research, The NRW Wales Coast Path Visitor Survey 2015.

⁸⁰ Beaufort Research, The NRW Wales Coast Path Visitor Survey 2015.

⁸¹ Beaufort Research, The NRW Wales Coast Path Visitor Survey 2015 and www.walescoastpath.gov.uk

⁸² National Resources Wales Marine Character Areas online at: <https://naturalresources.wales/evidence-and-data/research-and-reports/marine-reports/publications-and-research-related-to-marine-biotopes-and-species/?lang=en>

⁸³ Britain's Top 10 Locations for Shark Spotting, online at <http://www.Nat.Geo.Wild.com>

over-wintering birds, its Arctic, Common and Black-headed gulls and especially its sandwich tern breeding colony; it is 'the jewel in the crown' of Anglesey's AONB.⁸⁴

- 6.1.5. The volume and value of the bird/wildlife watching market is substantial. Up to 40% of all leisure tourists are interested in some form of wildlife watching.⁸⁵ UK bird/wildlife watching visitors tend to be older and prefer caravan or self-catering accommodation – both of which are markets for Anglesey - and spend on average £68 a night and £379 per trip.⁸⁶ This market is likely to be significantly disrupted by the adverse impacts of WNP.
- 6.1.6. There is a wild quality to the seascape, the expansive views towards the Isle of Man create a sense of distance and remoteness whilst the rural hinterland offers quieter respite from the turbulence of the sea. It is difficult to convey the huge and dramatic impact which WNP will have on this land/seascape. However, some hint is provided by this description of the Magnox Wylfa Power station where the: 'pervading sense of remoteness and tranquillity is interrupted dramatically by the imposing bulk of Wylfa Power Station... a major built feature in a coastline largely devoid of modern influence... in a seascape known for its wild and naturalistic qualities.'⁸⁷ The WNP and the campus accommodation (which will become the Island's third largest settlement behind Holyhead and Llangefni)⁸⁸ and associated facilities (marine and land) will industrialise this landscape.
- 6.1.7. The AONB has high levels of quietness and tranquillity; it is a quiet area which provides 'respite from noise, ultimately improving quality of life',⁸⁹ qualities that are highly valued by visitors.⁹⁰ Spiritual and inspirational values reflect Anglesey's coastal landscape, its creative inspiration and ability to enable people to escape, be inspired and find spiritual renewal. These are all central to Anglesey's tourism brand promise. Critically, Anglesey's seascapes are highly valued, provide some of our last 'wild' landscape areas, and support a substantial natural heritage. Wylfa Newydd will directly impact on several of the island's defined seascapes, including Cemlyn Bay, Carmel Head to Penrhyn, and North West Anglesey.
- 6.1.8. Tranquillity is also important at night and the dark skies of Anglesey are increasingly recognised potentially significant for the tourism economy. Anglesey is 'a stargazers' paradise... much darker than in many other places across the UK'⁹¹ and as such, is bidding to join the world's 11 Dark Skies Reserves (to be sited between Wylfa Head and Bull Bay).⁹² Wales has the most designations and accreditation for Anglesey would allow it to access the lucrative astro-tourism sector (75% of 60 sites on the Island currently meet the International Dark Sky Association Silver Standard).⁹³ Since the Brecon

⁸⁴ <https://www.IACC.northwaleswildlifetrust.org.uk>.

⁸⁵ The International Ecotourism Society, Maximising the value of migratory birds and wildlife for tourism, online at http://migratorysoaringbirds.undp.birdlife.org/sites/default/files/msb_tourism_guidelines.pdf

⁸⁶ Visit Scotland Insights Department, 2017. Wildlife Tourism, online at: <https://www.visitscotland.org/binaries/content/assets/dot-org/pdf/research-papers-2/wildlife-topic-paper-2017.pdf>.

⁸⁷ National Resources Wales Marine Character Areas online at: <https://naturalresources.wales/evidence-and-data/research-and-reports/marine-reports/publications-and-research-related-to-marine-biotopes-and-species/?lang=en>.

⁸⁸ Amlwch is currently third largest settlement with population of 3,789 (Census 2011).

⁸⁹ <https://www.eea.europa.eu/highlights/finding-europe2019s-quiet-areas>.

⁹⁰ <https://www.visitscotland.org/research-insights/trends>.

⁹¹ <https://www.darkskytelescopehire.co.uk>

⁹² <https://scotland.forestry.gov.uk/images/corporate/pdf/dark-sky-park-eia-report.pdf>.

⁹³ IACC 2015 Dark Skies.

Beacons National Park became the fifth International Dark Skies Reserve in 2013, it has seen increased numbers of visitors in the winter and shoulder months and attracted considerable marketing value from associated media coverage.⁹⁴ WNP will compromise any bid for International Dark Skies Reserve status.

- 6.1.9. WNP's impacts on access to and use of the WCP and Anglesey's associated Copper Trail will be significant and, in some cases, permanent. These impacts on WCP are recognised by Horizon but no additional mitigation is provided. Horizon claims that, although major and moderate adverse impacts will be felt, some permanently, no additional mitigation is required due to 'no loss in value of the route to the economy.'⁹⁵
- 1.6.10. Mitigation is clearly required. The WCP is a key part of Anglesey's tourism infrastructure and a significant and growing economic asset in which IACC, Welsh Government (WG) and the European Union (EU) have invested multi-millions to develop as a tourism and recreational resource. Adverse impacts will include: loss of routes; routes diverted away from the very seascapes that underpin the WCP offering (in contrast to other authorities, which are seeking to enhance their seascapes offering); significant degradation of the environment, impacts on the visual offering of the WCP around North Anglesey; increased noise, visual, waste and dust pollution.
- 1.6.11. The existing Wylfa Magnox Nuclear Power Station already exerts a dramatic visual influence on the AONB. It will continue to do so in the future, whilst WNP and its associated developments will exacerbate this dramatic visual intrusion.
- 1.6.12. Given that the land around the existing station will be used to develop Wylfa Newydd, this dramatic visual intrusion will be hugely exacerbated by the power station itself and by the construction of the worker village – effectively a small town. The development of breakwaters, a Marine Off-Loading Facility (MOLF) and marine dredging will impact on the coastline of the area and the AONB. Radioactive waste discharge and cooling water discharge will also affect marine and coastal environments. This will result not only in landscape degradation but will also debase those very qualities which are key to Anglesey's unique tourism appeal. There is agreement between IACC and Horizon that this will lead to significant visual intrusion on the landscape, which will not be alleviated by construction devices.
- 6.1.13. The construction process itself will generate significant air, light, waste and noise pollution. The accommodation of 4,000 workers on the site campus will contribute significantly to this. Water pollution is also a major issue in construction and during the plant's lifetime (radioactive waste discharge). Horizon's applications for a Water Discharge permit from Natural Resources Wales clearly indicates the possibility of increased water pollution. During construction, Horizon will need to reduce groundwater levels, this may lead to damage to the local environment, nearby watercourses and wildlife.
- 6.1.14. In addition, site drainage, contaminated water, discharges from a concrete batching plant and sewage system need to be considered. The plant has also applied for a marine licence to enable the development of breakwaters, a MOLF and marine dredging, which will impact on the coastline of the area and the AONB. Radioactive waste discharge and cooling water discharge will also impact on marine and coastal environments. This will

⁹⁴ For example, <https://www.theguardian.com/travel/2013/aug/21/brecon-beacons-dark-sky-reserve>

⁹⁵ Letter from IACC to Horizon, Review of Horizon's DCO Application (Tourism).

result not only in landscape degradation but also in degrading those very qualities, which are key to Anglesey's unique tourism appeal.

- 6.1.15. The worker campus is likely to cause permanent damage to the area, its flower and fungus-rich grassland, which residents and visitors enjoy while walking the Coastal Path. The North Wales Wildlife Trust (NWWT) argue that: *'This area will be stripped of all above-ground features, such as walls, cloddiau, fences and cleared of trees and hedgerows... it cannot avoid impact to wildlife.'*
- 6.1.16. The development could jeopardise Wales' sole sandwich tern breeding colony, which has around 2,500 breeding pairs – a fifth of the UK's population. The area is also critical for colonies of black headed gulls, Arctic, common and roseate terns, water voles, otters, the critically endangered European eels and great crested newts. Its construction is 110 metres from the internationally designated nature reserve at Cemlyn and it will also drain directly into Tre'r Gof Fen SSSI, an important site of fenland only found on Anglesey and only 20 metres from the proposed campus site. Choughs, adders, brown hares, red squirrels and hedgehogs will also be directly threatened.
- 6.1.17. Environmental groups have called for the development to minimise its impact on Anglesey's iconic coast and wildlife. The North Wales Wildlife Trust has called on the public to help protect Cemlyn Nature Reserve and the internationally and nationally important wildlife of the North Anglesey coast, believing that current proposals do not represent the highest environmental standards with minimal impacts to the coast of North Anglesey and its iconic wildlife.
- 6.1.18. Similar concerns have been raised regarding the proposed marine environment's development and the lack of avoidance, mitigation and compensation measures put forward to ameliorate this. These environments are key sites, which attract many tourists drawn by wildlife and birds and the WCP, who are key growth markets for Anglesey notably Independent and Scenic Explorers.
- 6.1.19. The wire-scapes, which will transmit the energy produced will also significantly impact on the landscape. It is this most valuable of assets, which is also the most sensitive and vulnerable. In Wales, the statutory requirement for the Welsh Government to pursue sustainable development serves to give heightened importance to the symbiotic relations between the conservation of AONBs, and the needs of recreation and tourism, the local economy and local authority.⁹⁶ It is critical that the existing rural industries of the Island's visitor economy are maintained to safeguard the viability of communities as they are an integral part of every AONB.⁹⁷
- 6.1.20. The utilisation of the ecosystem approach to the management of Welsh AONBs clearly incorporates the non-material benefits that result from our interaction with the natural environment, cultural services such as cultural heritage, health and wellbeing, inspirational values, tranquillity, and recreation and tourism.⁹⁸ For instance, cultural heritage has great social and economic value and contributes to a sense of place, local identity and distinctiveness. The relationship between wellbeing and access to nature is well recognised with the latest research clearly demonstrating its positive impact on

⁹⁶ Isle of Anglesey AONB Management Plan, 2015-20; online at:

http://www.anglesey.gov.uk/journals/w/x/m/Anglesey-AONB-Management-Plan-2015_20.pdf

⁹⁷ Isle of Anglesey AONB Management Plan, 2015-20; online at:

http://www.anglesey.gov.uk/journals/w/x/m/Anglesey-AONB-Management-Plan-2015_20.pdf

⁹⁸ Isle of Anglesey AONB Management Plan, 2015-20; online at:

http://www.anglesey.gov.uk/journals/w/x/m/Anglesey-AONB-Management-Plan-2015_20.pdf

mental and physical health.⁹⁹ Similarly tranquillity is 'recognised as a special quality of the AONB. It provides a resource and a benefit that is greatly valued.

6.1.21. Planning Policy Wales underlines the equal status of National Parks and AONBs in terms of landscape and scenic beauty, highlighting how 'decisions should give great weight to conserving and enhancing the natural beauty, wildlife and cultural heritage of these areas.'¹⁰⁰ These apply to activities affecting these areas, whether they lie within or outside the designated area.¹⁰¹

6.1.22. WNP will undermine the integrity of the AONB, and its key role in the Island's established and developing visitor economy. The relationship between the AONB and tourism and the visitor economy is set out in the 2015-2020 Plan.¹⁰²

- To ensure the tourism industry makes a vital contribution to the AONB economy;
- To raise awareness of the special AONB qualities and features, which are key assets to the tourism sector;
- To ensure that the DMP supports the conservation and enhancement of the AONB's special qualities and features.

6.1.23. The AONB should also be a role model of high design standards and associated landscaping. Horizon's application lacks detailed assessment of the impact on existing public access, which needs to be maintained throughout WNP's development, including the effects of a substantial construction site on the area's attractiveness.

6.1.24. This will have a major impact on the Wales Coastal Path. Several major adverse impacts are identified, some of which are irreversible. A section of the path will be diverted inland, adding 4km to the path which will be 'sandwiched' between the A5025 and the site boundary fence. The obstruction, diversion, closure, realignment and disturbance of the Coastal Path (during construction and operation phases) will have a consequential impact on the tourism industry, reducing the attractiveness of the path, which is a key element of Anglesey's tourism offer and is integral to the AONB, whilst disrupting its leisure and recreation offer and value.

6.1.25. Horizon's treatment of the WCP makes it difficult to distinguish between the impacts on different sections of the path.¹⁰³ This is unacceptable and inappropriate. Impacts are averaged over too wide an area and thus substantially under-assessed on the lengths of path near the WNP site. Equally, this kind of approach does not allow for the development of location-specific mitigation proposals. Additionally, significant construction period visual impacts are assessed at all 11 viewpoints sited on the WCP.¹⁰⁴ These are not represented in montages to demonstrate the significant adverse effect during this stage. Currently, photomontages are only prepared for the operational stage. Significant operational visual effects are assessed at 9 viewpoints sited on WCP. All of

⁹⁹ Gray, A. 2017. Nature boosts your health in a surprising number of ways, World Economic Forum 29 March.

¹⁰⁰ <http://www.planningaidwales.org.uk/wp-content/uploads/2014/06/21.8.17-10.-Planning-in-National-Parks-AONBs-and-Conservation-areas.pdf>.

¹⁰¹ National Assembly for Wales, 2011. National Parks and AONBs in Wales, <http://www.assembly.wales/Research%20Documents/National%20Parks%20and%20AONBs%20in%20Wales%20-%20Quick%20guide-25052011-216619/qg11-0007-English.pdf>

¹⁰² Isle of Anglesey AONB Management Plan, 2015-20; online at:

http://www.anglesey.gov.uk/Journals/w/x/m/Anglesey-AONB-Management-Plan-2015_20.pdf

¹⁰³ Horizon Landscape and Visual Assessment.

¹⁰⁴ Horizon Landscape and Visual Assessment.

this undermines the integrity and attractiveness of the WCP and the AONB in which it is embedded.

- 6.1.26. Further consideration is also required of the impact of the permanent closure of Cemlyn Road on the Copper Trail which is part of the National Cycle Network Route 566 (in place from the start of the construction period). This is a very scenic route used by cyclists and visitors to visit Cemlyn Bay. Horizon's suggestion that 500 additional leaflets to inform people of this closure as mitigation is inadequate and unacceptable. Mitigation should include: improved signage, additional funding to promote the Cycle Route, the promotion of interlinkages with other nearby attractions (businesses, facilities and services) and improvements to the alternative route proposed to make this more attractive to visitors through enhanced landscaping and additional planting.
- 6.1.27. Visual effects will also impact on visitors and cyclists using the Copper Trail/National Cycle Network Route 566 once WNP is operational at 4 of the 6 relevant viewpoints. The proposed naturalistic colour scheme for the site will not be enough to reduce these visual effects. Additionally, the viewpoints selected underestimate the effects of the permanent diversion of the Copper Trail upon recreational receptors. Significant adverse visual effects will be sustained along most, if not all, of the permanently diverted section, the section to the immediate West of the WWDA and the more elevated sections around Mynydd y Garn. Mitigation and compensation proposals such as improved landscaping, planting and compensation are required to offset these impacts along the route.
- 6.1.28. In addition, several significant permanent and temporary adverse impacts are identified in relation to PRoWs within the WNDA and associated site development locations. During the decade-long construction phase, all 32 PRoWs within the WNDA will be permanently closed to enable construction. IACC accepts this on safety and security grounds. Horizon's intention to create new PRoWs following construction, which would link to the coastal path lacks detail and is insufficient as compensation or mitigation.
- 6.1.29. There will evidently be many negative impacts on WCP-specific PRoWs, the wider PRoW network and rural landscapes, which will cumulatively diminish the Island's attractiveness. Impacts include loss of visual amenity and disturbance including noise. The Tour de Mon (Anglesey's main annual cycling event) will be affected (all of its 3 routes use the A5025), as will the National Cycle Network Route. These adverse impacts will impact upon tourism and the visitor economy and will also be felt on associated site development locations such as the Park and Ride facilities with:
 - Short-term, long-term and permanent closure of PRoWs;
 - Disturbance to users due to increased activity near PRoWs, with a loss of tranquillity, peace, quiet and appeal;
 - Reduction in attractiveness of PRoWs and WCP, which are very important elements of Anglesey's tourism offer;
 - Impact on perceptions of Anglesey as a beautiful, tranquil place to visit, with consequent longer-term impacts on desirability/propensity to visit.
- 6.1.30. WCP, AONB and PRoWs impacts will lead to cumulative depletion of the Island's tourism and recreational offer, diminishing its tranquillity and the Anglesey brand offer. Tranquillity is the most significant positive attribute of natural settings and is a function of landscape (visual context/setting) and soundscape (aural context/setting). It is fundamental to the visitor experience and has clear economic (tourism) and health and

well-being (restorative) benefits.¹⁰⁵ The tranquility of Anglesey's natural tourism environments will inevitably be compromised during and post-construction. The Tourism Fund will be key to alleviating these long-term brand challenges.

6.2. Tourism Accommodation

- 6.2.1. Whilst the JLDP recognises that some of the 9,000-construction workforce should use accommodation on the Island (including holiday accommodation), it clearly establishes that this 'should not result in an unacceptable impact on [the] availability of... tourist accommodation.... Tourism is a key economic sector and requires to be given specific consideration and assessment in finalising the construction workers' accommodation strategy'.¹⁰⁶ These 'Proposals for accommodation should minimise the impact on... the tourism sector'.¹⁰⁷
- 6.2.2. Evidence from the development of HPC shows that, although there may be some short-term economic benefit for individual accommodation providers, there will be a reduction in available tourism bed-spaces for use by visitors to the area. This will lead to increased difficulties in accessing or finding available accommodation and a mismatch between worker and visitor behaviours, needs and expectations. The experience of other NSIPs highlights how this can exacerbate weaknesses in a destination's tourism economy and destabilise it through visitor displacement and anti-social behaviour.¹⁰⁸ Moreover, these projects (e.g. Channel Tunnel, Heathrow Terminal 5 and Sizewell B), consistently underestimate the numbers of workers they require, which has serious implications for WNP's accommodation calculations.¹⁰⁹
- 6.2.3. Anglesey's accommodation stock is concentrated along the coast. Serviced accommodation is limited in scale, range and quality compared to competitor destinations, lacking the 'attractive, boutique hotels found in other coastal/rural destinations'.¹¹⁰ Self-catering stock is generally of high quality and is high performing, whilst the caravan sector dominates and is generally buoyant. The proportion of static caravans available to let is problematic given worker preferences for this accommodation and low levels of interest from this sector.¹¹¹
- 6.2.4. Key tourism industry representatives have voiced strong concerns that workers will fill the holiday accommodation stock over the 10-year build programme, a situation exacerbated by Horizon's decision to drop an original proposal to take up new build accommodation to house construction workers in the original Land and Lakes Penrhos (now Bluestone II) development. Instead it now proposes that part of its construction workforce be housed in Anglesey's holiday and private rental sectors. Current estimates

¹⁰⁵ Watts, G. & Pheasant, R. 2013. Factors affecting tranquility in the countryside, *Applied Acoustics*, 74 (9), pp.1094-1103; Merchan, C.I., Diaz-Balteiro, L. and Soliño, M. 2014. Noise pollution in national parks: Soundscape and economic valuation, *Landscape and Urban Planning*, 123, pp.1-9.

¹⁰⁶ Anglesey/Gwynedd LDP 2011-2026, Joint Written Statement 31 July 2017.

¹⁰⁷ Anglesey/Gwynedd LDP 2011-2026, Joint Written Statement 31 July 2017.

¹⁰⁸ Somerset Council, 2012. Local Impact Report, p.237; Somerset Council, 2012. Local Impact Report, paragraph 6.3.17 and 6.3.18.

¹⁰⁹ Hay, A., Meredith, K. and Vickerman, R. 2004. The Impact of the Channel Tunnel on Kent and Relationships with Nord-Pas de Calais. Final Report by Centre for European, Regional and Transport Economics, University of Kent, [Online]. Online at:

<https://www.kent.ac.uk/economics/documents/research/seminars/> archive/FullReport.pdf.

¹¹⁰ Anglesey Destination Management Plan 2012-2016.

¹¹¹ Anglesey Destination Management Plan 2012-2016.

suggest that 4,000 workers will be accommodated in a site campus adjacent to WNP and 3,000 workers will be housed in existing tourism or rental accommodation stock.

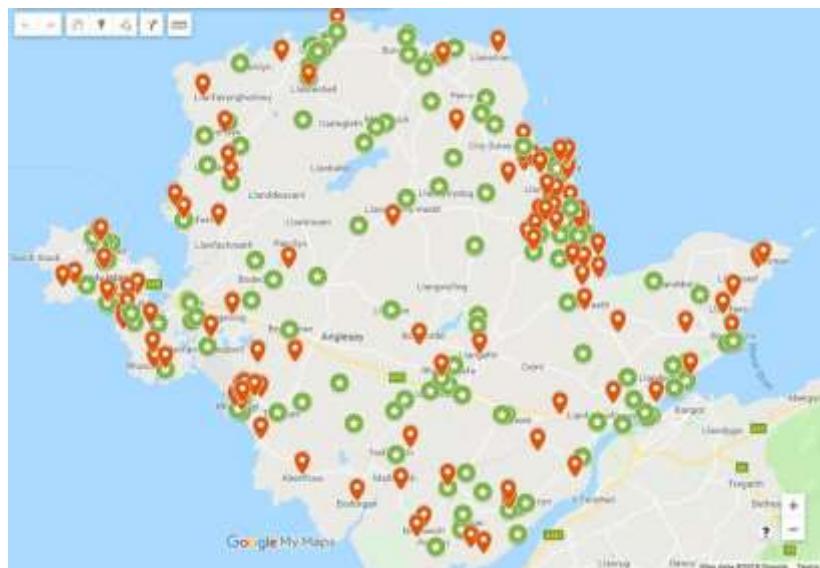
- 6.2.5. Current Horizon suggestions are for 1,100 workers to be housed in 450 tourist bed-spaces and a further 650 in caravans; 2,000 workers will be home-based. The use of bed spaces as a measure of need underestimates the impact of this demand on the tourism accommodation resource of Anglesey. Regardless of type, accommodation is offered as a two bed-space minimum and frequently is much larger, offering multi-occupancy levels suited to the needs of Anglesey's dominant family market sector. As the Anglesey Accommodation Stock report illustrates, whilst sites may have static caravans available to let with an estimated 655 bed spaces, these total 164 pitches - a conservative 4 bed spaces per pitch; it is therefore more accurate to discuss whole property lets.
- 6.2.6. Horizon argues that off-site accommodation will be around 3% of the total available supply on the island. However, the island already has a shortage of affordable housing for residents and this is likely to lead to further pressure on the holiday accommodation stock. The pressure to utilise holiday accommodation stock may be further increased by the concerns over increased homelessness on the island. Rents are expected to increase because of the demand from WNP construction workers and IACC housing services have highlighted how there are insufficient properties on the island to cope with the expected influx.
- 6.2.7. Anglesey has an estimated 35,800 bed-spaces across the accommodation sector, composed of: serviced (5%), camping and caravans (73%) and self-catering (22%).¹¹² High season occupancy levels are very high (between 70-88%) whilst low season rates are in the low 40%'s. The self-catering sector has consistently higher rates of occupancy throughout the year with a high season high of 88% in August and 76% in May. Almost a third of businesses close between November and February (30%) many in response to licensing requirements. Consequently, bed-spaces for WNP are likely to be limited. Caravans and campsites offer the cheapest average nightly prices (minimum of £23.48 and max of £39.28 respectively), serviced accommodation (£60.80-102.40) whilst self-catering prices are significantly higher (£76.07-£145.91).
- 6.2.8. Price is obviously a key issue in NSIP construction worker decision-making. Experience elsewhere shows that to 'squeeze as much out of allowances... [as] part of the compensation for working away from home' construction workers want the cheapest housing available, booking up low rent and caravan accommodation.¹¹³ Hinkley Point construction workers have already demonstrated a preference for the cheapest housing available, booking up low rent and caravan accommodation. In terms of housing construction workers in Anglesey's tourism accommodation, however, interest is limited; with just over a half (56%) of providers indicating this. Interest varies depending on accommodation type with the small serviced sector (B&Bs dominate with 2/3rds of the accommodation type) exhibiting the highest levels of interest (82%). Just over half of self-catering (55%) and only 35% of the caravans and campsites sector

¹¹² The data presented on this accommodation section is drawn from the Anglesey Bedstock Survey 2018 unless otherwise indicated.

¹¹³ Mathieson, K. 2003, Work, Health and Living Conditions for Construction Workers on Large-Scale Construction Projects: A Danish Study, p. 9, online at <https://arbejdstilsynet.dk/~media/AT/at/05-Information/04-Andre-informationsmaterialer/Bygge-anlaeg/Camps-uk.pdf>.

express an interest.¹¹⁴ The low levels of interest exhibited by construction workers clearly indicates a mismatch over worker preferences and availability.

Figure 2. Distribution of Properties Not/Interested in Accommodating Workforce



Source: Bedstock Survey Analysis, supplement to Tourism Topic Report;

Note: n=267; green stars indicate interested properties, red indicates those that are not.

6.2.9. Larger operators employing 10 or more employees are more interested in accommodating construction workers (74%). Given the pricing structures of accommodation, there may well be a mismatch in providers who want to offer accommodation and construction workers prepared to pay the rates required. Operators are attracted by increased occupancy in the low season and the possibility of generating additional income. Critically, of those who are interested, three-quarters (78%) would be interested in providing all year-round accommodation. This would effectively result in accommodation operating as long-term private rented stock.¹¹⁵ This change of use would have implications for this stock's classification as a furnished holiday let (FHL) and the business benefits, which currently come with this. Tourists would struggle to compete with the 'guaranteed' income provided by the construction workers. This means that there will be a transference of accommodation out of the tourism sector, a situation previously seen in other tourism-dependent areas hosting NSIPs (Dunbar and Morecambe). This will have negative consequences for the Island's visitor economy.

6.2.10. Figure 2 shows the pattern of interest in accommodating Horizon's workforce and partly indicates the potential loss of accommodation to the sector, which could be as much as 78% of those interested (see also Swansea University 2018 Bed Stock Survey Analysis). The displacement/transference of accommodation into the private rented sector is a matter for individual operators. However, this will occur as a direct consequence of WNP and will have significant ramifications for the wellbeing of the visitor economy – it cannot, therefore, be dismissed as a response to market forces.

6.2.11. In this scenario, whether rentals were short or (as the evidence shows) long-term, service and quality would be driven down in a 'race to the bottom' as happened in

¹¹⁴ IACC Accommodation Bedstock Survey 2018.

¹¹⁵ Horizon E1 Worker Accommodation Strategy E1-32 para 6.3.12.

Morecambe and Dunbar. This would clearly impact on staffing and employment levels as long-term lets are less labour intensive (fewer check in/outs, less linen changes, etc.), which casts doubt on the claimed job creation benefits of any off-season custom provided by WNP workers. It is possible that business travellers would be prepared to pay higher accommodation rates and they would offer even more competition for the high-paying tourist. Any loss to this high-spending visitor economy would negatively impact on Anglesey's economic wellbeing and result in economic and employment losses to the Island. It is noteworthy that very few operators highlighted any wider benefits to the local economy or other businesses (12%) of worker rentals and even fewer indicated that this would lead to greater job security for staff (5%) or a higher profile for the island amongst VFR (4%) some of which Horizon refers to as supporting evidence in its documentation. Clearly benefits would be restricted to the individual operator.

- 6.2.12. In terms of the caravan sector, low levels of interest reflect the licensing of parks, quality and expense of caravans, unsustainability of caravans as a long-term accommodation solution and membership restrictions, etc. These operators are also wary of disappointing returning guests who may permanently transfer their loyalties elsewhere. Critically the returning guest (89%) is a key component of Anglesey's tourism economy, which underlines the longer-term consequences of any adverse impacts on multigenerational travel groups. Recent research highlights the significance of nostalgia/memory to the UK holiday market with almost half (42% of those who took a domestic holiday in 2017 saying a trip to the destination as a child influenced their decision to visit.¹¹⁶
- 6.2.13. The analysis presented by Horizon largely views construction worker spend as additional spend utilising spare capacity. Yet, experience elsewhere (e.g. Heysham and Torness) demonstrates that NSIPs cause major structural changes in the tourism accommodation sector and exacerbate any weaknesses. Attempting to accommodate visitors and construction workers on the same site at the same time would be a serious mistake as young families (55%) dominate the self-catering sector¹¹⁷ with needs and expectations totally incompatible with those of construction workers. Actual and perceived incompatibility of tourism and construction worker accommodation is compounded by shift patterns, highly skewed demographics, crowding of accommodation by construction workers, use of bars, and associated facilities and unwelcome behaviour patterns.¹¹⁸
- 6.2.14. It is difficult to see how the tourism sector and Horizon will effectively manage the competing demands of accommodation types, stay durations and worker preferences through the Worker Accommodation Model (WAM). The WAM is intended to manage demand and ensure that no sector or location is oversubscribed. However, the Accommodation Survey indicates that it may not function effectively for the tourism sector as less than a third of operators are interested in utilising it.¹¹⁹ It is difficult to see how the WAM can function in this situation. Moreover, even if it did function, the workers' own preferences may intervene to dictate demand patterns, particularly given

¹¹⁶ www.holidaytrends2018.com 'Intentions and Influencers; Jon Young Journal@tourismsociety.org

¹¹⁷ Anglesey Spring Visitor Survey 2018.

¹¹⁸ Somerset CCHPC Local Impact Report.

¹¹⁹ 2018 Accommodation Bedstock Survey.

the large numbers of anticipated subcontractors.¹²⁰ This will have clear implications for IACC's ability to enforce licensing regulations.

6.2.15 Whilst there may be some benefits to individual operators in the low season, there are many adverse consequences of extended rentals of tourism accommodation (both practical as well as licensing restrictions). Assessing these impacts as minor considerably downplays the impact on the tourism sector¹²¹ and identifying 'significant spare capacity' overestimates the supply of accommodation through its utilisation of bed-space, licencing requirements, site restrictions, highly adverse practicalities of accommodating visitors and construction workers on the same sites and owners' desire to let to construction workers. Additionally, construction workers will not necessarily want to stay where there is significant spare capacity as they prefer housing near the main construction site or the associated Park and Ride sites.¹²²

6.2.16. Jim Timpson (owner of local restaurants *The White Eagle* and *The Oystercatcher*) underlines the need to avoid the mistakes of the 'boom and bust scenario' that has blighted Morecambe since the construction of the Heysham power station. Anthony Spencer (retail director of JW Lees Brewery, owners and operators of The Anglesey Arms and Trearddur Bay Hotel) expressed similar views, commenting: 'Anglesey continues to be heavily reliant on tourism, which has been growing steadily over the last decade. It's crucial that we are proactive about protecting jobs and sustaining growth across all sectors in the long term. Wylfa Newydd has the potential to be a great success story, but only if it is managed with a long-term view and in partnership with the existing economic infrastructure of the island.'¹²³

6.2.17. Horizon's new accommodation proposals might deliver a short-term boost for some hoteliers and bed and breakfast owners, but the impact of displacing holidaymakers could be disastrous for the wider tourism sector long term. Wages, restaurants, pubs, hotels and attractions will all suffer if holidaymakers go elsewhere.¹²⁴ For example, the Heysham Power Station building project gave a temporary boost to Morecambe's B&BS yet this was short-lived, as visitors did not particularly appreciate construction workers joining them for their family holiday breakfast.¹²⁵

6.2.18. Horizon's assessment of accommodation recognises that accommodation standards risk deterioration. This is critical given that much of Anglesey's accommodation sector is of a high quality and is high performing and in the low season months (Nov-Feb) almost a third of operators close for refurbishment.

6.2.19. Studies have shown a reluctance to rent holiday accommodation overlooking large energy developments, such as wind turbines.¹²⁶ Comments on HPC have included: 'it's a

¹²⁰ Horizon, Worker Accommodation Strategy, p.5.

¹²¹ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics para 1.5.26-27, p.C1-28.

¹²² Presentation by Andrew Goodchild to Wylfa Newydd Strategic Housing Partnership.

¹²³ <https://www.walesonline.co.uk/news/wales-news/holiday-homes-could-house-6000-13225380>

¹²⁴ Holiday homes could house thousands of workers who will spend ten years building Wales' new power plant, Philip Dewey 22 June 2017, Wales Online.

¹²⁵ Bloxham, T. 2005. Morecambe Doesn't Need Any More Attractions. It's got a fantastic attraction and it's called Morecambe Bay, *The Architects' Journal*; online at

<https://www.architectsjournal.co.uk/home/morecambe-doesnt-need-any-more-attractions-its-got-a-fantastic-attraction-and-its-called-morecambe-bay/135181.article>

¹²⁶ Taylor, L. & Shipman, M. 2016. Near shore wind farms would have a big impact on coastal tourism, North Carolina University.

flipping eyesore. What a blot on the landscape. And I think nuclear scares people – when tourists find out what it is, they find it frightening' (Maxine Sanni holidaymaker); 'You think of Chernobyl,' (Carol Evans, holidaymaker) and 'I think tourists have an interest in the power station, when they come down for their holidays. But they aren't worried by it; I don't see it as a problem' (Hayley Derry, resident).¹²⁷

- 6.2.20. NSIPs recognise that they will impact on local tourism-related businesses as they lose traditional tourism-related revenues but argue that this impact will be offset through construction workers boosting the tourism economy in the off-season. Horizon make this point. However, the Horizon submission also refers to the onsite campus accommodation, and its associated facilities, which is expected to remove the requirement for workers to utilise local services, thus curtailing expenditures in the local economy.¹²⁸ It is quite clear that any short-term off-season boost will not compensate for lost year-round tourism revenues whether from visitors put off by the development or those who fail to find accommodation because of WNP worker occupancy.
- 6.2.21. Where there is take-up of tourism accommodation there is a clear mismatch between tourist and construction worker expenditure. The construction workforce will make use of the cheapest accommodation possible (many will bring their own caravans) to maximise their daily allowances¹²⁹ and this is already happening at HPC.
- 6.2.22. There is likely to be a significant deterioration in accommodation standards, which will require mitigation – although Horizon's proposed mitigation relates to the possible provision of leisure services and not to the maintenance or enhancement of standards in the tourism sector.¹³⁰ This will decrease the sector's quality reputation and quality standards and, as has occurred elsewhere, destabilise the industry, lower its resilience and decrease its ability to contribute to the Island's economy.¹³¹ Mitigation should focus on this and on expanding the Island's tourism offering through the establishment of facilities, which appeal to tourists and the host community alike such as country parks, museums, heritage centres, etc.
- 6.2.23. Research into the impact of Sizewell B highlights just how disruptive the construction phase is for the local community and the local economy.¹³² Sizewell B created almost 20,000 individual jobs over its duration with a peak employment of 5,000+. It drew in a large workforce, although local labour made up over 50% of the total workforce for much of the project, filling more of the un/semi-skilled jobs. The levels of local employment at Sizewell B were significantly higher than predicted for WNP. This is

¹²⁷ Harvey, F. 2013. Hinkley Point Power Station: eyesore or beacon of power? The Guardian Online, 20 Oct.

¹²⁸ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics, para 1.4.18, p.C1-16.

¹²⁹ Mathieson, K. 2003, Work, Health and Living Conditions for Construction Workers on Large-Scale Construction Projects: A Danish Study, p. 9, online at <https://arbejdstilsynet.dk/~media/AT/at/05-Information/04-Andre-informationsmateriale/Bygge-anlaeg/Camps-uk.pdf>.

¹³⁰ IACC Response 9.3 B1.214.

¹³¹ Bloxham, T. 2005. Morecambe Doesn't Need Any More Attractions. It's got a fantastic attraction and it's called Morecambe Bay, The Architects' Journal; online at <https://www.architectsjournal.co.uk/home/morecambe-doesnt-need-any-more-attractions-its-got-a-fantastic-attraction-and-its-called-morecambe-bay/135181.article>.

¹³² Glasson, J. 2005. Better Monitoring for Better Impact Management: The local socio-economic impact of constructing Sizewell B, NP.

critical because, despite this, there were serious disturbances in the local accommodation sector from a much lower base number of migrant workers.

6.2.24. During the peak construction of Sizewell B the migrant workforce was spread across accommodation with almost a quarter (24%) in tourism/self-catering accommodation despite the much greater numbers of locally drawn workers. Horizon estimates 37% of workers will make use of tourist/caravan accommodation, excluding the campus. During Sizewell B construction there was also a large caravan park for construction workers, which operated during the peak construction in Leiston (800), which was captured under the definition of tourism accommodation and accounted for 1,000 workers in total.

6.2.25. Because of the workers' shift patterns and the geographic origin of migrant workers at Sizewell B, incoming workers did boost weekday capacity in the tourism sector and frequently went home at weekends when there was high tourism demand. They accounted for 50% of weekday B&B lettings and 80% of winter lettings,¹³³ statistics that were significantly boosted by the dedicated caravan park.¹³⁴

6.2.26. In their submission for Sizewell C, EDF recognise that this picture of tourism sector accommodation usage would not be replicated.¹³⁵ Their submission recognises a variety of factors (which are equally applicable in Anglesey), which make this construction worker take-up much less likely, including the changes which the tourism sector has undergone over the intervening decade:

- the tourist peak season has generally been extended from Easter to September/October because of increases in shoulder season popularity;
- the substantial investment in and upscaling of the tourism accommodation sector in response to market trends and consumer demands;
- the strong performance of the tourism sector over recent years.

6.2.27. Whilst EDF recognises that there remains spare capacity in some areas and sectors, their calculations of affordability in the tourism sector (comparison of peak/off-peak costs of tourism accommodation compared to a then (2016) accommodation allowance of £36 – Horizon is proposing a £38 allowance for WNP) clearly show that, unlike Sizewell B, 'Estimates of affordability in the tourist sector... indicate that a significant amount of tourist accommodation would not be affordable to Sizewell C construction workers.'¹³⁶

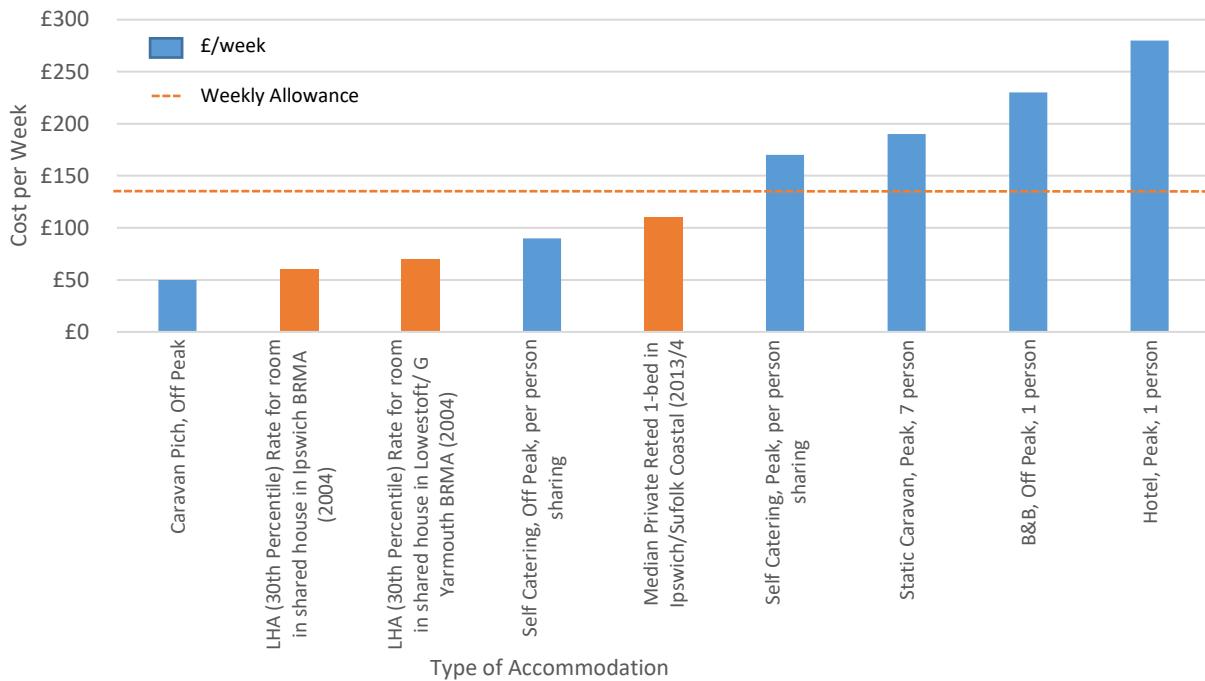
¹³³ Glasson, J. 2005. Better Monitoring for Better Impact Management: The local socio-economic impact of constructing Sizewell B, NP.

¹³⁴ EDF, 2016. Consultation Document Sizewell C.

¹³⁵ EDF, 2016. Consultation Document Sizewell C Stage 2 Pre-Application Consultation.

¹³⁶ EDF, 2016. Consultation Document Sizewell C. p58.

Figure 3: Average weekly accommodation costs by sector compared to the allowance for construction workers



Source: Sizewell C Accommodation Survey 1

6.2.28. Their study shows that by far the most affordable tourism accommodation for Sizewell C workers would be provided by caravan and self-catering accommodation during off peak season. Figure 3 shows the average weekly accommodation costs by sector compared to the allowance for construction workers. It demonstrates that all of this (including static caravan) accommodation is unaffordable during the peak season, even with accommodation sharing. On average, serviced accommodation would not be affordable to construction workers, even in the off-peak period (though this disguises a large range within the sector from the cheapest at £25 per night to over £100 for the most expensive).

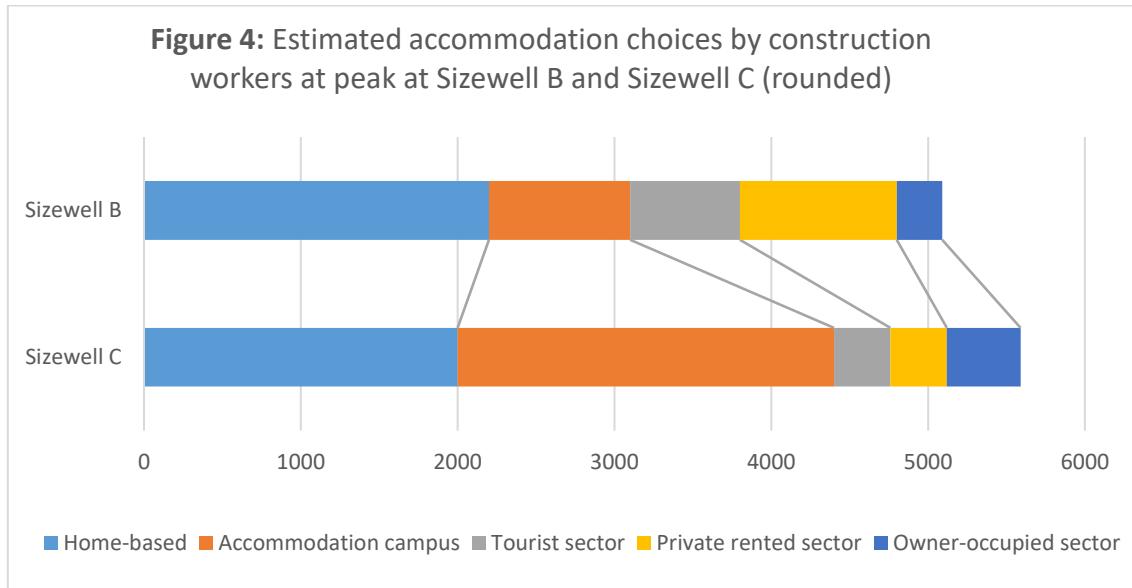
6.2.29. Recognising the challenges of limited nearby accommodation (especially during the Easter – September peak season) and the impacts of construction worker occupation on the tourist industry, EDF significantly reduced the tourism sector component of the accommodation analysis for construction workers, from 700 during Sizewell B to 360 for Sizewell C (Figure 4). Caravans are expected to accommodate because they are cheaper and more flexible than hotels and B&Bs and can often be sited closer to work.

6.2.30. Proximity to the site or to or Park and Ride sites is a key accommodation determinant for construction workers, suggesting that for the majority 1 hour drive times are unrealistic.¹³⁷ Experience in Olkiluoto, Finland show that the majority of site staff live within 25km of the main site, on campus or in the nearest town.¹³⁸ The experience of Sizewell B demonstrates that the vast majority of their workforce used accommodation around 12km from the construction site; around 90% of all caravan and 70% of all B&B

¹³⁷ Somerset HPC Local Impact Report.

¹³⁸ Somerset HPC Local Impact Report p.137.

rentals were within 10km of the development site.¹³⁹ It should be noted that on Anglesey much of the bed stock cited in Horizon's modelling is outside the key area, consequently, as in HPC, the number of non-home based workers will place excessive demands on the bed-spaces considered available.¹⁴⁰



Source: Sizewell C Accommodation Survey 2.

- 6.2.31. Horizon will manage this caravan accommodation in consultation with IACC to minimise adverse impacts on local communities through the provision of temporary caravan sites and/or licensing extension to existing site(s) close to the site. Although a limited licensing extension to existing sites close to the site may be possible, this will be insufficient to meet demand. If caravans are to meet worker needs effectively then an additional site(s) needs to be identified and prepared to meet that demand, as the following analysis demonstrates.
- 6.2.32. Similar concerns are also evident in HPC as EDF recognise: 'The relative remoteness of [HPC], possible prices of tourist accommodation and the need to retain leeway in the tourism accommodation market are entered into the analysis, the outcome becomes less clear.'¹⁴¹ Further work is being undertaken to clarify the ability of caravans to play a greater role in meeting worker needs¹⁴² and similar work needs to be conducted on Anglesey to understand the capacity of this sector to meet this demand.
- 6.2.33. Predicted use of accommodation may vary, either positively or negatively, by 10-15%, straining tourism accommodation further or reducing any anticipated benefits. The EDF analysis is also applicable to Anglesey, which has witnessed a transformation in quality in much of the sector over the past decade. Sustained growth in the Anglesey tourism industry has exceeded growth in the national tourism industry; it is recognised by Welsh Government as a key economic sector and one of the main drivers of the Welsh

¹³⁹ 1999 Sizewell B Audit of Socio-Economic Predictions in HPC Local Impact Report p138; Glasson, J. 2005. Better Monitoring for Better Impact Management: The local socio-economic impact of constructing Sizewell B, NP.

¹⁴⁰ Somerset HPC Local Impact Report.

¹⁴¹ EDF, 2016. Consultation Document Sizewell C p.72.

¹⁴² EDF, 2016. Consultation Document Sizewell C p.58.

economy, a major export and exchange carrier for Wales and a major employer and contributor to GDP. The current strategy for tourism in Wales aims to secure a 10% sectoral growth target by 2020,¹⁴³ a target echoed in the Anglesey DMP 2016-20.¹⁴⁴ These targets for the Island's tourism sector will not be met if tourism accommodation substitutes as long-term private rentals for WNP workers.

6.3. Horizon Accommodation Analysis

6.3.1. Horizon have developed a Gravity Model based on bed-stock data to inform their accommodation plans for a campus site housing 4000 construction workers with the remainder of non-home-based workers (3000) making use of the tourism (37% in total) and private rented sector (30%), as detailed in Table 7. The most recent figures from the 2018 Accommodation Stock Survey suggest that Horizon have over-estimated available stock. Anglesey's total bed-stock is estimated to offer 35,800, split as follows: 5% serviced (1,790); 73% camping and caravanning (26,134) and 22% self-catering (7,876).¹⁴⁵

Table 7: Horizon Accommodation Type Workforce Breakdown

Type	%	Numbers
Tourism Hotels/B&B	15%	450
Caravans + Camping	22%	650
Owned	20%	600
Private Rental	30%	900
Latent Account*	13%	400
Total	100%	3,000

* Not yet in use, may become available because of WNP

6.3.2. The assumptions, which underpin Horizon's Gravity Modelling calculations are flawed in several key respects and overestimate the amounts of serviced and self-catering accommodation available. Their calculations assume that 40% of serviced accommodation are suitable and affordable and 25% of caravan and camping likewise because of availability issues and licensing restrictions. They also assume that 100% of self-catering stock will be available – why no tariff is applied here in terms of costs of this accommodation is perplexing, given that this is a particularly high value and high performing sector - as the 2018 survey clearly establishes.

6.3.3. Horizon's calculations are also drawn from the whole key socioeconomic area (KSA) and include accommodation stock data drawn from both Anglesey and the Menai Mainland (which includes Gwynedd and parts of Conwy), which dramatically inflates the estimated number of bed-spaces and amount of stock available in each sector to 61,436; this despite a wealth of evidence, which confirms how proximity drives worker accommodation choices and demand.

¹⁴³ Visit Wales, 2013. Partnership for Growth Strategy 2013-2020, online at <https://gov.wales/docs/drah/publications/130613-partnership-for-growth-en.pdf>.

¹⁴⁴ IACC Destination Management Plan 2012-2016.

¹⁴⁵ 2018 Accommodation Stock Survey.

Table 8: Horizon Estimated (Est) Headroom in August peak across K.S.A

Type	A Estimated bed space	B Access moderator	C Adjusted estimated bed-space (AxB)	D Peak capacity utilisation	E August peak bed space required (DxC)	F Estimated head room (C-E)
Hotel, Guest, B&B	6,947	40%	2,779	83%	2,306	472
Self-Catering	6,411	100%	6411	59%	3,783	2,629
Caravans	45,428	25%	11,357	71%*	8,084	3,273
Other	2,650	0%	0	n/a	0	0
Total	61,436		20,547		14,173	6,374

*Assumes 42% of stock is vacant at peak capacity

6.3.4. Table 8 provides an overview of Horizon's estimates of available bed supply in the KSA. Horizon recognises that they disagree with IACC over the amount of available accommodation on the Island. The 2018 Bed Stock Survey was commissioned to provide a definitive position on available accommodation. Notwithstanding the outcomes of this disagreement, there remain concerns over the analysis of the available accommodation. The bed-space totals include a category entitled 'other', which boosts stock numbers by 2,650 but is discounted in Horizon's subsequent analysis.

6.3.5. The addition of Menai Mainland stock inflates the overall bed-stock profile, yet Horizon's calculations estimate that only 8% of caravan and camping (55 bed-spaces) will be derived from this stock (Table 9 below), which boosts accommodation supply totals by over 40% and 1,323 bed-spaces. This very small proportion may well be even smaller, given the worker accommodation preferences seen at Sizewell B, HPC and elsewhere. This will put even more pressure on accommodation in close proximity to the site. Most demand will be felt in two key Anglesey wards (Anglesey North and Anglesey West), which will account for 80% of caravan and camping demand and 77% of serviced tourism accommodation, which reflects construction workers' desire to be as close as possible to the site. This also needs further detailed consideration (see below).

6.3.6. Horizon has chosen not to apply an access moderator (column B) for self-catering stock - unlike serviced (40%) and caravan and camping (25%) (Table 9 below). This overestimates the supply and availability of bed-stock and underestimates the impact of demand on supply. It is particularly inaccurate given that the self-catering sector has been identified in the 2018 Accommodation Stock Survey as the highest priced accommodation sector on the Island, with a minimum and maximum charge per night of £76.07 and £145.91. It has also been identified as having the highest level of capacity throughout the year, which means very limited capacity for other users.

6.3.7. The supply for serviced accommodation will, according to Horizon's calculations, be boosted by the self-catering sector, with serviced accommodation accounting for 472 and self-catering 2,629 bed-spaces. There are several problems with this as serviced accommodation offers a substantially different product to self-catering and targets different consumers. Serviced accommodation utilises a minimum of 2 bed-spaces per room so that 472 supply equates to a maximum of 236 bedrooms and may well be less than this (a number of these may be family rooms each 'taking' half of the bed-spaces from the available supply); utilising bed-spaces as a unit of analysis in the self-catering sector is similarly flawed.

6.3.8. Self-catering properties offer a minimum of two-bed-space occupancy, but their attraction is their ability to offer large, flexible accommodation for families and friends, so much of the stock on Anglesey offers between six and ten bed-spaces per property. This stock tends to be of a very high quality, charging premium rates and has high-performing occupancy rates, higher than Horizon uses. Clearly, these factors significantly reduce the available self-catering stock supply, which is currently estimated at 2,629. Critically almost half of the stock is drawn from Menai Mainland, which Horizon recognise will only account for a small proportion of total demand. As no access moderator is applied for self-catering, this artificially inflates its availability. There are several other issues in relation to self-catering stock (such as HMRC business/tax regulations), which further circumscribe their potential usage, which are discussed below.

6.3.9. Whilst Horizon recognise licensing issues in the caravan sector, similar issues in self-catering are not considered. Furnished Holiday Lets (FHL), which are vital to the self-catering sector have strict licensing rules and regulations. Properties must be available to let for at least 210 days in the year (self-occupancy or 'mates' rates' are not included in this period). The property must be let for at least 105 days in the year. Any long term let (of more than 31 days) cannot be counted in this total and will reduce the availability of commercial holiday rentals for in worker accommodation.

6.3.10. Properties used for anything more than short term occupation will cease to be FHLs, losing all tax advantages, capital allowances and Capital Gains Tax reliefs.¹⁴⁶ If the property is occupied for more than 31 days by the same person/people then that must not be more than 155 days of such longer lettings. The property must then be available for the remaining 210 days of the year to meet FHL regulations (personal occupation would not be allowed during that time to retain FHL status). These regulations will clearly impact on ability/propensity to let within the self-catering sector and will lead to self-catering depletion on the island if owners seek to swap FHL status to move into private rental supply (PRS).

6.3.11. This is critical, given Horizon's assertion that self-catering stock 'Could be very important as it is possible that some self-catering properties might be available to workers for longer rental periods and so act more like PRS stock.'¹⁴⁷ This would have very damaging impacts on a hugely valuable sector of the island's tourism economy and suggests that Horizon has failed to fully grasp the complexity of tourism accommodation on the Island and thereby underestimated its significance for visitor economy. It is also the case that Horizon identifies second homes as a possible source of worker accommodation, but this fails to recognise that many of these already form a valuable element of the self-catering sector, the loss of which would be keenly felt.

6.3.12. Horizon has applied a 40% access moderator to the serviced accommodation sector, yet evidence from elsewhere¹⁴⁸ and from the 2018 Anglesey Accommodation Stock Survey indicates that this is overestimating the ability and scope of the sector to meet this demand. Minimum and maximum price per night charges in the serviced sector on Anglesey range from £60.80 to £102.40, clearly outside of the £38.41 daily allowance for

¹⁴⁶ www.gov.uk Guidance HS253 Furnished Holiday Lettings 2015, updated 6 April 2018.

¹⁴⁷ Horizon, E1 Worker Accommodation Strategy, para 6.3.12 p.32.

¹⁴⁸ EDF, 2016. Consultation Document Sizewell C Stage 2 Pre-Application Consultation.

construction workers, which raises real question marks about the sector's ability and desire to let to construction workers.¹⁴⁹

- 6.3.13. On initial reading, transient workers would have little interest in renting more expensive serviced accommodation. Yet Horizon's modelling shows that 450 workers would be accommodated within this sector from professional and supervisory grades. Horizon estimates that of the 3,000 workers, who will require either private rented or tourism accommodation, 60% will be professional or supervisory (some 2,000 workers). Clearly their accommodation allowances/expenses entitlements will significantly exceed that of construction workers, although no detail is provided, hampering appropriate analysis.
- 6.3.14. Unlike some construction workers, professional and supervisory employees will require individual not shared accommodation. It is currently estimated that almost 25% (450) will be drawn from the serviced accommodation sector, although this may well increase to 40%, depending on demands placed on the private accommodation sector and the extent to which latent accommodation materialises – currently estimated at catering for 400 workers. The obligations and regulations regarding Latent Accommodation may well put potential homeowners off letting a room in their homes, as will the shift patterns which could be very disruptive to householders (Wylfa Newydd Project will operate 3 shift patterns over 24 hours).
- 6.3.15. Heavy construction and groundwork are also very likely to lead to workers preferring en-suite rooms rather than 'shared' family bathrooms with householders. Fears over anti-social behaviour may also influence inclinations to let. Failure to release Latent Accommodation will inevitably exert more pressure on tourism accommodation and the PRS. It may well be the case in this scenario that greater strain is placed on the tourism sector to avoid further stress on the PRS. Very little information is provided on the preferences of this sector of employees so definitive estimates are problematic at this stage.
- 6.3.16. The impact of professional and supervisory staff on a small serviced sector (some 5% of accommodation stock) will be significant, leading to displacement of high-spending visitors over a relatively long period of time (25% of workers staying between 7-42 months) as they agree beneficial single long-term occupancy rates. As well as removing valuable accommodation from the tourism sector (accommodation IACC has already identified as too small by competitor destination standards), the loss of any serviced accommodation will negatively impact on the wellbeing of the wider tourism sector. Fewer higher spending visitors will significantly impact on visitor attractions in the area, reducing visitor numbers and spend. Similar effects will be experienced by cafes/restaurants/bars.
- 6.3.17. It is difficult to accurately gauge the availability of caravan/camping stock as Table 8's column D (peak capacity utilisation) shows 71% yet the asterisked note explains that this assumes 42% of stock is vacant. It is difficult to accurately judge how these figures correlate with each other.
- 6.3.18. The 2018 Accommodation Stock Occupancy data for August shows that Horizon have significantly underestimated tourism demand in columns D, E and F (Table 8). Actual peak occupancy data for Anglesey is (Horizon equivalents in brackets):

¹⁴⁹ IACC, 2018. Accommodation Survey.

- All tourism accommodation – 85%
- Caravan and camping – 82% (71%*)
- Serviced, rooms + hostels – 86% (83%)
- Self-catering – 88% (59%)

6.3.19. As this analysis has already indicated, the utilisation of bed-space as a measure of supply inflates the sector stock levels, overestimates supply and consequently underestimates the resulting impacts on the tourism sector. The 2018 Accommodation Survey shows that static caravans to let offer 655 bed-spaces but there are only 164 pitches. Similarly, the serviced accommodation data offers 1,601 bed-spaces but only 741 bedrooms. For self-catering 3,195 bed-spaces equate to 647 units of accommodation.

Table 9: Horizon Analysis of bed-spaces by sub area (adapted)

Ward	Tourism Accommodation	Demand	Caravan + Camping	
	Headroom/Bedspace Numbers (%)	Numbers (%)	Headroom/Bedspace Numbers (%)	Demand Numbers (%)
Anglesey North	200 (6%)	90 (45%)	502 (15%)	278 (55%)
Anglesey South	559 (18%)	72 (13%)	991 (30%)	201 (20%)
Anglesey West	936 (30%)	201 (22%)	457 (14%)	115 (25%)
Menai Mainland	1,407 (45%)	87 (6%)	1,323 (41%)	55 (4%)
Total	3,101	450	3,275	650

6.3.20. The use of bed-spaces as a measure clearly underestimates WNP workers' impact on the tourism sector. For example, in Anglesey North 200 bed-spaces would equate to 100 rooms, with a predicted demand for 90 rooms from WNP workers - some 90% of the total available. Similar issues apply to the accommodation demands on the caravan and camping sector.

6.3.21. Undertaking a similar analysis to Horizon's but based on the revised 2018 bed-stock figures clearly shows the overestimation of supply. For example, the serviced sector on Anglesey at peak capacity only offers 99 bed spaces, some 50 rooms in total in comparison to Table 9's analysis. Even with the addition of 515 self-catering bed-spaces this totals 614, way below the 1715 suggested here. Caravan/camping similarly overestimates demand with only 1182 bed-spaces spare at peak, substantially less than the 1950 suggested by Horizon. No moderator has been applied in this case. This demonstrates how the inclusion of stock on the Menai mainland inflates the total stock available and underestimates the minor role it is expected to play in the accommodation choices of construction workers. Most of the available accommodation is in the south, encompassing Anglesey South and Menai Mainland of the KSA, 63% of tourism accommodation and 71% of caravan and camping. Menai Mainland alone actually accounts for 45% of all tourism accommodation bed spaces included in the area of analysis and 41% of the available caravan and camping supply.

6.3.22. This undermines Horizon's conclusion that the additional 650 bed-spaces required will not exert a significant effect on availability because there are 3275 bed-spaces

available.¹⁵⁰ Bed-spaces overestimate supply (as discussed above), so even though some work crews will share, others will not. Yet Horizon expect two areas of Anglesey to accommodate the bulk of demand since construction workers prefer to live near the site development, accounting for 61% of construction workers 'bed-spaces.' (table 10). Horizon's conclusion that Anglesey North and West would experience no adverse impact on tourism accommodation availability because a demand for 291 bed-spaces would be accommodated by the 1,136 bed-spaces available, taking some 26% of these bed-spaces is similarly flawed.¹⁵¹ In actual room terms this would translate from 291 into 582 rooms, occupying some 51% of all available rooms in these wards.

Table 10: Horizon Projections for CW Distribution

	Tourism Accommodation	Caravan + Camping
Anglesey North	20%	43%
Anglesey South	16%	31%
Anglesey West	45%	18%
Menai Main	19%	8%
Total	450	650

6.3.23. It also clearly highlights the demand, which is predicted to be exerted on the Anglesey North and West wards. For example, Anglesey North's 200 bed-spaces account for only 6% of the sub area bed-spaces identified by Horizon yet worker demand is predicted to be 90, some 45% of bed-spaces: so, this will translate into a demand for 90 rooms (90% of capacity). Anglesey North and West have 36% of the total tourism accommodation bed-spaces available but will be expected to absorb the bulk (65%) of the workforce (291 of 450), with 29% caravan and camping absorbing (61%) (393 of 650) of worker demand. Demand on the sector may be further exacerbated if the latent accommodation (13% or some 400 bedrooms) built into the gravity model is not brought into use.

6.3.24. It is also concerning that Horizon's calculations do not account for the increasing demand for all forms of tourism accommodation on Anglesey, which is outperforming North Wales and Wales generally. Figures for Anglesey in 2014/15 have shown a +7% year-on-year growth compared to a fall of 2% in North Wales - a 9% difference. The tourism sector is extremely buoyant, with significant investment, particularly in the food and accommodation sector, across the island. The period between 2006-2017 has been one of sustained continuous growth and strategic initiatives and developments are in place to enhance the Island's tourism offering and performance in the short and medium-terms.

6.3.25. The development of the five-star Bluestone 2, a £105m investment, will boost the Island's year-round tourism economy, increasing tourism-related employment by a further 900. This nationally significant development will significantly enhance the Welsh and not only the Anglesey tourism economy.

6.3.26. Many accommodation providers (almost a third) close Nov-Feb. In the tourism business lifecycle this is a period when owners/operators typically undertake quality improvements and refurbishment and enjoy a holiday of their own. Extra business at

¹⁵⁰ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics para 1.5.23-1.5.25.

¹⁵¹ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics para 1.5.23-1.5.25.

this time will impact on accommodation quality standards as operators will be left with no time to upgrade and repair year-on-year.

- 6.3.27. For the caravan sector, low levels of interest reflect the licensing of parks, quality and expense of caravans, their unsustainability as a long-term accommodation solution, and membership restrictions. The 2018 Accommodation Survey also shows that operators are wary of disappointing returning guests, who would permanently transfer their loyalties elsewhere.
- 6.3.28. At the same time, these accommodation predictions pay no regard to the growth targets of the tourism industry itself. The UK domestic tourism is predicted to grow in the light of greener, carbon-neutral preferences of UK consumers, a trend Wales is well placed to capitalise on.¹⁵² At the same time, Visit Wales 10-year strategy sets the Welsh tourism industry a growth target of 10% by the early 2020s. Critically, this strategy is focused on transforming it into a year-round industry, hence the substantial investments made in North Wales to position it as a year-round adventure destination.¹⁵³
- 6.3.29. Removing tourism accommodation from the sector will directly undermine this strategy and the industry itself, which is becoming a year-round one stimulated in part by investment and strategic direction from Visit Wales and IACC and by operators within the sector on the Island. This is clearly underlined by STEAM data and by investment seminars, which recognise that the tourism sector on Anglesey was 'upping its game with a shift away from sites closing during the off-season'.¹⁵⁴ This strategy will continue throughout the construction of WNP as long as measures are put in place to protect the Anglesey brand. Anglesey's strong annual growth performance over recent years has already been documented and needs to be considered in any provision or mitigation assessments.
- 6.3.30. On Anglesey, almost three quarters of tourism revenue comes from visitors staying in non-serviced accommodation.¹⁵⁵ The utilisation of this sector for low-spending construction workers will adversely impact on this. If tourism capacity is taken by construction workers there will be many fewer tourists, which will negatively impact on all the businesses that depend on tourists. This will contravene IACC Supplementary Planning Guidance (SPG) as visitor attractions will not be protected, and tourism accommodation will not be maintained in an attractive manner to tourists.¹⁵⁶
- 6.3.31. This analysis of accommodation provision and availability confirms the discussion above. Currently, given what we know about the caravan sector, as a minimum IACC will need to consider licensing extensions to meet demand. Clearly, however, the tourist markets (family and couples) and construction workers are mutually exclusive so operator interest (as the Accommodation Stock Survey indicated) is low.
- 6.3.32. Consequently, it is preferable to concentrate construction worker demand for caravan accommodation in one or two new sites, comprising 300-400 pitches in total. These sites (catering for statics and mobiles) should be equipped with suitable facilities and a

¹⁵² EDF 2016. Consultation Document Sizewell C, para 8.12:29.

¹⁵³ Visit Wales, 2013. Partnership for Growth Strategy 2013-2020, online at <https://gov.wales/docs/drah/publications/130613-partnership-for-growth-en.pdf>.

¹⁵⁴ Neil Rowland placenorthwest.co.uk

¹⁵⁵ IACC 2014, Anglesey Food Tourism Strategy and Action Plan, p.11.

¹⁵⁶ IACC WNP Supplementary Planning Guidance, obj. 4 p.48.

site shop, etc. to meet worker demands. They should be of a suitable standard, on hard standing with proper infrastructure amenity provisions (a similar site was provided at Leiston for Sizewell B). Suitable landscaping should also be provided. Once WNP is completed they should be released into the accommodation sector. This would contribute a legacy dimension for the tourism accommodation sector, which Horizon proposals currently do not provide.

6.4. Campus Accommodation – Wylfa Newydd

- 6.4.1. Horizon's late decision (PAC 3) to concentrate 4,000 workers in a campus-style village has deepened the project's impact in North Anglesey. Applicants are obliged to include information about the alternative sites they considered (environmental, social and economic effects, etc.).¹⁵⁷ Questions remain over how this site was selected, what alternative sites were considered and did these offer beneficial legacy impacts for the island? The decision to reject the Land and Lakes development at Penrhos and other accommodation options should have been followed by this analysis.
- 6.4.2. Horizon's initial proposal, to house workers in the proposed Land and Lakes development at Penrhos, would have delivered a significant legacy for the Island and its tourism industry in its provision of several hundred quality lodges (proposals, which are currently under EDF consideration for Sizewell C), which would then be released to the tourism sector on completion. Its decision to replace this with a temporary site campus is justified by enabling workers to stay on site, making use of site facilities (bars, leisure and recreation) and thus leading to significantly reduced potential problems for local communities regarding worker behaviour, demand on facilities and community disruption.
- 6.4.3. North Anglesey is now host to 4,000 workers and a further 1,032 in the immediate area. This will put significant additional pressure on this area and communities. Accommodation blocks, ranging from between four to seven stories, are proposed. These will be on 15 hectares of greenfield land to the east of Wylfa. There will be a range of amenities to support 'campus' life including restaurants, self-catering, cafes, gym, bar and multi-purpose social areas including outdoor games, seating and informal amenity spaces. These last are inadequate, however, and largely focused on outdoor pitches.
- 6.4.4. The provision of campus accommodation has both positive and negative impacts and consequences. Horizon's proposal to construct a site campus is specifically proposed to reduce adverse effects on the local community, ameliorating the impacts of large groups of construction workers in what are otherwise small, rural communities. Housing a substantial proportion of workers in one temporary purpose-built facility brings significant advantages to the developer, including proximity and convenience to site for workers, operational efficiency and local impact limitation and speeding the project completion.
- 6.4.5. It is of major concern, however that Horizon's peak labour estimates may significantly underestimate the labour required. The experience of other NSIPs show significant margins of error in estimating the workforce and significant overruns (e.g. Flamanville in North-West France, originally due for a 2012 completion will now open in 2020).¹⁵⁸ This underestimation of labour requirements led to uplifts in labour of 54% in Sizewell

¹⁵⁷ NPS EN-1 part 4.4.

¹⁵⁸ <https://uk.reuters.com/article/us-edf-flamanville/edfs-flamanville-reactor-start-again-delayed-to-2020-idUKKBN1KF0VN>

B, 60% in Terminal 5 Heathrow and 112% in the Channel Tunnel. Any similar uplift would put further strain on local accommodation stock.¹⁵⁹ Given this experience, it is extremely plausible that Horizon's projections will need to be similarly upweighted, yet Horizon has revised its projections downwards from 10,700 to 8,500.¹⁶⁰

- 6.4.6. The ability of the campus to alleviate housing pressure on local accommodation may not be as effective as it appears. The Sizewell B experience of a very similar accommodation composition (single bedrooms, amenity buildings, outdoor recreation space on site) showed an 85% occupancy but it also demonstrated that many of the workers housed there move on to other forms of housing provision in the local area, putting more pressure on other forms of housing provision.¹⁶¹
- 6.4.7. The campus accommodation development's impact on the local community and environment will be significant and compounded by Horizon's proposed phasing of development, with the bulk of campus accommodation not ready until 2022-23. This will exert further unnecessary pressure on the Island's and tourism accommodation resources, with 5,000 workers expected to be on site by the end of 2020. It will overload development in an environmentally sensitive area, which borders the AONB; it has no legacy potential as currently envisaged and no community integration; and could be construed as cumulative impact in association with the construction site itself.¹⁶²
- 6.4.8. In the case of HPC, legacy planning was an integral part of EDF's decision process, including long-lasting benefits of a college accommodation campus and shared access to sports pitches in Bridgewater, which is some 12km from site.¹⁶³ Any potential accommodation campus on Anglesey should consider its legacy potential and long-term contribution to the economy. In Sizewell B the Leiston Social and Sports Club formed one part of this.¹⁶⁴ Currently, there is no legacy derived from this proposed WNP campus site, which has extremely negative consequences and impacts on the environment, its habitats and surrounding communities.
- 6.4.9. Horizon argue that its campus services and facilities would 'largely remove the requirement to utilise external local services [although]... there would still be some use of local services like pubs, restaurants and cafes.' At the same time, Horizon expects 'very limited interaction between the construction workforce and the local community during the construction phase'.¹⁶⁵ Indeed, they go on to note that it is 'difficult to

¹⁵⁹ Hay, A., Meredith, K. and Vickerman, R. 2004. The Impact of the Channel Tunnel on Kent and Relationships with Nord-Pas de Calais. Final Report by Centre for European, Regional and Transport Economics, University of Kent, [Online]. Online at:

https://www.kent.ac.uk/economics/documents/research/seminars/_archive/FullReport.pdf; Somerset Council HPC Local Impact Report p137)

¹⁶⁰ IACC PAC3 Letter of Response to Horizon.

¹⁶¹ Somerset CC HPC Local Impact Report

¹⁶² Boyer Planning 2017. Sizewell C Accommodation Campus Review: p. 9 online at:

<https://www.suffolk.gov.uk/assets/planning-waste-and-environment/major-infrastructure-projects/170711-FINAL-Report-Boyer-21.06.2017.pdf>

¹⁶³ Boyer Planning 2017. Sizewell C Accommodation Campus Review: p. 15 online at:

<https://www.suffolk.gov.uk/assets/planning-waste-and-environment/major-infrastructure-projects/170711-FINAL-Report-Boyer-21.06.2017.pdf>

¹⁶⁴ Boyer Planning 2017. Sizewell C Accommodation Campus Review: p. 24 online at:

<https://www.suffolk.gov.uk/assets/planning-waste-and-environment/major-infrastructure-projects/170711-FINAL-Report-Boyer-21.06.2017.pdf>

¹⁶⁵ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics, para 3.5.15.

quantify the potential beneficial effect... [which is] ... considered to be minor¹⁶⁶ as 'the provision of onsite commercial services would allow for the commercial needs of the construction workers to be met'.¹⁶⁷ Consequently within the LAI tourism businesses, and therefore tourism spend, are not anticipated to be significantly affected as a result of the construction phase. This totally underestimates the hugely negative impact of such a development in the area, the sector and individual businesses.

- 6.4.10. Quite clearly the loss of tourism accommodation will adversely affect visitor spend as might the development itself. Similarly, Horizon also refers to the economic stimulus, which construction workers will bring to the local economy as part of the rationale for supporting the development in the first place, stressing the socio-economic benefits, which would result. The detailed observations highlighted here clearly undermine this and the LAI and the wider island will witness significant impact and degradation.
- 6.4.11. The development of a purpose-built accommodation campus and ancillary facilities will greatly reduce any offsite expenditure by campus workers and it is equally possible that it will threaten the operation of local tourist businesses. The onsite campus will bring employment opportunities, particularly in catering, cleaning and administration, which have a huge local contingent, but these sectors are key to the successful delivery of the tourism businesses on the island, further increasing the chances of tourism labour displacement. It will also offer opportunities to supply food *if* these contracts are locally let but at the same time this will also put pressure on the limited food resources currently offered by the tourism industry and undermine the Anglesey food tourism and action plan.¹⁶⁸
- 6.4.12. A development the size of the Wylfa campus, which is by far the biggest development proposed for any completed or proposed NSIP, will have major impacts on the Island itself. It will create a temporary small-medium town (by Anglesey standards), and the construction will lead to significant disruption and further industrialisation/development of the rural landscape. A campus development, with a highly skewed demographic, composed almost entirely of men between 20-50 years of age will be Anglesey's third largest settlement, behind Holyhead (c. 13,500) and Llangefni (c. 5,500). Amlwch is currently the 3rd largest settlement (c. 3,700). The nearby village of Cemaes is home to c. 1,100 people. This will severely unbalance the Island's socio-demographic profile and potentially cause several social problems.
- 6.4.13. The site campus will function like an all-inclusive tourism resort. Workers will have little incentive to go off-campus to eat in non-subsidised restaurants/cafes or pay entry fees to see local, natural or cultural heritage, particularly when they want to save as much money as possible.¹⁶⁹ The campus, in much the same way as an all-inclusive resort, will use large quantities of water and energy, create significant waste and retain most of the workers' money, leaving relatively little in the local community impacted by the site. The employment structure will be similarly skewed, with local people likely to

¹⁶⁶ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics, para 3.5.18

¹⁶⁷ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics, para 3.5.19

¹⁶⁸ IACC 2014, Anglesey Food Tourism Strategy and Action Plan.

¹⁶⁹ Mathieson, K. 2003, Work, Health and Living Conditions for Construction Workers on Large-Scale Construction Projects: A Danish Study, p. 9, online at <https://arbejdstilsynet.dk/~media/AT/at/05-Information/04-Andre-informationsmaterialer/Bygge-anlaeg/Camps-uk.pdf>.

take most of the low-level service jobs, further disrupting the local economy, while incomers will take the best paid management positions.¹⁷⁰

- 6.4.14. Significantly Flamenville (North-West France) explicitly chose not to concentrate accommodation in one site campus because of the very problem of ghettoization, preferring to use several sites to mitigate this, instead investing in low-cost apartments, renovating iron worker cottages and providing a mobile home site.
- 6.4.15. There is also no legacy to be derived from this temporary facility, unlike other similar developments elsewhere - for instance at HPC or Sizewell C, where campus accommodation will potentially serve as either university or tourist accommodation. This lack of legacy is a major concern and departure from Horizon's initial proposals and the experience and legacy benefits of other NSIPs.

6.5. Displacement in Local Staff and Supply Chains

- 6.5.1. The adverse impacts of labour 'churn' are a clear concern, with WNP and its potential impact on tourism business, which may struggle to recruit and retain staff.¹⁷¹ Anglesey has low levels of business churn and dynamism, a characteristic of the large number of lifestyle businesses attracted to rural tourism economies. As a result, it exhibits low levels of resilience to adverse economic impact and tourism businesses will struggle to replace a loyal and experienced workforce.
- 6.5.2. The experience of other MEPs demonstrates clear staff displacement impacts on local labour markets. Sizewell B recruited 600 employees per annum from other local employers around 60% of its workforce had been in local employment immediately before its construction.¹⁷² EDF anticipates that HPC will recruit strongly in construction and engineering, possibly drawing 65-70% from the Somerset area. Even more critically EDF notes that 90% of caterers, cleaners and security guards will be locally recruited.¹⁷³ The WNP development is likely to follow a similar pattern in terms of semi/unskilled workforce and the levels of demand created by WNP is clearly likely to cause shortages in the tourism sector.
- 6.5.3. This experience demonstrates a clear and sustained impact on employment turnover levels in existing businesses, which also contributes to wage inflation in the locality. Evidence from other major infrastructural projects demonstrates that their higher salaries will attract employees from local employers and there will be difficulties with staff recruitment and retention, wage inflation, etc. Horizon's worker campus will absorb local hospitality workers and exacerbate the existing shortage of, for example, qualified chefs and catering staff in North Wales. Moreover, with Anglesey having a 'tight' labour market (with a small labour force and low levels of unemployment and economic inactivity) these effects will be magnified.
- 6.5.4. In a restricted labour market like Anglesey, this will impact on tourism providers' abilities to retain staff attracted to WNP, leading to fragile employment patterns and consequently their ability to deliver high-quality visitor experiences in key vulnerable sectors such as food, catering, hospitality and administration. To redress the loss of experienced staff, education and training will need investment and augmentation.

¹⁷⁰ www.responsibletravel.com; www.tourismconcern.org.uk

¹⁷¹ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics, p1.5.8 C1.

¹⁷² EDF 2016. Consultation Document Sizewell C: para 8:12:54.

¹⁷³ EDF 2016. Consultation Document Sizewell C: 8:12:17.

Without a pool of qualified labour, which the tourism sector can draw on, Anglesey's existing quality tourism offer will be under threat during the construction of WNP.

- 6.5.5. Employment skills and standards will fall because of staff displacement and the need to support local businesses and increase the pool of available talent is recognised in the IACC Supplementary Planning Guidance.¹⁷⁴ IACC 'insist that Horizon review their programme for investment in education and training facilities to ensure local employment targets are met'.¹⁷⁵ This must clearly include tourism sector-related skills, which are not currently identified in Horizon's proposals. A Hospitality and Catering Skills Centre in partnership with tertiary education providers is key to delivering this. Funding for just such a facility has been made available from the EDP Community Impact Fund to support training in Minehead (£500k+) and is clearly vitally important for Anglesey. Evidence shows that such programmes take five years to show any demonstrable impact for young people (and economically inactive individuals) to be sufficiently skilled to enter the workforce. Early investment is therefore important.
- 6.5.6. Whilst food and catering are key sectors, which will maximise local supply chain opportunities, there are worrying implications for the tourism sector. If locally produced foods are diverted to the worker campus, this will starve the local tourism industry of the produce needed to differentiate the Ynys Mon 'offer.' This weakening of the links between the tourism sector and local producers on Anglesey will undermine the distinctive offer and support for farming, fishing and local craft producers which has been built up over recent years. The strategy was developed because although Anglesey has an historical reputation 'as the food basket of Wales,' the tourism sector on the island had largely failed to promote local produce within the sector, unlike many other parts of Wales. It aims to 'establish Anglesey as a destination renowned for its food'.
- 6.5.7. Consequently, the impact of WNP has the potential to seriously disrupt Anglesey's Food Tourism Strategy and Action Plan (2014) and Welsh Government Policy initiative to maximise links between the food and tourism sectors and thereby their value to the local and Welsh economies.¹⁷⁶ The Anglesey strategy is specifically designed to promote a high-quality, local, sustainable food experience to build a distinctive tourism food offering. It has been very successful to date and has been instrumental in transforming the Island's food offer. Many high-quality restaurants have recently opened, winning several accolades and building UK-wide reputations; the Island now has its first Michelin-starred restaurant in *Sosban and The Old Butchers*.¹⁷⁷
- 6.5.8. Appropriate measures must be put in place to ensure that these links are maintained and a boom and bust scenario avoided. If not, WNP will disrupt them in several ways. If construction workers take a significant amount of serviced accommodation then part of the 'race to the bottom' identified earlier would lead to locally produced food being replaced with lower cost, mass produced food designed to boost slim profit margins and damaging agri-tourism relationships and linkages. If tourists are consequently displaced this would lead to a downturn in tourism, which would have similar effects. Similarly, the proposed campus accommodation and wider catering offer could divert local produce from the tourism sector if local producers supplied the site at the cost of the tourism sector. Any of these scenarios is likely to disrupt links between the food and tourism sector, undermining current investment strategies and initiatives.

¹⁷⁴ IACC Supplementary Planning Guidance 2018. P65.

¹⁷⁵ IACC PAC3 Letter of Response to Horizon.

¹⁷⁶ Welsh Government Consultation: Developing Growth: An Action Plan for the Food and Drinks Industry 2014-2020.

¹⁷⁷ <https://www.dailypost.co.uk/whats-on/food-drink-news/anglesey-restaurant-no-menus-named-11669406>

6.6. Resilience

6.6.1. The resilience of Anglesey's tourism economy encompasses accommodation, local food supply chains and crucially, traffic congestion, the fragility of the visitor journey and the resilience of Anglesey's travel routes. WNP, its associated infrastructure and the National Grid Power line construction will generate significant extra traffic and congestion on the island, a problem recognised by the accommodation sector survey and visitor survey.

6.6.2. Table 11 provides an indicative measure of increased traffic movements. HGV traffic movements will occur between 7am – 7pm weekdays, although Horizon underline that 'It is anticipated that deliveries may occasionally be undertaken outside of these times, but they would be limited whenever practicable'.¹⁷⁸ In addition, the MOLF is expected to receive 60% of construction material once operational, which will generate significant marine vehicular traffic impact and disturbance on the seascape visible from many parts of the WCP. It is also the case that delays in providing the MOLF would have significant impacts on the highway network.

Table 11: Indicative Travel Increases

Measure	Impact
HGVs between Logistics (Holyhead) + WNDA	80 movements (40 entry, 40 exit per hour)
Park and Ride	78 bus movements Park + Ride Dalar Hir (max 22 peak hour/way bus movements)
Additional worker car traffic. Park + Ride Dalar Hir WNDA Menai Bridge	1900 car parking spaces 1900 car parking spaces 102 car parking spaces
Logistics Holyhead	100 HGVs + 13 cars
HGV traffic A5025	Britannia Bridge A55/A5025 3,500 per month at peak
Abnormal Indivisible Loads	Britannia Bridge A55/A5025

Source: Horizon

6.6.3. Horizon's proposals for Anglesey are critical in this context, given that the construction workforce will 'almost certainly be a relocated one'.¹⁷⁹ Local workers are defined as those travelling within a 90-minute drive time area and their calculations have been modelled to include workers travelling from Cheshire/Merseyside. This will put significant additional pressure on the A55 and Britannia and Menai Bridge access points, although the evidence does not support these travel-to-work predictions as workers are likely to prefer accommodation near WNP and its Park and Ride facilities.

6.6.4. Horizon's modelling shows that many home-based workers (37%) will come from outside of Anglesey and will need to cross the bridges on each working day (generating an additional 744 x 2 trips on the bridge infrastructure). Almost a quarter of home-based worker trips will come from outside the Anglesey and Menai Mainland (Gwynedd) area (479). Add to this the proportion of non-home-based workers (resident in either private or tourism sector accommodation) – estimated at 451 workers – and an additional 1,195 (x2) worker trips will cross the A55/Bridge access points.

¹⁷⁸ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C3 Traffic and Transport.

¹⁷⁹ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics. Technical Appendix p.4.

- 6.6.5. In this context, this traffic will exert pressure on a vulnerable road access network, which is already prone to congestion at peak periods. This additional pressure could jeopardise the tourism sector, reducing tourists/day visitors' propensity to travel to Anglesey. The perception of Anglesey as a 'building site' and reports of congestion would be widely reported in the media and news networks of Anglesey's key market – the Northwest of England.
- 6.6.6. The Gravity Models used in Horizon's analysis do not consider that actual travel times will vary between different times of day, week or month, e.g. they will be slower in summertime at peak tourism periods. This undermines their credibility, further increasing pressure on local accommodation stock as construction workers seek to escape travel to work traffic queues; worker exodus at weekend/rest days will also exert further traffic pressure.
- 6.6.7. Horizon recognise that the rise in traffic will be large¹⁸⁰ and assess 'the magnitude of change is medium but using professional judgement the significance of the effect is considered to be minor adverse.'¹⁸¹ From a tourism perspective this is highly questionable and this project will likely industrialise key parts of the Gateway network into North and West Anglesey, whilst WNP traffic issues will strain tourist tolerances.
- 6.6.8. This has severe implications for tourism. As an island and destination dependent on the access provided by only two bridges, regular bottlenecks and traffic jams already occur. A single incident on these sole access routes is highly disruptive, illustrating the networks fragility.¹⁸² Heightened traffic and significant HGV flows will only exacerbate this. These construction problems will substantially add to this, increasing journey times by unacceptable amounts and leading tourists to opt to holiday and day trip elsewhere. Additionally, perceptions of road congestion are likely to exert similar impacts to actual congestion. Indeed 'Businesses and visitors are more likely to be impacted by the perception of congestion'¹⁸³ as first time and returning visitors and day trippers choose to go elsewhere. Ease of access is often key to these choices and in one survey 88% of respondents highlighted this as key to their destination choices.¹⁸⁴
- 6.6.9. There are many destination choices available for Anglesey's key market within a similar drivetime context (North West England) and it is quite likely that they will be lost to Anglesey. The extra traffic and construction will also undermine Anglesey's claim to peace and tranquillity as traffic, noise and pollution increase. A significant amount of traffic will be generated, including the almost 1,200 workers crossing the bridge and 80 HGVs per hour.
- 6.6.10. In addition, there will be major road construction in the North of Anglesey with the re-routing of the road past Valley and the construction of four bypasses around the villages on the route to Wylfa. Significant construction traffic will also occur with the development of the marine dock and jetty at WNP and the Campus Accommodation.

¹⁸⁰ Horizon DCO, 6.3.3 ES Volume C – Project-wide effects C3 – Public access and recreation effects of traffic.; C-3-34, p3.5.19.

¹⁸¹ Horizon DCO, 6.3.3 ES Volume C – Project-wide effects C3 – Public access and recreation effects of traffic; C3-35; p.3.5.20.

¹⁸² This was witnessed recently where a fatal road traffic collision resulted in the closure of the Britannia Bridge for 8 hours, resulting in tailbacks of 11 miles.

¹⁸³ Somerset County Council, HPC Local Impact Report p.177.

¹⁸⁴ Somerset Monitory Report 2015.

- 6.6.11. Additional construction such as the logistics centre and the Park and Ride will also impact on perceptions of Anglesey and visitor experience of the island. Park and Ride Facilities at Dalar Hir will accommodate 1,900 cars, as will car park facilities at WNP. Dalar Hir is located on the main route into Holyhead and is a key point of visitor dispersal; a Park and Ride here will be visually intrusive and further industrialising.
- 6.6.12. Traffic management plans will be key to alleviating some traffic flow issues but the construction necessary for the WNP development will alter visitor experience of Anglesey and North Anglesey in particular. At HPC 'fly parking' (worker cars left in lay-bys and in undesignated car parking areas) has been identified a major community issue.¹⁸⁵ It is also one, which has ramifications for the visitor economy and the Anglesey brand. Fly parking would be visually detrimental and intrusive and confirm perceptions of the Island as one building site. It is likely that these infrastructure works will also impact on Anglesey West, it is vital that the island's tourist routes are developed to avoid these key construction hotspots and that these are communicated to potential/arriving visitors.
- 6.7.13. Similar plans, funded by EDF mitigation, are in place in Somerset with support for seven Tourist Information Centres (TICs), tourist officers (4-5) and online traffic updates. Similar infrastructure needs to be put in place in Anglesey. The routes themselves could form part of the ongoing development of the Anglesey brand, building on the distinctive offering of the Anglesey element of the WCP and rooting the natural environment in the rich heritage, cultural and archaeological history of the Island. Appropriate badging and experiential layering of the coastal road networks could provide visitors with alternative routes into the north and west of Anglesey during the lengthy construction period, offering scenic routes and more experiential travel. Without this significant visitor displacement is likely.
- 6.6.14. Some visitors are already demonstrating concerns about the development's impact with the Anglesey Visitor Survey Spring 2018 suggesting that one in six staying (hotel and self-catering) visitors will be less likely to visit before construction starts. Of concern includes the following: 'The beauty of Anglesey is partly due to the quiet roads' (male, Manchester); 'It will not be attractive if the route here is gridlocked' (male, NE England); 'Don't want to be stuck in traffic when coming for a holiday' (female, Liverpool); 'There are queues on the bridge already' (female, NW).
- 6.6.15. The resilience of the road network is also key to Holyhead's growing significance as a cruise destination. Congestion issues will impact on the port and its ability to move cruise passengers arriving into Holyhead around North Wales – especially to attractions off the island which will negatively impact its growth potential and its role in growing overseas visitors to Wales, both of which are key strategic growth targets of VW/WG and IACC.

6.7. Area of Mitigation

- 6.7.1. IACC regards the whole community of Anglesey as the host for WNP and it is right to do so. In tourism terms, it is 'Anglesey' that visitors come to enjoy as opposed to a specific village or community – it is a self-contained and an 'end' tourism destination. Although North Anglesey will bear the brunt of the impact, Anglesey as an island will experience disruption and will require adequately resourced mitigation funds. Similarly, tourism is a whole island sector and impacts would be felt across the island (accommodation and

¹⁸⁵ IACC PAC3 Letter of Response to Horizon.

visitor displacement, staff displacement, brand damage, environmental degradation, etc.).

- 6.7.2. The island has a very clear and distinctive image, different to that of North Wales, conferred in part by its island status and its beautiful unique environment, dominated by its AONB and other international classifications denoting environmental significance. It is these peaceful, wild sea and landscapes which people come to enjoy. Similarly, difficulties in accessing the island through its two main bridge access points will detrimentally affect tourism on the whole island, not from a 1km or 5km radius as currently suggested by Horizon.
- 6.7.3. This approach is counter to the experience of the HPC, which recognises that a large area of Somerset will be affected by the development and the tourism zone affected is very large, encompassing not only Somerset but also Exmoor to the West. Encompassing a significant geographic area, the HTAP includes three authorities (West Somerset Council, Sedgemoor District Council, Somerset County Council), several tourism associations, Exmoor National Park Authority, Visit Somerset, and Exmoor Tourism, plus EDF Energy.

6.8. Local Area Impact Zone - WNDA

- 6.8.1. A separate Horizon report considers the impact on the 5km radius from the WNP in terms of the air, noise and visual and socioeconomic effects.¹⁸⁶ It also considers the potential direct impacts on a tourism business from 'activities associated with the construction, operation and decommissioning phases of development within the WNDA'.¹⁸⁷ The 90 businesses within the area include: 14 tourism businesses; two pubs, five retailers and 18 business services. The Cemaes Heritage Centre is a specifically identified tourism/heritage facility. Facilities and infrastructural requirements, which are essential to the successful construction of the WNP are described as 'Embedded Mitigation,' including the site campus, Park and Ride facility proposed for Dalar and the Logistics Centre, although the consequences of these developments will adversely affect the tourism industry without appropriate mitigation.¹⁸⁸
- 6.8.2. The site campus will provide 'good quality food and relaxation on site' and Horizon expects 'very limited interaction between the construction workforce and local community during the construction phase'¹⁸⁹ – which logically entails very limited spending in those local communities and businesses which sit alongside WNP or in the wider island economy.
- 6.8.3. The report recognises that the WNDA could adversely affect tourism-related businesses (accommodation providers and café/bars) within the LAI because of 'redistribution' of visitors from the north of the island. 'It is this potential redistribution of visitors, due to adverse changes in environmental conditions which could result in localised adverse effects on these businesses, e.g., reduced local spending. However, as the construction phase becomes more established these initial localised adverse effects on businesses, especially café/bars could be offset by the 'spill over' effects of the workers based at the

¹⁸⁶ Horizon DCO, Guide to the Application, PINS EN0100007, para 6.4.3.

¹⁸⁷ Horizon DCO, Guide to the Application, PINS EN0100007, para 3.3.15.

¹⁸⁸ Horizon DCO, Guide to the Application, PINS EN0100007, para 3.4.7.

¹⁸⁹ Horizon DCO, Guide to the Application, PINS EN0100007, para 3.5.15.

site campus. Nevertheless, some initial adverse effects may persist depending on the business nature of some... enterprises, e.g., local catering providers.¹⁹⁰

- 6.8.4. This assertion is contradictory and inaccurate. Without appropriate and extensive Tourism Fund Mitigation and Intervention visitors will not be redistributed around the Island from the north. They will rather be lost to Anglesey as the WNP construction unfolds. This has clearly been seen in Dunbar (Torness) and Morecambe (Heysham), leading to the decline of once vibrant tourism industries, which have still not recovered years later. The recognition that loss in visitor spending *may* be offset by construction worker spend as the campus becomes more established is at odds with the earlier statement that local impacts will be minimised because of the 'very limited interaction' between residents and workers.¹⁹¹ Any 'spill over' effect is impossible to estimate for local cafes/bars, but the subsequent recognition that businesses such as local catering providers may experience continuous adverse impacts implies that this is expected to be minimal.
- 6.8.5. At the same time, many businesses will suffer sustained adverse impacts as the scale of project construction will be over several years and they may be unable to survive as they 'wait' for any 'spill over' to occur. Horizon acknowledge the problems of demarcating a specific Local Area Impact Zone, recognising that quantifying impact at a LAI level is not possible 'due to the range of factors that influence spending levels and uncertainty over the location of that spending,' a contention, which reinforces the need to treat impacts on a whole island basis, whilst recognising the impact magnitude within North Anglesey.¹⁹²
- 6.8.6. The claim that local accommodation providers will benefit from bed-space demand, offsetting the loss of visitors from the LAI is problematic on several levels.¹⁹³ The experience of other tourism destinations hosting NSIPs points to the serious disruption or even demise of the industry in these areas (Dunbar and Morecambe). In other areas where additional developments are projected, e.g. Sizewell C, the developers (EDF) recognise that much tourism accommodation is no longer suitable for construction workers because of the nature of development in the tourism industry in recent years.
- 6.8.7. The tourism sector in Anglesey is high-quality and high-price, offering quality experiences – as visitor profiles to the Anglesey Wales Coastal Path clearly demonstrate (much greater AB visitation than anywhere else in Wales). Caravans, the preferred choice of construction workers, are frequently owned by holiday-makers and sites offer quality, family-orientated accommodation, and licensing restrictions are in place. The holiday and construction worker markets are totally incompatible, and coexistence would be fraught and lead to failure (see Morecambe). Equally, the daily allowance of £38.41 prices the construction worker out of most other accommodation on the island.
- 6.8.8. Horizon regards the magnitude of net change to be small with potential effects determined to be minor to moderate adverse. This clearly underestimates impacts as, over the lifecycle of WNP development, serious disruption would occur (without proactive intervention). The Island's tourism sector faces the prospect of: construction

¹⁹⁰ Horizon DCO, Guide to the Application, PINS EN0100007, para 3.5.21.

¹⁹¹ Horizon DCO, Guide to the Application, PINS EN0100007, para 3.5.15.

¹⁹² Horizon DCO, Guide to the Application, PINS EN0100007, para 3.5.33.

¹⁹³ Horizon DCO, Guide to the Application, PINS EN0100007, para 3.5.22.

workers -> fewer tourists -> poorer quality -> loss of business as project ends; no workers or income post-WNP ->fewer tourists -> business decline/loss.

6.8.9. The tourism economy of north Anglesey will also be subject to great strain with the associated infrastructural requirements, presented as Embedded Mitigation. The construction of a new road and four bypasses will cause major traffic disruption and lengthy delays, which will displace visitors and route them away from attractions and businesses in the affected area. The cumulative impact will be significant.

6.9. Social Impacts

6.9.1. Whilst construction workers are estimated at 9,000 during the peak construction period, thousands more workers will be employed in total. Moreover, NSIPs (e.g. Channel Tunnel, Heathrow Terminal 5 and Sizewell B) typically underestimate the numbers of workers required;¹⁹⁴ Sizewell B, for example created almost 20,000 jobs during construction.¹⁹⁵ Consequently, many more thousands of workers will be resident for shorter or longer periods on Anglesey. As Horizon note, a 2012 study conducted by Babcock provides insight into the work patterns of construction workers on any given project including:

- 13% didn't expect to work on site for more than a month;
- 29% expect to work between 1 month and a year;
- 26% expect to work continuously;
- 32% are not sure.¹⁹⁶

6.9.2. The employment pattern will thus involve substantial labour movements and short-term employment contracts. Whilst Horizon will institute a *Good Practice Code of Behaviour*, many of those employed will be sub-contractors and adverse social impacts will inevitably occur in a workforce of this type and scale. Safeguarding, lifestyle and behaviours are all issues, which will affect workers, visitors and local communities, as well as perceptions of brand Anglesey.

6.9.3. Experience at Sizewell B and Flamenville 3 shows that NSIPs generate increases in anti-social behaviour such as drunkenness, drink driving and minor public disorder offences, together with increases in risk-taking and road traffic accidents.¹⁹⁷ In addition, they are linked to sexual exploitation and human trafficking and modern slavery (both through worker exploitation and rises in prostitution connected with criminal gangs).¹⁹⁸ These impacts are consistent with the influx of thousands of transient male workers, and a campus/site life of long and arduous working days, in physically demanding and polluted environments and limited scope for rest and play, straining lifestyles, social networks and family life.¹⁹⁹ Many workers live in their own caravans with limited

¹⁹⁴ Hay, A., Meredith, K. and Vickerman, R. 2004. The Impact of the Channel Tunnel on Kent and Relationships with Nord-Pas de Calais. Final Report by Centre for European, Regional and Transport Economics, University of Kent, [Online]. Online at:

<https://www.kent.ac.uk/economics/documents/research/seminars/> archive/FullReport.pdf.

¹⁹⁵ Glasson, J. 2005. Better Monitoring for Better Impact Management: The local socio-economic impact of constructing Sizewell B, NP.

¹⁹⁶ Babcock study referenced in Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics.

¹⁹⁷ EDF 2016. Consultation Document Sizewell C, para 8:12:47.

¹⁹⁸ IACC 2017. High Level Strategic Report.

¹⁹⁹ Mathieson, K. 2003, Work, Health and Living Conditions for Construction Workers on Large-Scale Construction Projects: A Danish Study, p. 18, online at <https://arbejdstilsynet.dk/~media/AT/at/05-Information/04-Andre-informationsmaterialer/Bygge-anlaeg/Camps-uk.pdf>.

electricity, water or waste disposal services and struggle 'to really relax after work' leading to problems such as excessive drinking.²⁰⁰

- 6.9.4. Illicit drug use is high in the construction industry because of the nature of the work.²⁰¹ Almost 60% of people working in construction have expressed concerns over its levels of substance abuse and over a third (35%) have noticed their colleagues under the influence of drugs and alcohol,²⁰² yet almost two-thirds (65%) have never been tested for drugs and alcohol.
- 6.9.5. During the construction of Sizewell B there were problems with worker behaviour relating to drink, drugs and prostitution and local people identified increases in all three caused by the large transient construction worker population. One local Leiston town councillor commented that because of 'Heavy drinking, prostitution and drugs... people felt the town didn't belong to them anymore.'²⁰³
- 6.9.6. An increase in illegal and/or counterfeit alcohol and drugs, together with prostitution, orchestrated by criminal gangs, would impact on local Anglesey communities and on visitors. Negative PR from such incidents could also impact on place reputation and the brand, given the nature of the Anglesey offer and its reliance on family groups.²⁰⁴ Suffolk County Council has highlighted how the Sizewell B development has brought high levels of prostitution and drug use to Leiston from Ipswich (and further afield).²⁰⁵ Richard Smith, a Leiston and Aldeburgh Councillor has commented that: 'We've had some vague assurances from EDF that they will tackle the social problems but I'm not sure the plans are robust enough.'²⁰⁶ The development proposed for WNP will be significantly larger than Sizewell, with many more opportunities for wide social impacts.
- 6.9.7. Based on the experiences of NSIPs such as Sizewell B, it is likely that transient prostitution will increase on Anglesey. This is likely to be facilitated by the growing phenomenon of using holiday rentals for pop-up brothels – where prostitutes share properties they have rented out on short-term letting sites, many controlled by organised criminal gangs. Online booking platforms like Airbnb offer easy booking facilities and rarely arouse neighbours' suspicions.²⁰⁷
- 6.9.8. Sex workers' use of holiday lets have already been identified in Cheltenham, Gloucester, the Lake District, Bournemouth, Cambridge, Preston, Aberdeen, Norwich and resorts in Cornwall. This phenomenon was first reported as part of a Gloucester police operation to help women trapped in the sex trade as victims of modern slavery.
- 6.9.9. Holiday lets in the South West are also being targeted by criminals who use them for prostitution. In 2017 14 pop-up brothels were identified in Newquay alone; many of the women having been trafficked by criminal gangs from Eastern Europe.²⁰⁸ Sex workers

²⁰⁰ Mathieson, K. 2003, Work, Health and Living Conditions for Construction Workers on Large-Scale Construction Projects: A Danish Study, online at <https://arbejdstilsynet.dk/~/media/AT/at/05-Information/04-Andre-informationsmaterialer/Bygge-anlaeg/Camps-uk.pdf>.

²⁰¹ Maxey, K. 2015. How Prevalent is Drug Addiction in the Construction Industry March 13 2015.

²⁰² Alcohol and drugs in UK construction industry placed under spotlight July 8 2016 SHP Online

²⁰³ Girling, J. 2017. My Airbnb flat was turned into a pop-up brothel, BBC News 8 April 2017.

²⁰⁴ Visit Wales, 2016. Wales Visitor Survey: UK Staying Visitors; online at <http://gov.wales/statistics-and-research/wales-visitor-survey/?lang=en>.

²⁰⁵ Suffolk Coastal Friends of the Earth: Perspectives to Stage 1 Construction

²⁰⁶ EDF urged to provide assurances on Sizewell C proposals Nov 22 2016.

²⁰⁷ Girling, J. 2017. My Airbnb flat was turned into a pop-up brothel, BBC News 8 April 2017

²⁰⁸ Gordon, A. 2017. Prostitutes are hiring flats on AirBnB and turning them into pop up brothels, police reveal, *Daily Mail* Online 2 July 2017

who are most vulnerable to trafficking are those utilising pop-up brothels, who move locations frequently.²⁰⁹ A recent study by the Police Foundation identified 65 brothels in Bristol over a two-year period – three-quarters linked to organised crime groups.

6.9.10. It may be that WNP becomes a venue for modern slavery practices. “Construction is a high-risk industry. It has... widespread use of agency workers; a reliance on migrant labour; a large proportion of the workforce close to minimum wage... Our business models are normalising hardship, both for individuals and companies... [they] do not always lead to modern slavery, [but] they are creating an environment in which it is easier for exploitation to thrive and criminality to infiltrate supply chains undetected.”²¹⁰

6.9.11. In the European Union, ‘construction ranks second only to the sex industry as a priority area’ for exploitation²¹¹ and many construction industry stakeholders have identified how: ‘Varying levels of exploitation have been found in public and private sector projects including power plants... and major infrastructure programmes.’²¹² Of concern is how ‘the big power generation sites can be like Dodge City compared to manufacturing sectors with static supply chains’²¹³ as the ‘further down the contracting list you go the weaker the visibility.’²¹⁴ Darren Jones MP for Bristol North West, has commented on HPC and other construction projects: ‘It is often at the depths of the subcontractor chain that exploitation can take place.’²¹⁵

6.10. WNP Impact on Visitor Behaviour and Visitation

6.10.1. Horizon report the findings of a Visitor Behaviour Survey to argue that visitor behaviour and visitation rates would not be seriously affected by WNP’s development and operation, citing these impacts as minor adverse and thereby not significant. Describing a 10% loss in visitor numbers and the associated loss in visitor expenditure (which Horizon do not refer to) as minor is surprising as this would lead to an annual loss of £30m from its visitor economy. Moreover, there are major methodological and analytical problems with this survey as investigations of perceptions of the impacts of future events are imprecise.

6.10.2. In the 1990s the then Wales Tourist Board (WTB) undertook survey work, which showed many respondents recognising a fictitious Welsh place name and reporting actually visiting it.²¹⁶ The use of ‘how likely are you’ questions, pre-development, as a predictor of behaviour are hugely problematic as decades of research in behavioural psychology reveal the difference between reported behaviour (what we say we will do)

²⁰⁹ Hacillo, A, & Townsend, M. 2016. Police criticised as organised crime gangs gain control of sex industry *The Guardian* 25 Sept, online at:

<https://www.theguardian.com/society/2016/sep/24/organised-crime-behind-uk-sex-trade>.

²¹⁰ Chartered Institute of Building, 2018. Construction and the Modern Slavery Act, Tackling Exploitation in the UK, p.3; <https://www.ciob.org/campaigns/tackling-modern-slavery-construction>.

²¹¹ Chartered Institute of Building, 2018. Construction and the Modern Slavery Act, Tackling Exploitation in the UK, p.8; <https://www.ciob.org/campaigns/tackling-modern-slavery-construction>.

²¹² Chartered Institute of Building, 2018. Construction and the Modern Slavery Act, Tackling Exploitation in the UK, p.8; <https://www.ciob.org/campaigns/tackling-modern-slavery-construction>

²¹³ Chartered Institute of Building, 2018. Construction and the Modern Slavery Act, Tackling Exploitation in the UK, p.25; <https://www.ciob.org/campaigns/tackling-modern-slavery-construction>.

²¹⁴ Chartered Institute of Building, 2018. Construction and the Modern Slavery Act, Tackling Exploitation in the UK, p.25; <https://www.ciob.org/campaigns/tackling-modern-slavery-construction>.

²¹⁵ Chartered Institute of Building, 2018. Construction and the Modern Slavery Act, Tackling Exploitation in the UK, p.25; <https://www.ciob.org/campaigns/tackling-modern-slavery-construction>.

²¹⁶ Note that the lead report author, Professor Annette Pritchard, commissioned this survey as Senior WTB Research Officer.

and actual behaviour. Researchers cannot always trust what people tell them, they do not necessarily behave rationally or consistently and 'research participants are sometimes unable to give accurate answers to even the simplest questions.'²¹⁷

- 6.10.3. People are influenced by a huge range of emotional and cognitive factors. Common influencers are: social desirability and conformity, wishful thinking and different contexts and mindsets. In terms of social desirability and conformity people 'will sometimes respond based on what they think they should say, do or want. So, if you ask will you come back they'll say yes' or alternatively will you be put off they will say no.'²¹⁸ People also sometimes say what they'd like to be true rather than what is true (wishful thinking).
- 6.10.4. Asking people what they would do in 'hypothetical scenarios' is particularly vulnerable to these influencers. We all behave differently in different contexts – at home, at work, at play or on holiday. 'Since context has such a strong influence on our state of mind, we often find it hard or impossible to predict how we'll respond to a particular scenario until we're in it.' We have two very different mindsets, system one and system two.²¹⁹ System one is fast, instinctive and driven by emotion, system two is slower, more deliberate and rational. When people 'predict what they'll do in a particular context, they use system two...when they actually make a decision they'll use system one, which responds instinctively.' This effect cannot be neutralised, although techniques can help, such as simulating real world environments. Researchers need to be aware of the 'differences between the test space and reality when interpreting research results.'²²⁰ Concluding that WNP will have minimal impact based on this survey is thus problematic.
- 6.10.5. Research has already demonstrated that coastal tourism and recreational economies are based on the quality of the natural setting and resources, public perceptions of the area and its resources and the value people place on those resources. Quite clearly, 'Limiting access to or degrading the natural resources that draw tourists and recreational users will result in negative economic impacts.'²²¹
- 6.10.6. Coastline and beaches, which are perceived to be undeveloped are valued for their remoteness as important tourism destinations.²²² It is evident that construction activities (including increased vessel and vehicular traffic and noise, which will dramatically increase because of WNP) change the aesthetics of coastal and offshore areas, affecting both recreational and tourism activities.²²³
- 6.10.7. Research by Rock and Parsons demonstrates that offshore wind developments were perceived much more positively than power plants, which is concerning, given the WNP development.²²⁴ Green energy developments can also be seen negatively and tourists

²¹⁷ Matfield, K. 2015. Bridging the Gap Between Actual and Reported Behaviour North Western University School of Professional Studies Uxbooth.com.

²¹⁸ Matfield, K. 2015. Bridging the Gap Between Actual and Reported Behaviour North Western University School of Professional Studies Uxbooth.com.

²¹⁹ Kalimen, D. 2011. Thinking Fast and Thinking Slow in Kat Matfield 2015 Bridging the Gap Between Actual and Reported Behaviour North Western University School of Professional Studies Uxbooth.com..

²²⁰ Matfield, K. 2015. Bridging the Gap Between Actual and Reported Behaviour North Western University School of Professional Studies Uxbooth.com.

²²¹ Garcia, et al. 2012. BOEM Atlantic Region Wind Energy Development: Recreation and Tourism Economic Baseline Data Development: Impacts of Offshore Wind on Tourism and Recreation.

²²² Peregrine Energy Group 2008 p.3, online at: <https://www.peregrinegroup.com/>

²²³ Cape Wind Final Environmental Impact Statement MMS 2009.

²²⁴ <https://coast.noaa.gov/data/digitalcoast/pdf/atlantic-region-wind-energy.pdf>.

'with higher incomes said they would be less likely to visit a beach with an offshore wind facility.'²²⁵

6.10.8. This evidence shows that NSIPs have negative impacts on tourist behaviour. Research in Iceland concludes that for most visitors, the wilderness experience will be compromised as plans for energy production are realised.²²⁶ Moreover, studies on public views of energy projects show that their perceived visual impact on landscapes is one of the most important predictors of public opinion and any disruption to this is viewed negatively.²²⁷

6.10.9. EirGrid (The Republic of Ireland's Grid Authority) accepts that the international research literature 'generally concludes that the issue of tourism is fundamentally bound to the quality of the natural environment... any disturbance to [this] risks an impact upon rural tourism.'²²⁸ Tourism as an industry is embedded in the 'wider attending landscape resource... [and] should not be regarded as point specific'.²²⁹ These observations underline the wider impacts, which WNP will exert on the sector on Anglesey.

6.10.10. Visitors have emotional connections with places and research shows that power plant developments reduce place attachment.²³⁰ This is critically important, given that 'scenery, wild landscapes and unspoilt environment are all regarded as key strengths of the Welsh tourism product amongst visitors to Wales'.²³¹ Wales is now regarded as a quality outdoor adventure destination and Anglesey's success has been instrumental in driving the success of Visit Wales' Year of Adventure. This adventure-style tourism has attracted greater winter visits, building year-round tourism and attracting tourist segments not usually associated with Wales and is of significance to rural and coastal areas such as Anglesey.²³²

6.10.11. The development of WNP will create significant media coverage and the key market (North West England) and the destination (Anglesey) share the same media. Local newspapers will carry many stories on the project, and given its size and scale, such reporting may convey an impression that 'Anglesey is closed for business.' Unlike Somerset, which has a much wider visitor footprint covering much of the southern half of Great Britain, Anglesey's market is much closer and thereby even more likely to encounter associated media content.

6.10.12. Comparisons can be made with the 2000 Foot and Mouth outbreak, where media coverage conveyed that much of the UK countryside was closed for business, prompting significant downturns in business to rural areas. Activity holiday operators, especially

²²⁵ Lilley, M.B. et al. 2010. The Effect of Wind Power Installations on Coastal Tourism, *Energies* 2010, 3(1), 1-22: p.5; Munro, A. and Ross, D. 2017. Contested Energy: A Long-term Perspective on Opposition to Renewable Power Developments in Scotland, http://www.ebha.org/ebha2010/code/media_167021_en.pdf

²²⁶ Saeporsdottir, A.D., 2010. Tourism struggles as the Icelandic wilderness is developed, *Scandinavian Journal of Hospitality and Tourism* 10 (3).

²²⁷ Devine-Wright, P. & Batel 2013. Explaining public preferences for high voltage pylon designs *Land Use Policy* (31) pp. 640-649.

²²⁸ EirGrid 2015. Tourism Review: Your Grid, Your Views, Your Tomorrow: p.2.

²²⁹ EirGrid 2015. Tourism Review: Your Grid, Your Views, Your Tomorrow, p.12.

²³⁰ Vorkinn, M. & Riese, H. 2001. Environmental Concern in a Local Context. The Significance of Place Attachment, *Environmental Behaviour*, 33, pp. 249-263.

²³¹ NFO Research 2003. http://www.tourismhelp.co.uk/objview.asp?object_id=458

²³² Miller Research, 2014. Economic Impact of Outdoor Activity Tourism in Wales, online at: <http://www.miller-research.co.uk/project/employment-of-the-outdoor-activity-tourism-sector/>

those specialising in walking and cycling, were affected, given their offering of the great outdoors. Overseas visitation was also decimated.²³³

6.10.13. WTB responded to this with a dedicated marketing campaign (advertising, direct marketing, proactive PR), designed to reassure potential customers that Wales was open for business, provide reasons to visit and a platform from which individual businesses could communicate their product to potential visitors. This kind of campaign will be essential throughout the WNP construction because, as the then WTB concluded, 'Informed customers and potential customers make informed choices.'²³⁴ Protect and prevent mechanisms are vitally important for any mitigation agreement. This support for marketing campaigns pre- and during construction is evident in mitigation practices for NSIP developers elsewhere, e.g., HPC in Somerset.

6.11. Pylon Blight

6.11.1. NSIPs have a wide impact on the environment beyond the site itself and visitor opinions of the pylons, which transmit the energy produced, are far more negative than those of wind turbines. Electricity/pylon wires are serious detractors for visitors²³⁵ and research from Finland demonstrates how power lines are the most negatively evaluated element in the landscape.²³⁶ Similarly, Saeporsdóffir and Hall (2018) identified transmission lines as the most negative impact of power plants in Iceland. Over 90% of 17,250 objections to transmission line development in Scotland cited the effect on tourism, the need to underground the line and its impact on recreational use.²³⁷

6.12. Tourism Revenues

6.12.1. Horizon's additional tourism revenues calculations suggest £10.5m per year at peak, based on an occupancy rate of 80% over one year.²³⁸ These calculations, however, assume a static state and pay no regard to: the strategic development of tourism as a year-round industry; the loss of higher-spending tourism revenues as visitors are displaced from tourism stock; Horizon's contention that self-catering stock could function as longer-term private rented capacity; the fact that construction workers' daily allowances are significantly below the serviced accommodation rates charged; and the fact that camping accommodation is unsuitable and caravan owners/operators are only marginally interested and influenced by licensing and suitability criteria.

6.12.2. Whilst Horizon accept that construction worker occupancy will impact on quality standards as happened in Dunbar, Scotland with the construction of Torness Nuclear Power Station, they suggest that because demand would be for 450 workers out of 3,101 bed-spaces and workers would not stay in top-end accommodation, no such effects are envisaged. This is highly questionable. As we have already indicated, bed-spaces are an inaccurate measure of supply – rooms are let on a double bed-space occupancy as a minimum, but many also offer family 3-4 bed-space accommodation.

²³³ WTB Evidence Select Committee on Culture, Media and Sport.

²³⁴ WTB Evidence Select Committee on Culture, Media and Sport.

²³⁵ NFO 2002. Investigation into the potential impact of windfarms in Scotland/Wales 2003, http://www.tourismhelp.co.uk/objview.asp?object_id=458

²³⁶ Soini, K., E. Pouta, M. Salmiovirta, M. Uusitalo, and T. Kivinen. 2011. Local Residents' Perceptions of Energy Landscape: The Case of Transmission Lines. *Land Use Policy* 28 (1): 294–305.

²³⁷ Eirgrid, 2015. Tourism Review: Your Grid, Your Views, Your Tomorrow, p.15.

²³⁸ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics, para 1.5.82.

6.12.3. Consequently, the figure of 3,101 bed-spaces vastly overestimates supply and underestimates demand on the stock levels. In addition, the bed-space supply is boosted by substantial capacity on the Menai mainland, which Horizon indicates will not host significant numbers of workers. Self-catering stock is not moderated in any way; the analysis does not recognise that Anglesey lacks a significant serviced accommodation sector compared with similar competitor destinations. The degradation of any existing serviced stock will have long-term effects on the island's capacity to offer quality serviced accommodation. Indeed, it is likely that stock will be permanently lost to the industry as operators move into long term rental provision for construction workers.

6.12.4. The clear mismatch of tourism and construction workers' markets and needs is not considered. Concluding that a significantly beneficial outcome is predicted provides a partial and overly optimistic accounting of revenues and employment. In employment terms, the degradation of quality and the possible loss of employment as tourist-style services are not required are not considered, neither is the impact of labour churn on the services and standards offered by the tourism industry. Horizon's analysis is excessively optimistic, assumes no change in the industry's economic value, fails to consider significant downturns in visitor numbers and spending because of WNP and sees its transient workforce as an augmenter and not a displacer of this industry. This analysis is highly problematic and extensive mitigation will be needed to guard against/reduce losses.

6.13. Construction

6.13.1. The proposed operation of this fund is currently retrospective, relying on monitoring surveys to establish any adverse impacts, which would then trigger an application process (table 15). This procedure is lengthy and reactive rather than proactive. It does not replicate good practice experience elsewhere and will exacerbate problems associated with the development. Surveys would not 'contact' or report the views, perceptions and behaviours of those who choose to stay away. In addition, a reliance on surveys, which frequently report data months after the interviews, will be too inflexible a tool to measure on-the-ground-issues. Branding practice within tourism clearly demonstrates the value of proactive campaigns to build strong brand presence and resilience to mitigate against adverse consequences.²³⁹ Protect and prevent is the clearly established marketing practice.

Table 15: Mitigation Measures – Construction

Tourism Fund (S106)	- 'To provide funding to identify (via monitoring) and address adverse effects on the sector should they arise. These could include a wide range of activities depending on how effects manifest'	This fund would be available to address adverse effects <u>if they arose</u> . The monitoring would pick up changes which would trigger release of funding for mitigations. Decisions would be made on funding release by the Accommodation and Tourism Services subgroup overseen by a programme board.
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Source: Horizon Table D3-6 Add Mitigation Measures – Construction

²³⁹ See Baral, A., Baral, S. & Morgan, N. 2004. Marketing Nepal in an Uncertain Climate: Confronting Perceptions of Risk and Insecurity, *Journal of Vacation Marketing*, 10 (2): 186-192 and Morgan, N., Pritchard, A. & Pride, R. (Eds.) 2011. *Destination Brands: Managing Place Reputation*, Elsevier: Oxford for examples of the challenges of responding retrospectively to crises.

6.13.2. Other NSIP host communities have agreed budgets specifically designed to address tourism-related issues, including targeted marketing, monitoring, development, TIC and Tourism Officer contributions and traffic management initiatives.²⁴⁰ This is the funding model, which should be the foundation of any S106 tourism agreement between IACC and Horizon, although the agreed mitigation sums need to reflect the primary role the sector plays in the Anglesey economy and the sustained growth of the sector. Horizon judge the significance of effects as either small/medium or minor to moderate adverse, thus significantly underestimating the impact on tourism businesses.

6.13.3. Tourism businesses are built up over many years; facilities and the services offered are improved and staff quality enhanced with experience and training. The loss of lucrative tourism markets cannot simply be 'replaced' by the much more frugal expenditure of construction workers, which, as Horizon notes, is unpredictable in terms of spread. Tourism markets will be lost to the Island over a minimum of a decade. It is likely tourists' loyalties will be permanently switched as families take their children to other tourism destinations, resulting in a significant erosion of the multi-generational market that forms such a core part of the returning Anglesey tourism market.

6.13.4. Clearly without appropriate levels of mitigation and proactive funding Anglesey could see the destabilisation of its £300m+ (annual) tourism sector, which is currently founded on its natural beauty, and on high-quality, self-catering and camping/caravan accommodation that largely appeals to an ABC1 market. The adverse effects of this on the Island's economy and employment structure would in no way be 'compensated' for by the WNDA and the estimated peak additional spend of £10.5m over 3 years.

6.13.5. Horizon estimates that in total WNP will be worth £200m-£400m to the KSA (Anglesey and North Wales) over the duration of the project's estimated 10-year construction. Its construction must not be at the expense of Anglesey's tourism sector. Until the late 1970s, the Torness economy was built around tourism (as Anglesey's is today). The construction of Torness NP totally changed this, as the "influx of construction workers to the hotels and guesthouses in the area meant that when that influx ended, the holiday market had shifted its focus away from seaside holidays in Scotland to [elsewhere]." Consequently, Dunbar struggled to find a new role. Its tourism industry significantly declined as only a fraction of previous visitors returned. In 1995 attempts to revitalise tourism were made and continue today.²⁴¹

6.14. The Anglesey Brand, Reputation, and Visitor Perceptions

6.14.1. A destination's brand is made up of many component parts, including its natural and aesthetic qualities, its emotional and cognitive attraction and its desirability and perceptual appeal. WNP will impact on the Anglesey brand in a variety of short- and long-term ways, including the following. During construction some visitors will regard Anglesey as 'closed for business,' leading to a) a short-term diminution of visitors as they holiday elsewhere and b) a long-term loss of repeat/return/multi-generation visitors. Secondly, during and post-construction, visitors may re-evaluate Anglesey's unique natural and historic environments, especially its unspoilt, rich & diverse coastlines (its greatest tourism assets). There is a real danger that the very tranquillity, which visitors seek on the island will be negatively impacted. Thirdly, there is a reputational risk for the island (which relies on older, ABC1 and family markets) from

²⁴⁰ HTAP Strategy, p.3 online at: https://www.westsomersetonline.gov.uk/getattachment/Tourism---Leisure/Tourism/Hinkley-Tourism-Strategy/2015-20_Hinkley-Tourism-Strategy.pdf.aspx

²⁴¹ The Fourth Statistical Account of East Lothian, online at <https://el4.org.uk/>.

the presence of large numbers of construction workers, which will likely see a rise in anti-social behaviour, prostitution and drug- and alcohol-related incidents.

6.14.2. Existing research demonstrates that Anglesey is perceived to be very different to other parts of North Wales.²⁴² Its Island state has led to a strong sense of its own, individual and distinctive identity and sense of self. Its spectacular and varied coastline, most of which is designated AONB, is key to its tourism brand offering as its tourism product encompasses a myriad of outdoor adventures and activities, on sea, coast and land. The Anglesey Coastal Path is central to its quality coast offering and this Anglesey experience is characterised by expansive views, the borrowed landscapes of Snowdonia and the Llyn Peninsula and the ever-changing seascape which conveys a sense of 'exposure, openness, wilderness and a feeling of isolation.'²⁴³

6.14.3. The quality of its natural environment, both marine and land, makes Anglesey a destination rich in wildlife, including dolphins/porpoises and seals and a wide array of birdlife, including puffins, choughs, guillemots, terns, and red squirrels. Recent surveys demonstrate that visitors and operators alike recognise its appeal as built around its scenery, myriad beaches and coastline and its peace and tranquillity.²⁴⁴ Welsh is widely spoken in Anglesey, and 60% of people in its AONB use it as their everyday language. Anglesey's Welsh language and cultural heritage are important elements of its brand. Much of its coastline in the north has been designated as Heritage Coast (50km of undeveloped coastline in North Anglesey, Holyhead Mountain and Aberfraw) and is well placed to augment its brand with appropriate development.

6.14.4. Anglesey was recently named as the second-best UK holiday destination.²⁴⁵ As one of the UK's top holiday hotspots (calculated from more than 150 measures) it also has one of the highest day visitor spends at nearly £50 (£48.92). Food tourism and adventure tourism over the winter period are driving this success.²⁴⁶ Trearrdur Bay has recently been crowned the best emerging UK Easter holiday hotspot, as low-season demand increases.²⁴⁷ Benllech was recently named as the UK's top trending staycation hotspot for summer 2018, with visitor numbers to this picturesque seaside location set to increase by as much as 350%.²⁴⁸

6.14.5. Energy production and transmission are threats to key aspects of Anglesey's appeal, including its quality environment, expansive views, peace, tranquillity and air quality. Obviously this poses significant threats not only to its brand but its tourism economy; 'with its rolling green hills and crystal waters, the Isle of Anglesey is a dream for those in search of peace and tranquillity'.²⁴⁹ The 'industrialisation' of significant elements of its landscape will compromise this and make it less attractive to tourists. The cumulative effects of WNP construction and the highly visible associated development sites will reduce its attractiveness and compromise its brand offering.

6.14.6. WNP and the light pollution it creates will adversely impact on the AONB's high levels of quietness and tranquillity, which provide 'respite from noise, ultimately improving

²⁴² IACC Destination Management Plan 2016-2020.

²⁴³ IACC Summary of Evidence, base, legislative and policy context, Isle of Anglesey AONB.

²⁴⁴ Anglesey Spring Visitor Survey 2018, Accommodation Stock Survey.

²⁴⁵ Office for National Statistics, 2016.

²⁴⁶ *Daily Post* 16 Jan 2016.

²⁴⁷ *Daily Post* 31 May 2017.

²⁴⁸ This village has been named a holiday hotspot... and is set for a massive 350% rise in visitors. 30 July 2018 *The Daily Post*.

²⁴⁹ Whelan, Z. & Morris, L. 2017 '17 things you must do when you visit Anglesey', *Daily Post* 19 Aug 2017.

quality of life',²⁵⁰ qualities that are highly valued by visitors.²⁵¹ In addition, Anglesey is 'a stargazers' paradise... much darker than in many other places across the UK'²⁵² and as such, is bidding to join the world's 11 Dark Skies Reserves (to be sited between Wylfa Head and Bull Bay).²⁵³ Wales already has the most designations and accreditation for Anglesey would allow it to access the lucrative astro-tourism sector (75% of 60 sites on the Island currently meet the International Dark Sky Association Silver Standard).²⁵⁴ Since the Brecon Beacons National Park became the fifth International Dark Skies Reserve in 2013, it has seen increased numbers of visitors in the winter and shoulder months and attracted considerable marketing value from associated media coverage.²⁵⁵ WNP will compromise any bid for International Dark Skies Reserve status.

- 6.14.7. Horizon recognises its potential to adversely affect the Anglesey tourism and destination brand and the long-term consequences of falling visitor numbers, which (critically) they highlight could continue past the construction period.²⁵⁶ This recognition underlines the need for mitigation measures to continue for longer than the proposed 2 years as this would also lead to changes in revenue for tourism accommodation providers or attraction providers. Similar situations have been experienced by other coastal/rural economies, which have hosted NSIPs such as Torness, Dunbar and Heysham, Morecambe.
- 6.14.8. Horizon proposes extensive mitigation measures around tourism-related considerations such as traffic and transport, public access and recreation and landscape and visual practice. It will also engage in proactive action to protect the Anglesey brand (section 1.6 for measures).
- 6.14.9. Apart from these general statements, however, detail is sparse, and consideration of the brand impact is very superficial, which again indicates a lack of awareness of the industry and the key role of place branding. This section focuses on the possible opportunities associated with the WNP for the food and drink sector on Anglesey, opportunities provided by the facilities management and catering contracts, which will be required and comments on how the possible 'boost to this sector for the tourism economy could have knock on benefits for the associated brand'.²⁵⁷
- 6.14.10. This rather vague conclusion depends on local food manufacturers being awarded these contracts, and somehow this would then provide a 'halo' effect for the tourism brand of Anglesey. Yet the awarding of local food contracts could adversely impact on the Anglesey quality food produce and reduce its tourism link as WNP takes up most of the available supply, drastically reducing the distinctive 'local' food element of the tourism offering.
- 6.14.11. Once the contracts expired (with the end of the construction period) it is possible that food producers would find themselves in the same position as the tourism sector in Torness, Dunbar – with the loss of established tourism markets in the boom and bust

²⁵⁰ <https://www.eea.europa.eu/highlights/finding-europe2019s-quiet-areas>.

²⁵¹ <https://www.visitscotland.org/research-insights/trends>.

²⁵² <https://www.darkskytelescopehire.co.uk>.

²⁵³ <https://scotland.forestry.gov.uk/images/corporate/pdf/dark-sky-park-eia-report.pdf>.

²⁵⁴ IACC 2015. Dark Skies.

²⁵⁵ For example, <https://www.theguardian.com/travel/2013/aug/21/brecon-beacons-dark-sky-reserve>

²⁵⁶ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics paras 1.5.97-1.5.99, C1-41.

²⁵⁷ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics para 1.5.98 p. C1-41.

economy, which developed around the construction workers. WNP is a major threat to the Anglesey tourism brand and could have serious consequences for the stability of the Island's tourism industry, which is a much bigger contributor to the island's economy than WNP will be.

6.14.12. It is essential that proactive measures are put in place to guard against and mitigate negative impacts on the brand. These brand protection measures and actions need to occur pre-, during and post-construction of WNP to guard against serious long-term damage (as is established practice in other NSIPs such as HPC).

6.15. Sense of Place – Welsh Language

6.15.1. One of the strengths of tourism in Wales is its unique identity and the Welsh language is a key part of this. Many Welsh-speaking areas are highly dependent on tourism for income and employment – using the language with guests helps to sustain the local culture and enrich the visitor experience. It offers Wales 'an edge over its competitors in these challenging times... it's essential that Wales can offer something unique and authentic, a real sense of place.'²⁵⁸

6.15.2. Key to building this sense of place are: local history; food; landscape; music; building materials; Welsh crafts and of course the Welsh language. Anglesey, as one of Wales's Welsh-speaking heartlands, is particularly well placed to develop this sense of place and the AONB is a stronghold of the language on the Island (60%+ of people living there use it in their everyday life). The Welsh language is central to Anglesey's identity and its strong presence in the AONB has been clearly identified as an 'economic asset.' WNP and the construction worker accommodation proposals raise serious concerns over the continued vibrancy of the Welsh language.

6.15.3. Research confirms that visitors love Wales's myths, legends, Celtic roots, traditions and history.²⁵⁹ Anglesey's Island identity, sense of place and uniqueness is entwined with the Welsh language and it is critical that the WNP does not destabilise the Welsh speaking AONB community, a key tourism strength. Seeing and hearing the language appeals to the very visitors, which Anglesey is targeting – Independent Explorers, Scenic Explorers and Pre-family Explorers - and such visitors have commented that the Welsh language adds to a place's authenticity, uniqueness and gives a positive vibe.²⁶⁰ WNP will adversely impact on the language in a variety of ways but in tourism terms it will undermine Anglesey's distinctive brand identity, compromising its sense of place and authenticity, just at the time when that identity is gaining traction in the tourism sector.

6.16. Mitigation

6.16.1. Horizon are unable to estimate the possible value of local contracts for the construction phase of WNP, although 60% would likely be spent in the UK. Benchmarks elsewhere suggest that between 2-4% could be spent locally, although definitions of local vary. Significantly Horizon put this at between £200-£400 million within the North Wales KSA during the decade-long construction, some £20-40m annually. This is not an estimate of investment into the local Anglesey economy, however, but instead extends over a much wider geographic range. It is quite possible that much of this investment may not impact on Anglesey as marginal rural economies tend to experience substantial leakage of

²⁵⁸ www.businesswales.gov.wales.

²⁵⁹ Destination Management Wales www.dmwales.com.

²⁶⁰ Lewis, R. 2015. Darpariaeth Iaith Gymraeg a Dwyieithog yn y Sector Twristiaeth yng NGymru etw.bangor.ac.uk.

investment capital, which means that investment spend will be at the lower end of the scale. WNP's negative impacts on the tourism sector in Anglesey must be carefully and appropriately mitigated to combat these adverse effects.²⁶¹

- 6.16.2. If Anglesey mimics Torness, then there will be significant loss of tourism-related employment, which will also significantly impact on the retail sector, and employment rates. Tourism is a key employer of hard to 'reach' groups such as the young unemployed and women and this would obviously have serious knock-on effects in the local labour market. There is nothing relating to tourism/hospitality/leisure in the training and skills strategy and the supply chain analysis, which are key omissions given WNP's likely impact on the sector.
- 6.16.3. The annual income, which WNP will inject into the local economy once operational is estimated at £8.4m annually, with an income multiplier of 2.4 (£11.6m), leading to a £20m injection annually. Adverse impacts on the tourism sector would negate this boost to the economy, reducing business and visitor spend.²⁶²
- 6.16.4. Horizon's workforce Accommodation Management Strategy will seek to 'avoid or reduce the potential for localised effects specifically in tourism and PRS accommodation stock'.²⁶³ Experience at HPC shows that construction workers will put pressure on caravan accommodation, so this is worrying. Little detail is provided on the operation of the WAM but suggestions that adverse impacts could be mitigated by WAMS 'sharing their stock amongst a number of accommodation provider sites, and to ensure they have sufficient time to maintain their properties' will in no way compensate for or mitigate against the 'race to the bottom', which has characterised other NSIP developments.²⁶⁴ It will not prevent accommodation being lost to the tourism sector and the subsequently incurred losses to the wider tourism industry; instead, it will undermine existing strategies to boost tourism as a year-round sector.
- 6.16.5. Horizon specify that a 'Tourism Fund would serve to address any material effects which could arise on the sector'.²⁶⁵ This would use 'positive mechanisms to develop existing and new forms of tourism' and will be in place by mid-2018. This will be administered by the Accommodation and Tourism Services subgroup.²⁶⁶ Tourism is so significant to the Anglesey economy and so vulnerable to adverse impacts that it would be a mistake to 'bolt it on' to an Accommodation Group as accommodation is but one way in which the industry could be affected. Incorporating it into a non-specific Tourism subgroup would lead to a dilution of its significance and an over-concentration on tourism accommodation at the expense of all other tourism-related issues – as is evident in this submission's consideration of the sector.

²⁶¹ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics para 1.5.103 p. C1-42.

²⁶² Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics para 1.5.138 p. C1-52.

²⁶³ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics para 1.6.12 p. C1-58.

²⁶⁴ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics para 1.6.14 p. C1-58.

²⁶⁵ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics para 1.6.19 p. C1-59.

²⁶⁶ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics para 1.6.20 p.C1-59.

6.16.6. The Tourism subgroup needs to address the range of ways in which tourism may be affected on the island – and cuts across issues such as transport and traffic, the environment, the economy, the public realm, etc. This holistic perspective would be lost if it were part of another subgroup, there would be excessive focus on accommodation for construction workers and this would have ramifications for the sector's resilience on the Island. It would also be contrary to the experiences of HPC where a Tourism 'panel' has been established (known as the HTAP), which is leading on the strategy to boost tourism in the extensive area affected by HPC (covering Exmoor, Quantocks, West Somerset, Sedgemoor, etc.). This group has significant guaranteed funding to boost the Somerset/Exmoor tourism industry and should be the model for Anglesey, where the sector is much more significant but less resilient due to the Island's geography.

6.16.7. The Anglesey Tourism Fund should also be substantially larger to mitigate perceptual or on-the-ground issues. The properly constituted Tourism Subgroup should direct the preparation of a strategy to protect and enhance the tourism industry on Anglesey, fund marketing and PR activities, oversee visitor monitoring, fund tourism officers and tourism information centres, provide funding to support new product and market development on the island, conduct skills and education training to boost its resilience and enhance its worth. Elsewhere Community Mitigation Funds should have the capacity to support tourism-related projects - as evidenced by HPC (detailed elsewhere in this report). There, a range of initiatives have received funding, including £500k to the Minehead Hospitality Skills Centre and £200k+ to several museums to specifically develop heritage projects. Similar heritage, country park, and marine initiatives could be supported on Anglesey, which would increase its tourism sector's depth and resilience.

6.16.8. It is of concern that Horizon suggests that visitor survey data would be used to request funding from a Tourism Fund to address any negative impacts. Reactive responses to adverse tourism impacts are insufficient and there is enough good practice material, which shows how a proactive response can address impacts (as evidenced in HPC) and this is the template, which should be introduced for the WNP. Waiting for impacts to manifest themselves in surveys, which will not pick up people who have chosen not to come, is a recipe for failure.²⁶⁷

6.16.9. Horizon's mitigation proposals suggest that they have presented a worst-case scenario, although they are unable to assess the potential scale of brand effects. This is clearly not the case, as evidenced here. In addition, brand effects could be substantial, and it is vitally important that the brand is creatively protected and communicated over the construction phase.²⁶⁸ Marketing, PR and social media interventions will be key to efforts to promote, build and develop Anglesey as a tourist destination.

6.17. Coastal Path Development

6.17.1. What the Anglesey Coastal Path could achieve is evidenced by the Pembrokeshire Coast Path (which has higher levels of WCP Path recognition (61%) than Anglesey (49%) and more staying visitors (64% compared to 54%)²⁶⁹ and the South West of England Coast Path, which has recently had investment via the £40m VE/VB Development Fund. Rated one of the world's best walks, drawing 8.6m visitors and £500m spend a year 'The South

²⁶⁷ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics para 1.6.22 p. C1-59.

²⁶⁸ Morgan, N., Pritchard, A. & Pride, R. (Eds.) 2011. *Destination Brands: Managing Place Reputation*, Elsevier: Oxford.

²⁶⁹ <https://www.southwestcoastpath.com>.

West Coast Path – Amazing Experiences and Making Memories’ brings a range of year round bookable experiences and itineraries together using new technology along the Path, including scenery, activities, places to eat and accommodation for overseas visitors who want to explore on foot, variably packaged as The Wilderness Coast, The Coast of Legends, The Nautical Trail, The Seafood Coast, the Timeless Coast or the Wild West Coast.²⁷⁰

6.17.2. The mitigation, which is being considered is largely aimed at leisure services (The Community Impact Fund), but it should be expanded to include the development of country parks and heritage facilities (country parks, museums, PRoW's, coastal path etc.), which would resonate with visitors as well as residents.

6.18. The WNP Visitor Centre

6.18.1. The development of the visitor centre is beyond the proposal but is a commitment by Horizon. There are significant opportunities presented by the proposed permanent visitor centre, which can be a major wet weather visitor attraction, adding to the range of educational facilities on Anglesey and making an ideal stop whilst circumnavigating the coastal path, or visiting the North of the Island.

6.18.2. International research confirms that these facilities are significant to domestic tourism attractions.²⁷¹ Visitor centres enhance visitor enjoyment generally and energy developments specifically, with 68% of respondents attracted to visit by the visitor centre itself.²⁷² In addition, they have been shown to positively shape public opinion, with some nuclear visitor centres operating as ‘eco-fun houses’ building customer support in a fun-filled educational atmosphere.²⁷³ The amount of ‘construction tourism’, which could be attracted to the island may be significant, given that North Anglesey will host the world’s largest crane to construct WNP, which will itself be constructed utilising the world’s second largest crane.

6.18.3. These world firsts and feats of engineering will appeal to some specialist markets. It is vitally important that the proposed temporary facility (which will be operational for around 10-12 years, a significant time in tourism business lifecycles) utilises cutting-edge interpretation to communicate the cosmic power of the plant, its role in low-carbon economies and Anglesey as an ‘Energy Island’ (considering partners such as Marine Kite energy). New energy tourism sites represent the landscapes of a possible future²⁷⁴ but they need to be supported by inspiring information structures. Virtual and augmented reality could easily communicate the cosmic scale of the project.

²⁷⁰ <https://www.southwestcoastpath.co> First Winners of £40m Discover England Fund Announced VB/VE.

²⁷¹ Basaran, M. and Kantarci, K. 2015. The Evaluation of Impacts of the Construction of Nuclear Plant on Tourism Area in the Eye of Domestic Tourists, online at:

https://www.researchgate.net/profile/Maria_Johann2/publication/281585512/The_perception_of_tourism_product_quality_and_tourist_satisfaction_the_case_of_package_holiday_travelers_visiting_Poland/links/58cb897692851c31f6552914/The-perception-of-tourism-product-quality-and-tourist-satisfaction-the-case-of-package-holiday-travelers-visiting-Poland.pdf#page=17

²⁷² NFO Research 2003. http://www.tourismhelp.co.uk/objview.asp?object_id=458; Frantál, B. and Kunc, J. 2011. Wind turbines in tourism landscapes: Czech Experience, Annals of Tourism Research, 38(2): 499-519.

²⁷³ Tilson, D.J., 1993. The shaping of eco-nuclear publicity: the use of visitors' centres in public relations. *Media, Culture & Society*, 15(3), pp.419-435; Tilson, D.J., 1994. Eco-nuclear publicity: a comparative study in Florida and Scotland.

²⁷⁴ Frantál, B. and Urbánková, R., 2017. Energy tourism: An emerging field of study. *Current Issues in Tourism*, 20(13), pp.1395-1412.

7.0. Mitigation Outcomes & Recommendations

- 7.0.1. The good news for Anglesey post-construction phase is that research elsewhere indicates that visitors will accept the power plant once it is operational. Research into the impact of hydroelectric power stations on tourists' experiences of Iceland show that the power plant infrastructure, *except for transmission lines*, does not disturb the experience of most tourists – although it is worth noting that their attitudes were more positive than those of tourists where there are no plants but where they have been proposed.²⁷⁵
- 7.0.2. The critical task will be to maintain and enhance Anglesey's tourism offering during WNP construction to ensure that there is no long-term damage during this challenging period. This will require appropriate and significant mitigation, without which, the boom and bust seen with other NSIPs will be replicated.
- 7.0.3. The direct negative impacts of the construction and operation of WNP on the tourism sector are largely ignored by Horizon. These include: the environment; the accommodation sector; traffic congestion; worker and supply chain displacement; and negative perceptual impacts on the Anglesey brand. Horizon's analysis is partial, overly focused on the potential positive impacts and neglects the serious negative consequences. There are clear precedents for substantial mitigations to protect tourism economies from NSIPs - with the package agreed for HPC being the most recent example.
- 7.0.4. Anglesey requires significantly larger mitigation sums than HPC because of its unique configuration. As a peripheral island economy Anglesey is hugely dependant on its tourism sector; it is the island's key economic driver, supports many of its jobs and the economic wellbeing of other important sectors, such as retail. Tourism also supports many facilities, such as restaurants, attractions and shops, which would not be viable without tourist expenditure. As a peripheral island economy, its infrastructure is relatively poorly developed, with access to the mainland dependent on two bridges, which are already congested and identified as negative factors in tourist experiences.
- 7.0.5. The building works and the road and marine developments, required to prepare Anglesey for WNP development will cause significant traffic, noise, visual and dust disturbance, which will negatively impact on tourist experiences of the island and convey the impression that it is closed for business. These will be in addition to the building of WNP and the campus accommodation, which will temporarily become Anglesey's third largest settlement and offer no legacy (in contrast to other NSIPs). This campus will have significant impact on the landscape and the social fabric of the Island, with its highly skewed demographics.
 - **Recommendation 1:** Marketing, product development must build local, distinctive, high-value growth, capitalise on digital trends, reflect changing consumer needs, build positive brand awareness and welcoming experiences, support appropriate staff and visitor information resources.
 - **Recommendation 2:** Traffic management and informed travel experience enhanced branding of alternative tourist routes such as Historic Route/Haneseol

²⁷⁵ Sæþórsdóttir, A.D.; Hall, C.M. Floating Away: The Impact of Hydroelectric Power Stations on Tourists' Experience in Iceland. *Sustainability* 2018, 10, 2315.

Lleol and WCP spinoffs. Horizon recognises that walkers will experience amenity loss because of additional noise and dust generated by increased traffic flows but conclude that the magnitude of change is negligible for 40 PRoWs and moderate adverse for the others (28) and cycle routes.²⁷⁶ Whilst each 'individual' PRoW impact may be low or adverse, collectively and cumulatively the impact on rural access networks and amenities is considerable. The closure of 32 PRoWs within WNDA during the construction phase needs to be compensated and adequate improvements made elsewhere.

- **Recommendation 3:** The recommendation that No Further Good Practice Mitigation is required is insufficient and fails to recognise the cumulative loss. It is out of step with good practice elsewhere, e.g., HPC committed over £400,000 to PRoWs. Compensation is required for path closures and diversions.
- **Recommendation 4:** The legacy from the campus site should include potential mitigations including heritage/country park/museum attractions and not simply access to leisure services, which currently dominate. Workers who choose to live off-site will take tourism accommodation, particularly in Anglesey's small (in comparison to other competitor destinations) serviced sector. This accommodation taken by professional/supervisory workers could realistically be lost from the sector permanently. The consequences of this for the wider tourism economy will be significant as workers will not exhibit the same spending patterns, thereby undermining its resilience and the Island's well-being.
- **Recommendation 5:** Monitor impacts, build long-term capacity, encourage high value and sustained growth. Any tourism accommodation, which is shared by workers and tourists will impact on the tourist experience as the two markets do not mix; evidence demonstrates that standards will deteriorate, substantially diluting Anglesey's 'quality' mark and appeal.
- **Recommendation 6:** Careful WAM implementation. Additional consideration of the tourism accommodation sector and its role in growing year-round tourism is required. The caravan/camping sector's ability to meet the demands for worker accommodation is very limited (interest, licensing, ownership).
- **Recommendation 7:** Establishment of 1-2 landscaped sites, with appropriate infrastructure (hardstanding, mains electricity, etc.) for 300-400 pitches; to meet the additional worker demand these should offer a mix of static and mobile pitches.
- **Recommendation 8:** WNP will disrupt the Island's supply chain, adversely impacting on food supplies to the tourism economy and IACC strategic initiatives to expand 'food' tourism. Build long term capacity partnerships to enhance agri/food producer/tourism links and support local distinctiveness.
- **Recommendation 9:** There will be significant labour churn and loss of experienced staff in the tourism sector due to WNP job opportunities. This will significantly impact on the sector's ability to deliver a quality tourism experience as the sector already suffers from skills shortages, e.g. skilled chefs. The jobs and

²⁷⁶ Horizon 6.2.6 ES, Vol B. Introduction to the Environmental Assessment, B6; Horizon 6.2.6 ES, Vol B. Introduction to the Environmental Assessment, B4; Public Access and Recreation Effects of Traffic, B4 ARN 6.2.4 Technical Appendix.

skills strategy does not address hospitality and catering employment churn, displacement and lack of qualified staff to fill these vital positions. There is a need to build long-term capacity through the establishment of a Hospitality and Catering Skills Academy to mitigate displacement/labour churn (this would replicate engineering and construction initiatives).

- **Recommendation 10:** WNP will significantly impact on Anglesey's natural environment, particularly in the north of the island, adversely impacting on the AONB and SSSIs, their flora and fauna and archaeological heritage. The WNP will have major impacts on the WCP, several of which will be permanent and irreversible and will reduce the attractiveness of the path, which is a key element of Anglesey's tourism portfolio and its leisure and recreation offer. This will generate noise, visual and dust disturbance and substantially impact on visitor experiences. There needs to be an establishment of appropriate environmental mitigation measures (linked to environmental reports/assessment demands) and the development of new country, archaeological/heritage park products.
- **Recommendation 11:** WNP will impact on the largely Welsh-speaking communities, which make up the AONB and form an important dimension of Anglesey's tourism offering. Cumulatively these adverse impacts will significantly compromise the Anglesey brand unless significant market interventions occur. WNP impacts will be long-term and multigenerational without significant interventions as, once tourist markets are lost, they will not recover once the development is complete. There needs to be development of Anglesey's WCP marketing product and brand experiences to support local distinctiveness and high-value growth.
- **Recommendation 12:** There should be an Anglesey Marketing and Promotion Campaign to: prevent visitor displacement pre/during WPC construction; for a limited operational period to combat 'operational' impact; foster positive perceptions and awareness; build brand and product distinctiveness and growth. Anglesey will not benefit from the WNP development to the same extent as Somerset in terms of employment opportunities and contributions to the local economy. Horizon recognises that Flamenville and Sizewell B local areas benefitted to a greater degree than the much larger North Wales KSA, so economic contributions will be dispersed over a greater area. Horizon estimates that if 2-4% was achieved as a local contribution this would equate to an investment of £200-400m within North Wales over the construction period, which equates to £20-£40m annually. Anglesey's much smaller economy (and its configuration) mean it is less well placed to benefit from the opportunities of WNP from numbers of locals employed to supply chain opportunities. Whereas Anglesey is geographically peripheral, Somerset is integrated into the major road networks, with much larger population settlements and a more diverse economic structure and skills base. Somerset's tourism appeal stretches across the southern half of Britain, whilst Anglesey's is in the north-west of England, reflecting its peripheral geography. It is critical therefore that WNP development carries sensitive and substantive mitigation measures to protect rather than undermine the tourism industry.
- **Recommendation 13:** It is critical that a substantial Tourism Fund and Tourism Sub Group is established. Current plans are for an Accommodation and Tourism Group. Clearly Tourism is much more than Accommodation and it is recommended that Anglesey establish a Tourism WNP Strategy Group.

7.1. Mitigation Programmes for Nuclear Power Plant Host Communities

- 7.1.1. The implementation of mitigation programmes has been poorly documented,²⁷⁷ however there is an established consensus that community benefit payments are recompense for the negative impacts of developments, which aim to ensure a no-net-loss outcome utilising an ecological or human wellbeing analysis framework.²⁷⁸
- 7.1.2. It is possible to draw on a range of evidence to establish the nature and levels of mitigation measures, which have been implemented with regard to recent nuclear power plant developments. These measures are particularly relevant given that WNP will be built by Hitachi Ltd via its wholly owned subsidiary Horizon. In the UK, the mitigation packages for Hinkley Point C offer valuable baseline data, both generally and tourism specifically. Due regard to these should enable the establishment of a no-net-loss mitigation package for the tourism sector on Anglesey.
- 7.1.3. Japan's Agency for Natural Resources and Energy has simulated the value of compensatory subsidies for local communities hosting a nuclear reactor.²⁷⁹ These totalled 44.9 billion yen (some £301,891,498) during the 10-year preparation and construction period. A further 76.6 billion yen would also be paid in compensatory mitigation over the 35-year operation (£515,630,930).
- 7.1.4. In addition, nuclear utility companies make sporadic donations to local communities. TEPCO donated 39.7 billion yen (£266,842,225) over a 20-year period (1990-2011) to the communities hosting its 3 nuclear power plants, 'averaging' £88,947,408 per site.²⁸⁰ At 2017 prices this would be worth the equivalent of £103,023,877 per site community – very similar to the mitigation package agreed for HPC by EDFE and the Somerset Councils.
- 7.1.5. In 2011, Kariwa Village received 430.9 thousand yen per capita (£4870) from TEPCO's donation fund to boost the local economy, amounting to 2.098483 billion yen (£14,087,513) during that one year.²⁸¹
- 7.1.6. Clearly there is a body of evidence, which establishes that nuclear sites in Japan have benefitted from a wide range of compensatory mitigations to host Japanese companies' nuclear power plants. In terms of recent nuclear developments within the UK, HPC's mitigation package is worthy of substantive consideration to provide a baseline analysis to consider appropriate mitigation levels for Anglesey. To this end, the Somerset

²⁷⁷ Wilson-Morris, A. & Owley, J. 2014. 'Mitigating the Impacts of the Renewable Energy Gold Rush', *Minnesota Journal of Law, Science and Technology*, 15 (1).

²⁷⁸ S Kerr, K Johnson, S Weir 2017 'Understanding Community Benefit Payments from Renewable Energy Development' *Energy Policy* June Vol 105 p202-211.

²⁷⁹ Kato, T., Takahara, S., Nishikawa, M. & Homma, T. 2013. 'A Case study of economic incentives and local citizens attitudes towards hosting a nuclear power plant in Japan: Impacts of the Fukushima accident' *Energy Policy* 59, pp. 808-818, online at:

<https://www.sciencedirect.com/science/article/pii/S0301421513002966>.

²⁸⁰ Asaki Shimbun, 2011, p.8 in Kato, T., Takahara, S., Nishikawa, M. & Homma, T. 2013. 'A Case study of economic incentives and local citizens attitudes towards hosting a nuclear power plant in Japan: Impacts of the Fukushima accident' *Energy Policy* 59, pp. 808-818, online at:

<https://www.sciencedirect.com/science/article/pii/S0301421513002966>.

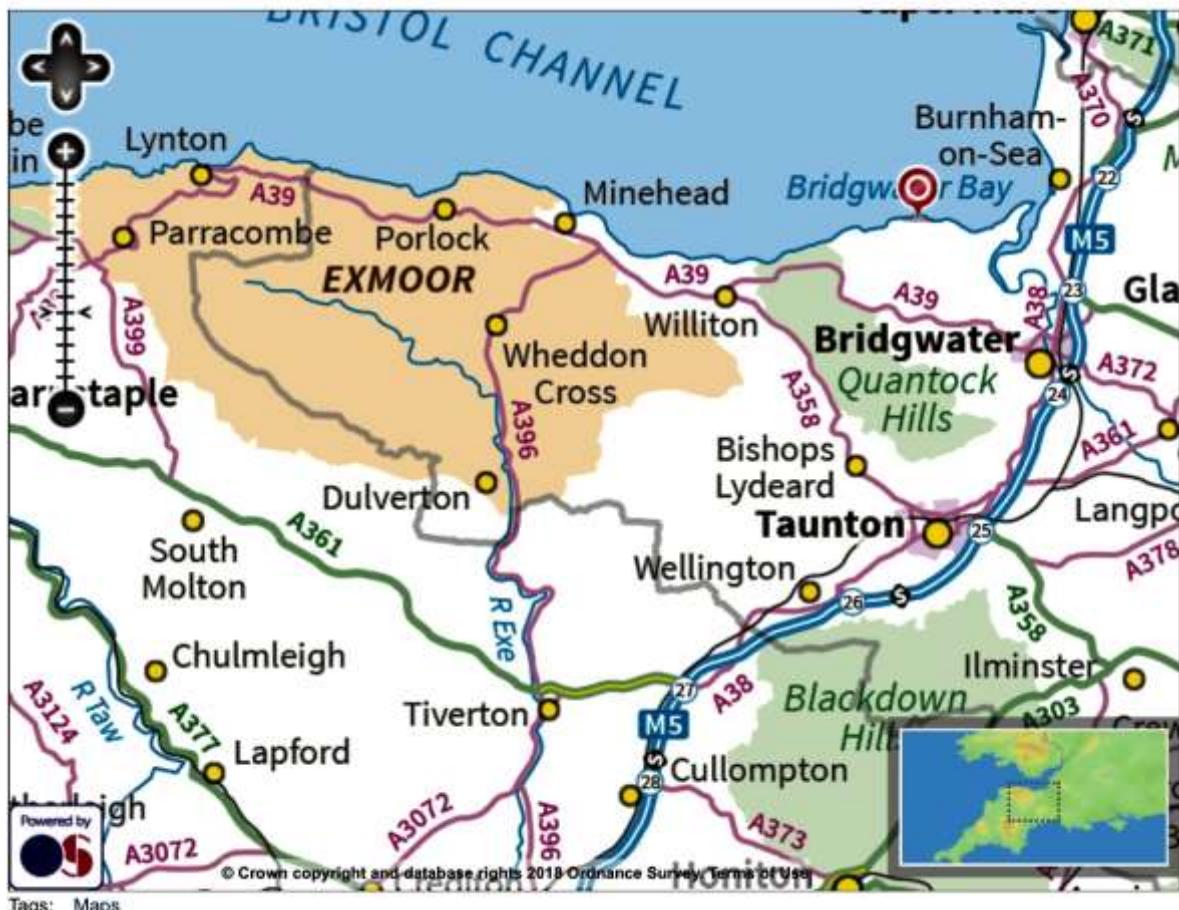
²⁸¹ Kato, T., Takahara, S., Nishikawa, M. & Homma, T. 2013. 'A Case study of economic incentives and local citizens attitudes towards hosting a nuclear power plant in Japan: Impacts of the Fukushima accident' *Energy Policy* 59, pp. 808-818, online at:

<https://www.sciencedirect.com/science/article/pii/S0301421513002966>.

experience is briefly contextualised, and then followed by a forensic analysis of the mitigation package agreed.

7.2. Comparison with Hinkley Point

Figure 1: Location of Hinkley Point



- 7.2.1. Western Somerset is a largely rural area spanning several local authorities, including West Somerset, Sedgemoor and Taunton Deane, with significant population centres in Taunton (60,479), Bridgwater (41,276) and Minehead (12,000).²⁸² It has been described as beautiful in parts but lacking the reputation for romance and sailing traditions, which characterise much of the West Country.
- 7.2.2. The stretch of the Bristol Channel in North Somerset depicted in figure one is home to Hinkley Point C (HPC), a 10-year £20bn project, which at its peak will host 5,600 workers before completion in 2025, when around 900 people will work there. This stretch of landscape is dominated by two nuclear power stations and there is little waterside development, at least partly because of the unsightly Hinkley Point B, which has hardly been conducive to attracting developers or second-home buyers. Although the North Somerset location of HP has seen little tourism development, there is one SSSI nearby, the Quantock Hills AONB is some 8.3 miles away and the seaside resort of Minehead and Exmoor National Park are 21 and 20 miles away respectively.

²⁸² ONS, 2011 Population Census.

- 7.2.3. Tourism is important to Somerset, generating £1.3bn for the county, including £216m in West Somerset²⁸³ and is a strategic industry the local authorities are keen to promote, together with key partners Exmoor Tourism, Visit Somerset, and the Hinkley EDF funded Tourism Strategy and Action Plan (HTAP).²⁸⁴
- 7.2.4. In terms of socioeconomic profile, Somerset attracts 22% AB and 31% C1 visitors. Over a third of visitors were residents on day trips (35%); 44% were staying overnight in Somerset. Ease of travel, unspoilt countryside and coastlines were high on visitors' wish lists.²⁸⁵ Key Somerset attractions are its countryside, accessibility to markets by fast road routes (90% of visitors arrive by road) and ability to offer a West Country 'feel', whilst being more accessible than Devon or Cornwall. Weaknesses include low awareness compared with other parts of the South-West, a lack of 'Somerset' icons, and a less attractive coastline compared with the rest of the South-West.
- 7.2.5. Threats to Somerset tourism include HPC-generated traffic congestion, 'one big building site' perceptions and negative PR; displacement of staff and pressure on accommodation availability and quality. The fragility of visitor commitment to visit an area and the overwhelming power of perception is clearly demonstrated by Somerset's own experience of flooding in 2014. Only 2% of land was flooded but visitors perceived the area to be 'no go' and visitor bookings fell by up to 40%.²⁸⁶
- 7.2.6. Although a rural area, Somerset has larger population centres than Anglesey, access to a faster and better road network and a more diverse economy. Figures from Somerset County Council (2014) indicate that its economy is dominated by: health (36,000 jobs); manufacturing (28,000 jobs); retail (circa 26,000 jobs); education; accommodation and food. The whole of the Somerset economy will be transformed by this project, boosting food, transport and high-tech manufacturing sectors, including steel production, which is already significant there.
- 7.2.7. Hinkley Point expects 5,000 construction phase jobs for county residents²⁸⁷ and Bridgewater Town Council has encouraged low-cost hotel and apartment developments to house the construction workers.²⁸⁸ However, there are fears that traffic congestion during construction could cost the Bridgewater economy £47m, straining the local infrastructure to breaking point.²⁸⁹
- 7.2.8. HTAP has been established to: mitigate potential negative impacts; maximise opportunities for the tourism industry from the development of HPC; make recommendations for the best allocation of funding secured from the S106 agreement for site preparation and S106 agreement for main works across West Somerset, Sedgemoor and the rest of Somerset. HTAP coordinates 'tourism marketing and sector development activity to ensure that all activity is strategically significant, that there is no

²⁸³ Hinkley Tourism Action Plan Strategy, online at:

https://www.westsomersetonline.gov.uk/getattachment/Tourism---Leisure/Tourism/Hinkley-Tourism-Strategy/2015-20_Hinkley-Tourism-Strategy.pdf.aspx

²⁸⁴ www.WestSomersetOnline.gov.uk

²⁸⁵ Somerset Tourism Monitoring Surveys 2015.

²⁸⁶ Tourism in Somerset DMP Plan 2015-20.

²⁸⁷ Harvey, D. Hinkley Point: Somerset economy poised for boost 28 July 2016,

<https://www.bbc.co.uk/news/uk-england-somerset-36894117>

²⁸⁸ <https://www.telegraph.co.uk/property/west-country/impact-huge-hinkley-nuclear-power-station-somersets-property/>

²⁸⁹ Harvey, D. Hinkley Point: Somerset economy poised for boost 28 July 2016,

<https://www.bbc.co.uk/news/uk-england-somerset-36894117>

overlap between activities and that there are no significant gaps in response to the challenges and opportunities relating to the construction and operation'.²⁹⁰

7.2.9. Somerset has agreed a £100m mitigation package with EDF and funds, which have drawn down a further £6.2m in match funding. HTAP has a total investment of £2.2m, covering a two-year site preparation period and the main works schedule (£1,480,000) covering an agreed time frame. The Hinkley Tourism Strategy specifies that 'a total of £1.12m of tourism contributions will be provided on an annual basis and spread over a six-year period', together with separate funding available for 7 named information centres and 4/5 tourism officer posts (Table16).²⁹¹

7.2.10. Additional grants are available from the £15 million HPC Mitigation Fund.²⁹² Grants to several tourism related projects and initiatives total £2.4m and include:

- £501,000 to Enterprising Minehead to support the regeneration of Minehead Esplanade, a skills and training academy centred on hospitality and tourism;
- £243,120 Watchet Boat Museum and Visitor Centre;
- £250,000 Williton Pavilion Project;
- £77,350 Tropiquaria Ltd (primates and play area);
- £331,710 Steam Coast Trail Phase 2;
- £1000 Tropiquaria Ltd Marketing Campaign;
- £400,000 Victory Hall Project;
- £159,035 Somerset's Brilliant Coast;
- £400k pedestrian/cycleway promoting tourism between Bream and Weston-Super-Mare;
- £12.5 YMCA Kitchen Theatre.

7.2.11. In addition, the following mitigation sums allocated will also benefit the tourism sector, including: £300k on local heritage; £350k on landscape improvements; £440k on supporting Public Rights of Way (PRoWs).²⁹³

7.2.12. To date these tourism-related mitigation contributions total £11,694,180 - although more could be added to this total depending on the successful submission of further tourism-related grant applications. EDF Energy financial contributions over six years offer consistent and significant funding levels to support the local tourism industry through turbulent times: Critically they also provide the opportunity to bid for match funding from other sources.

²⁹⁰ HTAP Terms of Reference.

²⁹¹ HTAP Strategy, p.3 online at: https://www.westsomersetonline.gov.uk/getattachment/Tourism---Leisure/Tourism/Hinkley-Tourism-Strategy/2015-20_Hinkley-Tourism-Strategy.pdf.aspx

²⁹² New Hinkley Point C Funding for Communities available now November 13, 2017, <https://www.hpcfunds.co.uk/>

²⁹³ Construction News, EDF and Councils Agree to £64m HPS106 terms, September, 2012 <https://www.constructionnews.co.uk/markets/sectors/infrastructure/energy/edf-and-councils-agree-64m-hinkley-point-c-s106-terms/8635599.article>

Table 16: Funding Arrangements for Hinkley Tourism Action Partnership – S106 Preliminary Strategy for Tourism

Max Liability	700,000	Total amount of Tourism Contribution Index linked to Para 2 Schedule 15 (detailed below)
Tourism Action Partnership to Provide Strategy and Action Plan and Provide Tourism and Visitor Management Office Resources	90,000 X 2 yrs	West Somerset Council C
Tourism Action Partnership Marketing and Promotion Initiatives and Monitoring Survey	160,000 X 2 yrs	WSCC
TICs	50,000 X 2 yrs 100,000	WSCC WSCC
Project Information Centre	Developer shall provide this and retain it during the consultation period	NWBGenco

Source: Tourism Contributions. Para 2 Schedule 15 Tourism Site Preparation Works

7.2.13. HPC tourism opportunities include the construction workforce as potential tourist returnees and visiting friends and family. The HPC Visitor Centre, outside the tourism mitigation agreement, is also important, providing a unique educational attraction, promoting the project and the wider area, whilst the funding for seven named Tourist Information Centres (TICs) will enhance their services and enable them to develop new income streams, ensuring long-term sustainability, as will the funding of several tourism officers²⁹⁴

Table 17: Funding Arrangements for S106 Main Works Tourism Hinkley tourism Action Partnership

Tourism Contribution to Mitigate Potential Impacts on Tourism Pursuant to Schedule 4	£1,480,000	
Sedgemoor and Somerset C Strategy Tour Officer	£45,000 X 4 yrs	Sedgemoor and Somerset CC
Sedgemoor and Somerset T Info Centres (4)	£40,000 X 4 yrs	Sedgemoor and Somerset CC
Local Tour Officer	£45,000 X 4 yrs	West Somerset CC
West Somerset Info Centres (3)	£40,000 X 4 yrs	West Somerset CC
Marketing and Promotion Initiatives and Tourism Monitoring Survey	£200,000 X 4 yrs	West Somerset CC on behalf of Tourism Action Partnership

Source: Main Works Schedule 4 Econ Dev and Tourism paras 10-12

²⁹⁴ Hinkley Tourism Strategy 2015-20.

7.3. Impact of Hinkley C on Tourism²⁹⁵

7.3.1. Tourism

- Negative perceptions linked to hosting new nuclear and radioactive waste storage, reducing attractiveness as tourism location;
- Visitor economy supported by 'day visitors', which will see greatest shift and therefore greater proportional impact;
- Loss of trade linked to perception that area is 'closed for business' during construction – negative connotations from noisy traffic, air pollution;
- Negative impact on tourism-related businesses, e.g., holiday parks, family caravan parks, B&Bs and hotels;
- Impact on multi-generational repeat business.

7.3.2. Natural and Historic Environment

- Loss of green space, ecology, flora, fauna, habitat, terrestrial and marine, etc.;
- Reduction in quality of existing natural environmental capital and assets through increased demand, change in character of area, imposition of major industrial infrastructural processes;
- Secondary and cumulative impact linked to noise, lighting, pollution, congestion, health;
- Loss/diversion of public rights of way.

7.3.3. Comparing HPC and WNP

There are several similarities between HPC and WNP and a superficial examination might suggest that they are very alike. Both are in rural areas, which have important and strong tourism sectors. This rurality is identified as a key issue in coping with these NSIPs and both are extremely concerned about the impacts. These similarities however mask clear distinctions, which need careful consideration when considering tourism mitigation.

7.3.4. Population

Somerset authorities are much more populous than Anglesey with a total population of over half a million (549,447). Sedgemoor Council's (home to HPC) population is almost double that of Anglesey (119,100). There are a number of major population centres in the area, including Taunton (61,000), Bridgewater (36,000), Burnham on Sea (23,325), Minehead (1,200), Bath (94,782), Weston Super Mare (83,641), which dwarf their Anglesey counterparts.²⁹⁶

7.3.5. Anglesey's population totals 69,723. Just over half of its population is of working age (57.6%) and its major population centres are on a totally different scale with Holyhead the largest at (13,659), Llangefni (5,116), followed by Amlwch (3,700). Cemaes' (nearest to WNP) population is 1,357 compared to the 36,000 of HNP's Bridgewater.²⁹⁷ The scale of the impact of WNP and its consequences for the island are immediately clear and require significant mitigation. The Campus Accommodation site will be Anglesey's third largest settlement.

²⁹⁵ Structure of Hinkley Point C Local Impact Report and Key Matters, www.WestSomersetOnline.gov.uk.

²⁹⁶ ONS, 2011. Population Census

²⁹⁷ ONS, 2011. Population Census

7.3.6. Whilst Hinkley Point expects 5,000 construction phase jobs for county residents,²⁹⁸ this is not the case for WNP. Of the 9,000 construction workers estimated for WNP, only 2,000 will be drawn from the locality, defined as within a 90-minute drive time, leaving an 'incoming' construction workforce of 7,000 from much further afield.

7.3.7. **Accessibility**

Although Somerset is a rural county, it is hugely accessible. HTS (2015-20) identifies its good M5 motorway link, closeness to London, and good A roads as clear advantages over its West Country competitors of Devon and Cornwall. Illustrating this, most of its visitors are drawn from a wide geographic area within an extended (in UK terms) three- or four-hour travelling time, encompassing the West Midlands, South West, London and South East.

7.3.8. Anglesey, by comparison is not only rural, it is also hugely peripheral, on the North West fringe of the UK. Its peripherality is such that only a small number of sectors can deliver prosperity, mainly tourism and energy.²⁹⁹ In contrast, Somerset's economy is diverse and has a strong manufacturing component

7.3.9. Anglesey's road network is generally poor. As an island, it can only be accessed by two bridges – The Menai Suspension and The Britannia Bridge. Both offer single, each way access to and from Anglesey. The bridges are traffic choke points and are regularly congested at peak traffic times. Any disruption causes large tailbacks, as does the port traffic coming on and off the Island to access the Holyhead – Dublin Trans-European Route, of which the A55 is part.

7.3.10. The Island's road networks will struggle with the WNP construction traffic (materials and personnel). It will certainly share HTAPs concerns regarding traffic congestion, visitor perceptions (whether real or imagined) that the host destination is one big building site and subsequent negative PR - all key problems for the tourism sector and the destination brand. Perceptual issues are key in visitor choices and need significant investment to counter any negative images.

7.3.11. Given the clear differences in accessibility and integration into major road networks, Anglesey's resilience and ability to cope with and absorb the additional traffic will be significantly lower than Somerset's – where EDF are contributing £16m to improve highways, particularly around the Bridgewater area. WNP's impacts on the Island's tourism sector will be much greater, exacerbated by Anglesey's geography - it is an island 'at the end of the line' for its English visitors and problems accessing the Island will not lead to traffic going elsewhere on the Island.

7.3.12. Unlike Somerset, which has a 3 1/4 visitor drive-time and a much larger geographic area and population base from which to attract visitors, most of Anglesey's visitors are drawn from one region – the North West of England. They are very loyal visitors, with many returning year-on-year, or several times a year. Connectivity issues mean travel tolerances are much lower than Somerset's, with a two-hour limit. Visitors are very familiar with the road access and its problems and disruption to visitors through increased congestion is a huge concern, as some visitor comments reveal: "*There are problems on the Bridge already*" (female traveller NW); "*It will not be attractive if the*

²⁹⁸ Harvey, D. Hinkley Point: Somerset economy poised for boost 28 July 2016,

<https://www.bbc.co.uk/news/uk-england-somerset-36894117>

²⁹⁹ IACC DMP 2012-2016.

route here is gridlocked” (Male NE Eng); “Don’t want to be stuck in traffic when coming on holiday” (Female Liverpool).

- 7.3.13. There is a clear danger that the visitor economy will shrink as visitors choose to holiday elsewhere and they may well be lost to the Island permanently, destroying what is a very lucrative, returning multi-generational holiday-taking market. Visitor loyalty to a destination will be quickly transferred if it is perceived to be inaccessible or closed for business and the North-West of England has a large circumference of travel within a 2-hour range.
- 7.3.14. Somerset also has a strong visitor base from within the county and the South West in general as residents make up over one third (35%) of its visitor base.³⁰⁰ The local ‘Welsh’ market for Anglesey is much smaller numerically and proportionately, with those visitors largely drawn from North Wales (7%).

7.4. Value of Tourism & Population Size

- 7.4.1. Given Somerset’s connectivity and access to key road and rail networks and markets, it is not surprising that its economic structure and employment capacity is much bigger and more diverse than Anglesey’s and has several inherent strengths, which Anglesey’s lacks. Although tourism is a strategic industry and very important to its economy, it is only the sixth largest employer. Other sectors dominate, including health (36,000 jobs), manufacturing (28,000), retail (circa 26,000 jobs) and education. This size and diversity make Somerset much better placed to capitalise on HPC transformational capacity in the low-carbon and environmental technologies sector, transport and high-technology manufacturing (including steel) and wider process industries and distribution and agriculture/food sectors.
- 7.4.2. As EDF note ‘Hinkley Point C... is... in the least visited part of the Somerset Coast.’³⁰¹ In the host authority, Sedgemoor, tourism-related employment is much lower than on Anglesey, accounting for 10% of employment, whilst in neighbouring Taunton-Dean it is 8%. In West Somerset, which exhibits many more parallels with Anglesey, tourism employment levels are much higher and as an authority it is much more concerned to increase tourism income.
- 7.4.3. In contrast, Anglesey’s economy (in much the same way as Torness, Dunbar pre-power station) is driven by and built around tourism, which dominates the Island and contributes over £300 million annually to its economy. Anglesey’s economy is very small in comparison, with only 19,000 employees of working age, excluding self-employment.³⁰² Almost one fifth of employees are in the accommodation and food sectors (17.5%), almost double (8.9%) the Wales level and more than double (7.5%) the GB level.³⁰³ Additionally, tourist spending is responsible for a quarter of all retail spend on the Island and is also significant in other areas such as finance. Any loss of visitor spending would be keenly felt across the whole Island economy.
- 7.4.4. Major projects of this kind in less industrialised locations record significant economic leakage out of the local area.³⁰⁴ Marginal host communities record very low injections of

³⁰⁰ Somerset Monitoring Survey 2015.

³⁰¹EDF 2016. Consultation Document Sizewell C, para 8:12:55 p.78.

³⁰² nomisweb.co.uk

³⁰³ Proposed Hotel Development Supporting Economic Statement Roadking Holyhead Ltd. 19th April 2018
Mark Keynold’s Consulting

³⁰⁴ Proposed Nuclear Development at HPC: Draft Technical Report in S Local Impact Report.

local expenditure, typically between 1-2% of the overall project costs/investments. Flamenville 3 witnessed 2% local expenditure (defined as a 50km radius) out of a €400 million investment. Sizewell B recorded a higher rate (4%) of £80m out of a £2 billion project (£20m was spent p.a. over the four-year construction period). HPC anticipates a similar rate of local investment of £100m p.a. over the construction period.³⁰⁵

- 7.4.5. Anglesey will not benefit to the same extent as the Sizewell B or HPC hosts as Horizon estimates that WNP may be worth (in total) between £200m-£400 million to the North Wales economy over the ten-year construction period, which constitutes 2.66% of the £15bn investment.³⁰⁶ When operational it is expected to inject £20 million into the economy annually. This should to be welcomed, but not at the cost of the island's £300m annual tourism economy.
- 7.4.6. Common to both areas is the concern that HPC and WNP will attract tourism staff, displacing staff from one sector to another. The loss of skilled and reliable staff from the tourism sector will be very problematic for both but given the small size of the Anglesey working population more acutely felt, reducing the sector's capacity to deliver the high-quality experience visitors expect and demand. It will exacerbate existing talent shortages e.g. chefs. There is a clear need for skills training to provide replacement labour and bridge any shortages, which directly result from WNP.

7.5. Anglesey Proposed Mitigation Programme

- 7.5.1. Horizon's acceptance of the creation of a Tourism Fund is welcomed³⁰⁷ and follows established practice elsewhere and will be vital to protect the Anglesey brand and the tourism industry it supports. This reflects the importance of tourism to the Island's economy and employment activity and universal agreement that tourism is vital to the economy of Anglesey.³⁰⁸ Horizon further highlights that this will be secured through planning obligations, which will 'seek to ensure that the perceived impacts on the local tourism sector can be moderated using positive mechanisms to develop existing and new forms of tourism'.³⁰⁹ This commitment to developing new forms of tourism products and experience is welcome and it would be expected that this Fund would operate in ways like the Tourism Development Fund for England.
- 7.5.2. It would also be expected that this Fund would be guided by measures agreed for other NSIPs such as HPC, underpinned by a commitment to enhance, protect and prevent, including measures to address: accommodation usage and quality degradation; negative visitor perceptions; negative impacts on revenues and employment; Anglesey's tourism offer; displacement of staff and products. The agreed mitigation package should be guided by the following:
 1. Fostering positive perceptions and awareness;
 2. Evidence-based, targeted marketing campaigns;
 3. Creating a welcoming and informed travel experience;
 4. Monitoring impacts on visitors and businesses;
 5. Evolving new products for changing customer needs;
 6. Capitalising on digital trends and partnerships;
 7. Building long-term capacity of the industry;

³⁰⁵EDF 2016. Consultation Document Sizewell C, para 8:12.53 p. 77.

³⁰⁶ IACC June 2018 p34 SPGIACC

³⁰⁷ Horizon 6.2.6 ES, Vol B. Introduction to the Environmental Assessment, B6.

³⁰⁸ Horizon 6.2.6 ES, Vol B. Introduction to the Environmental Assessment, B6.

³⁰⁹ Horizon Wylfa Newydd Project 6.3.1 ES Volume C – Project-wide effects C1 Socio-economics p. C1-59.

- 8. Encouraging high-value, sustained growth;
- 9. Supporting local distinctiveness and action.

7.5.3. The size of Anglesey's funding package will be subject to negotiation, but there is general recognition that only tourism and energy can drive the Island economically given its marginal/peripheral location but that both sectors need careful management to thrive. The energy sector is massive and well-resourced, whilst tourism is hugely valuable yet fragmented and in need of sustained and effective leadership at this crucial time.

7.5.4. It is vital that Anglesey's tourism industry continues to thrive alongside the WNP development. Without proactive intervention, it risks the fate of Torness and Morecombe. At the same time, Anglesey will not benefit to the same degree as Flamenville, Somerset and Sizewell from WNP's local economic impact. As a project there is little in the way of legacy provision for the tourism sector from WNP, unlike other NSIPs.

7.5.5. Horizon reports the 2015 Visitor Survey, which shows that 90% of visitors indicated that WNP would not impact on their decision to visit while almost one tenth would be less likely to visit. A loss of 10% of visitors from the Anglesey tourism economy, which is currently worth £300m+ would lead to an annual loss of £30m, significantly greater than the £10m addition (assuming all else remains equal), which would be contributed by workers for a 3 ½ year peak occupancy period during the peak construction period.

7.5.6. The issues surrounding worker utilisation of tourism accommodation have already been articulated (accommodation stock loss, quality downgrade, visitor spend reductions, lower construction worker spend patterns, knock-on consequences for visitor attractions viability, etc.) but it should be noted that this will also directly undermine VW/WG and IACC stated policy/strategy, which is growing tourism into a quality year-round industry. This would clearly disadvantage Anglesey vis-a-vis competitors such as the Lake District and Cornwall.

7.5.7. The WNP is a long-term project, which will take at least 10 years to complete, although similar NSIPs have overrun and required significantly greater injections of labour than initially estimated. The scale of this will magnify the impact of adverse consequences, which of course are cumulative rather than individual/singular. As research by the International Labour Organisation shows, while tourism tends to be slower to react to economic downturns in terms of job losses, opting instead for increased productivity or reductions in hours instead of staff lay-offs 'the longer the crisis lasts, or the slower the industry recovers, the more jobs are lost irretrievably.'³¹⁰

7.5.8. A 10% visitor loss (which Horizon acknowledge) would result in a minimum annual loss to the Island of £30m - but the cumulative impacts of this would be worse. Taking the widely accepted figure of £54,000 visitor expenditure to create one tourism job³¹¹ (although Horizon use £22,000 to assess job impact), this downturn would threaten 550 jobs in the sector annually.

7.5.9. The 2018 Anglesey Visitor Survey paints a worrying picture. The construction phase will exert significant strain on the visitor economy through increased traffic, infrastructural developments and increased noise, visual and dust pollution and disturbance. Road

³¹⁰ Belau, D. 2003. *The Impact of the 2001-2002 Crisis on the Hotel and Tourism Industry*. International Labour Organisation, Geneva.

³¹¹ Oxford Economics, 2013, *Tourism Jobs and Growth*, Visit Britain.

(car) dominates travel to Anglesey and there is little scope to change this. This latest survey indicates that 13% of visitors will be less likely to visit, leading to projected losses of £39m to the local tourism economy because of the environmental and infrastructural strain caused by increased volumes of traffic. Tourist tolerances of increased travel journey time and strain are very limited, with almost a quarter (23%) of visitors less likely to visit in these circumstances.³¹² Whether real or perceived, congestion will lead to visitor displacement elsewhere.

7.5.10. Around 1 in 6 of those staying in hotels or self-catering cottages (16%) say the increased volume of traffic will make them less likely to visit Anglesey, which means that losses would be much greater in this higher spending sector. These losses do not reflect the strategic target and growth of the Island as a year-round destination and WNP's impact on this. Tables 18 and 19 provide a detailed breakdown of the estimated losses, modelling a 16% loss in paid for accommodation and a 13% loss in SFR and day visitors. These tables show an overall loss of £49.26m in visitor expenditure and a loss of 410k in visitor numbers.

Table 18: Breakdown of Sectoral Impact 2017 – Visitor £m.

	Total (£m)	-1/6 th	Adjusted Total (£m)
Serviced Accommodation	44.06	7.343	36.7
Non-Serviced Accommodation	220.46	36.74	183.72
Total Value	264.52	44.1	220.42
	Total (£m)	-13%	Adjusted Total (£m)
SFR Total Value	8.43	1.095	7.33
	Total (£m)	-13%	Adjusted Total (£m)
Day Visitors	31.28	4.066	27.214

Total losses of £49.26m

Table 19: Breakdown of Sectoral Impact – Visitor Numbers

Staying Visitors	Visitor Numbers (000s)	-1/6 th	Adjusted Total (000s)
Serviced Accommodation	214.26	35.71	178.55
Non-Serviced Accommodation	705.71	117.62	588.09
Total Value	919.97	153.33	766.64
	Visitor Numbers (000s)	-13%	Adjusted Total (000s)
SFR Total Value	107.68	14	93.68
	Visitor Numbers (000s)	-13%	Adjusted Total (000s)
Day Visitors	683.87	88.9	594.9

Loss of 410k visitors

7.5.11. These surveys show that, as the project draws closer, there is a consistent proportion of people who will be put off by the construction process itself. Given the distinctive configuration of the Anglesey visitor market, its shared media, and the fact that stories

³¹² South West Research Company 2011. Visitor Survey.

about Wylfa will increase as development comes ever closer, this will cause more people to reconsider their holiday choices. A conservative estimate of a visitor loss of 16% or one sixth would drain £50m from the Island's tourism economy during construction. The several years of roadworks construction to facilitate access to WNP will exacerbate this; although roadworks will be time limited, once visitors have been lost to a destination, they are much less likely to return.

7.5.12. These scenarios pay no regard to the damage to the Anglesey brand from WNP's impact on its unique selling point, the degradation of its AONB dominated coastline, tranquillity, landscape, culture, wildlife and the WCP. Horizon commits to proactively protecting the Anglesey brand, but detail is limited. Protection of the brand is critical to combat the physical changes and tourists' negative perceptions of nuclear power, of hosting a nuclear site and the associated traffic congestion and gridlock. At the same time, the costs to the industry of visitor and staff displacement, labour churn and disruption to local supply networks will exert further cumulative impacts and strain on the tourism economy. These costs and strains will not be evident in surveys of visitor behaviour, but their consequences will exert covert impacts on a vulnerable industry, exacerbating WNP's impacts on the tourism sector's quality and profitability.

7.5.13. Without significant market interventions, these impacts will lead to significant cost reduction measures in the tourism industry, which will lead to further downturns in quality, creating a 'vicious circle' of decline and job losses or a 'race to the bottom.' Examples of these cost reduction measures are highlighted in table 20.

Table 20: Cost Reduction Measures

1	Employee reductions
2	Reductions in hours employees work
3	Reductions of expenses on advertising, renovations, maintenance and bonuses
4	Reductions in restaurants/hours of operation
5	Changes in food service levels
6	Reduction of hours of other services (hotel employees)
7	Postponement of training programmes
8	Reduction in amenities for visitors (and quality)
9	Identification of further cost savings
10	Reduction in quality materials (linens, decorations, extra touches)
11	Eliminating high food cost items
12	Pay reductions

Adapted from Pricewaterhouse Coopers in Belau 2003.

7.5.14. With conservative losses of between £39m-£50m annually to the island's tourism economy, a substantial Tourism Fund must be put in place as soon as the relevant permissions are received to protect and enhance the industry's contribution to the economy (Table 21). A fund calculated at 10% of the Island's tourism economy would be £30m annually. A Fund calculated at 5% would total £15m annually and 2.5% £7.5m. The Fund must offer capital and revenue funding streams to function as effectively as possible. This Fund should be managed by a partnership of representatives, including IACC, Horizon, Anglesey Visitor Destination Partnership, VW/WG and underpinned by a Tourism Strategy to drive the development of tourism throughout WNP construction and make full use of the funds available.

Table 21: Funding Scenarios

%	£
10	30m
5	15m
2 1/2	7.5m

7.6. Cumulative Impacts

7.6.1. A project of this size and scale must be considered holistically. Hundreds of individual impacts, across a wide range of indicators, exhibit minor, medium or major adverse impacts. Cumulatively, these impacts are substantially magnified. Perceived impacts and reported incidents and experiences will damage Anglesey's brand and reputation, which is founded on its high-quality natural environment, peace, tranquillity, diverse coast and seascapes and wildlife. It is a brand, which is augmenting its reputation through significant investment in the WCP, the development of Anglesey as a quality food tourism destination and its potential as a Dark Skies reserve. These cumulative impacts (tables 22 and 23) will:

- Reduce visitor spend in the local tourism economy (accommodation, attractions, food and drink, creative sector);
- Impact on the quality of the holiday experience, including concerns about safety and contractor use of family accommodation;
- Reduce the appeal and attractiveness of the environment through the cumulative effects of the WNP and its highly visible associated development sites (logistics centres, park and ride, MOLF, highway construction, etc.).

7.7. Temporary Visitor Centre

7.7.1 A temporary visitor centre is required during the construction period to cater for both tourists and residents, providing an educational and informative hub, demonstrating Horizon's commitment to the Island and its tourism sector, which is so vital to its economic wellbeing. This development should complement the proposed viewing platform to ensure a quality experience when visiting WNP during construction. Key visitor groups to the facility would include: school trips, higher education/special interest tourists, locals and day visitors.

7.7.2 Both the temporary and permanent visitor centre should make use of state-of-the-art facilities, engaging people in energy, low-carbon and nuclear technology stories. The development of such facilities is an established commitment of NSIPs. EDF's Public Information Centre in Bridgewater has already attracted over 80,000 visitors since opening in 2012 and includes: exhibition space, café, gift shop, auditorium, multi-functional rooms and a viewing gallery looking over the site. Electric Mountain in Dinorwig attracts 225,000 visitors annually, clearly demonstrating the appetite for energy-related attractions in the area.

7.8. Permanent Visitor Centre

7.8.1. Although not part of the DCO application, a new permanent visitor centre would be a valuable attraction for Anglesey and build on the temporary visitor centre facility. This facility should be state-of-the-art, enhancing Anglesey's educational facilities and all-weather attraction offer. Although Horizon have committed to this, funding and planning details are sparse.

7.9. Obligations and Requirements

7.9.1 Clearly there are several substantive impacts, which are highly likely to adversely affect the Island's tourism sector as the examples of other NSIPs demonstrate. There is a clear evidence-based requirement for a package of tourism-related mitigation to ensure that any negative impacts on the sector are minimised as far as practically possible. The nature of Anglesey's economy, its reliance on the tourism sector and its geographical peripherality underline the need for this mitigation programme to be agreed prior to the undertaking of site preparatory works, throughout the construction period and during the operational period. Under no circumstances should a monitor and mitigate approach be adopted. Effective brand-building and damage limitation within tourism is founded on early, sustained implementation to address potentially problematic issues.³¹³ In this way, the destination is far more able to manage the issue in a cost-effective manner; retrospective action is far costlier and much less effective.

7.9.2 Section 106 Site Preparatory works is vital to building strong foundations for the mitigation programme. During this phase, funding needs to underpin:

- A Tourism Strategy and Action Plan and other appropriate performance resources;
- Brand building, marketing, promotion and tourism monitoring surveys;
- Support for tourist information services and officer resources.

7.9.3 DCO Section 106 proposals need to build on these funding arrangements and programmes to enhance the tourism sector's resilience and ability to cope with the challenges presented by WNP. These funding arrangements should be index-linked. PAC3 makes several statements committing to mitigation measures but there is little detail in terms of scale, timing, funding, etc. IACC requested that progress on this be made prior to DCO.³¹⁴ In the absence of this, Table 22 sets out a clear programme of appropriate mitigation for the tourism sector.

Table 22: Mitigation Measures

Mitigation Measure	S106	Phase Tourism Strategy
Tourism Action Partnership to commission Strategy and Plan to enhance tourism and manage WNP impact	X	No of years required for site preparation works
Tourism and Visitor Management Office Resources	X	No of years required for site preparation works
Tourism Marketing and Promotion Initiatives	X	No of years required for site preparation works
Tourism Monitoring Surveys	X	No of years required for site preparation works
Strategic Route Development including Wales Coastal Path	X	No of years required for site preparation works
Tourist Information Centres	X	No of years required for site preparation works
Hospitality and Catering Skills Academy	X	No of years required for site preparation works

Visitor Centre – Out with Mitigation Developer to provide and retain throughout construction.

³¹³ Morgan, N., Pritchard, A. & Pride, R. (Eds.) 2011. *Destination Brands: Managing Place Reputation*, Elsevier: Oxford.

³¹⁴ PAC3 IACC Letter of Response to Horizon.

Impact	Brief Description	Council Impact Rating	Mitigation by Obligation		Mitigation by requirement	
			Horizon Proposed	The Council	Horizon Proposed	The Council
Wales Coastal Path/AONB	Obstruction, Diversion, Closure, Realignment and Disturbance will impact on the tourism industry. Significant economic and operational effects will increase visual, noise and dust disturbance with similar impacts	Negative		Accepts impact on WCP but require compensation/mitigation to these some of which are irreversible		
Traffic congestion	Construction of WNP will cause traffic congestion, which will directly affect tourism visitors to Anglesey and they may be further discouraged from visiting by perceptions of traffic congestion	Negative	See transport paper	Tourism Support Fund (see cumulative impacts)		Horizon itself should communicate with major tourism businesses and representative bodies to ensure that they are aware of exceptional transport impacts and can react accordingly. Horizon to invest in securing the delivery of economic benefits
Visual and noise impact	The visual and noise impacts of the construction of WNP will adversely affect visitors' experiences in Anglesey and will discourage them from visiting	Negative		Tourism Support Fund (see cumulative impacts)		

Tourism accommodation	Workers are likely to use tourist accommodation thus displacing tourists and business visitors, as well as further distorting local accommodation markets	Negative		Obligations on monitoring, management and enforcement outlined within the accommodation section		
Permanent and Temporary Closure of Public Rights of Way	<p>The construction of WNP and WNDA will have direct impacts upon PRoWs, which cross or are near the site. All 32 PRoWs within WNDA will be permanently stopped up.</p> <p>Permanent closure of Cemlyn Road on the Copper Trail, a key route for visitors to Cemlyn will have visual impacts on Copper Trail/National Cycle Route Network route 566</p>	Adverse negative	500 leaflets	<p>Accept it as necessary but require compensation for PRoW loss and route development elsewhere.</p> <p>Improved landscaping + planting of alternative routes.</p> <p>Improved signage and route development</p> <p>Funding to promote the Cycle Route and a cycling experiential product, linking this with local businesses</p>		IACC require that Horizon's proposal to create new replacement PRoWs be available for public use by year 1 of the operational stage
Cumulative impacts	The construction of WNP will have a significant negative impact on the tourism sector in Anglesey leading to a potential loss of £50 million of spend per annum and 925 jobs in Anglesey as visitors opt to go elsewhere on real or perceptual grounds	Negative	None	<p>Strategic Tourism Officer</p> <p>Marketing and Promotion</p> <p>Tourism Officers</p> <p>Integrated Route & Product Development Fund</p> <p>Annual Visitor Survey</p> <p>Tourism Support Fund</p> <p>Tourism Information Centres</p>		Agreement of a communication protocol with major tourism sector providers within the country

Visitor Information Centre	Horizon will construct a Public Information Centre on site	Potential positive		Educational and information hub, showcasing high-quality, interactive exhibits, which will complement the Viewing Platform		IACC should be involved in defining the design, content and operational strategy for the Visitor Centre to ensure that it brings maximum value to tourism in Anglesey Requirement for travel plan for Visitor Centre to be agreed by local planning and highways authorities linked to associated development sites and other tourist facilities
Welsh language, Culture and Heritage	Adverse impact on Welsh language communication	Major adverse		Fund to support language, culture and heritage		
Tourism Accommodation	Significant threat to capacity and quality of accommodation utilised by WNP workers (construction and professional)	Major adverse		Effective Construction Worker Accommodation Management Service (CWAMS) essential for monitoring impact Identify/develop suitable caravan site(s) to manage the impact of caravan accommodation		Early delivery of the 4000 on-site accommodation campus Legacy from accommodation campus

Brand, Reputation and Visual Perception	Threats include loss of brand value (natural, unspoilt tranquillity, coastline) 'closed for business' and impacts of construction on reputation	Negative major adverse		Marketing and promotion campaign (pre, during, post construction) to ensure Anglesey brand protection		
Staff and Supply Chain Displacement and Resilience	Displacement of hospitality-related staff, labour churn Displacement of local food supply chains, weakening Anglesey Food Tourism Strategy	Negative major adverse	Early investment in education skills and training to backfill the gaps created as well as serving Horizon demand through a Hospitality and Catering Centre of Excellence with local providers			