

FOSSE GREEN ENERGY EXAMINATION

DEADLINE 6 SUBMISSION - ASSESSMENT OF VISITOR ECONOMY IMPACT

ANDREW KEELING (IP Ref: [REDACTED])

1. Introduction

I write to respond to the applicant's responses in document REP4-018 to my Deadline 5 submission on the impact of FGE on the Visitor Economy (REP3-086).

2. Type and Cost of Accommodation Used by Contractors

The applicant states that '*contractors inherently prioritise large hotel chains in urban centres ahead of small independent accommodation services, due to the ability to negotiate block discounts*', but provides no evidence or expert opinion to back up this contention. In my experience of over 30 years of engaging with hotel managers across the UK, I have only ever found this to be the case where contractors are working on major city centre construction projects. Where contractors are working on rurally-located projects, they invariably look to use roadside or edge-of-town budget and 3-star hotels and pub accommodation that offers more affordable prices and surface parking for their vehicles. On this basis, the supply of accommodation that FGE contractors are going to look to book is going to be significantly lower than the applicant contends. I would suggest that the applicant's remark that '*the conclusions on accommodation capacity and the concluded negligible effect remain robust*' should be disregarded by the ExA as being inaccurate and unsubstantiated.

3. Weekly Hotel Demand Patterns and the Lincoln Hotel Market

The applicant states that '*construction workers are not uniformly present across all days of the week and are typically accommodated across a range of locations, reducing the likelihood of concentrated demand coinciding with peak occupancy periods*', but provides no evidence or expert opinion to support this contention. From my 30-year experience of researching hotel markets across the UK, I can tell you that contractors generally opt to stay in accommodation that is as close as possible to the site they are working on. Contractor demand is invariably concentrated on Monday to Thursday nights, typically peaking on Tuesday and Wednesday nights, when demand from business visitors is also at its highest. As I set out in REP5-048 this results in hotels achieving very high occupancies on Tuesday and Wednesday nights and frequently filling and turning business away on these nights. I maintain that the hotel occupancy data that the applicant has provided for the Lincoln area indicates that the shortages of hotel capacity on Tuesday and Wednesday nights that my 2017 study of the Lincoln hotel market identified still persist. On this basis, I would strongly refute the applicant's claim that '*the assessment is intentionally robust, using precautionary workforce assumptions and catchment areas, which provides confidence that accommodation demand can be managed without giving rise to significant displacement effects*'. The applicant's assessment uses only headline (albeit up-to-date) hotel occupancy data for the entire Lincoln area. It does not consider the locational preferences and pattern of demand for FGE contractors, or the midweek availability of hotel accommodation in the area. In my expert opinion, taking account of the detailed assessment that I made of the Lincoln hotel market in 2017, and my extensive knowledge of how hotel markets work across the UK, I maintain that FGE contractor demand for hotel accommodation will result in displacement of demand from other visitor markets on Tuesday, Wednesday and some Monday nights, as I set out in REP5-048. I believe therefore that the applicant's claims on this point should be disregarded by the ExA.

4. The Impact on Non-Serviced Accommodation

The applicant claims that it '*identifies no evidence of likely significant effects on non-serviced accommodation*' but fails to set out how it has reached this conclusion. As far as I can see the applicant has made no attempt to speak to any of the non-serviced accommodation businesses in the areas that surround the FGE site, other than the Cathedral View Holiday Park. I provided evidence in REP3-086 of how non-serviced accommodation businesses in the area focus on their rural location and access to the countryside as key selling points in their marketing websites. Lincolnshire County Council and North Kesteven District Council have repeatedly stated their views the FGE will result in significant change to the rural setting of the surrounding area in their submissions to the ExA. It seems reasonable to assume therefore that non-serviced accommodation businesses that evidently rely on their rural setting to attract business are likely to be negatively impacted by FGE. I would therefore refute the applicant's claim that '*the conclusions of the ES in relation to non-serviced accommodation are robust and appropriate*'. The applicant provides scant evidence and no expert opinion to support this contention. I believe that the ExA should therefore disregard the applicant's claim on this issue.

5. The Impact on Future Investment in Visitor Accommodation

The applicant states that '*investment in visitor accommodation is driven by a range of factors, including demand, accessibility and wider market conditions.*' In REP3-086 I have provided evidence of how important their rural setting is to existing non-serviced accommodation in the areas surrounding the FGE site. It is logical to assume that a rural setting will also be a key factor for anybody else that is considering investment in similar types of non-serviced accommodation in the surrounding area. LCC and NKDC both agree that FGE will result in a significant degradation of the rural setting of the surrounding area. It is logical therefore to argue that FGE will deter future investment in non-serviced accommodation businesses in a rural location that will be degraded by its development. I would thus refute the applicant's claim that the ES '*has appropriately assessed this issue and that its conclusions remain robust and proportionate*' and would urge the ExA to disregard this statement.

6. The Impact on Village Pubs

My contention in REP5-048 is that FGE will significantly degrade walker enjoyment of the Aubourn to Bassingham Long Walk, reducing its use by local recreational walkers, walking visitors and visiting walking groups, resulting in a loss of trade for the village pubs in Aubourn and Bassingham. While I cannot provide evidence of the extent to which this could happen, I believe that it is a risk that the ExA should consider when assessing the applicant's claims regarding the potential effects on the visitor economy. The applicant has not responded to my point on this issue and provides no evidence to refute my contention that the village pubs in Aubourn and Bassingham will be affected in the way that I suggest they could.

7. Conclusion

The applicant claims that it '*has assessed the relevant impact pathways and found no substantive evidence that the proposed development would adversely affect visitor behaviour, business performance or investment in the visitor economy.*', but provides no evidence that they have done this comprehensively or effectively:

- They have not spoken to the majority of the non-serviced accommodation businesses in the surrounding area to assess how their ability to attract customers, trading performance and future investment decisions might be affected;

- They have not spoken to any of the pubs in the surrounding area to assess the importance of walkers as a market for them;
- They have not spoken to any of the hotels in the surrounding area to determine whether they have the capacity to accommodate FGE contractors;
- They have not sought any professional opinion regarding the potential impacts on the visitor economy;
- They have not spoke to any of the farmers or landowners to establish their interest in investing in visitor accommodation development and whether this might be deterred if FGE goes ahead;
- They have not undertaken any visitor surveys to assess visitor behaviour.

It is unsurprising therefore hat they have not found any '*substantive evidence*'!

In my professional opinion as a tourism expert with over 30 years' experience, I remain convinced that FGE will have a negative impact on the Visitor Economy of the surrounding area. I cannot say how negative but I believe that the threat of a negative impact should be given due weight by the ExA in reaching a conclusion on the potential effects on the Visitor Economy, and that the applicant's contention of no significant impact should be viewed in the context of the lack of evidence that the applicant has provided to support this claim.