Written evidence submitted by the Coastfields Leisure Limited (RUT0216)

1.1 Coastfields Leisure Limited operate holiday parks along the Lincolnshire Coastline between Mablethorpe and Skegness. We have a strong interest in the long term sustainability of tourism within the district and hereby submit our views to the Select Committee on recent proposals by East Lindsey District Council as part of their Local Plan consultation, to limit the occupancy period of caravan parks within flood risk areas to between mid-March and the end of October each year. We believe there is a strong argument and sound economic benefit for the area in extending the season to encompass the Christmas and New Year holiday periods.

1.2 We feel that the proposal to restrict the opening period for future caravan park applications presents a significant barrier to future development and regeneration within the district, with a knock on effect to the following areas:
   - Year round employment opportunities
   - Workforce skills and training
   - Economic viability of the Tourism sector
   - Economic prosperity of town centres and local businesses during the traditional ‘off-season’ period
   - Encouraging more national retailers to invest in the area
   - Constraining opportunities to modernise and improve caravan site layouts and visitor experience
   - Increasing the value of the local economy and supporting future funding bids for maintaining sea defences
   - Hampering the growth targets of the GLLEP Strategic Economic Plan as committed to by ELDC

2. The Economic, Social and Environmental Benefits of Holiday Parks

2.1 The UK holiday park industry currently generates an annual £3.06 billion of tourism spending, which accounts for 14% of Britain's entire tourism economy. Holiday parks support a large number of jobs, employing people directly on-site and indirectly off-site. According to further research undertaken by the BH&HPA, holiday parks typically contribute around 20% of the income in rural economies in popular tourism areas and sustain around 15% of tourism related full-time and seasonal jobs totalling 53,000 people (http://www.bhha.org.uk/additional/files/176-nd2015-p22-24-web.pdf).

2.2 Park visitors specifically also contribute substantially to local economies, sustaining local businesses and acting as a catalyst for the development of new facilities such as shops, bars and leisure facilities. The patronage of holiday park visitors ensures that many businesses remain viable. The highest category of expenditure by visitors is on eating and drinking out, followed by purchasing food and drink from off-park shops, and then on transport. Research undertaken on behalf of BH&HPA found that each privately-owned holiday caravan produces an annual spend in
the local economy of more than £7,525 with this figure increasing to almost £15,300 for caravans that are rented on a weekly or fortnightly basis.

2.3 Holiday parks also offer a number of non-financial benefits to a local area. For example, some facilities at holiday parks are open for the benefit of local residents, both in and out of season, and play a key role in developing a socially cohesive community. In addition, the presence of additional people in an area can result in increased public transport services which benefit local residents too. Many parks have also implemented a range of environmental initiatives, include providing and maintaining wildlife areas, wetlands and woodland walks, maintaining local footpaths and coastal paths, protecting sand dunes, repairing sea defences and providing information boards for areas of local environmental interest.

3. The Economic and Social Effect of Holiday Parks in East Lindsey

3.1 By extending the season we will increase winter incomes for self-employed microbusinesses on the coast, thus increasing their economic activity during the winter months with knock-on effects throughout the local economy.

3.2 Small and medium sized employers will be able to retain more staff through the winter period thus reducing take up of out of work benefits, and allowing good staff to be retained and trained to improve the general visitor experience. In turn this will have a knock on benefit to the local housing economy through increased home ownership and household income. The East Lindsey 2016 Economic Baseline backs this up showing that the Jobseekers Allowance count can increase by more than 1,000 claims across East Lindsey between February and August each year. It has also been demonstrated by the BHA that for each job created/retained in the visitor economy a further 0.6 jobs are also created indirectly, and each £1m spent in the visitor economy creates a further £1.5m in associated industries. (http://www.e-lindsey.gov.uk/CHttpHandler.ashx?id=5660&p=0n)

3.3 The East Lindsey Coastal Skills Audit states that “Skegness displays the most acute seasonality of any of the seaside towns included in the study, as well having amongst the lowest median average earnings of any of the seaside towns and being one of the poorest performers on qualifications indicators … This high worker turnover has negative impacts on the willingness of employers to provide training … the employment relationship is tenuous in seasonal industries such as hospitality such that employers are unwilling to invest in transient labour” (http://www.coastalcommunities.co.uk/wp-content/uploads/2015/07/Skills_audit.pdf). The Greater Lincolnshire Local Enterprise Partnership (GLLEP) in its destination management plan, which has been signed up to by ELDC, also identifies the deficit of training opportunities. Furthermore, the 2016 East Lindsey Economic Baseline suggests that businesses face a substantially “lower stock of high skilled individuals than the national average, so investing in developing your workers directly is an important consideration.” The tourism industry has also had huge issues in uptake of apprentices, predominantly due to the difficulties caused by seasonality. By being able to employ these young people, we would be able to increase our ability to train then next generation of workers, whilst giving them a future in the area.
3.4 By limiting the season as proposed it will have a trickledown negative affect on the economy during the off season due to decreased spending power in the local economy as well as the decrease in Income Tax on earnings, VAT on sales and the increase in out of work benefits payments. In addition to this, there are the effects on the retail economy, which severely impacts our ability to attract national brands, such as Marks & Spencers, who require a solid year round trading environment in order to make the investment worthwhile. This has already been noted by Scarborough who started this process in the early part of the 2000’s stating that “In 2000, unemployment was 50 per cent higher in the winter months compared to the summer. By 2008, the difference was little more than 10 per cent, a dramatic change and one which is the envy of many other seaside resorts.” (http://www.coastalcommunities.co.uk/wp-content/uploads/2015/07/coastal-regeneration-handbook.pdf). The trend is also highlighted in the Great Yarmouth Local Plan which states that “One of the key requirements of a successful visitor economy is the ability for a destination to attract visitors on a year-round basis. Seasonality constrains business performance, limits employment and restrains investment opportunities.” (http://www.great-yarmouth.gov.uk/CHttpHandler.ashx?id=1572&p=0)

3.5 From information provided by operators accounting for 9,000 or 35% of the static caravan bases within the area, it is evident that only 27.4% of those bases would be suitable for an extended season. This includes parks who already have a licence period until 5th Jan. From data collected during recent years, on sites already in possession of a licence until 5th Jan, it is apparent that around 30% of the available bases are utilised over the Christmas/New Year period. Assuming similar requirement for longer season and take up by caravan owners across all sites in the district equates to approximately 2,400 units occupied with an economic benefit to the area of between £1.51 million and £2.48 million over the festive period alone. The economic benefit to the area cannot therefore be overlooked.

4. Regeneration and Park Development

4.1 Site licence conditions for parks with an extended season require site operators to improve conditions around park layout and access such as roadways and parking to each pitch. This also greatly enhances the customer experience and demand.

4.2 Extending the season creates an incentive for businesses to improve the quality of offer due to the increased trading period on offer, again as Great Yarmouth notes “Holiday Parks also play a very important role in maintaining the borough’s tourism economy. While it is recognised that this sector remains relatively successful, there is a need to continually encourage the upgrading of holiday parks in the borough to meet ever more demanding market requirements.”

4.3 The proposed Local Plan dis-incentivises development on existing parks with extended opening licences, who would have their season reduced upon applying to re-develop layouts and improve parks. This fails to improve the customer offering and raise standards in our area. The GLLEP identifies this as a priority for the area, stating their “consensus that there is an imbalance in accommodation supply with an over-provision of poor quality accommodation.” It is crucial for the long term success of the coastal economy that this is not inhibited. For these revised layouts to be suitable for new larger holiday homes, we must ensure that sufficient land is also provided so that the existing stock can be spread over a greater landmass so that visitor numbers do not
We must ensure that we do not fall behind other areas on the East Coast by limiting the appetite to improve our offer.

5. Flood Risk and Mitigation

5.1 During December 2013 the sea defences on the east coast were tested to a 1 in 400 to 600 year event with the highest ever tides recorded on the coast (some 70cm higher than 1953) with 99.98% of the coastal defences holding as documented by the EA Report on the event (http://lincolnshire.moderngov.co.uk/documents/s7054/Tidal%20Surge%20Event%20Coastal%20Surge%20-Appendix%20A3.pdf). We are not dismissing the risk, however it is important to increase investment locally in a sustainable and controllable manner. As stated in the Lincolnshire Resilience Forums official report into the 2013 surge “we were better protected than ever before. By and large, the sea defences did their job ... with initial warnings 5 days in advance and deterministic forecasts 36 hours in advance ... The early warning, on-going monitoring of the threat, and activation of precautionary (and then full) coordination structures allowed us to ‘get ahead’ of the storm and maximise the time available” (https://www.lincolnshire.gov.uk//Download/64557). We must remember that the Shoreline Management Plan for the area proposes that “The important tourism industry in this area will not be adversely affected in terms of flood risk ... increased management activity may be required to carry out this policy in the longer term. By 2055-2105 it may be necessary to consider the use of new defences to ensure sustainable flood protection to assets as sea level rise accelerates.” (http://www2.eastriding.gov.uk/EasySiteWeb/GatewayLink.aspx?alId=128637).

5.2 There are concerns that conditions relating to evacuation cannot be legally enforced. However parks can amend terms and conditions and control occupancy and evacuation measures (such as the need to leave parks upon the issue of a 36 hour warning) through contracts with customers. It is believed that the desire for occupants to remain in a holiday home threatened by a flood warning, will be minimal when they have alternative accommodation available elsewhere. In a survey undertaken by Sheffield Hallam University in 2011, 94% of respondents stated that in the event of a flood evacuation, they would be able to leave the area by their own means thus would not require temporary accommodation. (http://www4.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/caravan-communities-lincolnshire-coast.pdf)

5.3 Businesses have already acknowledged that they would have to take on this requirement as a sensible management of the risk. They have the means to enforce this and potentially other conditions through their agreements with customers. It would also be a requirement for each business to ensure the safety of their customers, potentially with warnings when an alert is given, followed by an order to evacuate when the risk level dictates. This would be critical so as not to expose the business to charges of negligence or corporate manslaughter so full compliance by businesses could be expected.

5.4 It is also important to recognise that the EA flood risk maps simulate a total loss of the sea defences throughout the coast, which whilst not impossible, is highly improbable. It is stated that each potential breach was assessed in insolation, however the maps then sum these breaches together which in reality creates a total breach scenario. This is recognised by Great Yarmouth
This flood mapping provides information on the flood extents for a number of different scenarios and includes the undefended situation, which ignores the presence of defences and is used to provide the Flood Map outline that defines the Flood Zones.” and by the Lincolnshire Coastal Study which informed the maps themselves where “Modelling based on breaches of defences occurring as indicated (i.e. 100% defence failure probability at the 1 in 200 year water level) ... although the breach results would be similar whatever the defence standard of protection because they assume failure” (https://www.lincolnshire.gov.uk//Download/13671)

5.5 The flood risk considerations of an extended occupancy period can be mitigated, as has been done successfully by other local authorities in similar circumstances. Again, the adopted Local Plan from Great Yarmouth states that in their 1 in 100 year risk, rather than our 1 in 200 year zone “The flood mapping illustrates that extensive areas of land within the borough are in Flood Zone 3a and that the most significant risk is from tidal flooding. However the actual level of risk in the borough for the present day scenario, taking account of the presence of the existing defences, is significantly lower than that indicated by the Flood Zones. The existing flood defences offer a standard of protection equivalent to 1:100. However, the SFRA shows that the defences may offer protection for a 1 in 200 year return period event” (http://www.great-yarmouth.gov.uk/CHttpHandler.ashx?id=1572&p=0).

5.6 In terms of mitigating the risk, this has been approached by Great Yarmouth and accepted by the Planning Inspectorate by allowing evacuation prior to a flood event where: “evacuation will be considered as a means of making development safe in advance of flooding through a Flood Response Plan. This is possible because due to the tidal nature of the flood risk in the borough, it can be predicted prior to the flood event.”

5.7 There is also the option to time limit the extended permission for say, 20 years which allows businesses to make a sound investment decision and the regulatory bodies to review to state of the sea defences and sea levels. This allows an informed decision to be made in the future when more is known of the risk as to whether it is prudent to maintain the extended season length for a further period. This has precedent both locally and nationally with other holiday parks, in particular with a similar condition in flood zone 3a at both Dymchurch and Boston. It is strongly felt that this would allow a sensible balance and provides the council control over the risk.

5.8 The option of brick-built two storey holiday dwellings is not considered to be a viable option as high quality leisure caravan parks are the preferred accommodation choice of the majority of visitors. There is also an economic concern in terms of the cost to develop this style of accommodation and how this would impact upon revenue from caravan sales, an important source of income for operators which would affect the viability of businesses.

5.9 Based upon numbers provided at paragraph 3.5 above, it is estimated that the numbers of vehicles from holiday parks looking to leave the area over a given Christmas/New Year period would be in the region of 2,400. This includes vehicles from parks where there is already a licence to 5th Jan i.e. this would not all be additional traffic.

5.10 Putting the information at 5.9 above into context, data provided from Butlins Skegness shows that for the Spring Harvest event at Easter Bank Holiday, approximately 1,800 vehicles leave that site and disperse to areas inland within a 2 hour check-out period at a time when there is already
a considerable volume of inward, outward and local traffic within the area as all holiday parks and hotels are in operation during peak trading.

6. Summary

6.1 It is strongly felt that the potential social and economic benefits to the local community from extending the season would be enormous, with a dramatic effect on the seasonality of employment and the ability of businesses to retain and upskill the workforce.

6.2 By removing some of the seasonality of the demand, it would be much easier to attract national retailers and brands. In addition to this, it would incentivise investment by infrastructure providers due to the increased utilisation of services which benefits both visitors and residents alike.

6.3 The increased economic activity of the local workforce and small business owners would increase thus amplifying the effect of the £1.5-2.5m increase in visitor spend.

6.4 A sensible mitigation could be applied via park owners ensuring evacuations are carried out at a predetermined flood warning level, and time limited permissions allowing an inbuilt break point in the near future should the risk factors change.

6.5 Creating an incentive to existing parks to improve layouts and visitor experience in order to qualify for the extended permission thus triggering a massive capital investment programme.

6.6 We feel that the government should encourage a more positive ‘can do’ approach to mitigating flood risk through local authority planning policies within areas such as East Lindsey and thus promoting the longer term economic viability and quality of tourism offer in these areas.

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