

Environment and Sustainability Committee
Inquiry into Energy Policy and Planning in Wales
EPP 239 - Wales Tourism Alliance

Consultation Response
'Inquiry into energy policy and planning in Wales'

Wales Tourism Alliance

Wales Tourism Alliance Limited
77 Conwy Road,
Colwyn Bay,
LL29 7LN

Company No: 4449548

1. Industry Representation

The Wales Tourism Alliance

1.1 The Wales Tourism Alliance (WTA) is the recognised over-arching representative organisation for the tourism industry in Wales, liaising with and coordinating the views of all concerned and informing and working with Government at Westminster, Cardiff and at Local Authority levels.

1.2 The WTA also acts as an intermediary between Government and all involved in tourism, disseminating information to the industry via our member organisations and we work with colleagues in organisations in other parts of the UK.

1.3 The membership of the WTA includes sectoral, national, regional and local representative bodies comprising accommodation (hotels, guest houses, bed and breakfast establishments, holiday home parks, touring caravan and camping sites, hostels and self-catering cottages), attractions, activities, training and skills, tourism guides and transport.

1.4 The WTA therefore works with and on behalf of operators ranging from major players to the numerous micro-businesses that make up so much of the tourism industry.

2. The Tourism Industry in Wales

The Visitor Economy and Employment

2.1 The final report of “The Economic Case for the Visitor Economy” by Deloitte & Oxford Economics published in June 2010 illustrates the importance of tourism to the economy of Wales compared to other parts of the UK. The total contribution in 2009 (which includes impacts through the supply chain, of capital investment and Government expenditure) accounts for £6.2bn of GDP, 13.3% of the total economy - compared to 8.6% in England, 10.4% in Scotland and 4.9% in Northern Ireland. The direct contribution is £2.7bn which equates to 5.8% of Wales GDP compared to 3.9% in England, 4.9% in Scotland and 2.1% in NI.

2.2 This report also highlights the importance of tourism to employment in Wales. The total contribution in 2009 accounted for 0.17m jobs in Wales, 12.7% of the total workforce; this compares with 8.3% in England, 10.0% in Scotland and 4.7% in NI. The direct contribution supports around 0.09m jobs, 6.9% of the Wales workforce, considerably higher than the 4.4% figure for England, 4.2% for Scotland and 3.0% for NI.

2.3 Although high levels of employment in the Visitor Economy can be found in cities, rural areas are more dependent on the sector as it plays a large role in local economies and indeed communities, enhancing the provision of facilities and amenities that are also extensively used by residents as well as visitors.

2.4 In Wales, the rural economy has a particularly strong link with the Visitor Economy with the share of employees in Conwy estimated by Deloitte to be 16.7% with 15.1% in Pembrokeshire, 13.2% in Ceredigion, 12.2% in Gwynedd and 12.0% in Powys. 25% of all VAT registered businesses in Wales are in the Visitor Economy.

2.5 As a stable and dependable industry, tourism also has a vital role in the regeneration of urban communities within Wales. Tourism has proven itself strongly resilient to the ravages of the current economic downturn and this is especially relevant to rural Wales, where employment alternatives are limited. Tourism as an employer, as an economic driver and, perhaps just as significantly, as the custodian of community facilities & opportunities, is paramount and irreplaceable.

2.6 Tourism in Wales also has considerable potential for growth with Deloitte forecasting that the Visitor Economy by 2020 will provide a total contribution of 6.9% of the Wales GDP, supporting 188,000 jobs and accounting for 13.7% of total employment.

3. Our Response

The WTA is keen to input into the Committee's considerations as to how the current devolution arrangements for energy policy and planning affect the delivery of the Welsh Government's desired future 'energy mix' in Wales.

Our responses to the questions are as follows:

What are the implications for Wales if responsibility for consenting major onshore and offshore energy infrastructure projects remains a matter that is reserved by the UK Government?

The tourism industry is deeply concerned that decisions will be taken in isolation of tourism businesses whose livelihoods depend on visual amenity, particularly accommodation businesses and where infrastructure pose a real or imagined risk to our visitors. For example even if no link has been proved between the production of electro-magnetic fields and cancer risk the perception is enough to scare away our visitors.

We are extremely concerned about the visual impact in relation to power transmission from sustainable energy sources that can and will have an impact on the economic viability of tourism in the areas where they may be situated. The siting of a visually intrusive development could mean the difference between a repeat visit and an empty bed next year. Its effects on

the landscape need to be mitigated and, where an impact on tourism is identified, we will only support the laying of underground cables.

We also believe that all options for the obscuring of substations should be explored and where possible for as much of the substation infrastructure to be placed within the ground as possible.

We believe that the Welsh Government should take responsibility; it is the only way that our voice will be heard against bigger commercial and political interests. It is simply not acceptable for the Welsh Government not to have responsibility for such large projects and to be able to ensure that impact assessments - economic, social as well as environmental impacts are correctly scoped and executed in order that all interests can be weighted and fairly taken on board when the decisions are made to site turbines and the related infrastructure across Wales.

How does this affect achievement of the Welsh Government's aspirations for various forms of renewable and low carbon energy as set out in the Energy Policy Statement?

It is difficult for us to answer this question, but it does seem obvious that it will mean less control not only over the siting of large scale developments, but also in finding suitable alternatives to mitigate against loss of fossil fuel generation. It will also mean less of an ability to plan in favour of micro generation projects which are often more suited to local communities; fragile environments and visual amenity.

How does this affect delivery of the Welsh Government's target for a 3 per cent reduction in Green House Gas emissions per annum from 2011?

If control is retained by Westminster the Welsh Government will simply adopt a target by default and likewise a solution by default – possibly in-appropriate. If the Welsh Government takes control surely, if the resources are also available, it means that the Welsh Government has more control in setting targets that are actually designed for Wales and gives us the ability to establish the right course of action for our communities and the tourism businesses that help supply those communities with vital income.

What will be the impact if consenting decisions on major infrastructure projects and associated development are not all taken in accordance with Welsh planning policy?

Although these are not necessarily the views of the WTA itself by way of a case study the following is from a recent representation from Tourism Business in the Brechfa Forest area making the following points, over which they are particularly concerned. These appear to be some of the impacts:

- *There is a perceived conflict between the support the public sector has previously supplied to the communities encircling the forests of Wales to diversify into tourism, For example Afan forest. mountain bikers have built a network of trails and EU funding has been used to build a*

visitor centre. Planning **applications** potentially involve closing the trails while building windfarms in the area of each trail. One of the windfarm planning applications is to build turbines on the mountain bike trails. Is this correct?

- Each of the strategic search areas for windfarms designated within TAN8 are to be centred around one of the major forests of Wales. As management of forestry commission land in Wales has been devolved to WG, WG then instructed the forestry commission to enter into contracts with windfarm developers. The contracts give the developers the rights to apply for planning permission with a guarantee of a 25 year lease being agreed if planning permission is granted. If planning permission is refused the developers have the right to re-apply. As far as aware there is no limit on the number of windfarm planning applications for each forest or time limit on submitting planning applications. Is this correct?
- Concern has been expressed that no proper economic impact assessment has been undertaken on developments which will potentially impact on businesses dependant on the Brechfa forest.

Alongside these questions, the Committee will also consider the two petitions about Welsh Government planning guidance as it relates to onshore wind energy and the impact on local communities and infrastructure.

Of course the WTA welcomes any change that improves efficiency in the use of our limited natural resources, but we urge you to consider the potential impact on our tourism industry. These are difficult economic times and the industry can be extremely fragile, once we lose visitors from an area they are very difficult to win back.

We welcome the moves by the Welsh Government to adopt a truly integrated approach to the management of our environment across areas such as sustainable development; land use management and local biodiversity goals. However as a pan-Wales organisation we are not in favour of any development which has a serious negative effect on our industry anywhere across the country.

In conclusion, we would like to see a full economic impact assessment undertaken on any large scale renewable energy project or TAN8 related project in the future so that we can clearly see the economic impact of current and future proposals on tourism infrastructure and businesses.

We are currently witnessing a growth in conservation of resources within the tourism industry and in *Green Tourism* as a main or part reason for visiting Wales and, indeed, other destinations with solid environmental credentials. WTA believe Wales has a leading image as a 'green' destination and that directly or indirectly it is a major selling point for our holiday businesses and a key component of the marketing offer. However we do not want to see this

image tarnished by inappropriate development, even where it relates to the development of 'green' energy.

The Welsh Government has itself invested a great deal in building the Wales brand, which is partially founded on our green credentials. As an industry, we have strived over recent years to further develop this image and the factors that generate its promotion; as citizens, and as businesses, we do not want to see our landscapes, environment, its ecosystems and natural resources depleted or diminished in any way, even if it is on the back of a good cause.

We realise that we all face serious energy issues and that it is a difficult balancing act but would not wish to see the tourism industry or our customers alienated to 'green' initiatives either.

4. Future Involvement of the Tourism Industry in Wales in This Process

4.1 We would like to be part of any future consultation/advisory process affecting policy on this matter as it is certain that such future and further activity will impact on the wider membership of tourism organisations that we represent in Wales and the tourism/visitor economy in general.

Any suggested measures that may impact on our industry need to be devised in association with the tourism industry via the Wales Tourism Alliance.

Thank you for giving us the opportunity to respond.

Yours sincerely,

Adrian D. Greason-Walker
Wales Tourism Alliance