

Urban Splash EAST WHARF, WATCHET - ECONOMIC IMPACT ASSESSMENT



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Final Report
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EXECUTIVE SUMMARY

Introduction

- 1.1 This report provides an economic impact assessment of the proposed Urban Splash mixed use development of East Wharf in Watchet, West Somerset.

The proposed scheme

- 1.2 The *Watchet Urban Design Framework*¹ concludes that 'the greatest threat to Watchet's future economic and social well-being is the poor quality of its built environment and lack of choice in housing, employment, leisure and community facilities'.
- 1.3 East Wharf is identified in the Framework as the key site for redevelopment in Watchet.
- 1.4 The proposed scheme has developed out of a successful competition response by Urban Splash for the site in September 2005. The current scheme, for which planning permission is sought, includes the following elements:
- Residential (6433 metres²) - including 86 apartments (of which 51 are one bedroom and 35 are 2 bedroom)
 - Commercial (761 metres²) - including 575 metres² of units for shops and light industrial uses and a 186 metre² bistro/restaurant unit.

The local economy

- 1.5 There are currently 3,972 people living in Watchet and its surrounding area.
- 1.6 The local economy comprises 93 businesses. Of these, 23% are categorised as 'financial and business services', 20% are retail and 16% are hotels and catering.
- 1.7 A total of 508 people are employed in Watchet. The main employer is Wansborough Paper Mill, which has recently made 50 people redundant. The other main employment sectors are retail (88 people) and hotels and catering (67).
- 1.8 Many of the jobs in the town are reliant upon visitor spend. In the absence of official estimates, we estimate that visitor spend contributes approximately £6.7 million to the local economy per annum. This helps to support 185 jobs, which equals 131 full time equivalent jobs.

The potential impact of the East Wharf development

- 1.9 It is clear that Watchet has the potential to attract significantly greater visitor numbers if it can improve its retail and leisure offer.
- 1.10 The proposed East Wharf development could:
- Support approximately 100 temporary construction jobs over a 21 month period
 - Directly support approximately 68.5 new jobs and safeguard a further 9.5 jobs
 - Some of these jobs will be supported by new resident spend, which is estimated to add over £1 million per annum to the local economy.
- 1.11 Annual visitor numbers to the town could increase significantly. It is possible that this growth could take place at differing rates. At a minimum the improvements to the public realm might attract an additional 3,000 staying visitor nights and an extra 100,000 day visits. Alternatively it is possible that East Wharf could contribute to the overall

¹ Landscape Design Associates (2003) Watchet Urban Design Framework

regeneration of Watchet and could help to attract almost 10,000 additional staying visitors and as many as 230,000 day visits.

- 1.12 These visitor number growth scenarios could add between £2.3 million and £5.5 million to the local economy. This would help to support between 63 and 152 jobs² in and around Watchet.
- 1.13 Therefore it is possible that between 85 and 175 jobs³ (in total) will be supported by additional resident and visitor spend.

² Some of these will be direct jobs created in the East Wharf development

³ These do not include temporary construction jobs

1 INTRODUCTION

Purpose of this Report

- 1.1 This report provides an economic impact assessment of the proposed Urban Splash mixed use development of East Wharf in Watchet, West Somerset. The report has been prepared for Urban Splash to accompany the Planning Application for the development.
- 1.2 This section provides an overview of the proposed East Wharf development and its contribution to regeneration objectives at a local and district level.

East Wharf

- 1.3 East Wharf is a large storage shed and yard situated on the edge of Watchet Harbour. It is used for boat repairs and storage. The site, which is currently under-utilised, is regarded by West Somerset District Council and the South West RDA as offering considerable regeneration potential.
- 1.4 The proposed scheme has developed out of a successful competition response by Urban Splash for the site in September 2005. The current scheme (see figure 1.1), for which planning permission is sought, comprises the following elements:
 - Residential (6433 metres²) - including 86 apartments (of which 51 are one bedroom and 35 are 2 bedroom)
 - Commercial (761 metres²) - including 575 metres² of units for shops and light industrial uses and a 186 metre² bistro/restaurant unit. Two units are likely to be taken up by Quay West Radio and the HM Coastguard
 - Marina facilities (290 metres²) - including WCs, showers, boat yard and crane.
 - Council offices (262 metres²) - including a Tourist Information Centre
 - Plant facilities (318 metres²)
 - Increase in public realm, allowing full public access and use of the East Quay frontage with the marina
 - The creation of a single storey building (Belvedere Building) with ramped access to a viewing terrace.

Figure 1.1: Proposed Development



Strategic context

- 1.5 The *Watchet Urban Design Framework*⁴ concludes that ‘the greatest threat to Watchet’s future economic and social well-being is the poor quality of its built environment and lack of choice in housing, employment, leisure and community facilities’. The Framework is aimed at reversing the decline to help establish Watchet as a beautiful place, thus contributing to the town’s long term future viability.
- 1.6 The focus of the Framework is upon the Harbour. The Harbour is the natural draw for visitors to the town and is the place where most people would like to live or work. East Wharf is identified as the key site for redevelopment in Watchet.
- 1.7 The Framework states that any development on the site should incorporate or make provision for the following:
- Attractive and accessible commercial workspace, including marine workshops, a chandlery, and other marine related activities
 - External spaces need to be highly flexible and adaptable both to accommodate events and other public space functions
 - Development must include ground floor uses, preferably shops, galleries, cafes and restaurants
 - Development must include residential provision.
- 1.8 *The Watchet Regeneration Action Plan*, produced through a process of community consultation, outlines priorities and actions for moving the town forward. The East Wharf development would contribute towards addressing the following Plan priorities:
- Increase diversity of businesses and job opportunities in Watchet
 - Promote Watchet and surrounding area as a quality visitor destination throughout the year
 - Co-ordinate physical enhancements to town centre, waterfront and town ‘gateways’.
- 1.9 The *West Somerset Community Plan 2004-2007* highlights the regeneration of Watchet and the delivery of the key recommendations of the Urban Design Framework as priority actions under the ‘diversifying the local economy, particularly through the provision of better paid jobs and better communication’ theme.
- 1.10 In recent years WSDC has sought to address a shortfall of commercial premises across the district through creating a range of small to medium sized managed workspaces. With EU Objective 2 support, industrial units have already opened in Williton and further units are being constructed in Minehead and Dulverton. The commercial units to be provided at East Wharf will help to address the shortfall of business space in Watchet and across the district as a whole and will contribute towards the *West Somerset Economic Development and Access Strategy*, particularly Objective 3.2: ‘improve the number and range of flexible premises for small businesses’.
- 1.11 The development of East Wharf is identified as a priority project by the WSDC Unit 5 group. Unit 5 is a ‘virtual team’ of staff from a range of service areas that aims to deliver sustainable economic regeneration projects that contribute to the WSDC priorities of better paid jobs and business opportunities.
- 1.12 The Somerset Strategic Partnership has produced a *Somerset Vision and Community Strategy Draft Action Plan*. This sets out objectives and priorities for economic development across the county. The Action Plan sets the following vision for business and industry development:

⁴ Landscape Design Associates (2003) Watchet Urban Design Framework

'Somerset in 2025 will have a 21st Century economy. Identified key sectors have thrived and the attractive business environment has stimulated the growth of small and medium sized enterprises. The upturn in business has generated a diverse business profile with increased GDP, business start-ups and research and development'.

- 1.13 In order to achieve this vision the Action Plan prioritises the need to identify, promote and ensure the development of a series of regionally significant strategic employment sites. East Wharf is identified as one such site in the Action Plan.

The regeneration of Watchet Harbour

Background

- 1.14 There has been a settlement at Watchet since pre-historic times. By the ninth century the town had become an important port, serving the local cloth industry and boats carrying salt, coal, wine and livestock.
- 1.15 The Harbour has had a chequered history and due to the power of the sea has been destroyed and rebuilt several times. The majority of the existing Harbour walls date back to the 1860s when the harbour was rebuilt to serve the iron ore mines that had opened in the Brendon Hills. These mines were linked to the Harbour by the West Somerset Mineral Railway, which was only used for 40 years.
- 1.16 The opening of the West Somerset Railway in the 1850s resulted in Watchet becoming a minor resort by the 1870s. This period marked the last major expansion of Watchet.
- 1.17 By the 20th century the Harbour was mainly used for the import of wood pulp from Scandinavia and Portugal for the local paper mill as well as for general cargo including sand, cement, fertilizer, lead ingots, tractors, potatoes and coal.
- 1.18 A decline in coastal traffic led to a call for the harbour to be closed in favour of creating a marina. After a Public Inquiry the inspector approved a bill for the decommissioning of the Harbour⁵.

Regeneration

- 1.19 The regeneration of Watchet Harbour began in 2001 with the impoundment of the Inner Harbour to create a floating marina. The regeneration has been planned in three phases:
- Watchet Marina
 - Esplanade enhancement
 - East Wharf.

Watchet Marina

- 1.20 The £5 million marina scheme was funded by the South West RDA, Dean and Dyball and WSDC.
- 1.21 Initial reports on the scheme indicated that 40 jobs could be created by the development and that further beneficial impacts would be felt in the local economy by enhancing the Harbour area for both local people and holiday makers⁶.
- 1.22 The marina currently has 180 permanent pontoon berths. The inner Harbour has capacity for 250 berths. There are also a number of visitor berths provided.
- 1.23 Current facilities include showers, toilets, a fuelling pontoon, a laundry facility, slipway and trailer parking, boat hard standing area, storage, a chandlery and a mobile construction crane, which undertakes boat lifting and moving operations.

⁵ Watchet Town Council (2005) Watchet - The Town www.watchettowncouncil.org/?page=watchet

⁶ SWRDA (2000) Work Starts on Watchet Marina 09.10.2000

- 1.24 The Harbour currently supports 11 full time jobs and 9 part time jobs, equating to 14 full time equivalents. Of these, 4 FTEs are employed by the marina, 2 carry out boat repairs and refits and 5 are professional sea anglers. There are also 2 part time 'corporate entertainment, RYA training, boat charter' type jobs and 3 part time 'visiting trades'⁷.

Watchet Esplanade Enhancement

- 1.25 The Esplanade is the stretch of harbourside adjoining East Wharf that links the Railway station with the town centre. The Urban Design Framework identifies it as Watchet's most important public space and as somewhere where 'pedestrians can promenade - free of traffic, enjoy the Harbour and take in the spectacular views across the Bristol Channel'. However, the Framework states that 'it doesn't really lead anywhere' and 'there are no attractions to draw people along the Esplanade except the views'.
- 1.26 In order to resolve this, WSDC have secured EU Objective 2 match funding to carry out environmental enhancement works along the Esplanade. The enhancement, which has already begun, will provide Watchet with a more comfortable environment for the pedestrian, offering adequate seating in an attractively designed area. In addition to this, a performance area will provide an arena for cultural activity and market stalls will provide an opportunity for local craft producers and businesses to add to the attractions and profile of Watchet during event days.
- 1.27 It is estimated that 4 gross new jobs will be created in the local community by the enhancement project and a further 8 gross jobs will be supported. Similarly, it is estimated that £244,161 of gross new sales will be created and £488,322 gross sales will be safeguarded per annum as a result of the project⁸.

⁷ Fisher Associates (2005) Feasibility Study of Development of Marine Based Industries in the Watchet Locality.

⁸ WSDC (2006) Watchet Esplanade Enhancement Objective 2 ERDF Business Plan. Estimates have been generated using the Cornwall Economic Impact Model and Toolkit which converts total capital expenditure into predicted project outputs.

2 WATCHET - LOCAL ECONOMY

Introduction

- 2.1 This section provides a socio-economic baseline of the town and its surrounding area.
- 2.2 It provides an overview of the key employment sectors before focusing upon visitor numbers, spend and associated jobs.

The local economy

- 2.3 The area of Watchet and its surrounding hinterland is defined using the following Super Output Areas:

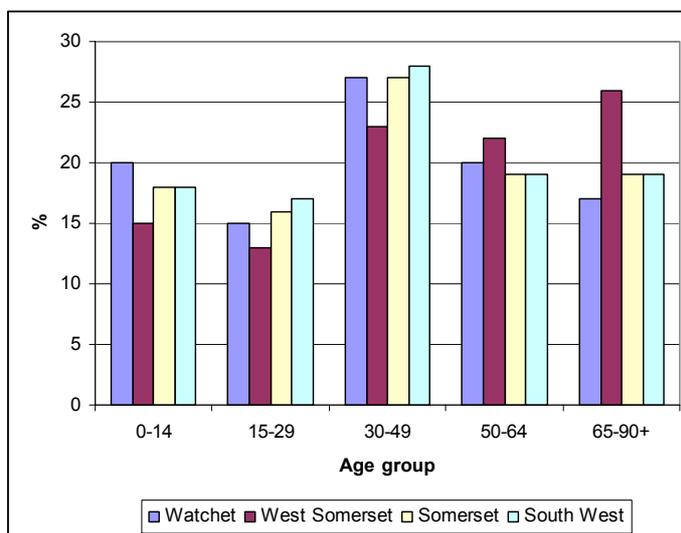
- SOALOW E01029339
- SOALOW E01029340
- SOALOW E01029341

- 2.4 Where possible, the performance of the local economy is assessed in comparison to West Somerset, Somerset and the South West.

Population

- 2.5 A total of 3,972 people lived in Watchet in 2001. This represented approximately 11.3% of the total West Somerset population.
- 2.6 The population age profile is broadly in line with that recorded across the district and county. There is a greater proportion of 0 to 49 year olds in Watchet than is found across West Somerset.

Figure 2.1 Population Profile



Source: Census 2001

Business Numbers

- 2.7 There is a total of 93 businesses in Watchet. Of these, 86 firms employ between 1 and 10 people, 5 employ 5 staff and 2 have between 50 and 199 employees.
- 2.8 The main sectors in terms of business numbers are 'financial and business services' (23% of all businesses), 'wholesale/retail distribution; repair' (20%), 'hotels and catering' (16%) and 'other business activities' (15%).

- 2.9 These figures are broadly in line with those recorded across West Somerset and Somerset. Watchet however has a smaller proportion of 'finance and business services', 'wholesale and retail' and 'construction' businesses and a greater percentage of 'hotels and catering' businesses than the comparator areas.
- 2.10 This indicates that the jobs on offer in Watchet are likely (on average) to be lower skilled and poorly paid in comparison to those on offer in Somerset and the South West.

Employee Numbers

- 2.11 There are a total of 508 people employed in Watchet. Of these employees, 328 people work on a full time basis.
- 2.12 Wansborough Paper Mill is the largest employer in Watchet. The factory, which is owned by DS Smith, manufactures corrugated case making paper tubes and machine glazed paper for wrappings and for envelopes. At the time of the 2006 Annual Business Survey there were 151 employees on site, representing 30% of all Watchet employees. However, since these figures were collected the company has shut down one of the two paper making machines, resulting in a loss of 50 jobs.
- 2.13 The other main employment sectors in Watchet are 'wholesale/retail distribution' (88 employees), 'public services, administration and defence' (84) and 'hotels and catering' (67). Both the 'wholesale/retail distribution' and 'hotels and catering' sectors generally offer poorly paid jobs that are often part time and/or seasonal.

Economic Activity

- 2.14 The 2001 Census records 2,772 working age people living in Watchet. Of these, 62.6% were economically active. This is higher than the West Somerset figure (61.1%) but lower than that recorded across Somerset (67.9%) and the South West (67.5%) (see table 2.1).
- 2.15 Within the total of all residents, 49% were employees, 7.6% were self employed, 3.5% were unemployed and 2.4% were full time students. These figures are broadly in line with the comparator areas, although unemployment levels in Watchet were higher.

Table 2.1: Economic Activity

	Watchet	Watchet %	West Somerset %	Somerset %	South West %
ALL PEOPLE	2,772				
Economically Active : Total	1,734	62.6	61.1	67.9	67.5
Economically Active : Employee	1,357	49.0	41.0	52.3	52.3
Economically Active : Self-employed	212	7.6	15.4	11.1	10.1
Economically Active : Unemployed	98	3.5	2.9	2.5	2.6
Economically Active : Full- time Student	67	2.4	1.7	2.1	2.5
Economically Inactive : Total	1,038	37.4	38.9	32.1	32.5
Economically Inactive : Retired	521	18.8	22.2	16.3	15.5
Economically Inactive : Student	88	3.2	2.6	3.0	3.9
Economically Inactive : Other	429	15.5	14.1	12.8	13.1

Source: Census 2001

Index of Multiple Deprivation

- 2.16 The Index of Multiple Deprivation takes into account a variety of statistical indicators to provide a deprivation ranking for every Super Output Area (SOA) in England.
- 2.17 One of the three SOAs in Watchet is ranked within the 25% of most deprived SOAs in England (see orange shading in Table 2.2). This SOA (E01029339) is the second most deprived SOA in West Somerset.

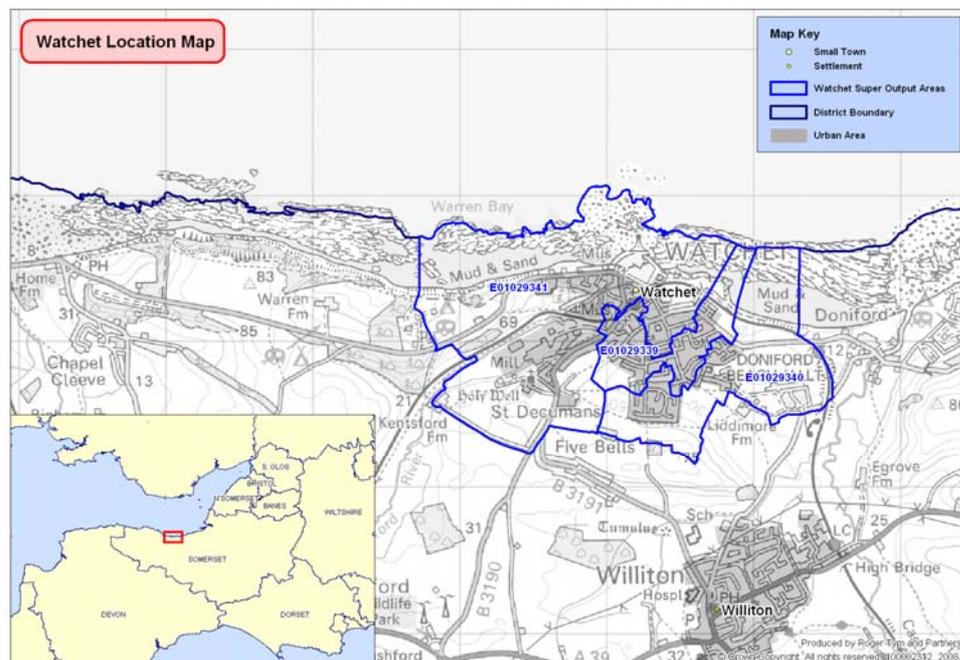
2.18 The same SOA is also ranked within the 25% of most deprived SOAs in England under the income⁹ and employment¹⁰ domains.

Table 2.2: Index of Multiple Deprivation - Watchet SOAs

SOA	IMD	Income	Employment
E01029339	7518	7342	6017
E01029340	12169	12519	12653
E01029341	9071	9699	6398

Source: DCLG (2007) Index of Multiple Deprivation

Figure 2.2: Watchet Study Area



Tourism

2.19 In 2003 West Somerset received 533,000 trips by staying visitors for an estimated 2,507,000 nights¹¹. These visitors are estimated to have spent £100,253,000. Within this figure, 700 trips were made to West Somerset by domestic tourists by boat for a total of 1,000 nights. Boat visitors are estimated to have spent £44,000.

⁹ The Income Domain takes into account the following indicators - adults and children in Income Support households, adults and children in Income Based Job Seekers Allowance households, adults and children in Working Families Tax Credit households whose equivalised income is below 60% of median before housing costs, adults and children in Disabled Person's Tax Credit households whose equivalised income is below 60% of median before housing costs, National Asylum Support Service supported asylum seekers in England in receipt of subsistence only and accommodation support

¹⁰ The Employment Domain takes into account the following indicators - Unemployment claimant count of women aged 18-59 and men aged 18-64 averaged over 4 quarters, Incapacity Benefit claimants, Severe Disablement Allowance claimants, Participants in New Deal, participants in New Deal for Lone Parents.

¹¹ South West Tourism (2003) Value of Tourism 2003

- 2.20 The Somerset Visitor Survey¹² found that 15% of staying visitors intended to visit Watchet Harbour whilst on holiday in the area. This alone would account for approximately 80,000 visits to Watchet.
- 2.21 In addition, West Somerset received 1,554,000 day visits, contributing £35,056,050 to the local economy. Tourism spending helped to support 3,659 jobs across the district¹³.
- 2.22 Visitor spend is clearly important for supporting retail, catering and accommodation provider businesses in Watchet. Unfortunately there are no estimates of visitor numbers to Watchet itself. The following sections do however give an indication of visitor numbers to Watchet each year.

Hotels and Catering

- 2.23 Analysis of the Annual Business Survey reveals that there are 14 businesses in Watchet that can be defined under 'hotels and catering'. These include 6 restaurants, 1 hotel, 1 camp site and 6 bars. All of these businesses employ between 1 and 10 people. Between 2003 and 2006 the number of 'hotels and catering' businesses fell by 5.
- 2.24 In addition to the small hotel in the town there are 7 guest houses providing a total of approximately 25 bedrooms¹⁴. There are also a number of self catering units and holiday homes for rent.
- 2.25 It can be estimated that there are 9,120 staying nights in Watchet in guest houses per annum. This figure is based upon an average of 2 people occupying each of the estimated 25 rooms available in Watchet at the occupancy levels recorded across Somerset. These calculations are outlined in table 2.3.

Table 2.3 Watchet Staying Visitors

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Somerset occupancy rate %	36	37	41	53	54	58	59	63	64	56	46	41
Watchet rooms occupancy	270	277.5	307.5	397.5	405	435	442.5	472.5	480	420	345	307.5
Watchet staying nights (2 people)	540	555	615	795	810	870	885	945	960	840	690	615

Source: RTP Estimates based upon Somerset Occupancy Rates 2006 (South West Tourism)

- 2.26 There are four caravan parks in the area. These are:
- Sunnybank Caravan Park - has 37 caravans, 16 of which are available for visitors to hire. The owners estimate that they consistently have 100 visitors on site per week between March and the end of October. The Park is located approximately one and a half miles from Watchet and the owners estimate that all their visitors would visit Watchet during their stay, of whom 25% would walk to the town, 25% travel by bus and the remainder use their cars.
 - Warren Bay Caravan Park, located half a mile from Watchet, has 150 permanent annual pitches and 150 touring pitches as well as 7 acres for tents. The owners estimate that 30,000 people visit the Park every year between February and November, peaking at about 3,000 in July. It is estimated that all visitors visit Watchet during their stay, of whom 20% walk and 80% drive.
 - Doniford Bay Caravan Park, situated one and a half miles from Watchet, is the largest Park in the area. It receives approximately 3,000 people per week in the summer months and approximately 67,500 people per year. The owners estimate

¹² South West Tourism (2004) Somerset Visitor Survey 2003

¹³ South West Tourism (2003) Value of Tourism 2003

¹⁴ www.4hotels.co.uk

that all visitors would go to Watchet during their stay. Of these 25% walk, 25% use the bus and 50% travel by car.

- Helwell Bay Holiday Park is situated on the cliff above Watchet. It is about 5-10 minutes walk from the town centre and just 200 metres from East Wharf. The Park has 19 caravans which are on average taken up by 3 people staying for a week. Based on these assumptions, this results in 230 people per month on site during the summer months and an average of 100 in the other months. In total, therefore, the Park attracts approximately 1,800 people per annum.

Table 2.4: Caravan Park Visitors

	Annual Visitors	Walk to Watchet	Bus to Watchet	Car to Watchet
Sunnybank	3,300	825	825	1,650
Warren Bay	30,000	6,000	-	24,000
Doniford Bay	67,500	16,875	16,875	33,750
Helwell Bay	1,800	1,710	-	90
Total	102,600	25,410	17,700	59,490

Source: RTP Estimates based upon discussions with Caravan Park owners

- 2.27 Based upon these estimates, 102,600 people visit caravan parks within a two mile radius of Watchet. All of these people visit Watchet while they are on holiday. Of these visitors, an estimated 25,410 travel on foot and 17,700 travel by bus to Watchet. The 59,490 people who travel from the caravan parks to Watchet by car are counted within the car park figures outlined in section 2.38 of this report.

Visitor Attractions

- 2.28 The main visitor attraction in Watchet is the West Somerset Railway. The West Somerset Railway, which operates steam trains between Minehead and Bishops Lydeard, attracted 213,423 passengers in 2007.
- 2.29 In 2007 a total of 14,629 tickets were sold for travel between Minehead and Watchet. In addition, 82,500 tickets were sold that allowed people to get off at any station on route.
- 2.30 It is possible that a quarter of the 82,500 'any station' tickets and all Watchet to Minehead tickets resulted in a visit to Watchet. Therefore the West Somerset Railway generates approximately 35,250 day visits to Watchet per year.
- 2.31 By 2013 it is predicted that total passenger numbers on the railway will have increased to 250,000¹⁵. Based upon this growth scenario, an additional 5,000 will visit Watchet by train by 2013.
- 2.32 There are two museums in Watchet. The Market House Museum, which covers the history of Watchet, attracted 38,283 visitors in 2005. Between 2001 and 2005 visits to this museum increased by 6,806 per annum¹⁶.
- 2.33 The Watchet Boat Museum has a small collection of Flatner Boats. Between Easter and the end of September the museum received 6,515 visitors¹⁷.
- 2.34 The West Somerset Coast Path has recently been opened. This 25 mile path links the South West Coast Path, which finishes at Minehead, and the Parrett Trail.
- 2.35 The Path will result in more people passing through Watchet and spending money in local businesses. No estimates have been made as to how much value the opening of the West Somerset Coast Path will add to the local economy. It is possible that the route could attract as many users as the Coleridge Way, a 36 mile route stretching through West Somerset. A survey of 33 businesses on the Coleridge Way showed that

¹⁵ West Somerset Railway Plc (2007) West Somerset Railway 5 Year Plan 2008-2013

¹⁶ South West Tourism (2001-2006) Visits to Visitor Attractions

¹⁷ John Nash - 29/02/2008

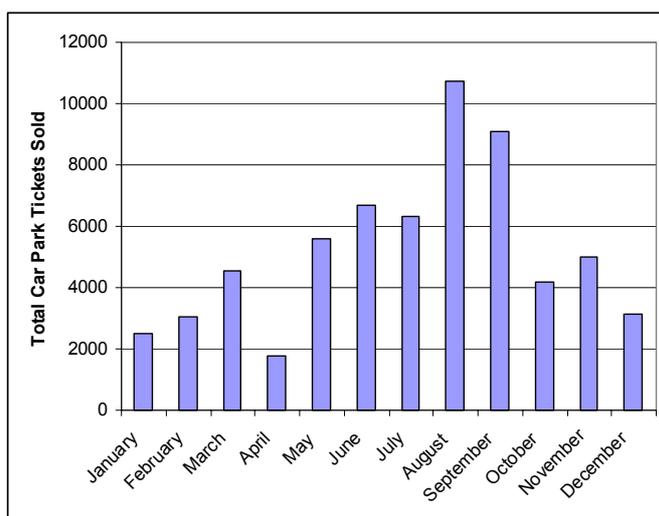
61% of businesses have received some or significant benefit and that some accommodation providers recorded over 50 additional bed nights in the 6 month period up to November 2005 as a result of the opening of the route.

- 2.36 Urban Splash would provide an improved path, via East Wharf, onto the Splash Point. This would help to ensure that more people walk through Watchet rather than around it.
- 2.37 WSDC and Exmoor National Park Authority have also won Heritage Lottery Funding to conserve and open up the West Somerset Mineral Railway to pedestrians. It is unlikely that this will result in many more visitors to Watchet unless Somerset County Council can gain funding to create a hard surfaced cycle lane along the route¹⁸.

Car Parks

- 2.38 West Somerset District Council operate the three main car parks in Watchet. These are:
- Market Street - 53 spaces
 - Swain Street - 51 spaces
 - Anchor Street - 35 spaces¹⁹.
- 2.39 In 2007 a total of 85,959 car park tickets were sold in the three car parks. The most popular car park is Swain Street (55,056 tickets sold) followed by Market Street (25,108) and Anchor Street (5,795)²⁰.
- 2.40 Of the total tickets sold, 39,949 (46%) were for 1 hour, 36,119 (42%) were for 2 hours, 7,450 (9%) were for 4 hours and 2,445 (3%) were all day tickets.
- 2.41 Not surprisingly the car parks are most used in the core summer months between June and September (see figure 2.3). Despite the seasonal fluctuations, the West Somerset Car Parking Strategy suggests that car park facilities appear to exceed the actual demand in Watchet. During the tourist season they appear capable of satisfying demand and during the off season months they are very underused²¹.

Figure 2.3: Parking in Watchet - 2007 Monthly Profile of Tickets Sold



Source: West Somerset District Council - February 13th 2008

¹⁸ Telephone conversation with SCC Public Rights of Way team 17.02.2008

¹⁹ Faber Maunsell/AECOM (2007) West Somerset Car Parking Strategy

²⁰ West Somerset District Council (2008) Parking in Watchet 2007 - figures supplied by Mike Lewis, WSDC on February 13th 2008

²¹ Faber Maunsell/AECOM (2007) West Somerset Car Parking Strategy - Watchet

- 2.42 Assuming that all car park visits for up to an hour are made by local people and visitors purely to shop, it can be estimated that approximately 92 thousand tickets were bought by cars occupied by day trippers and staying visitors to Watchet in 2007. Assuming that each visiting car is occupied by an average of two people, it can be estimated that 184,000 people visited Watchet by car in 2007. This could rise to approximately 200,000 visitors if on street parking and parking in non paying car parks is taken into account.

Boats

- 2.43 A Feasibility Study of Watchet Harbour found that 40 boats visit Watchet Harbour on a summer weekend and 70 boats visit on a bank holiday weekend. Therefore, between the beginning of June and the end of September it can be estimated that approximately 670 private boats visit Watchet Harbour.
- 2.44 A survey of visiting boats in the South East of England²², found that the average visiting boat had a crew of 3 people and spent an average of £211.80 per visit. In the absence of other evidence it is assumed that visiting boats to Watchet have similar crew sizes and spending patterns.

Summary

Visitor Numbers

- 2.45 It can be estimated that approximately 200,000 people visit Watchet per annum by car on a day visit.
- 2.46 An estimated 9,120 bed nights were taken up in Watchet guest houses in 2006.
- 2.47 It can also be estimated that a total of 102,600 people staying at nearby caravan parks visited Watchet at least once during their stay. Of these it is estimated that 43,110 travel from their caravan park to Watchet on foot or by bus.
- 2.48 In addition, an estimated 32,250 day visits are made to Watchet by West Somerset Railway users.
- 2.49 Approximately 670 private boats, carrying 2,010 crew, visit Watchet Harbour during the summer months for one night.
- 2.50 In total therefore, it can be estimated that Watchet received 454,830 day visitors and 11,130 over night stays in 2007. As Watchet Harbour is the main focal point of the town it can be assumed that all visitors visit the Harbour at least once.

Impact

Visitor Spend

- 2.51 In 2003 a total of 1,554,000 people visited West Somerset on day visits, spending a total of £35,056,050. This is an average spend of £22.55 spend per day. In the same year West Somerset received 2,507,000 over night stays with an average over night stay contributing £39.98 to the local economy.
- 2.52 When this figure is applied to the total number of visits to Watchet by car and train (275,360), it can be estimated that annual day visitor spend in the town is currently £6,209,367. In addition, staying visitors contribute £364,618 to the local economy.
- 2.53 Based upon a survey of boat owners in the South East of England, it can be estimated that each of the visiting boat crews to Watchet per annum (approximately 670) spent an average of £211.80 per visit. This equates to a total spend by visiting boat crews of £141,900. It is anticipated that, because of the relative isolation of Watchet, that all of this spend would be within the town.

²² Tourism South East (2005) Leisure Cruising in the South East

2.54 In total, therefore, visitor spending in the town of Watchet equates to £6,715,885 per annum. This represents 5% of all annual visitor spend in West Somerset. This is thought to be a fair reflection as West Somerset includes tourism 'honey pot' areas like Minehead, Dunster, Dulverton, Porlock, Exmoor National Park and the Quantock Hills.

Jobs Supported

2.55 Table 2.4 outlines the total annual visitor spend break down by visitor category in Watchet.

2.56 South West Tourism estimate that £32,383 of staying visitor and £36,594 of day visitor spend support 1 job in the local economy respectively²³. If these assumptions are applied to Watchet it can be concluded that visitor spend supports 185 direct, indirect and induced jobs in the local economy, this equals 131 Full Time Equivalent jobs (FTE).

2.57 The 185 jobs supported by spend by visitors to Watchet make up approximately 11.7% of all employees and self-employed²⁴ people in Watchet and its surrounding area.

2.58 It should be noted that these figures are based upon trips into Watchet, the majority of which would be influenced by the Harbour, which is described in the Urban Framework as the focal point of the town. These figures therefore only represent a proportion of all visitor spend and attributed jobs in Watchet and its surrounding area.

Table 2.5: Watchet Town and Harbour - Current Annual Visitors, Spend and Jobs Supported

	Overnight stays	Boats	Day Visits			Walk	Total
			Car	Bus	Train ²⁵		
Numbers	9,120 bed nights	670 crews (2,010 visitors)	200,000	17,700	32,250	25,410	
Spend	£364,618	£141,900	£4,510,000	£399,135	£727,237	£572,995	£6,715,885
Jobs	11	4	123	11	20	16	185
FTE							131

²³ South West Tourism (2006) The Value of Tourism

²⁴ Census 2001

²⁵ These people would park in the car park next to the station so are not double counted with other car parks.

3 THE IMPACT OF WATERFRONT REGENERATION

Introduction

- 3.1 Coastal towns have been particularly badly hit by changes in tourism patterns, not least the availability of cheap air travel. As a result visitor numbers to coastal towns have fallen from 32 million to 22 million per year.
- 3.2 The last decade has seen numerous innovative regeneration schemes take place in coastal areas around the UK in an attempt to revitalize areas that once attracted huge visitor numbers.
- 3.3 This section summarises a few of these schemes and, where possible, provides comment on the economic impact on the local area that this regeneration has enabled.

Whitehaven

- 3.4 By the Eighteenth Century Whitehaven had become one of the most prosperous ports in the country. However, the town fell into decline during the industrial revolution due to increased competition from other ports like Bristol and Liverpool.
- 3.5 Regeneration studies undertaken have highlighted the Harbour as Whitehaven's unique selling point. The recommendations put forward in these reports have been taken forward by the Whitehaven Development Corporation. The first regeneration project undertaken by the Corporation was to construct harbour gates to allow pontoons and jetties to be installed. The marina and improved public realm assisted the development of the annual Maritime Festival, which since 1999 has increased its visitor numbers from 80,000 to 300,000 in 2007²⁶.

Hartlepool

- 3.6 In 1993 the £100 million Hartlepool marina development was completed by the Teeside Development Corporation with the centrepiece being the award winning Historic Quay, a reproduction of an eighteenth century seaport, including the HMS Trincomalee, Europe's oldest floating warship.
- 3.7 Between 1997 and 2005 tourist numbers have increased from 517,000 to 751,000 and the economic impact of visitors has increased from £22.8 million to £43.6 million. Events have also resulted in an increase in visitors and visitors awareness through the Maritime Festival which is a biennial event and this has led to Hartlepool winning the opportunity to host the international Tall Ships Race in 2010.

Whitby

- 3.8 By the 1970s Whitby was showing the effects of a short visitor season, low spend per head and a rather down market reputation.
- 3.9 Through a long-running programme of public investment in physical improvements, Whitby's run-down image has been reversed and the local economy has recovered. Visitor numbers have increased from 980,000 visitor days in 1996 to more than 1.5 million in 2005. Whitby's hotels are now busy throughout the year.

Torquay

- 3.10 Torquay waterfront has been enhanced in three phases over the last five years. This has included:
- The enhancement of the public realm around the Harbour

²⁶ English Heritage (2007) An Asset and a Challenge; Heritage and Regeneration in Coastal Towns in England

- The creation of the Living Coasts visitor attraction
- The creation of 6 business units
- The opening of the Whitbread licenced family restaurant
- Marina facilities, including a cill, footbridge, marina and new slipway.

3.11 A detailed evaluation exercise²⁷ carried out at the end of phase 2 made the following conclusions:

- Living Coasts, in its first year of operation, is estimated to have attracted 15,760 net additional day visitors and 12,237 staying visitors to Torquay. The impact of visitor spending is estimated to have created 56 FTE jobs and supported 19 indirect FTEs and 8 induced FTEs (see table 3.1).
- The enhanced waterfront is estimated to be responsible for attracting 41,230 net additional visits and 30,540 staying visitors to Torquay. Spend by these visitors helps to support 86 indirect FTEs and 21 supply chain and induced jobs.

Table 3.1: Net Additional Visitor Spending and Associated Jobs

		Net additional visitors	Net additional visitor spend	Primary indirect	Supply chain	Induced
Living Coasts influenced	Other	15,760	£191,155	6	1	0.5
	Accommodation	12,237	£1,069,909	33	5.5	2.5
Waterfront influenced	Other	41,230	£412,014	12.5	2	1
	Accommodation	30,540	£2,384,280	73.5	12	6

Source: EKOS (2005) Impact Evaluation of Torbay Waterfront Projects

- After the first year 6 of the 7 business units were occupied. These businesses support 37 FTE, of which 7 represent a gross increase in the number of jobs associated with these businesses.
- The Whitbread Restaurant has created a total of 39.75 FTE jobs. The Whitbread chain has also invested approximately £2.3 million in the site including the purchase of the land.

Padstow

- 3.12 The impact of the chef Rick Stein in regenerating Padstow from a poor fishing village into a smart gastro-destination has been so great that the village is now nicknamed 'Padstein'.
- 3.13 Not only have his TV programmes helped to boost visitor numbers to the area but Stein himself has established four seafood restaurants, a deli, a patisserie, a gift shop, a 33 room hotel and the Padstow Seafood School. These businesses employ approximately 250 people, many of whom are local²⁸.
- 3.14 The visitors that are now attracted to Padstow have helped to create a market for other smart establishments and have helped to boost occupation rates in local accommodation providers. It is reported by local estate agents that now 93% of all properties are sold to people from outside Cornwall, of which 87% are second homes.
- 3.15 According to the 2007 Cornwall Visitor Survey, 25% of tourists to Cornwall planned to visit Padstow. The 'Stein effect' can also be held partly responsible for an increase in visitor spend on comestibles in Cornwall. South West Tourism estimates that now 30p

²⁷ EKOS (2005) Impact Evaluation of Torbay Waterfront Projects

²⁸ Olsberg/SPI (2007) How Film and Television Programmes Promote Tourism in the UK

out of every £1 spent in the county is on food and drink, this is 50% more than ten years ago.

Summary

- 3.16 The case studies provided in this section show that regeneration initiatives in seaside towns can have a very positive impact upon visitor numbers.
- 3.17 The case studies present a range of economic growth patterns. If the Torquay Waterfront enhancement work is separated from the Living Coasts visitor attraction it can be concluded that the project has only had a slight impact upon visitor numbers but adds to the image of Torquay as a destination. The waterfront enhancement work in Hartlepool has been so successful that annual visitor numbers have increased by 35% in less than a decade. Perhaps the greatest impact has, however, been felt in Padstow, which is now associated with fine seafood and has become one of the major destinations for people whilst on holiday in Cornwall.

4 ECONOMIC IMPACT OF EAST WHARF DEVELOPMENT

Introduction

4.1 In this section we analyse the potential impact of the development of East Wharf, as proposed by Urban Splash, upon the town of Watchet and its surrounding area.

4.2 This section can be split into three parts to cover:

- Temporary construction costs associated with the development
- Direct jobs that will be created or safeguarded within the new development
- Indirect and induced jobs that will be created or supported by residents of East Wharf as well as increased visitor numbers to Watchet.

Temporary construction costs associated with the development

4.3 Temporary construction jobs are generally omitted from project appraisals. However the government's regeneration agency, English Partnerships²⁹ suggests that they may be recorded as a supplementary output particularly if they are likely to create work for the unemployed in high priority areas.

4.4 The estimate of construction employment is based upon RTP estimates that suggest that the development cost total is divided approximately into 35% construction costs and 65% material costs³⁰.

4.5 The development cost total of East Wharf is estimated at £12 million. This divides into £4.2m (35%) construction costs and £7.8m (65%) material costs. The construction cost total of £4.2 m was then divided by the national median wage for construction workers in 2006 of £24,214 per year, resulting in 173.5 Full Time Equivalent (FTE) "job years".

4.6 The construction phases for East Wharf are:

- Secure site
- Demolish boat shed site
- Site strip to reduced level
- Construct sea defence wall
- Construct development probably working from northern edge of the site back towards the southern end
- Demolish marina facilities, construct Belvedere building
- Complete work.

4.7 It is estimated that time on site will be 21 months. Therefore, the 173.5 FTE job years can be split to give an estimated 100 jobs on site over the whole construction period.

Direct jobs created/safeguarded in the East Wharf development

4.8 The employment generation aspects of the East Wharf development would include:

²⁹ English Partnerships Best Practice Note 15, Calculating Cost per Job, October 2003

³⁰ Estimates are based upon calculations undertaken by Roger Tym and Partners in partnership with the architect involved in the regeneration of St.Austell town centre. These calculations were based upon discussions with quantity surveyors and construction companies³⁰ which have experience of the Cornwall construction market and knowledge of the St Austell redevelopment project.

- 575 metres² of shops or workshop space - It is likely that these units, all of which are on the ground floor facing the Harbour are likely to appeal to clothes shops, art and craft shops and other designer goods retail chains.
 - 186 metres² of bistro/restaurant space - it is possible that this space could be taken up by a high quality restaurant chain like Loch Fyne. A seafood restaurant of this nature would help to sustain the local fishing industry and could help to establish Watchet's reputation as a 'gastro centre'.
 - Community space - to be taken up by the Town Council and the Tourist Information Centre.
- 4.9 The English Partnerships Employment Densities Guide shows that average densities for small scale retail are 10 metres² per job supported. On this basis it can be estimated that 575 metres² of predominantly A1 space will support 57.5 jobs.
- 4.10 Of the 57.5 jobs supported by the shops and workshop space, it is anticipated that 50 will be new jobs. The remaining 7.5 jobs are likely to be in the HM Coastguard and Quay West Radio, both of which currently occupy other premises in Watchet. Although these jobs will be counted as safeguarded it is likely that further jobs will be created within the vacated premises on the Esplanade.
- 4.11 Average employment densities for restaurants are 13 metres² per job supported. However, for high quality restaurants it is noted that employment densities could be higher. At 10 metres² per job it would equate to 18.5 jobs created.
- 4.12 The creation of new Town Council offices will see 2 existing FTE jobs safeguarded. In addition, Watchet TIC will continue to be manned by volunteers, with the possibility of a manager being appointed. The move of both of these bodies into the East Wharf development will help to open up space for development elsewhere in Watchet.

Table 4.1: Direct Jobs Created/Safeguarded at East Wharf

	Jobs created	Jobs safeguarded	Total
Retail/workshop space	50	7.5	57.5
Restaurant/Bistro	18.5	-	18.5
Other	-	2	2
Total	68.5	9.5	78

Indirect jobs supported by new resident spend

- 4.13 The proposed Urban Splash development includes 86 apartments, 51 of which are 1 bedroom and 35 are 2 bedroom.
- 4.14 It can be calculated that the population of Watchet will increase by between 86³¹ and 172³² people as a result of the residential development.
- 4.15 The apartments are likely to appeal to people whose gross disposable income is higher than that of the existing Watchet population. The incoming residents are likely to spend a considerable amount of money within the local and surrounding communities and will therefore help to support businesses and jobs in the area.
- 4.16 It is assumed that average weekly household expenditure will be more in line with the South West average (£446.20) per week as opposed to the Watchet average.
- 4.17 If the South West figure is applied to the proposed development it can be estimated that the total weekly household expenditure of those living in the proposed development will be £37,719. When leakage assumptions are factored into this

³¹ Based upon 1 person per apartment

³² Based upon 2 people per apartment

calculation it can be estimated that the total weekly spend in the local area as a result of the residential development will be £15,256. Over a whole year, therefore, the total household expenditure in the local area will equate to £793,312.

Table 4.2: East Wharf Average weekly household expenditure

	SW Average ³³	Watchet (86 apartments) expenditure	Leakage Factor	After Leakage
Housing, fuel and power ³⁴	45.20	£3,887.20	10%	£389
Food and non-alcoholic drinks	45.60	£3,887.20	75%	£2,915
Alcoholic drinks, tobacco	10.60	£911.60	25%	£228
Clothing and footwear	18.70	£1,608.20	50%	£804
Household goods & services	30.40	£2,614.40	50%	£1,307
Health	5.10	£438.60	50%	£219
Transport	70.30	£6,045.80	10%	£605
Restaurants, hotels	34.60	£2,975.60	50%	£1,488
Education	7.00	£0	0%	£0
Recreation and leisure	60.20	£5,177.20	50%	£2,589
Communication	10.90	£937.40	10%	£94
Miscellaneous	34.20	£2,941.20	50%	£1,471
Other	73.20	£6,295.20	50%	£3,148
Total	446.20	£37,719.60		£15,256

Source: RTP calculations based upon the Family Spending Survey 2007 (ONS)

- 4.18 In addition to the estimate of direct spending it is important to calculate the additional impact through the expenditure multiplier in the local economy. The multiplier is a measure of further economic activity, i.e the additional spend generated by local shops, services, and paid workers further along the supply chain. Multipliers for UK cities and towns typically range between 1.19 and 1.40. For the purpose of this exercise a relatively conservative multiplier of 1.3 is used. Therefore, for every £1 spent locally there is an additional 30 pence injected into the local economy from further rounds of spending.
- 4.19 When a multiplier of 1.3 is applied to the total weekly household spend that will be spent locally it gives a total figure of £19,833 per week. Over a whole year this will equate to £1,031,305.
- 4.20 Based upon the assumption that £50,000 spend in the local economy per annum supports one job, it can be estimated that the additional spend in the local area as a result of the East Wharf residential development will be enough to support 20.5 jobs.

The impact of East Wharf on visitor numbers and spend

- 4.21 This section outlines three scenarios for increased visitor numbers and spend in Watchet resulting from the East Wharf development. These are:
- Scenario 1 - based upon the impact of waterfront development and public realm enhancement in Torquay
 - Scenario 2 - based upon visitors to Whitby
 - Scenario 3 - based upon the Padstow effect i.e. much increased attractiveness, more facilities, much greater numbers and some increase in visitor spend per head.

³³ ONS (2004) Expenditure and Food Survey 2003-4

³⁴ Excluding mortgage interest payments and council tax

Scenario 1

- 4.22 As part of the Torquay Waterfront Evaluation consultants conducted a visitor survey in which people were asked whether or not the waterfront improvements had influenced their visit or holiday decision.
- 4.23 They concluded that the waterfront improvements had influenced 41,230 visits and 30,540 holidays. Of these, the waterfront developments formed a large part of 7,636 day visitors and 4,581 staying visitors' decisions to visit Torquay (see table 4.3).
- 4.24 This represented a 2.7% increase in day visits and a 2.0% increase in staying visitors to Torquay.

Table 4.3: Additional Visitors to Torquay/Watchet

	Torquay Waterfront Influenced Visit	Torquay Waterfront Influenced Stay	Watchet Harbour Influenced Visit	Watchet Harbour Influenced Stay
It formed a small part of our decision to come	33,594 (+2.2%)	25,959 (+1.7%)	6,052	155
It formed a large part of our decision to come	7,636 (+0.5%)	4,581 (+0.3%)	1,383	27
Additional Total with additional	41,230 (+2.7%)	30,540 (+2.0%)	7,435 (+2.7%) 282,795³⁵	182 9,302

Source: Torquay Figures derived from: EKOS Consulting (2005) Impact Evaluation of Torbay Waterfront Projects

- 4.25 If these percentage growth figures are applied to Watchet it can be estimated that annual day visitors generated by the Harbour redevelopment will increase by 7,435 to a total of 282,795 and staying visitor numbers will increase by 182 to 10,394 staying nights³⁶.
- 4.26 In order to calculate spending patterns in Torquay resulting from increased visitor numbers the evaluation adopts the following spend weightings:
- It formed a small part of our decision to come: 0.33 of spend per head
 - It formed a large part of our decision to come: 0.66 of spend per head.
- 4.27 Based upon these weightings it can be calculated that day visitor spend in Watchet will increase by £65,473 and staying visitor spend will increase by £19,328 per annum as a result of the harbour development.

Table 4.4: Scenario 1 Visitor Spend

	Watchet Harbour Influenced Visit	Spend with weighting	Watchet Harbour Influenced Stay	Spend with weighting
It formed a small part of our decision to come	6,052	£44,936	1,083	£14,288
It formed a large part of our decision to come	1,383	£20,537	191	£5,040
Additional Total with additional	7,435 (+2.7%) 282,795³⁷	£65,473 £6,274,840	1,274 10,394	£19,328 £383,946

Source: Spend weighting derived from: EKOS Consulting (2005) Impact Evaluation of Torbay Waterfront Projects

³⁵ This figure excludes visitors by boat

³⁶ Based on an additional 182 visitors at an average of 7 nights stay

³⁷ This figure excludes visitors by boat

- 4.28 If it is assumed that £32,383 of staying visitor and £36,594 of day visitor spend help to support one job respectively, it can be assumed that an additional 2.5 jobs will be created in Watchet. These can be split by 2 jobs supported by day visitor spend and 0.5 jobs supported by staying visitor spend.

Scenario 2

- 4.29 One of the knock on effects of a comprehensive investment programme to improve Whitby's public realm has been a 35% increase in annual visitor numbers.
- 4.30 If the same percentage increase in visitor numbers is achieved in Watchet post development it will result in an additional 96,400 people visiting Watchet on day visits. In addition, a 35% increase in staying nights would equate to 3,192 additional staying nights per annum.
- 4.31 In terms of spend, the 96,400 additional visitors could contribute £2,169,000 to the local economy and the 3,192 additional staying nights would add a further £127,616.
- 4.32 As a result of this, 59 jobs would be supported by additional day visitor spend and 4 jobs would be created due to additional staying nights.
- 4.33 In total, therefore, growth in line with scenario 2 would result in an additional £2,296,616 of visitor spend, supporting 63 jobs in the local economy.

Table 4.5: Scenario 2 Visitor Spend

	Current	Additional visits (+35%)	Additional Spend	Jobs supported/created
Day Visitors	275,360	96,400	£2,169,000	59
Staying Nights	9,120	3,192	£127,616	4
Total			£2,296,616	63

Scenario 3

- 4.34 Scenarios 1 and 2 provide two very different economic growth rates for Watchet. They do not however consider the knock-on effects of regeneration on increasing business numbers (particularly accommodation providers), on the diversification of the economy, on increasing private sector development and on increasing average visitor spend per head.
- 4.35 Padstow has experienced significant growth in day visitor and staying visitors over the last decade. Much of this growth can be attributed directly to the range of seafood restaurants and shops established by Rick Stein. The profile of Padstow as a visitor destination has also been raised by Stein's TV programmes and other marketing initiatives.
- 4.36 Annual visitor number totals in Padstow are not available. However, the Cornwall Visitor Survey³⁸ found that 25% of all people visiting Cornwall planned to visit Padstow during their stay. If this percentage is applied to the total number of annual visitors to Cornwall (13,717,172) it can be estimated that approximately 3.4 million people visit Padstow per annum. This represents a huge increase in visitor numbers since 1993, when it was estimated that 800,000 people visited Padstow³⁹.
- 4.37 The development of East Wharf to provide a range of new high quality shops and restaurants would help attract more visitors to Watchet. Based upon what has happened in Padstow, the development of East Wharf could help in attracting further private sector investment around the Harbour and the town centre. Ultimately Watchet could become a 'gastro destination' or a centre recognized for high quality arts and crafts or clothing.

³⁸ South West Tourism (2007) Cornwall Visitor Survey

³⁹ Civic Trust Regeneration Unit (1993) Padstow visitor estimate - in RTP (1997) Lobster Hatchery and Visitor Centre Business Plan

- 4.38 If, like Padstow, Watchet could attract 25% of all visitors to West Somerset it could experience a growth in visitor numbers to 521,750 per annum⁴⁰. Although a large majority of these would be day visitors it is likely that the proportion of staying visitors would increase in line with an increase in accommodation providers and overall occupancy rates during the summer and shoulder months.
- 4.39 Any significant growth in the number of staying visitors depends upon businesses taking up the new opportunities. For example, if the number of serviced bedrooms in Watchet doubled to 50, and occupancy rates also increased, Watchet could experience an increase in staying visitor nights from 9,120 to 19,020 (see table 4.6).

Table 4.6: Scenario 3: Staying Visitor Nights (based on 50 bedrooms and higher occupancy rates)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Occupancy rate	45	45	45	50	60	65	65	65	60	45	45	45
Watchet rooms occupancy Total	675	675	675	750	900	975	975	975	900	675	675	675
Watchet staying nights (2 people)	1,350	1,350	1,350	1,500	1,800	1,950	1,950	1,950	1,800	1,350	1,350	1,350

- 4.40 Therefore, based upon these assumptions, the 521,750 potential Watchet visits could be split between 19,020 staying nights and 502,730 day visits. These represent an additional 9,900 staying nights and 227,370 extra day visitors.
- 4.41 Based upon current average staying and day visitor spend rates in West Somerset, the Scenario 3 visitor growth predictions could result in an additional £5,522,995 spend in the local economy supporting 152 jobs (see table 4.7).

Table 4.7: Scenario 3 Additional Spend

	Current	Additional visits	Additional Spend	Jobs supported/created
Day Visitors	275,360	227,370	£5,127,193	140
Staying Nights	9,120	9,900	£395,802	12
Total			£5,522,995	152

- 4.42 This scenario does not take account of the knock on benefits that may be delivered through new business spend in the local economy. For example, if a seafood restaurant takes up space in East Wharf it is likely to source much of its ingredients from local fishermen.

Visiting Boats

- 4.43 The marina, with its improved facilities and greater retail and bistro offer, could help to attract more visiting boats to Watchet per annum. In the absence of evidence from elsewhere it is difficult to estimate how many extra boats will visit Watchet. However, if the number of visiting boats during the summer months was to increase to 60 per weekend and remain at 70 on bank holidays, the number of visiting boats could increase to 970 per annum. Spend by the visiting crews (2,910 people) could then increase to £616,338 per annum.
- 4.44 The Fisher Report highlighted the fact that, if there is demonstrated need, there is scope to develop more berths in the Outer Harbour. This could provide scope for attracting more visiting boats and crews in the future.

Summary

- 4.45 This section provides an assessment of the potential impact of the East Wharf development on the local economy.

⁴⁰ 521,750 represents a quarter of SW Tourism estimate of 2,087,000 total day and staying visitors

4.46 In summary the East Wharf development will:

- Directly create 68.5 jobs and safeguard a further 9.5 jobs.
- Some of these jobs will be supported by new resident spend, which is estimated to add over £1 million per annum to the local economy.

4.47 Annual visitor numbers to the town are likely to increase significantly. The likelihood is that visitor numbers will increase by between an additional 3,192 (scenario 2) and 9,900 (scenario 3) staying visitor nights and between 96,400 (scenario 2) and 227,370 (scenario 3) extra day visits. These will add an extra £2,296,616 to £5,522,995 to the local economy. This will help to support between 63 and 152 jobs⁴¹ in and around Watchet.

⁴¹ Some of these will be direct jobs created in the East Wharf development

5 CONCLUSION

- 5.1 The development of East Wharf itself will generate 68.5 new jobs. This represents a 13.5% growth in the total number of employees currently in Watchet.
- 5.2 Based upon evidence from the impact of regeneration initiatives elsewhere in the UK, the indirect impact of East Wharf upon the local economy could take on a range of scenarios.
- 5.3 At one end, the public realm improvements, making Watchet an attractive place to visit, alone could help attract an additional 3,192 staying visitor nights and 96,400 day visitors. However, the high profile East Wharf development, coupled with other initiatives, could act as a catalyst for the wider regeneration of Watchet. This ultimately could help raise the profile of Watchet to such an extent that it becomes recognized as a high profile destination outside Somerset. Growth based on this scenario could help to support an additional 9,900 staying visitor nights 227,370 extra day visitors.
- 5.4 Therefore it can be estimated that between 83.5 and 172.5 jobs will be supported by additional resident and visitor spend as a result of the East Wharf development.

Table 5.1: Summary of Jobs Created/Supported

	Scenario 1		Scenario 2	
	Direct	Indirect	Direct	Indirect
East Wharf	78		78	
New Resident Spend		20.5		20.5
Additional Visitor Spend		63		152
Total	78	83.5	78	172.5
Total additional jobs supported (linked to East Wharf development)		83.5 (includes direct)		172.5 (includes direct)

