ReWyre Initiative

West Midland Safari Park

Economic Impact Study (EIS) - Final Draft

February 2011

Commercial in Confidence

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1 Introduction

1.1 Overview

AMION Consulting (AMION) in partnership with Locum Consulting (Locum) and Spirul were appointed by Herefordshire and Worcestershire Chamber of Commerce (on behalf of the ReWyre Initiative[1] partnership) to undertake an Economic Impact Study (EIS) of proposals to develop a national attraction at the West Midland Safari and Leisure Park (WMSP, Safari Park or the Park). The project sponsors were Wyre Forest District Council, Destination Worcestershire and WMSP.

The Safari Park is located between Bewdley and Kidderminster and currently offers a four mile self-drive safari, various animal exhibits and a variety of rides and attractions in a site of some 80 hectares (200 acres). In order to further extend its appeal and create more indoor attractions that can be enjoyed throughout the year, it is proposed that the existing facilities will be complemented by the development of a 250 bed hotel, a 1,000 delegate conference centre and a Waterpark.

It is envisaged that the hotel, conference centre and Waterpark will be located on the perimeter of the Safari Park, which will help to minimise the potential for congestion at the current entrance. It will also provide sufficient flexibility for the new uses to act as a stand-alone facility or be linked into the overall Safari Park offer.

The scheme is seen as important not only to the continued development of WMSP, but also in terms of its potential impact on the local and wider economy. It is one of the 'economic landmark' projects identified by the ReWyre Initiative to help drive business growth and would be an important part of further enhancing the area's visitor and business tourism offer. This report sets out an evidence-based assessment of the scheme's potential economic impact.

1.2 Purpose and objectives of the EIS

The primary purpose of the EIS is to demonstrate the possible economic and regenerative impact of the proposed development at WMSP. Its objectives are to determine:

- the value in monetary terms of the investment that might be brought to the area as a direct result of the project and associated jobs and spend benefits for the local economy;
- the indirect economic impact in terms of spend and jobs (safeguarded or created) in other tourist attractions and tourism accommodation, e.g. bed space occupancy and spend;
- the indirect economic impact in terms of spend and jobs (safeguarded or created) in nearby town centres including Stourport-on-Severn, Bewdley and Kidderminster and the surrounding rural areas and potential synergies with other new tourism infrastructure and spin off projects;

[1] The ReWyre Initiative aims to promote and develop the prospects of Kidderminster and the Wyre Forest District and make it an attractive place to live, work, visit and invest.

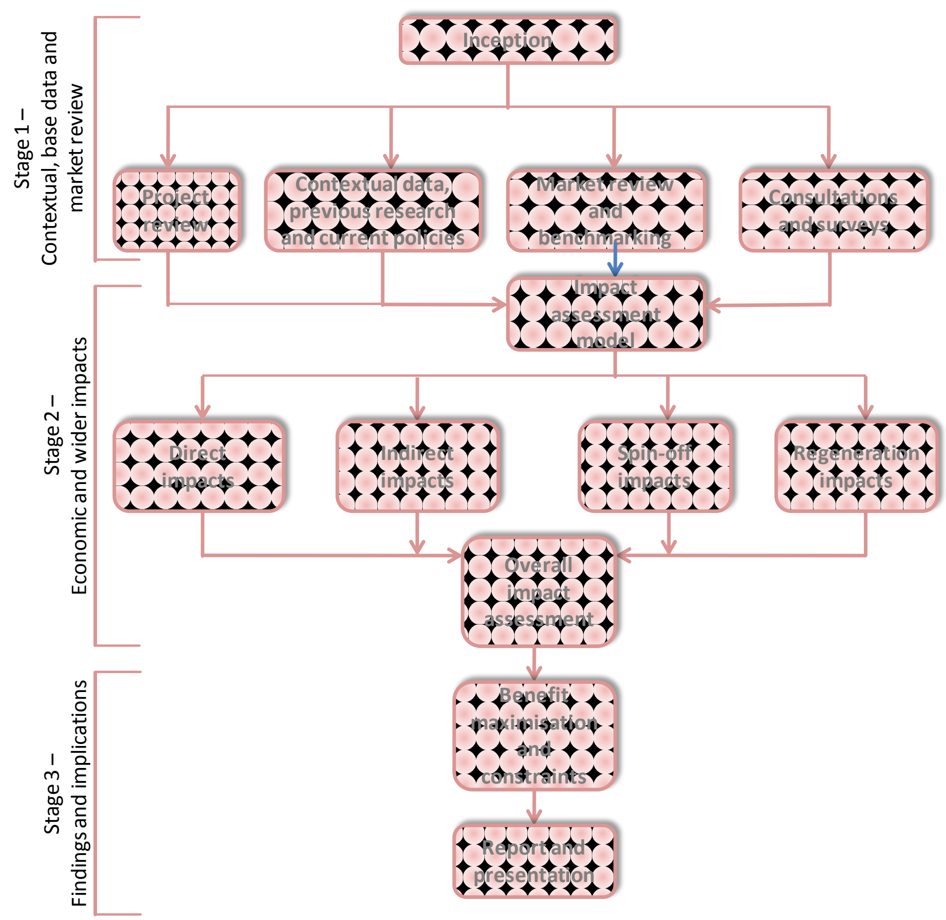
- the potential benefits for wider Worcestershire and the region;
- the regeneration impact in terms of the themes highlighted in the Kidderminster Regeneration Prospectus i.e. transport; jobs; homes and communities and design and environment and possible alignment with the spatial priorities/ action areas; and
- the likely impediments to delivering the scheme.

Furthermore, by considering the potential economic impact of the proposals, the EIS aims to inform scheme development and ensure that the benefits of the investment are maximised.

1.3 Approach

The approach to the EIS is summarised in Figure 1.1.

Figure 1.1: Approach



The main stages of the research were as follows:

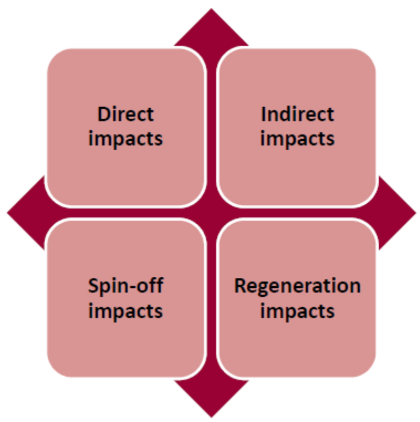
(i) Stage 1 – contextual, base data and market review

This stage involved a review of the proposed project and the existing WMSP, along with analyses of economic data, public sector policies and previous research. A market assessment and review of comparator or benchmark projects has been undertaken. In addition, a programme of consultations and a survey of visitors to the current WMSP were conducted.

(ii) Stage 2 – Economic and wider impacts

The information generated through the preceding tasks has been combined to produce an assessment of a range of economic impacts of the proposed scheme (see Figure 1.2).

Figure 1.2: Relevant economic impacts



These impacts can be defined as follows:

- direct impacts – the on-site effects (such as new jobs) associated with the proposed scheme;
- indirect impacts – off-site effects including visitor expenditure elsewhere in the local economy and local purchases of goods and services;
- spin-off impacts – such as potential new investments by other attractions or hotel operators as a result of the Safari Park scheme; and
- regeneration impacts – the wider effects on, for example, disadvantaged areas or groups, as well as on transport and the environment.

(iii) Findings and implications

The implications of the EIS in terms of maximising the potential benefits and addressing the constraints to delivering the scheme have also been assessed. The results and conclusions of the EIS are set out in this report.

1.4 Structure of the report

The report continues in six sections, as follows:

- *Section 2:* provides an overview of the proposed scheme;
- *Section 3:* identifies the strategic policy, economic and market context, as well as comparator schemes;
- *Section 4:* summarises the results of the survey work and consultations;
- *Section 5:* presents an assessment of the direct, indirect, spin-off and regeneration impacts of the proposed scheme;
- *Section 6:* considers benefits maximisation and constraints; and
- *Section 7:* sets out the conclusions of the EIS.

2 West Midland Safari Park

2.1 Introduction

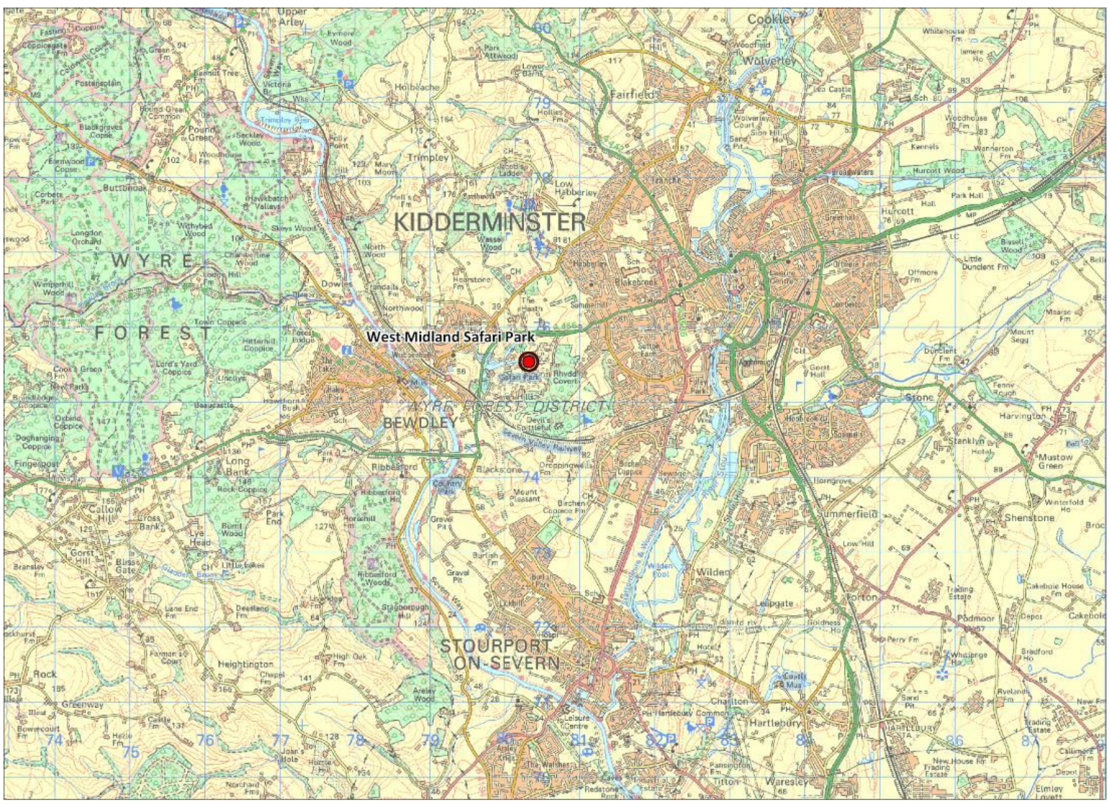
This section sets out background information about the WMSP and describes the proposed scheme.

2.2 WMSP background

2.2.1 Background

The WMSP is located close to Bewdley in Worcestershire (see Figure 2.1). Originally opened in 1973, the Safari Park now attracts 750,000 visitors annually.

Figure 2.1: Location of WMSP



Visitors pay an admission fee to drive through the four mile safari area and to access the Discovery Trail, which includes sea lion shows, an aquarium, a reptile house and a walk-through bat cave. The Park also has a number of amusement rides, which incur an additional charge to the standard admission fee. In addition, there are a number food and retail outlets throughout the Park.

WMSP is a private limited company which is a wholly owned subsidiary of SGH Properties Ltd.

2.2.2 Current admissions and sales

Table 2.1 below shows that the total number of visits to the Park has increased in the last five years. Total visitor numbers (including under 4s) increased by 52,600 (7.6%) between 2005 and 2009. In particular, online ticket sales have seen significant growth. The Park also operates a 'free return' system whereby visitors purchasing full-price admissions tickets are entitled to return within the year for free.

Table 2.1: Admissions 2005 - 09

Ticket type	2005	2006	2007	2008	2009
Standard entry	545,507	507,913	555,418	526,674	581,146
Free returns, complementary & under 4's	147,390	144,318	167,083	162,135	164,351
Total	**692,897**	**652,231**	**722,501**	**688,809**	**745,497**

Source: West Midland Safari Park.

Coupled with the growth in admissions, the company has seen revenue grow from £10.1 million in 2005 to £12.6 million in 2009 (see Table 2.2) – an increase of 25%.

Table 2.2: Total Park Sales 2005 - 09

	2005 £	2006 £	2007 £	2008 £	2009 £
Park					
Admissions	3,977,113	4,126,090	4,849,179	4,959,820	5,647,402
Retail	1,427,521	1,404,626	1,625,060	1,549,717	1,759,142
Catering	1,876,350	1,796,751	2,086,577	1,993,486	2,171,004
Leisure Park	2,805,174	2,446,392	2,788,603	2,750,259	3,064,536
Total	**10,086,158**	**9,773,859**	**11,349,419**	**11,253,282**	**12,642,084**

Source: West Midland Safari Park.

2.2.3 Current visitor expenditure

In 2009, visitors to the Park (excluding the under 4s) spent an average of £18 per person whilst on-site.

At present, the vast majority (91%) of visitors to the Park visit for the day from home with only 9% visiting the Park whilst staying away from home on a short break or holiday. According to the primary research carried in October-November 2010, around two-thirds of visitors are from the West Midlands, although it is likely that this figure is lower across the course of a full year.

According to the Tourism Economic Impact Assessment carried out for Wyre Forest District Council in 2009, day visitors to the district spend an average of £41 whilst staying holiday visitors spend an average of £102 per trip.

Subtracting the on-site spend of £18 per person from the average expenditure of both day and staying visitors shows that visitors to the WMSP might spend a further £19.9 million in the local economy (gross), as shown in Table 2.3.

Table 2.3: Gross visitor expenditure off-site – Worcestershire

	Visits	On-site spend per head	Off-site spend per head	Total off-site expenditure
Day visitors	635,246	£18.11	£23.06	£14,648,773
Staying visitors	62,826	£18.11	£83.89	£5,270,473
Total	**698,072**	-	-	**£19,919,246**

Sources: West Midland Safari Park; Economic Impact of Tourism in Wyre Forest, 2009; Economic Impact of Tourism in Worcestershire, 2004.

2.2.4 *Current on-site employment*

The WMSP is a significant employer. The Park employs 82 people in permanent year-round employment with salary costs of around £2.1 million. The permanent staff are employed in a range of occupations in areas such as management, finance, IT, animal welfare, operations, maintenance, engineering and administration.

In addition to the 82 permanent staff, the business recruits a further 395 seasonal people with a total seasonal salary bill of £2.1 million. The contract length of seasonal employees can vary with some staff working for just a couple of weeks whilst others work for seven or eight months. Many of the seasonal staff are students at college and university as this fits conveniently into their academic patterns (working during the summer holidays and at weekends). The Park has noted an increasing number of older, retired and semi-retired seasonal staff looking for flexible work.

In terms of full-time equivalents (FTE), the Park employs 265 FTE staff at a cost of £4.2 million.

2.2.5 *Expenditure in the local economy*

In addition to the £4.2 million spent on wages and salaries, the company spends around £3.5 million on goods and services bought in (excluding the costs of electricity, fuel, gas and water). Around 30% of this expenditure (£1.05 million) is estimated to be retained within the Worcestershire economy, based on information supplied by WMSP.

The company also makes significant capital investment each year with improvements and additions to the Park, its buildings and the attractions.

2.3 Proposed scheme

2.3.1 *Background*

The owners of the Park have been working on ambitious plans to develop a hotel, conference centre and Waterpark on a new single site within the existing grounds. In addition, it is also proposed to create a new halt on the Severn Valley Railway line and a monorail. It is estimated that the total cost of the proposed scheme could be some £60 million.

(i) Hotel

The proposal is to create a new 250 bedroom four star hotel, which will cater for a mix of business and leisure users and will include a large restaurant and a number of function rooms for weddings, parties, banquets, conferences and meetings.

The intention is that the hotel will be managed by an external operating company and that it will fill a gap in the local supply, which is mainly dominated by budget/3 star branded and independent hotels.

(ii) Conference Centre

In addition to the function rooms within the hotel, the development will include a dedicated conference centre which will be able to cater for up to 1,000 people in the main room. This main room will be fully flexible and sub-divisible into different combinations of smaller spaces. It will be designed to be flexible enough to host a range of different events including conferences, banquets, product launches, exhibitions, shows and performances. The main space will be supported by a number of breakout rooms capable of holding smaller events, meetings or plenary sessions. The conference centre would cater for a scale and type of event that cannot currently be accommodated within the local area.

It is likely that an external operator will sell and programme the space. The operation may be delivered by the Safari Park or by an external company.

Upon completion of the development, the owners of the Park have indicated that Spring Grove House (the existing conference venue, which has recently been upgraded) might be converted into a spa.

(iii) Waterpark

The development will also include an indoor Waterpark aimed at the leisure market. It will offer a number of water rides, slides and pools and will be open all-year-round. The Waterpark will be of a high quality and again offer a product that is unique in the total area.

The Waterpark will be linked to the hotel and will draw both a new leisure market as well as extending visits to the Safari Park, encouraging people to stay overnight.

(iv) Railway link and monorail

As part of the proposed development, there are also plans to create a link with the Severn Valley Railway, a popular local attraction which draws around 250,000 visitors each year.

Box 2.1: Severn Valley Railway

The Severn Valley Railway runs over sixteen miles between Kidderminster and Bridgnorth and currently incorporates six stations along the route. It is one of the most popular heritage railways in the country and hosts numerous special events throughout the year. The railway attracts around 250,000 visitors annually.

The scheme would introduce a Safari Park halt on the line, linked by a monorail to the main parts of the site. The halt and monorail link will allow more visitors to access the Safari Park by alternative means of transport (other than by car), as well as creating opportunities to develop and extend the leisure offer in conjunction with the railway.

In addition to running a service throughout the year, the link would provide opportunities to build on and strengthen the successful special events programmes at both the Safari Park and the railway. Christmas Santa Specials and Halloween events, for example, would allow the area to develop a strong shoulder and off-peak visitor market.

3 Context

3.1 Introduction

This section sets out a brief review of the 'strategic fit' of the proposed scheme with relevant national, sub-national and local policies and strategies. It also reviews the wider economic context, including socio-economic trends and conditions in the local area. In addition, assessments of the hotel, conference and visitor attraction markets are summarised and relevant comparator projects discussed.

3.2 Strategic policy context

3.2.1 National policies and strategies

Coalition Agreement

The Coalition Agreement was issued in May 2010 and is the Government's five-year policy programme. It represents a manifesto for the Coalition's time in Government and is structured around the themes of 'Freedom', 'Fairness' and 'Responsibility'. The document sets out far reaching reforms that will affect all areas of Government. The Government has, for example, announced that the Regional Development Agencies are to be abolished and replaced by Local Enterprise Partnerships (LEPs). Substantial cuts are being made in public expenditure in order to tackle the public sector deficit.

Local growth: realising every place's potential (HM Government, 2010)

The Local Growth White Paper sets out the Coalition Government's new approach to sub-national growth and focuses on the three key themes: shifting power to local communities and businesses; increasing confidence to invest; and focused intervention. While the Government will encourage collaboration around particular themes, such as tourism, a strong emphasis is placed on leadership at the local level, particularly by local businesses such as WMSP.

The proposed development shows further consistency with the aspirations set out in the White Paper since the new conference centre, hotel and Waterpark at WMSP will contribute towards driving business growth (a cross-cutting theme in the White Paper), together with enhancing the visitor and business tourism offer.

DCMS Structural Reform plan (DCMS, 2010)

The Structural Reform Plan of the Department for Culture, Media and Sport (DCMS) is a tool the Coalition Government is using to make the Department accountable for the implementation of the reforms set out in the Coalition Agreement.

The proposed scheme would contribute towards reinforcing the Department's current initiatives that aim to boost domestic tourism. The development is consistent with this aspiration since it will by help to increase the quality of facilities for tourists, in addition to encouraging the local tourism industry to improve its offer and promoting a positive image for the area.

DCMS Business Plan 2011-2015 (DCMS, 2010)

The DCMS Business Plan recognises the importance of growing the creative, cultural, tourism and leisure economies in building the Big Society, and the Department's vision is to help create the conditions for such growth to take place. The proposed development is particularly consistent with the 'Conditions for growth' Structural Reform Priority, as it will contribute to the forthcoming Tourism Strategy. Furthermore, the Plan aims to encourage private sector investment in the tourism sector, such as that being proposed by WMSP.

Tomorrow's Tourism Today (DCMS, 2004)

The most recent national tourism strategy 'Tomorrow's Tourism Today'[2] provides the current national strategic context for the proposed scheme, and identifies four key drivers that will help to achieve a step-change in the performance of the tourism industry in England:

- marketing and e-tourism - the use of effective and co-ordinated marketing in order to increase returns on overseas and domestic marketing expenditure, together with ensuring that a greater proportion of overseas tourist spend is made outside London. It is acknowledged that the use of web-based services is important in achieving this;
- improving the quality of the product - focusing on improving the quality of the full range of tourism services whilst agreeing and implementing common standards for accommodation grading schemes, and increasing participating in them;
- the skills of the workforce - supporting People 1st (the Sector Skills Council) in addressing skills deficits in the industry, and developing proposals to improve recruitment and retention; and
- the data on which business decisions are based - taking forward recommendations made by the 2004 Review of Tourism Statistics report by developing an Action Plan whilst providing up-to-date market intelligence upon which strategic and operational decisions can be based.

The proposed scheme will improve the quality of the product offering to visitors.

3.2.2 *Sub-national policies and strategies*

West Midland Visitor Economy Strategy (Advantage West Midlands, 2008)

This Strategy advocates an approach that develops and manages the visitor economy through visitor destinations, themes and underpinning programmes delivered by partnerships between the public sector and industry.

The Strategy continues to focus on four the Strategic Objectives of attracting more:

- visitors from outside the region;
- overnight visitors;
- businesses and high-value leisure visitors; and

[2] Department of Culture, Media and Skills, 2004

- private sector tourism investment.
- The proposed scheme is closely aligned to these objectives as the new Waterpark and conference centre, together with the hotel and railway link/monorail, will help to attract overnight visitors, in addition to visitors from outside the region. Furthermore, the new conference centre will cater for business visitors. As the proposed scheme would be funded entirely from the private sector, it is consistent with the Strategy's objective to attract more private sector tourism investment.

Destination Worcestershire Tourism Strategy Action Plan 2008-2012 (Destination Worcestershire, 2008)

The Action Plan sets out a programme of activity over the three financial years 2008/9 – 2010/11 for place marketing to be undertaken by Destination Worcestershire, the public / private partnership set up to market Worcestershire as a visitor destination. The Action Plan identifies areas of activity which, through delivery at a local level, will also contribute to the achievement of wider aims and objectives for tourism as an agent of economic improvement.

Within the Action Plan there are three identified actions of particular significance to the enhancement of the Safari Park:

- not only is the package of new facilities and transport links consistent with the Action to 'encourage all stakeholders to maintain and develop high quality facilities and infrastructure', but the proposed scheme would generate significant demonstration effects that would positively influence other tourism attractions in the locality;
- similarly, the proposed new facilities are closely aligned to the Action to 'encourage investment in new product';
- the proposed package of new facilities and transport links has the potential to enhance the identity and branding of the Worcestershire area by raising the profile of the area whilst appealing to a wider range of leisure and business visitors. This would make a valuable contribution towards the Action 'to establish a clear identity for Worcestershire as a visitor destination that stimulates interest, and enables a range of products and experiences to link together'.

The Economic Strategy for Worcestershire 2008-2018 (Worcestershire County Council, 2008)

The vision behind the Economic Strategy is that:

'In ten years time, technology-led growth will have contributed to the sustainable development of Worcestershire and strengthened its role as an economic driver for the region – acting as a catalyst for all sectors of the economy and areas of the County to benefit and providing well paid and highly skilled jobs and high quality of life for residents.'

The Strategy recognises the importance of tourism to the Worcestershire economy and sees it as an established industry that makes a valuable contribution towards raising skills and Gross Value Added (GVA)[3].

The proposed scheme is consistent with efforts to strengthen the tourism sector and link it to greater economic benefit as the package of new facilities will help increase external awareness of the County and what it has to offer, increasing inward investment and economic growth.

Worcestershire's Local Area Agreement (LAA) 2008-2011 (Worcestershire Partnership, 2008)

The LAA was a three-year agreement negotiated between all the key partner organisations in Worcestershire, working through the Worcestershire Partnership, and central government. The aim of the LAA was for all of these partners to work together to agree the issues that really need tackling to improve the lives of people in Worcestershire, and to set targets and allocate resources to address these issues. While the formal process of LAAs has now been abolished, the principle of joint working continues to be supported.

One such target of Worcestershire's LAA was to reduce the number of working age people on out of work benefits. The proposed scheme will contribute to achieving this target as the extension to the Safari Park is expected to create jobs, both directly and also indirectly through increased spend in the local economy.

3.2.3 *Local policies and strategies*

ReWyre Initiative

A Prospectus for Regenerating Kidderminster (Wyre Forest District Council, 2009)

The Prospectus is a central part of the ReWyre Initiative and *'aims to highlight the challenges and opportunities facing Kidderminster to a wide audience from within and outside the area, in order to attract support and investment to transform the fortunes of the town… to deliver a renaissance.'*

WMSP is specifically mentioned as one of three regionally significant attractions drawing more than 750,000 visitors a year to the area. Moreover, one of the main objectives identified in the Prospectus is *'to develop the tourism potential of the town and establish Kidderminster as a base for tourists'*. The package of new facilities and proposed linkage to the Severn Valley Railway not only contributes to meeting this specific objective, but is also consistent with other wider aims as identified within the Prospectus. These are:

- to maximise tourism potential including hotel development;
- to 'differentiate' the offer with leisure and tourism; and
- to improve transport connectivity.

[3] GVA is a measure of the economic performance of an area or sector and is the value of goods and services produced minus the cost of the inputs.

Kidderminster Town Centre Strategy – Issues and Options Paper (Wyre Forest District Council, 2010)

The Issues and Options Paper is an essential part of the development of a Strategy for Kidderminster Town Centre. Although the Paper has been issued at a time of great political change under the Coalition Government, it serves to highlight a range of important issues and options that will need to be considered as part of any future strategic planning activity for the town centre.

As one of four Thematic Issues, *'Jobs – Vitality and viability'* is most applicable to the proposed development. Having recognised that *'Hotel and tourism trade'* is a key element within this Thematic Issue, the Paper highlights WMSP as a key tourism opportunity that should be promoted as part of the options for generating jobs. Furthermore, the proposed scheme would make a valuable contribution to addressing this Thematic Issue in general by directly creating jobs through the extension of the Safari Park, and also indirectly through increased spend in the local economy as a result of an enhanced tourism offer.

The Wyre Forest Local Development Framework (LDF) – Development Plan Documents

Publication Core Strategy (Wyre Forest District Council, 2010)

The Core Strategy is the key strategic level document within the LDF and sets out the broad strategy and vision for development within the District up until 2026.

Within the Core Strategy, two policies are of particular relevance to the proposed scheme:

- *Policy DS02 'Kidderminster Regeneration Area'* - this includes support for development proposals which help to promote Kidderminster as the tourism 'hub' of the district, including the provision of supporting facilities such as hotels and conference facilities; and
- *Policy CP10 'Sustainable Tourism'* – this aims to boost the local tourism industry through supporting sustainable proposals that improve the quality and diversity of existing tourist facilities, attractions, accommodation and infrastructure. The proposed scheme will contribute strongly to this policy by providing new tourism facilities in addition to leisure and business accommodation and improved transport links.

The WMSP lies within the West Midlands Green Belt and occupies part of a gap between Kidderminster and Bewdley.

As part of his examination into the Wyre Forest Core Strategy Development Plan Document (October 2010), the Planning Inspector commented specifically about the Safari Park. In relation to the possible definition of the Park as a Major Developed site in the Green Belt (under Annex C of PPG2), he noted that this "*…would be premature pending the preparation of a sustainable plan for the entire site. This could include a landscape master plan to ensure that the visual impact of the Park, its necessary security fencing, and any future more significant leisure development was properly balanced and designed to minimise impacts on both the openness of the Green Belt and the attractive rural setting of the Park.*"

The Planning Inspector went on to note that, "*At the examination it was clear that the Council was willing to work with the Park operator and the Severn Valley Railway to explore the possible creation of a Safari Park halt on the railway and thus to create 'synergy' between the district's two largest tourist attractors. The Site Allocations and Policies DPD process would offer a positive opportunity to progress the ambitions of all parties within the strategic framework set by the Core Strategy while enabling necessary public consultation and sustainability appraisal on more detailed options to take place.*"

Wyre Forest District Council Corporate Plan 2008-11

The Corporate Plan explains what the Council is aiming to achieve with the help of its partners. Of the four main priorities that the Council is focusing on, *'a vibrant local economy'* encompasses the corporate aims with regard to tourism. Moreover, for the period 2008-2011, the priority has a particular focus on 'district-wide regeneration', of which the implementation of the ReWyre Initiative is a key element.

A key factor in bringing about 'district-wide regeneration' includes the promotion of the district as a tourist destination. Furthermore, WMSP is specifically highlighted as a key visitor attraction that also plays an important part within the ReWyre Initiative.

3.3 Economic context

The UK formally entered recession in Quarter 2 2008, and endured the longest period of recession since the 1950s. Since the beginning of the downturn in 2007 unemployment has increased, market values have fallen and a number of well-known businesses have entered administration. While the UK has since emerged from recession, there remains significant uncertainty regarding future economic performance and it is anticipated that any recovery will be relatively slow. In particular, the impact of reduced spending and potential job cuts within the public sector remains unclear, as it is unlikely that business growth will absorb the increases in the number of unemployed workers over the short-term.

These wider trends are reflected within the Worcestershire Economic Assessment for 2009/10, which will inform a refresh of the local economic strategy. The economic assessment identifies the following issues in relation to the local authority area of Wyre Forest:

- in Worcestershire, approximately 16,000 people (2.9% of the population) live in households with less than £17,833 pa (60% of the median household income for England). The proportion is largest in Wyre Forest (5.1%);
- the population of Wyre Forest increased from 95,200 in 1991 to 98,700 in 2008, an increase of 3.7%. Within Worcestershire only Redditch had a lower population growth rate (1.4%);
- the economic activity rate in Wyre Forest between April 2008 and March 2009 was 77.3%. This was the lowest among the Worcestershire local authorities. The county average was 81.7%;

- the employment rate in Wyre Forest between April 2008 and March 2009 was 71.5%. This was the lowest among the Worcestershire local authorities. The county average was 77.8%; and
- the median household income in Wyre Forest in 2009 was £28,595. This was the lowest in Worcestershire. The county average was £30,700.

The Worcestershire Economic Assessment identifies tourism as a growth sector in the county, with significant potential for further growth. However, the economic assessment also states that the sector is underperforming.

Other data of significance to the Wyre Forest local economy is set out below:

- 15 of Wyre Forest's 65 Super Output Areas (SOAs) are in the most deprived 30% of SOAs in England. This includes two in the most deprived 10% of SOAs in England and five in the most deprived 11% to 20% (source: Indices of Multiple Deprivation, 2007);
- in October 2010 the claimant count rate in Wyre Forest stood at 3.6%, similar to the Great Britain rate of 3.5% but below the regional rate of 4.4% (source, claimant count, Nomis); and
- in 2008, 3,200 jobs in Wyre Forest were tourism related. This represented 9.7% of employment in the local authority area. The regional rate was 7.4% and the national rate was 8.2% (source: annual business inquiry, Nomis).

3.4 Market context

3.4.1 Introduction

This section sets out a summary assessment of the conference, hotel and visitor attractions markets in the UK and West Midlands. A more detailed assessment is included at Appendix A.

3.4.2 Conference market

(i) Conference market demand

UK market

Broadly the UK conference market can be divided into three sectors as follows:

(i) Corporates – the market share of this sector has declined during the recession, from two thirds prior to the downturn to 45%. This equates to 585,000 meetings and 30 million attendances per year. This sector comprises meetings, product launches, sales conferences, training events, hospitality events and staff incentives, and is well served by hotels.

(ii) Associations and public sector - the not-for-profit sector now accounts for over half of all meetings in UK venues. This has remained a fairly stable market, although the recent reductions in public expenditure are likely to reduce demand. The key components of this sector are:

- national associations - it is estimated that national associations organise around 230,000 events annually with total annual attendance of around 12 million;
- international associations - these meetings are often highly lucrative for venues and destinations as they often involve longer stays and are attended by relatively affluent people. This is a very competitive segment of the market and organisers generally look for large, purpose built conference venues in attractive destinations that have easy access to regular international flights; and
- public sector - government and other public sector organisations account for 36% of all events.

(iii) Exhibitions - estimates indicate that around 900 exhibitions (of more than one day in duration) are held annually in the UK in venues of more than 2,000 sq m. The average space rented for these exhibitions is around 7,000 sq m and on average, each exhibition is visited by 10,000 people. Typically an event will last 2 or 3 days. A further 600 exhibitions are estimated to be held in venues smaller than 2,000 sq m.

According to the Events Market Trends Survey (EMTS) there are around 3,500 venues in the UK that collectively host over 1.3 million meetings per year with annual revenues of around £7.2 billion. Annual attendance across all UK venues was around 67 million in 2008 (this excludes exhibitions).

The majority of meetings were for less than 50 people. Only 6% of meetings were for more than 200 people.

In 2008, the average annual number of events per venue was 375. Between the years of 2005 to 2007, this figure was 396 per annum. City venues generally attract more meetings per year. A typical city venue hosted 447 events in 2008. By comparison, venues located in rural areas staged on average 250 events a year.

According to the EMTS, the market has declined in recent years in both volume and value. In the three year period 2005-07, UK conference venues had annual revenues of £8 billion. Venues reported fewer events in 2008 and fewer 'residential' conferences. The UK recession clearly had an impact on demand for conferences and meetings. Conference venues in 2008 reported more negotiation on rates, more shopping around by event organisers, reduced spend on catering, shortening of lead times for events, and a longer wait for confirmations and increased cancellations.

West Midlands market

Very little primary research has been carried out in the West Midlands region because the scale of the conference market is relatively small. Primary data has been collected from Confex[4]. This data indicates that of the enquiries received:

- 10% are for the West Midlands region;

[4] Confex is an organisation that brings together organisers of conferences with venue providers in the area and have an overview of the local conference market.

- 70% of conferences are corporate, while 20% are exhibitions and the remaining 10% are held by associations;
- with the exception of Birmingham, the West Midlands is not a sought after location;
- overall, there are about 310 venues in the area; and
- the main appeal of the West Midlands as a conference destination according is its central location and access to the motorway network.

(ii) Conference market supply

UK market

A review of the UK market shows:

- there are around 3,500 conference venues in the UK with 770 venues in the Central England;
- venues in Central England account for 23% of all conference business in the UK; and
- over half of all conference venues are within hotels. Only 2% of venues are classified as purpose-built conference centres.

There are eight main venues which are comparable to WMSP. These venues are located all over the UK, with Alton Towers and Drayton Manor in the West Midlands. Capacities range from 120 theatre style up to 1,800 with single largest floor spaces of up to 940 sq m.

West Midlands market

Competition in the West Midlands is substantial, especially if Birmingham is included which is home to some of the largest and highest quality venues in the country.

A review of conference facilities within the region indicates that there are over 100 venues that the Safari Park might find itself competing with. As WMSP is likely to have flexible and convertible conference spaces this means that it could be competing with venues of all range of sizes. However, the extent of competition from within the Wyre Forest district area is limited.

3.4.3 Hotels market

(i) Hotel market demand

UK market

Colliers International carried out research into recent demand trends for UK hotels in June 2010. The main findings include:

- despite the economic downturn there is no decrease in the numbers of foreign visitors staying in hotels in London and in key tourist destinations throughout the UK;
- there has been an increase in UK residents going on 'Staycation' and choosing to holiday at home meaning demand for hotels for leisure tourism has not been affected by the recession;

- a new breed of tourist is emerging who is cost conscious and 'savvy';
- leisure driven hotel businesses continue to perform well; and
- corporate business has been reduced and replaced with leisure driven business that commands a weaker average room rate and customer spend.

Tri Hospitality Consulting produced its Hotstats report in 2010 which used a sample of 2,023 hotels to derive hotel industry trends. They found that the average UK occupancy rate in 2009 was 69.1%. There are more hotel stays on Monday-Thursday in the UK, closely followed by Friday-Saturday.

West Midlands market

Only limited information is available on the demand aspect of hotels in the West Midlands. However, there is some data available for the Wyre Forest area.

There are 130,000 overnight trips to the Wyre forest. 43% of all visitors stay in serviced accommodation which is by far the largest accommodation segment (see Table 3.7).

Table 3.7: Visitors to the Wyre Forest by type of accommodation

Type of accommodation	UK	%	Overseas	%	Total	%
Serviced accommodation	27,000	43	3,000	50	31,000	43
Self catering	1,000	2	0	0	1,000	2
Touring caravans/tents	11,000	17	0	0	11,000	16
Group/Campus	1,000	2	0	0	1,000	2
Second Homes	1,000	2	0	0	1,000	2
Boat Moorings	19,000	30	0	0	19,000	27
Other	3,000	5	3,000	0	6,000	9
Total	**64,000**	**100**	**6,000**	**100**	**71,000**	**100**

Source: Wyre Forest Tourism Economic Impact Assessment 2009

(ii) Hotels market supply

UK market

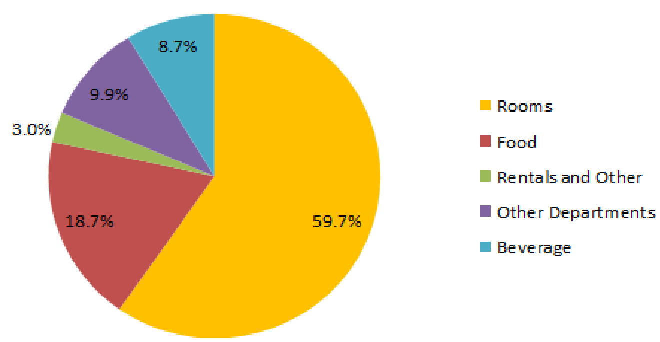
The UK market for hotels varies hugely depending on the region and the local area. Colliers International's research in June 2010 outlined the following in terms of hotel supply in the UK:

- since the economic downturn fewer hotels are being bought and sold. Values of hotels have dropped about 20-30% since the height of the property market and the volume of hotels available has reduced in the last 12 months;
- revenue of hotels in the UK per available room has risen by 5.8% overall but this figures masks regional differences which saw cities such as Cardiff seeing hotel rates fall whilst Birmingham, Manchester and Leeds hotels revenue grew – this may affect supply in those areas doing less well;
- in London there is a trend towards the development of small luxury 'aparthotels' and 'pod' hotels and 'easyhotel' style accommodation. This may be unique to the London market because of lack of available space;

- the rise in popularity of budget hotels such as Travelodge, the UK's fastest growing hotel chain, which announced the exchange of 10 new hotels at a combined investment value of £61 million adding 1,133 rooms to their existing 28,000 room portfolio; and
- brands are leading the way - with trading conditions having deteriorated in many commercial hotels many private owners are now looking for the comfort of a brand to assist them in their day-to-day operation.

The Tri Hospitality Consulting report 2010 found that the average UK room rate in 2009 was £75.10 which was down on 2008. The UK hotel market made the most revenue from selling rooms (59.7%) followed by food (18.7%), as shown in Figure 3.1.

Figure 3.1: Breakdown of Revenue for Hotels in the UK



West Midlands market

The surrounding areas of Worcestershire provide the hotel accommodation which might compete most directly with a hotel at the Safari Park.

The stock of hotels across areas surrounding the Safari Park is mainly independent rather than branded and therefore quality varies. In Worcestershire there are 231 hotels in total, 8 of these are 5* located in or around Cheltenham. The majority are 4* with a 166 in this category, 81 hotels are 3*, 16 are 2* and 10 are either 1* or unrated.

Birmingham has an extensive hotel stock catering for all types of customer. Warwickshire also has a fairly good offer in terms of its hotel stock, whilst Shropshire largely follows the pattern seen in Worcestershire. Across the West Midlands as a whole there is an abundance of 3* and 4* Hotels.

3.4.4 Visitor attractions

(i) Visitor attraction demand

UK market

Visit England conducted a 2009 visitor attractions survey in which it identified a number of trends relating to demand in the UK. 1,806 attractions provided the data for 2008 and 2009. They reported an increase in visitor numbers of about 5% in 2009.

This shows a stronger performance than in the previous three years. The trend towards domestic trips is thought to have led to this increase. There has also been a strong increase in the number of day trips to attractions (an 8% increase). In terms of trips to attractions, survey findings indicate that:

- gardens and historic houses/castles experienced the biggest rise in visitor numbers from 2008 to 2009 at 10% and 12% respectively. Visits to the wildlife attractions and zoos surveyed increased by 2%;
- visits to paid attractions increased significantly (+7%) whilst visits to free attractions increased only slightly (+3%). There was also a more marked increase in visits to rural areas than to urban or coastal areas;
- attractions with total visit numbers in the range 50,000 – 100,000 experienced the largest growth in visitor numbers between 2008 and 2009. Growth in the volume of visits was lower for both very small attractions (10,000 visits or less) and very large attractions (200,000 visits or more); and
- adult admission prices to attractions in the UK increased by 4% in 2009. Historic properties reported the lowest adult entry prices overall.

West Midlands market

The Visit England Visitor Attractions Survey also looks at trends by region and highlights some interesting findings in relation to West Midlands attractions:

- revenue for attractions located within the West Midlands increased by 15% over the period 2008 to 2009, with this level of growth exceeding that experienced in any other English region;
- the number of visits to attractions in the West Midlands went up by 5%, which was in line with the average for England as a whole;
- visits to paid attractions in general have increased, with this trend particularly marked in the West Midlands which has seen the highest increase in visits to paid attractions, reflecting the relationship between changes in the overall number of visits and the level of revenue generated by attractions;
- the volume of visits to West Midlands attractions has increased for all sizes of attractions apart from those pulling 200,000 visitors or more. The largest increase has been by those attracting between 20,001-50,000 visitors;

- in the West Midlands visits to urban based attractions increased as opposed to rural ones which is the opposite trend to all other regions of England; and
- admission charges in the West Midlands increased by 2% between 2008-2009, which was the lowest increase of all regions. The average adult charge in 2009 was £6.23.

(ii) Visitor attraction supply

There are a number of attractions which are classed as 'theme parks' in the UK. A full list is set out within the detailed market review appended to this report. There are also a number of zoos and safari parks in the UK which offer a similar experience to WMSP, as listed in Table 3.8.

Table 3.8: Comparable UK zoos and wildlife attractions

Zoo/Wildlife Attraction	Visits (2009)
Chester Zoo	1,350,000
London Zoo	850,000
WMSP	750,000
Edinburgh Zoo	640,000
Bristol Zoo	560,000
Knowsley Safari Park	530,000
Colchester Zoo	520,000
Twycross Zoo	510,000
Paignton Zoo	500,000
Woburn Safari Park	450,000
Marwell Zoo	440,000
Blackpool Zoo	337,000
Dudley Zoo	205,000
Highland Wildlife Park	125,000

Source: Various Websites 2010

Within the West Midlands there are also a number of theme park style attractions which are comparable with West Midlands Safari Park to some extent. These include major theme parks such as Alton Towers, activity centres including Go Ape and a range of other experiences. A list of comparable attractions within the West Midlands is set out in Appendix A, alongside a list of more general attractions including historic houses, castles, gardens and museums. In addition to these attractions, there are a wide range of much smaller attractions in the region such as small museums, art galleries and visitor centres.

3.5 Comparator projects

3.5.1 Hotel case studies

(i) Alton Towers – The Alton Towers Hotel, Splash Landings Hotel and Cariba Creek Waterpark

Alton towers opened in 1986. It currently has two hotels – The Alton Towers Hotel and the Splash Landings Hotel - which opened in 1996 and 2003 respectively.

The Alton Towers Hotel is set over 7 acres of land and was built at an initial cost of £12 million. It has 175 rooms and 3 restaurants/bars: The Secret Garden Restaurant, Captains Bar and Atrium and The Dragon Bar. There is also an entertainment programme.

Prices start from approximately £100 per night, other facilities include conference and spa facilities. Alton Towers was the first theme park in the UK to offer accommodation.

In 2006, a planning application was submitted for an extension to the hotel including an extra 36 suites. The extension alone was expected to attract an additional £2.8 million visitor spending and cater for an extra 43,200 staying guests. During peak season the hotel was expected to increase approximate visitor numbers of 5,000 per day by 1%.

The Splash Landings Hotel is Carribbean themed. It has 216 rooms including themed rooms such as pirate themed rooms. It also has a range of entertainment and restaurant/bars such as: Flambo's Exotic Feast – buffet restaurant and Ma Garritas Bar.

(ii) Chessington World of Adventure – Safari Themed Holiday Inn

Chessington Zoo opened in 1931 and added the theme park in 1987. It is owned by Merlin Entertainments.

The Holiday Inn Hotel, known as the Safari Lodge, opened at Chessington World of Adventures in the summer of 2007. It has 150 rooms with one night packages starting from £38.25 per person and is safari themed. It has a Langata Brassiere and Grill and Marula Bar, as well as a gym, pool and conference facilities. The hotel is thought to have provided an extra 100 full-time jobs and 120 seasonal jobs with over 50% of employees coming from within the local borough.

According to an economic analysis undertaken prior to the opening of the hotel, 90% of guests staying would be park visitors and there would be 90% occupancy of the hotel during peak season, as opposed to 20% occupancy in low season.

The opening of the lodge is also thought to have generated sustainable transport benefits decreasing the number of car journeys and increasing the number of journeys made by public transport.

The development of the hotel is also believed to have had an impact on visitor numbers which were at an all time low in 2001 at 1.2 million per year. This gradually rose to 1.3 million by 2009 and is expected to rise to 1.6-1.7 million in the future.

(iii) Europa Park – Germany

Europa Park is Germany's largest theme park, located in Rust in South West Germany. It is themed with a vision of a united European continent with each section of the park representing a different European country.

The Park encompasses four themed hotels:

- 'Colosseo'– 4* Italian themed, 324 rooms and 22 suites – largest, re-creates roman coliseum;
- 'El Andaluz' – 4* Spanish themed, 182 rooms and 10 suites;
- 'Castillo Alcazar' – 112 rooms and 8 suites, Spanish themed; and
- 'Santa Isabel' – Portuguese monastery, 60 rooms and 6 suites, the newest of the hotels.

There is also a guesthouse, Tipi village and campsite.

The hotels provide spa and wellness facilities and there are a range of restaurants on the site for visitors to choose from.

Europa Park attracted 4.2 million visitors in 2009. It has a summer (Easter to November) and a winter season (December to the second week in January) meaning visits are highly seasonal.

There is a new hotel planned for 2012 with 1,200 beds, which will be the second largest when completed.

3.5.2 Theme Parks/Theme Park hotels with conference facilities case studies

(i) The Holiday Inn at Chessington World of Adventures

The Safari Lodge themed hotel at Chessington World of Adventures offers extensive conference facilities which include executive rooms, a health club, internet access and a dedicated business team.

The 'International Meeting Centre' contains:

- six meeting rooms which can hold up to 300 delegates;
- 525 sq m total dedicated conference space with the largest room 217.5 sq m in size;
- a meeting lounge and breakout area;
- different catering options;
- TV, video, flipchart and additional equipment;
- flexible layouts;
- an organisers survival kit in each room; and
- an eight hour conference package which can be upgraded to include a visit to the theme park such as a 'Meet and Greet the Animals' package.

(ii) Alton Towers Conferences

Alton Towers has 10 meeting rooms and total conference space of 1,291 sq m, with the largest single space being 549 sq m. These can cater for meetings for 16 people up to 700 for a large conference. The theme park is also used for outdoor events and conferences for up to 15,000.

There are eight main types of corporate packages available which cover meetings, corporate away days, team building days and large scale events. Most packages include a catering offer. Clients can also book events which include exclusive use of the rides, entertainment, fastracking and VIP parking. Prices for standardised packages such as the corporate away days range between £32-49 per person.

(iii) Drayton Manor

Drayton Manor has four self-contained business suites which are equipped with supporting technology and can host meetings of 20 or conferences for up to 400 delegates. There are a number of catering options and conference packages available. Packages run from prices of £32 per person which includes room hire, refreshments and lunch to £44 per person which includes entry to the park as an extra.

Corporate and family fun days are also offered, which includes catering and entry to the Park with prices starting at £32 per adult.

(iv) Thorpe Park

Thorpe Park can host a range of conference and events and in 2006 opened the Lake View conference venue. The largest space can cater for up to 500 delegates. There is also a separate space for refreshments and lunch.

Hostesses are provided and a range of catering options are possible. Access to the Park can also be arranged. The venue has proved popular with companies such as O2, Nokia, PWC and Samsung for conferences.

(v) Legoland, Windsor

Legoland offers quite an extensive conference package within the 18th century St. Leonard's Mansion overlooking the 150 acre Legoland Park.

There are five main rooms which can host conferences and meetings from 10 people up to 120 people in the JFK suite.

Full and half day packages are the most popular. The package includes a range of refreshments and catering options, newspapers, pens and paper, use of corporate car park and entry to the Park. Team building games can be added into the package as can barbeques in summer. The half day package does not include entry to the Park.

Electronic equipment can be hired at additional rates. Business services are offered and wireless internet access is available in certain rooms.

3.5.3 Theme Parks with waterparks case studies

(i) Alton Towers and Cariba Creek Waterpark

Cariba Creek Waterpark first opened in 2003 and was initially only available to guests at the Splash Landings Hotel. In 2004 it was opened to everyone.

The current admission price is £14 per adult.

Hotel guest can still book a waterpark package where they get unlimited use of the park during their stay.

The park itself is one of Europe's largest indoor waterparks with 40,000 sq ft of indoor space. It has 10 waterslides, a range of water features and has a waterside bar and restaurant.

Alton Towers has released some details about its latest 10 year development plan which includes a large extension to the Waterpark.

Of an estimated 2.8m day visitors to Alton Towers 600,000 visits are generated to Cariba Creek.

(ii) Vichy Aqua Park, Lithuania

Vichy Aqua Park is part of Vilnius Amusement Park, a larger mixed-use development including a shopping mall and arena. The waterpark is based on a Polynesian Islands theme with regular performances by artists and musicians from Tahiti.

The Waterpark covers and area of 13,400 sq m and has a peak capacity of 1,500 visitors. The facilities include 9 water slides, a lifeguard school and a number of food and beverage options.

The park attracts 400,000 visitors annually of which around one third are tourists. Vilnius has a very large resident catchment area.

A private investor, Rubicon Group, financed the development. It cost in the region of £17 million. The Waterpark is now run by Seven Entertainment, a major leisure and entertainment operator in Lithuania.

(iii) Kalahari Resort, Wisconsin Dells, USA

The Kalahari Resort, a 20,000 sq m African-themed tourism development incorporating a 550-room hotel, is one of the largest waterparks in the world. It pioneered the combination of a large scale waterpark and hotel accommodation to create a resort destination.

Water roller coaster and flow rider surf at Kalahiri Resort

The Waterpark is open to both staying guests and the general public. It attracts a reported 3 million visitors per year. Since the resort opened in 2000, additional bungalow accommodation, a convention centre and spa have been developed.

(iv) Typhoon Lagoon and Blizzard Beach at Walt Disney World, Florida

Typoon Lagoon and Blizzard Beach are two of the main waterparks associated with the Disney World theme park.

Typhoon Lagoon was the first to open in 1989 and features nine water slides, raft rides, surf pool with 6ft waves, a shark reef with real sharks as well as a number of restaurants and cafes. In 2008 it attracted 2.6 million visitors and was closed for part of 2010 for refurbishment.

Blizzard Beach opened in 1995 and contains one of the tallest, fastest free falling waterslides in the world (13 storeys high). It also has raft rides, a 1 acre wave pool a children's play area and approximately seven food and beverage outlets and three shops. In 2009 it attracted 1.89 million visitors.

4 Survey and consultation results

4.1 Introduction

As part of this study, visitors to the existing WMSP were surveyed and a number of organisations consulted. This section sets out the results of the visitors' survey and consultations.

4.2 Report of survey

4.2.1 Introduction

Face-to-face survey of 215 visitors to WMSP was undertaken during the period October to November 2010. The majority of the surveys were conducted during the October school half term holiday.

4.2.2 Visitors on a short break or holiday

Some 9% of those surveyed comprised visitors on a short break or holiday, including overnight stays. The largest proportion (67%) of these originated from within the West Midlands, with 33% visiting from outside the region from elsewhere in England and Wales. In terms of accommodation, 55% of visitors were staying in the Worcestershire area. While some were staying in Kidderminster, Bewdley or Stourport, none were staying in the rest of Wyre Forest.

The majority of visitors (75%) were staying in a hotel, 15% were staying in other non-serviced accommodation and 10% were staying with friends and relatives.

When asked the reason for taking the short break or holiday, the majority of visitors (81%) identified WMSP as the principal or main reason for visiting the area. Furthermore, most respondents felt that the Safari Park was either an important (48%) or very important (29%) factor that influenced where they decided to stay. Moreover, a similar proportion of respondents felt that WMSP was either an important (48%) or very important (24%) factor that influenced how long they decided to stay.

Some respondents had visited other attractions and places of interest during their trip to the West Midlands. Of the limited number of those who responded (9 people), the largest number (5) had visited or planned to visit Cadbury's World.

4.2.3 All visitors

The following sections relate to all visitors that were surveyed whilst at WMSP regardless of what type of visit they had made.

(i) Visitor profile

Table 4.1 shows the demographic profile of the visitors surveyed by consolidating the largest proportion of responses for each profile question asked.

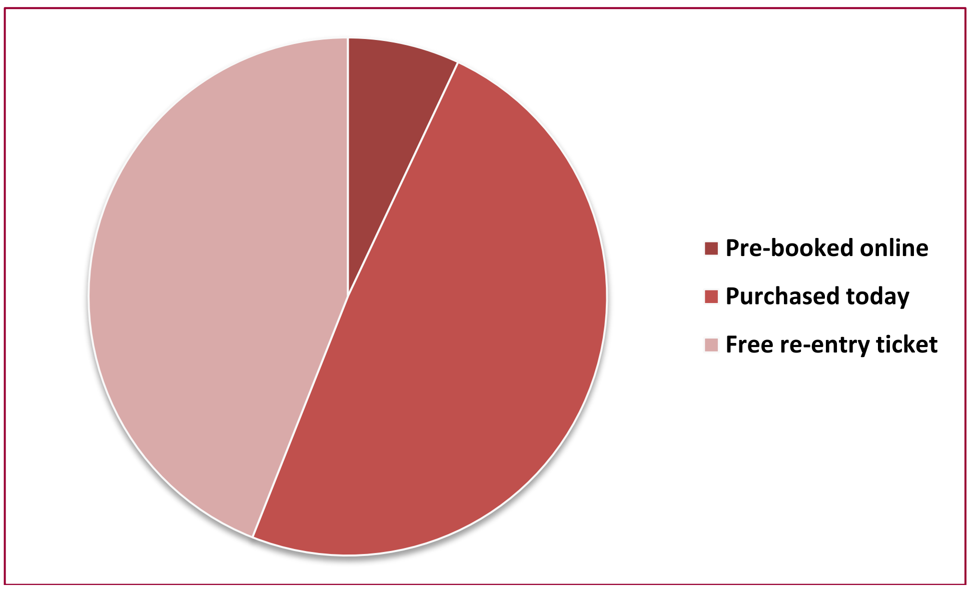
Table 4.1: Profile of a typical respondent		
Question	**Answer**	**Percentage of respondents**
Male or Female?	Female	71
Ethnic origin	White or White British	96
Occupation	Working full / part time	80
Home Postcode	West Midlands	66

The majority of respondents (94%) said that they were visiting WMSP as a family party including children, with the average party size being 4.2 people.

In terms of the primary mode of transport, the vast majority (some 95%) travelled to WMSP by car, with the remainder travelling by bus/coach, or hire car/taxi. However, of those whose primary purpose was to visit the area on an overnight stay, some 75% came by car, whilst 25% travelled by bus/coach.

As for how tickets for WMSP were booked, Figure 4.1 shows that although the largest proportion (49%) were booked on the day, 44% were free re-entry tickets.

Figure 4.1: Tickets



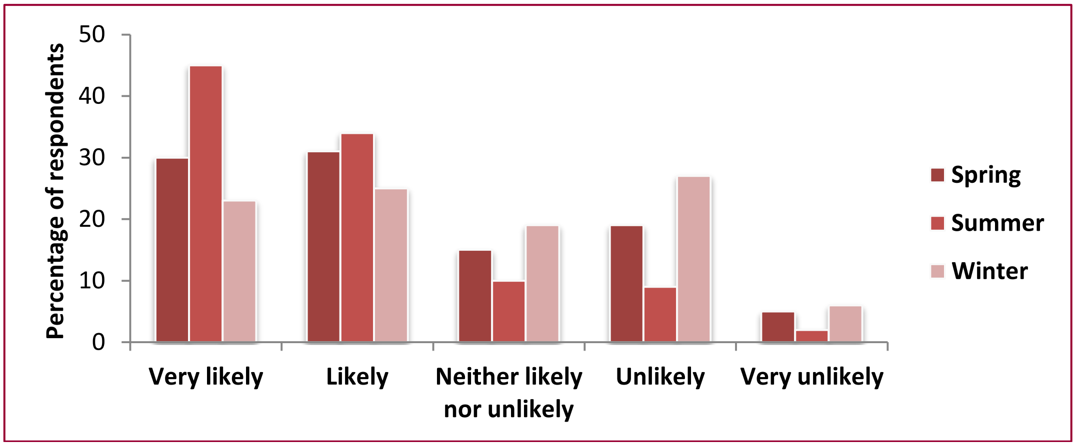
4.2.4 Other attractions

While commenting on other attractions and places of interest that respondents had visited recently or planned to visit in the near future for a day out, a wide range of responses were observed. However, the most frequent (identified by 50% of respondents) were recent or planned visits to visit Alton Towers and/or Drayton Manor. The next largest proportions of respondents had recently visited or planned to visit 'Other zoos/safari parks/aquariums/farms'

(15%), 'Other historical site/country estates' (15%), and 'Other theme parks/waterparks/Adventure parks' (13%).

As the survey was conducted in Autumn, respondents were asked to give a view on the likelihood of their visiting WMSP at other times of the year. Figure 4.2 shows that most respondents would be most likely to visit in the Summer, quite likely but less so to visit in the Spring, and least likely to visit in the Winter.

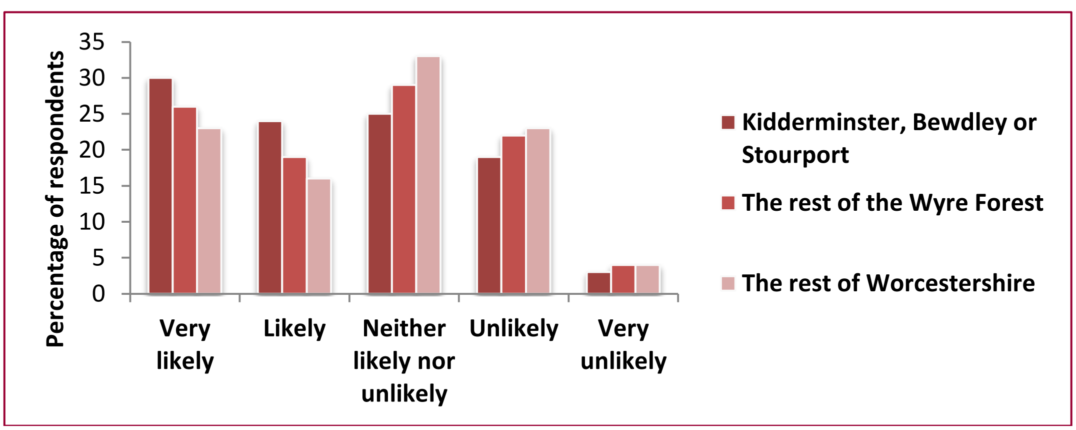
Figure 4.2: Likelihood of visiting WMSP at other times of the year



Having been asked to give a reason for the likelihood of visiting at other times of the year, the largest proportion of respondents (32%) cited 'the weather' as the reason. However, the next largest proportions of respondents said that their visit would be influenced by when their children would be able to visit (17%), and when there were most animals available to see (14%).

Figure 4.3 shows the likelihood of future visits to Kidderminster, Bewdley or Stourport, the rest of Wyre Forest, and the rest of Worcestershire, as a result of visiting WMSP. It indicates that a significant proportion of respondents would be more likely or very likely to visit Kidderminster, Bewdley, or Stourport (54%), the rest of the Wyre Forest (45%), and the rest of Worcestershire (39%) as a result of visiting the Safari Park.

Figure 4.3: Likelihood of visiting other locations as a result of visiting WMSP



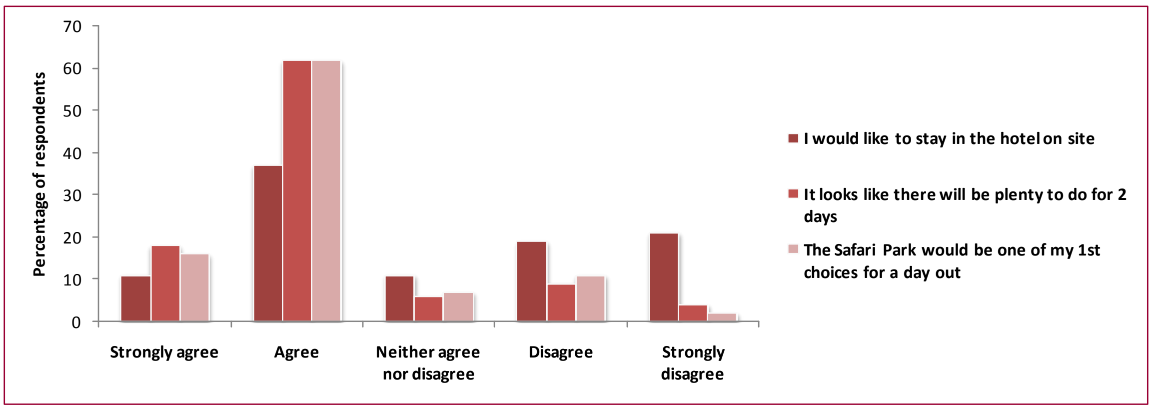
When asked about visitor attractions in general, 80% of respondents had never stayed at a hotel on the site of a visitor attraction in the UK. Of the 20 percent that had, the majority (93%) had stayed at either Alton Towers or Legoland. Similarly, 79% of respondents had never bought a two-day ticket to a visitor attraction in the UK. Of the 21% that had, Alton Towers and Legoland again represented the largest proportion of respondents (91%).

4.2.5 Proposed developments

After having been briefed on the proposed developments for WMSP, respondents were asked for their thoughts. The vast majority felt that this was a good idea and that it would be of interest to them. Some 82% considered the proposed WSP development to be positive, 8% negative or neutral, while 10% were cautiously positive (welcoming the proposals, but expressing concern at pricing for example). It is important to note that responses were not linked to pricing.

Figure 4.4 shows the level of agreement from respondents whilst commenting on the proposed developments.

Figure 4.4: Respondent agreement to statements regarding the proposed development

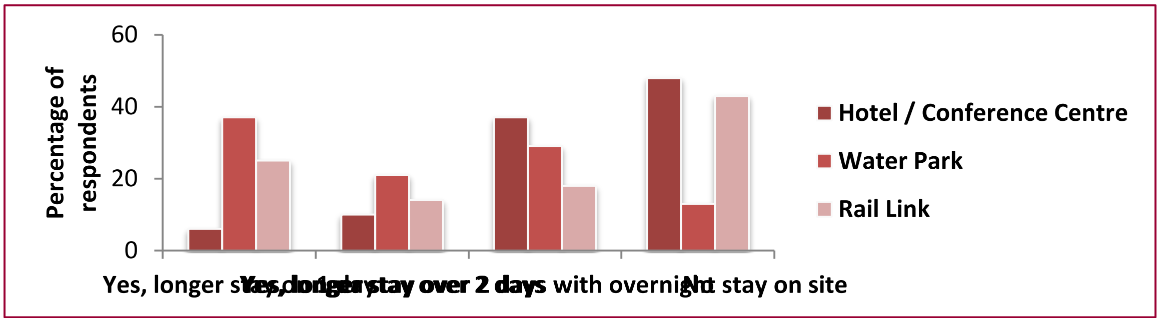


Whilst having been asked to reflect on the prices for other waterparks, respondents were asked to estimate what they would be prepared to pay for entry to a waterpark at WMSP. The largest proportions of respondents said that they would be prepared to pay £11-£15 for adults (61%) and £6-£10 for children (71%).

There was strong support in relation to the proposed development of WMSP – 78% thought the Safari Park would become a 1st choice attraction, while 80% considered its attractiveness would extend to more than one day. 48% expressed a view that they might stay at the on-site hotel (although this question was not related to the price of accommodation).

Figure 4.5 shows that the majority of responses (87%) indicated that the Waterpark would encourage people to stay longer (primarily day visitors). It was indicated that the proposed rail link would encourage some 57% of people to stay longer (principally day visitors), while the hotel would encourage 53% to stay longer. Again, these responses were not related to price.

Figure 4.5: Influence of proposed development



In addition to the influence that the proposed development would have on encouraging visitors to extend their stay, respondents were asked to comment on what else would encourage them. The following comments represented 67% of all responses:

- Better / Newer / More grown up rides 22%
- Cheaper prices / Better value / More discounts 16%
- Package deals – discount for booking together 16%
- Better choice / Quality of Food and Drink 13%

Whilst commenting on improved public transport links (including the rail link aspect of the proposed development), 25% indicated that if improved public transport links (including a new rail link) were available, they would have used these to get to the Safari Park. This is significant in relation to the 5% that indicated actual non-car use to travel to the attraction.

Finally, respondents were given the opportunity to provide further comments on WMSP and its impact on the West Midlands. While most of the comments complemented the Safari Park, of those constructive comments, the perceived need for newer/better rides, lower prices, and improved food and drink were cited by a number of respondents.

4.3 Results of consultations

4.3.1 Introduction

A number of organisations and businesses were consulted as part of this research. These included, amongst others, Wyre Forest District Council, Worcestershire County Council, various tourism organisations and tourism businesses. A full list of consultees is included at Appendix B.

4.3.2 Hotels

(i) Type of hotels in the immediate area

There is consensus amongst many of the consultees that the area lacks good quality hotel stock, particularly from branded hotels. Those that exist are mainly independents and the quality is mixed. The following comments made through the consultations illustrate this:

- It is mainly independent hotels in area and they are of variable quality.
- The accommodation offer in Worcester is poor in both quality and quantity. Hotel chains are not interested in building hotels in the city because there isn't a local market for it. There is a Travelodge but no high quality hotels.
- Warner Hotels have property in Hereford for the older market but apart from that there are mainly independent and budget hotels. This limits the offer for visitors.
- There are mainly independent hotels except Travel Inn and Premier Travel Lodge. Warner hotels have 90% occupancy rate in Hereford but apart from that the offer isn't good.
- The area has some unusual venues already for conferences and events but it lacks the necessary bed stock.

(ii) Leisure and business tourism

The majority of customers to the local hotels are there for leisure purposes. Business tourism is currently limited which further discourages many of the high quality hotel chains to locate in the area. The proposed conference centre is thought to be important in increasing business tourism, benefitting both WMSP and the area as a whole.

Some comments made during the consultation process illustrate this:

- Hotel chains are not interested at present because not enough business tourism.
- The conference centre will be important in generating additional business visits to the area. This is important because most tourism at the moment is for leisure.
- The conference centre will generate important additional business visits to the area.

(iii) The demand for proposed bed stock at West Midlands Safari Park

A new hotel development located at WMSP is generally perceived as being necessary to improve the local hotel stock, as well as to support the proposed conference centre. Most consultees believe that other local hotels would also benefit from the conference centre, Waterpark and hotel by generating new demand, all of which will not be met by WMSP.

However, some of the local B&Bs do fear the displacement of their own customers to the Safari Park hotel and this issue will need to be managed. The comments made by consultees include:

- If WMSP were to develop a hotel it wouldn't negatively affect other hotels because the WMSP offer would grow the market.
- Not all delegates [of conferences] will stay on site so other hotels around will benefit.
- Some of the local B&Bs are anti the WMSP development because they think it will take business from them. But the way we see it is that WMSP would direct extra visitors to the local B&Bs and hotels because not everyone will want to or be able to stay at the safari park.
- They [WMSP] will need arguments for the demand for the hotel especially to persuade the local B&Bs that it is a necessary development!
- A hotel is essential to the success of a conference venue. There will also need to be somewhere for evening entertainment within the hotel.

4.3.3 *Conferences*

(i) The market for a conference venue at West Midlands Safari Park

There is a general agreement that a proposed conference venue at West Midlands Safari Park would be a positive development for the area and will help grow the local conference market, particularly for bigger events.

A number of consultees commented on the need for the venue to encompass flexible spaces, to be of high quality and to provide a number of additional services. The access and infrastructure were also seen as important to the success of the venue. The comments that illustrate these key points are:

- Both the conference facilities and leisure facilities will make a significant contribution and will fill gaps in the current offer.
- The conference market is currently quite small scale in the county. Most venues in the area only cater for smaller events.
- A big facility will benefit the area although the WMSP will need to market new facilities effectively to attract the bigger events that aren't coming at present.
- We do get enquiries for conferences at the Courtyard theatre, Hampton Court etc. but this is not a good area for overnight conferences, mainly because we don't have the facilities at present.
- Selling a Worcestershire venue should be quite easy because there is a lack of competition. There is lots of competition nationally but [WMSP] would need to work with regional partners to provide a full offer and bring events to the area.
- The demand for the conference centre at WMSP will depend on the additional services they offer such as the catering arrangements, the syndicate rooms and the quality of the venue.

- A new venue at WMSP would have a positive impact on the area. The area lacks a major facility so we aren't able to bring in bigger events.
- The key question is about access and infrastructure at WMSP. If they [WMSP] get it right it will definitely fill a gap in the area.
- The venue at WMSP would help to create a new market for the area. If it can hold 1,000 it will attract enquiries for the big events that we can't handle at present.
- Conference enquiries grow to the size of the venue. For example the Cotswold Conference Centre currently has 53 beds. It is expanding to 89 and this will attract bigger enquiries. If there is an offer with 1,000 capacity it will generate new enquiries from organisers of bigger events.
- [The WMSP] will need to build smaller rooms and to ensure that the main room is sub-dividable. Big suites are not filling at the moment because of the way that the market is changing.
- The market for smaller meetings is hugely competitive in the region. WMSP will be very different however, so it may well grow the market in the area. It will provide a different proposition which should draw new business and is particularly likely to appeal to younger dynamic organisations which will be attracted to the novelty of the venue and location.
- There aren't really the facilities for high quality conferences in the area at present. We mainly cater for weddings etc.

(ii) Recent conference market trends

As part of the consultation exercise, the operators of comparable conference centres elsewhere in the country were spoken to, as well as those with a knowledge of national market trends.

There is a commonly held feeling amongst conference venues and organisers that the market has shrunk in the past few years, particularly corporate business. Conferences and events are generally much smaller in scale with shorter lead times and shorter lengths of events. Conference spaces must be flexible and sub-divide, in order to meet the requirement for smaller scale events. However, generally there is some optimism that the conference market will grow again as the economic climate improves.

Nationally, it is felt that there will be some short-term positive impact from the Olympics with business being generated outside of London during 2012. In the longer-term however, this business will revert back to London.

The need for venues to offer access by public transport was also noted.

Comments which illustrate these trends were:

- The [national] market is currently split: 70% Corporate, 10% Associations and 20% exhibitions. The market overall has been shrinking and the corporate sector has been badly affected.

- The industry as a whole has shrunk therefore the new conference centre will inevitably cause some displacement.
- We are currently experiencing shorter lead times and shorter events. This trend may well change again in the future.
- We expect that some events will be displaced from London during the lead up to the Olympics, however after the Olympics London will have more capacity so more events will go back into London.
- There is an increase in the market for sustainable transport options. Some clients demand this. This could be organised by shuttle bus from the station.
- Conference bookings are over 30% down. We have lost most of our corporates. We believe will take 5 years to return. We are missing the banks etc.
- Our main business comes from events - dinner dances, weddings, dances, awards, brewery days, weddings, funerals - but even Christmas functions have declined in the past 4 years. Nobody is spending on things like awards – these are being done in house now in a low key way. Smaller meeting rooms still fill reasonably well though.
- The UK conference and events market is changing due to tightening budgets, however, more events are now held in the UK to save costs so there has been some growth from the domestic market.

(iii) Co-ordinating conference sales

There are differing opinions on how sales of the conferences in the West Midlands should take place. There is a perceived opportunity to link up with conference desks in the region or Meet Birmingham for example.

Several consultees noted that whilst there will be a need for the WMSP to sell to a national market, they should not try to compete directly with the larger Birmingham venues.

Comments which illustrate this were:

- There is no conference desk in Hereford and Worcester and there aren't enough venues to justify one. They [WMSP] could work with Meet Birmingham on national sales perhaps.
- There is an opportunity to link up with Birmingham to sell the conference centre and hotel. We could work with Meet Birmingham and the Birmingham LEP perhaps to do joint sales and joint ticketing.
- Sales will be very important. [WMSP] will need to sell their venue nationally as well as regionally, perhaps in partnership with others in the region.
- Perhaps we need a conference desk in Worcestershire.
- There's no point in Worcestershire trying to compete with Birmingham and the NEC. We will never have that scale of business. But the conference at the Safari Park will be different.

4.3.4 Visitor attractions/leisure

(i) Profile of existing users and reasons for visits to the area

The leisure visitor market is dominated primarily by day visitors. The festival and events programme is important although the majority generally attract day visitors and locals. A couple of the bigger events do however attract overnight stays.

Generally there is a feeling that the area lacks good family attractions.

The market at present is reasonably constant throughout the year with the weekday leisure market holding up reasonably well outside peak times. One Worcestershire attraction that is proposing its own expansion considered that the WMSP scheme could well be complementary and help to further build the local market.

Geographically, the West Midlands is seen as a central meeting place for family groups or others looking for an accessible place in the UK to meet up.

Comments summarising the profile of tourists include:

- Leisure tourism is surprisingly busy during week in the area.
- Why do people visit Worcester? Geographically it is in the centre of the country so it attracts reunions of families and groups. For example, the Lacemakers conference is held here because everyone can get here.
- Parents of students at the university visit and musicians visit for the 3 choirs festival every 3 years and because of Elgar related talks, walks etc. People visit for events at the cathedral and for regattas on the river.
- The area lacks major attractions for families.
- The festivals are drivers of visits. The food festival brings 13,000 people in October, 56% from out of the area. 12% stay in commercial accommodation. The Walking Festival over 9 days brings 5,000 people mainly from out of area, held at Hampton Court.
- The area lacks day visit attractions and family attractions but has plenty of National Trust properties. There are lots of smaller specialist attractions.
- Empty nesters might stay mid week and younger people at the weekends. Visits are relatively steady throughout the year although they do slightly peak in July because of the new trend for staycationing.
- There is quite a strong day visitor market but a smaller tourism market. We need more to encourage people to stay over.

(ii) Access and infrastructure

The West Midlands is generally thought to benefit from its central location although public transport is relatively poor. In particular, specific access problems to WMSP were noted. Most consultees believe that the area could support extra visitors, although several expressed concern about the road network, which is already stretched.

The hotel may help to reduce road congestion by encouraging overnight stays and spreading the times that people arrive and leave. The proposed rail link to the Safari Park was generally seen as important although there is some uncertainty about how it will work and because the expected costs of the development.

Comments made on these issues were:

- Access to area is generally very good although public transport could be better.
- Would there be any pressure from an expansion of the Safari Park? Not really because the Park is well signposted and easy to get to. The roads there are not too bad so it wouldn't really be a major issue.
- Links to Severn Valley Railway will be very important. It will provide a public transport link to the Safari Park. It would not be a main line link but would still be significant. This would offer a unique experience.
- We hope that the Sever Valley Railway would look at and improve their timetabling to encourage visitors to use trains to get to Safari Park. They could have a safari feature!
- The road network is the biggest weakness. Roads already get very clogged up around WMSP. More visitors would be a major concern. The railway network helps. The importance of making most of railway is paramount.
- Is there a park and ride option? It might be better to use the Severn Valley Railway rather than buses. Would it be possible to put in dedicated stop with parking at the Railway?
- I am not sure about the viability of the proposed monorail... I doubt it would justify the cost of development.
- Putting in an hotel would reduce car movement because people would stay overnight. Also the banqueting facilities will reduce car movement [relatively] by allowing people to stay on site. Nevertheless, access will be no. 1 problem.
- [WMSP] must get the council to improve the road. It needs to be four lane dual carriageway with a queue lane for the Safari Park. Traffic lights or a traffic island will be needed.
- They will have to address the additional need for parking.
- Putting in an hotel will reduce car movement because people would stay overnight.

(iii) West Midlands Safari Park as a key attraction in the region

Overall, consultees are in favour of the proposed development and believe that it will have an important positive economic impact on the area.

Comments included:

- The expansion would benefit the area hugely.
- WMSP is vital for local economy. It is the largest attraction in county and after the expansion it will definitely pull from further afield.
- The plans will bring a number of important new markets including more overnight families and bigger conferences.
- It will raise the profile of the area which will bring major benefits.

(iv) The structure of tourism in the region

Across the whole of the UK, tourism marketing and management structures are undergoing changes. This may have some impact on the ability of the WMSP to attract national and international visitors. Several consultees felt that the WMSP will need to continue to play an active role in the development of tourism in the area.

Comments relating to this issue in the consultations were:

- The public/ private partnership supported by County Council is currently under review. We are considering a membership organisation for Herefordshire. This may be appropriate for Worcestershire also.
- Tourism is a bit disconnected as different areas want different things. There needs to be a more coherent structure in the future.
- The WMSP will need to work with others to bring in national and perhaps international markets. At the moment there is uncertainty about the bodies that will be responsible for tourism marketing. The WMSP will need to influence the future structures to ensure that they can market to a wider audience.

(v) Planning, regeneration and transport

The site is located within the Green Belt and a Landscape Protected area, as well as being adjacent to a Site of Special Scientific Interest (SSSI). There have been various, previous planning issues associated with the development of the site.

There is a concern that the proposed development might set a precedent. Consequently, it will need to be demonstrated that the scheme is a ‘unique development’, with significant positive wider benefits.

The ongoing development of the Local Development Framework should provide a more supportive planning policy context – with tourism identified as a major economic driver and Kidderminster as a tourism hub, combined with other attractions such as the Severn Valley Railway. A robust economic case will though be needed which provides evidence for an overwhelming and compelling argument for treating the development as an exception to the planning policy. An assessment of the sustainability/environmental and transport/access issues will also be required.

The importance of WMSP and the development to the economy of Kidderminster and the wider area has been highlighted by consultees. There is a concern that, without continued investment, the Safari Park will lose out to other attractions that are currently investing.

The proposal is seen as substantially increasing the range and quality of facilities in the Kidderminster area and Worcestershire more generally. The hope is that this would help to create a 'destination' and increase overnight stays. This would support the wider tourism sector. At present, a number of consultees indicated that Worcestershire is currently "off the beaten track" and that the proposed development would help to 'put it on the map' and change the perceptions of the Wyre Forest area.

The development would also raise transport and access issues. The consultations indicated that Kidderminster suffers from congestion at certain times, with sensitive junctions at the entry to Kidderminster and Bewdley. The proposed scheme would need to demonstrate that it will not exacerbate an already difficult situation. Consequently, improvements to junctions and public transport access would be sought.

5 Economic and wider impacts

5.1 Overview

The proposed scheme is expected to result in a range of benefits for the local and wider area. This section of the report seeks to quantify these, where possible, focusing on both the direct and indirect impact of the scheme in terms of generating additional expenditure and employment opportunities (see Table 5.1). The potential spin-off and regeneration impacts are also considered.

Table 5.1: Economic and wider impacts

	Outputs, outcomes and impacts	***Source of evidence***
Direct and indirect impacts	• New visits (Section 5.2) • Visitor expenditure (Section 5.3) • Organisational spend (Section 5.4) • Net additional visitors and spend (Section 5.5) • Net additional jobs (Section 5.6) • Gross Value Added (Section 5.7)	• WMSP • Benchmarks • Project review • Market review • Consultations / surveys • Tourism data
Spin-off and regeneration impacts (Section 5.8)	• New off-site investments • Investment in existing facilities • Employment • Transport • Homes and community • Design and environment	• Consultations • Policies • Surveys • Market review • Socio-economic data

The direct and indirect economic impacts of the scheme have been assessed at the district (Wyre Forest) and Worcestershire level. In doing so, an analysis has been undertaken of the net additional impact at each spatial level that can be attributed to the proposed scheme.

The additional impact or 'additionality' of a project refers to the net changes that are brought about over and above what would have taken place anyway. The key adjustments that will need to be considered in determining the net additional impact of projects are:

- deadweight – impacts which would have occurred anyway without the project;
- displacement – the proportion of impacts that are accounted for by reduced outputs elsewhere in the target area;

- leakage – the proportion of impacts that benefits those outside of the project's target or reference area; and
- multiplier effects5 – further economic activity associated with additional local income and local supplier purchases.

Figure 5.1 sets out the approach to the assessment of additionality with adjustments made for leakage, displacement and multiplier effects, in order to determine the overall net additional effects.

Figure 5.1: Net additional impact

Gross effects

Less

Deadweight
in essence, what would have happened anyway without the intervention

Less

Displacement
the benefits accruing to one business or individual at the expense of another

Less

Leakage
the benefits 'leaking' outside of the target area

Plus

Multiplier effects (income and supplier)
the benefits associated with additional spend by employees and businesses

Equals

Net additional effects

[5] For analytical purposes two types of multiplier can be identified:

- a supply linkage multiplier - due to purchases made as a result of the project and further purchases associated with linked firms along the supply chain. In the absence of a fully articulated model of the local economy these effects are difficult to trace. However, multipliers derived through empirical research in previous studies can be used to approximate these impacts. Alternatively, estimates of the local content of purchases can be used to calculate the local supply linkage multiplier effects, assuming the proportion of expenditure net of non-recoverable indirect taxes incurred on local goods and services is similar throughout the supply chain.
- an income multiplier - associated with local expenditure as a result of those who derive incomes from the direct and supply linkage impacts of the project. Again, precise estimates are difficult to calculate. As a proxy, the results of previous research can be used or estimates can be calculated on the basis of local consumption patterns through the local economy. Again the assumption is that behaviour is similar at each point in the supply chain.

A number of impact studies have also identified a longer-term development multiplier associated with the retention of expenditure and population in an area.

In order to consider the economic impacts of the proposed scheme, a financial model has been developed for how the business might operate upon completion of the scheme. This has been informed by consultation with the Safari Park's directors and has been led by specialist visitor attraction consultants, Locum Consulting.

This outline financial model has not been developed to assess financial viability or feasibility of the scheme, but to facilitate the assessment of the wider economic benefits. The inputs and assumptions in the model are based on the initial business development work carried out by the Park's directors, research into similar projects and developments and Locum's experience in the development of visitor attraction and destination projects. The model results are presented for a notional stabilised year.

5.2 Construction employment

Overall, it is expected that the proposed scheme will result in approximately £60 million of construction expenditure. As such, the development of a new hotel, conference centre and Waterpark will support 405 person years of construction employment, on the basis that £148,000 of construction expenditure equates to one person year of construction employment[6]. Assuming 10 years of construction employment is equal to one full-time equivalent (fte) job, this would equate to some 41 fte construction jobs.

5.3 New visits

The development of a four star hotel, conference centre, Waterpark and monorail linking to a halt on the Severn Valley Railway will attract a significant number of new visitors to the local and wider area. In addition, it is expected that visits to the existing Safari Park will increase due to the higher profile created through the proposed scheme. The number of new visitors generated by each element of the scheme is discussed in turn below.

5.3.1 Visits to the hotel

Based on the performance of comparable local competition (full-service conference hotels in the West Midlands including the Hilton Birmingham Metropole, Chesford Grange and the Marriott Forest of Arden), it has been assumed that the hotel will operate at 70% occupancy throughout the year. It has also been assumed that the hotel will achieve £90 per room and that there will be an equal split of leisure, MICE[7] and corporate guests[8].

The above assumptions show that around 85,000 visits could be made to the hotel. It has been also assumed that a further 95,000 non-staying visits will be made to the hotel to visit the restaurant, the health club and to attend functions. (It is important to note that the 62,000 health club visits will be made by a core of around 1,000 members).

6 Source: Annual Business Inquiry
7 Guests staying at the hotel to attend meetings, incentives, conferences or exhibitions **on-site.**
8 Guests staying at the hotel to attend meetings, incentives, conferences or exhibitions **off-site.**

Table 5.2: Visits to the hotel	
Hotel	**Notional stabilised year**
Overnight – Leisure	28,389
Overnight – MICE	28,389
Overnight - Corporate	28,389
Day – Restaurant	17,520
Day – Functions	14,560
Day – Health Club	62,400
Total	**179,646**

The quantum of sales generated as a result of the new non-staying and staying visitors to the hotel is set out in Table 5.3.

Table 5.3: Hotel sales	
Hotel	**Notional stabilised year**
Rooms	5,748,750
Restaurant	1,752,000
Functions	467,997
Health Club	600,000
Total	**8,568,747**

5.3.2 Visits to the conference centre

Table 5.4 details the assumptions that have been used to derive the economic outputs that might come from the development of a conference centre at WMSP. The assumptions are based on discussions with the Park's directors, consultation with conference venue operators in the region and evidence from other similar sized venues in comparable locations.

Table 5.4: Assumptions to inform conference centre model				
Event type	**Events per annum**	**Average attendance per event**	**Average days per event**	**Daily room rate**
Associations	18	800	3	£2,500
Public sector	6	400	3	£2,500
Corporate	40	750	1	£2,000
Exhibitions	6	2,000	3	£2,500
Meetings	250	35	1	£45 per delegate
Total	**320**	-	-	-

Using the assumptions shown in Table 5.4 above, a conference centre at the Safari Park could attract 125,000 visits per annum. For the purposes of the economic modelling, the same annual visit numbers have been assumed for each year.

Table 5.5: Visits to the conference centre	
Conference Centre	**Notional stabilised year**
Associations	43,200
Public sector	7,200
Corporate	30,000
Meetings	8,750
Exhibitions	36,000
Total	**125,150**

On the basis of the expected number of events and the daily room rate, the new conference centre could generate sales of around £3.5 million (see Table 5.6).

Table 5.6: Conference centre sales	
Conference Centre	**Notional stabilised year**
Room Hire	£1,858,154
Food and Beverage	£1,251,500
Day Delegates	£393,750
Total	**£3,503,404**

5.3.3 Visits to the Waterpark

The directors of WMSP believe that an indoor Waterpark which is open all-year-round could attract 60,000 visits per annum. It is Locum's view, however, that a modern facility could attract many more visits than 60,000 given the high number of visits to the Safari Park, the hotel and the conference centre and the performance of similar facilities at Alton Towers (600,000), Blackpool Sandcastle (350,000) and Waterworld in Stoke (400,000).

It is estimated that a compelling indoor Waterpark could attract 200,000 visits per annum with around 15% of visits coming from staying visitors, some of whom will be staying at the on-site hotel (see Table 5.7).

Table 5.7: Visits to the Waterpark	
Waterpark	**Notional stabilised year**
Day visitors	170,000
Staying visitors	30,000
Total	**200,000**

The attraction of 200,000 visits to the Waterpark could generate some £2.4 million of on-site sales (see Table 5.8).

Table 5.8: Waterpark sales	
Waterpark	**Notional stabilised year**
Admissions	£1,800,000
Food and beverage	£400,000
Retail	£200,000
Total	**£2,400,000**

5.3.4 New visits to the existing Safari Park

With the addition of a four-star 250-bed hotel, a large conference centre, an indoor Waterpark and a monorail link to the Severn Valley Railway, it is likely that the number of visits to the existing Safari Park will increase. Locum has estimated that the Safari Park can expect to see an uplift of 50,000 additional visits from users of the hotel, Waterpark and conference centre, whilst a higher profile, on-going improvements to the Park and the new monorail link could add a further 50,000 visits to the existing Safari Park (see Table 5.9).

With the development of indoor facilities and the convenience of being able to stay on-site, it is likely that growth will occur in shoulder and off-peak periods. It is also likely that staying visitors will constitute a greater proportion of visitors than they currently do (9%).

Table 5.9: Growth in visits to the existing Safari Park		
Ticket Type	**Current**	**Notional stabilised year**
Standard Entry	581,146	621,826
Free returns, Complementary & Under 4's	164,351	221,505
Total Inc. Under 4s	**745,497**	**843,331**

The additional sales generated at the Safari Park as a result of the increase in visits are shown in Table 5.10.

Table 5.10: Safari Park sales		
Park	**Current (£)**	**Notional stabilised year (£)**
Admissions	5,647,402	6,438,877
Retail	1,759,142	2,005,682
Catering	2,171,004	2,475,267
Ride Wristbands	3,064,536	3,494,027
Total	**12,642,084**	**14,413,853**

5.3.5 Total new visits

Combining all of the growth highlighted above, it is clear that the addition of the hotel, Waterpark and conference centre will lead to a significant number of new visitors to the site.

Excluding the 50,000 under 4s, the Safari Park achieved around 700,000 visits in 2009. The proposed development could lead to the overall number of visitors to the site increasing to 1.2 million (see Table 5.11).

To avoid double counting, the total number of visits to the Waterpark, conference centre and existing Safari Park exclude those already accounted for in the hotel. Approximately 17,000 hotel guests will use the Waterpark and around 30,000 are expected to use the conference centre. Similarly, around 50,000 Safari Park visitors will also be using the hotel, conference centre and Waterpark.

Table 5.11: Growth in visits to the site

	Current	Notional stabilised year
Park	698,072	746,937
Hotel – overnight	-	85,167
Hotel – day	-	94,480
Waterpark	-	181,267
Conference centre	-	96,761
Total visits	**698,072**	**1,204,611**
Total new visits	**-**	**506,539**

Table 5.12 shows a breakdown of the visits to the site by origin and by whether they are day or staying visits. This analysis has been based upon comparisons with other attractions and the results of the face-to-face survey carried out at the Safari Park. It is expected that the proposed scheme will diversify the visitor base attracting people from further afield and more staying tourists.

Table 5.12: Visits by origin and type

	Current	Notional stabilised year
Day Visits from Wyre Forest	35,648	96,072
Day Visits from rest of Worcestershire	71,296	188,756
Day Visits from rest of UK	529,697	707,955
Total day visits	**636,641**	**992,782**
Staying Visits – domestic*	53,444	187,210
Staying Visits - overseas	7,986	24,640
Total staying visits	**61,430**	**211,850**
Total visits	**698,071**	**1,204,632**

*All domestic staying visits are assumed to be from outside of Worcestershire.

At present, around 9% of the Safari Park visitors are staying overnight in the area amounting to 61,000 overnight trips. The full development is expected to generate 212,000 overnight stays. Some 81,000 of these overnight stays will be accommodated in the hotel on-site, meaning that

131,000 tourists will stay in accommodation off-site – this is 70,000 more bednights than the existing operation generates.

5.4 Visitor expenditure

The increase in visitors by 500,000 would lead to a significant increase in visitor and tourism expenditure in the economy. As set out above, it is estimated that the 1.2 million visitors would spend around £29 million on-site. This represents an increase of around £16 million compared to current on-site expenditure (see Table 5.13).

Using data from the Wyre Forest Tourism Economic Impact Assessment of 2009, it is possible that the 1.2 million visitors might also spend around £42 million (gross) off-site in other businesses (an increase of some £20 million). In reality, the level off-site expenditure will depend on a number of variables, including the availability of complementary attractions and activities, as well as the time and budgets of those visiting the Safari Park.

Table 5.13: Visitor expenditure

	Current (£)	Notional stabilised year (£)
On-site	12,642,084	28,886,002
Off-site	21,712,744	42,198,956
Total expenditure	**34,354,828**	**71,084,958**
Total new expenditure	**-**	**36,730,130**

A breakdown of visitor expenditure by visitor origin and type is set out in Table 5.14. Some £59 million (gross) of visitor expenditure is expected to be attracted from outside of Worcestershire.

Table 5.14: Visitor expenditure by origin and type

	Current (£)	Notional stabilised year (£)
Day Visits from Wyre Forest	1,465,496	3,949,807
Day Visits from rest of Worcestershire	2,930,967	7,760,947
Day Visits from rest of UK	21,775,844	29,107,428
Total day visits	**26,172,307**	**40,818,182**
Staying Visits – domestic*	5,451,328	22,783,226
Staying Visits - overseas	2,731,193	7,483,549
Total staying visits	8,182,521	30,266,775
Total visits	**34,354,828**	**71,084,958**

*All domestic staying visits are assumed to be from outside of Worcestershire.

5.5 Organisational spend

At present the Park spends £2.7 million per annum on goods and services bought in (excluding the costs of electricity, fuel, gas and water and business rates)[9], with around 30% (£0.8 million) of this remaining within the Worcestershire economy. The expected expansion in visitor numbers and revenue means that the organisation will be spending much more on goods and services in the local and wider economy.

When the development is complete, it is estimated that the company will spend £4.6 million per annum on goods and services bought in (see Table 5.15). At 30%, this will mean that the company will spend £1.4 million each year with businesses in the Worcestershire area.

Table 5.15: Organisational spend on goods and services

	Current (£)	Notional stabilised year
Wyre Forest	407,250	692,250
Rest of Worcestershire	407,250	692,250
Rest of UK	1,900,500	3,230,500
Total spend	**2,715,000**	**4,615,000**
Total new spend	-	**1,900,000**

[9] Note: this analysis also excludes the cost of sales

5.6 Net additional visits and spend

5.6.1 *Assumptions*

As set out in Section 5.1, in order to establish the net additional impact of the scheme, an allowance needs to be made for leakage, displacement, multiplier effects and deadweight. An adjustment has therefore been made for each additionality factor, as follows:

- deadweight – it has been assumed that in the absence of the proposed scheme, the number of visits to the Park, visitor expenditure and organisational spend will remain constant. As such, deadweight is assumed to equal the levels of visits and spend currently generated by the Safari Park. This is believed to be a prudent assumption, given that without further investment, the number of visitors to the Safari Park could decline;
- displacement – based on the visitor survey, it is assumed that 20% of staying visitors will come to the area even in the absence of the Safari Park and proposed new development. It is also assumed that all day visitors from the district will still visit the Wyre Forest and that all day visitors from the county will still visit Worcestershire in the absence of the proposed scheme;
- leakage – some 85% of organisational spend on goods and services is expected to occur outside of the district and 70% is expected to occur outside of Worcestershire. In addition, informed by the visitor survey, it is estimated that 50% of off-site visitor expenditure will spent outside of the district and 25% will be spent outside of Worcestershire; and
- multiplier effects – a multiplier of 1.1 has been applied at the district level and a multiplier of 1.2 has been assumed at the county level. These are lower than benchmarks set out in the Department for Business Innovation and Skills' (BIS) guidance on assessing additionality10, which reports an average multiplier of 1.38 at the sub-regional level. However, the first round indirect effects of the scheme have already been taken into account as part of the analysis of visitor and supply chain expenditure.

The net additional impact of the proposed scheme in relation to visits, visitor expenditure and organisational spend, at both the district and county level, is summarised in turn below. It should be noted that adjustments for leakage and multiplier effects have not been applied to the number of visits, as these additionality elements are not relevant in this regard.

5.6.2 *Net additional visits*

The number of net additional visits to the Wyre Forest and Worcestershire, generated as a result of the new developments to the Safari Park, are shown in Table 5.16. Overall, the scheme is estimated to increase visits to the district by 416,000 per annum. At the county level, the proposed scheme is expected to increase visits to Worcestershire by 299,000 per annum.

[10] BIS 2009, 'Research to improve the assessment of additionality'.

Table 5.16: Net additional visits per annum		
	Net additional visits to the Wyre Forest	Net additional visits to Worcestershire
Gross outputs	1,204,633	1,204,633
Less deadweight	698,071	698,071
Gross additional outputs	506,562	506,562
Less displacement	90,508	207,968
Gross direct additional outputs	416,054	298,594
Less leakage	-	-
Net direct additional outputs	416,054	298,594
Add multiplier effects	-	-
Net direct and indirect additional outputs	**416,054**	**298,594**

5.6.3 *Net additional visitor expenditure*

Net additional visitor expenditure within the Wyre Forest and Worcestershire as a whole has been calculated on the basis of both on-site and off-site spend. In total, it is expected that the scheme will generate £15 million of additional on-site visitor expenditure per annum and £9 million of additional off-site visitor expenditure per annum at the district level. The impact within Worcestershire is estimated to be £11 million of additional on-site visitor expenditure per annum and £14 million of additional off-site visitor expenditure per annum.

Table 5.17: Net additional visitor expenditure per annum						
	Net additional visitor expenditure in the Wyre Forest			Net additional visitor expenditure in Worcestershire		
	On-site (£)	Off-site (£)	Total	On-site (£)	Off-site (£)	Total (£)
Gross outputs	28,886,002	42,198,956	71,084,958	28,886,002	42,198,956	71,084,958
Less deadweight	12,642,084	21,712,744	34,354,828	12,642,084	21,712,744	34,354,828
Gross additional outputs	16,243,918	20,486,212	36,730,130	16,243,918	20,486,212	36,730,130
Less displacement	2,902,310	3,998,852	6,901,162	6,668,915	5,062,227	11,731,142
Gross direct additional outputs	13,341,608	16,487,360	29,828,968	9,575,003	15,423,985	24,998,988
Less leakage	-	8,243,680	8,243,680	-	3,855,996	3,855,996
Net direct additional outputs	13,341,608	8,243,680	21,585,288	9,575,003	11,567,988	21,142,991
Add multiplier effects	1,334,161	824,368	2,158,529	1,915,001	2,313,598	4,228,598
Net direct and indirect additional outputs	**14,675,769**	**9,068,048**	**23,743,817**	**11,490,003**	**13,881,586**	**25,371,590**

5.6.4 Net additional organisational spend

New organisational spend within the local and wider area will be generated through increased on-site spend at the existing Safari Park, hotel, conference centre and Waterpark. After adjusting for additionality, the scheme is estimated to increase spend on goods and services within the Wyre Forest by £0.3 million per annum. The net additional increase in organisational spend within the county as whole is expected to be £0.4 million per annum.

Table 5.18: Net additional organisational spend per annum

	Net additional organisational spend in the Wyre Forest (£)	Net additional organisational spend in Worcestershire (£)
Gross outputs	4,615,000	4,615,000
Less deadweight	2,715,000	2,715,000
Gross additional outputs	1,900,000	1,900,000
Less displacement	339,474	780,042
Gross direct additional outputs	1,560,526	1,119,958
Less leakage	1,326,447	783,971
Net direct additional outputs	234,079	335,987
Add multiplier effects	23,408	67,197
Net direct and indirect additional outputs	**257,487**	**403,185**

5.7 Net additional jobs

The estimated employment impact associated with the proposed scheme has been based on an assessment of both the increase in direct employment accommodated on-site and the indirect employment generated through increased visitor expenditure and organisational spend off-site. In doing so, consideration has been given to the overall number of net additional jobs that are expected to be created and the proportion of jobs that will be taken up by local people.

5.7.1 Total net additional jobs

Direct employment

Informed by comparisons with similar attractions elsewhere and discussions with the Park's directors, the proposed development is expected to create an additional 160 FTE jobs with additional salary costs of £2.8 million. These jobs will be in a variety of management, supervisory, operational, customer service and technical roles (including chefs).

The seasonal and flexible nature of demand in the hospitality and leisure industry means that there will always be a requirement for casual and seasonal staff. It is likely that this development will create 72 FTE seasonal or casual posts with additional salary costs of £1.1 million. The actual number of people employed will be more than this and will depend on the length of contract worked.

Overall, the scheme is expected to create some 233 FTE posts on-site. However, not all of these jobs will be additional. After allowing for additionality, based on the adjustments established for on-site visitor expenditure, it is estimated that 211 direct FTE net additional jobs will be created at the district level and 165 direct FTE net additional jobs will be created within Worcestershire as a whole (see Table 5.19).

Indirect employment

The number of net additional indirect jobs created has been based on the analysis of additional off-site visitor expenditure and organisational spend on goods and services carried out above (see Section 5.5). To convert the estimates of additional expenditure into estimates of employment impact, an average turnover per FTE employee figure has been derived from Annual Business Inquiry data for the West Midlands.

In relation to off-site visitor expenditure, a turnover per FTE employee figure of £59,585 has been used. This has been derived by comparing the turnover and employment of businesses within tourism related sectors. For organisational spend on goods and services, a general turnover per FTE employee figure of £105,330 has been applied, which is based on turnover and employment data for the regional economy as a whole.

Overall, the number of indirect FTE net additional jobs that will be created within the Wyre Forest is estimated to be 155. At the county level, it is expected that 237 indirect FTE net additional jobs will be generated as a result of the proposed scheme (see Table 5.19).

Total direct and indirect employment

The total direct and indirect FTE net additional jobs that will be created by the scheme are set out within Table 5.19. It is estimated that the total number of FTE net additional jobs provided within the Wyre Forest will be 365, while the total number of FTE net additional jobs created within Worcestershire as a whole will be 402.

Table 5.19: Total net additional jobs

	Net additional jobs in the Wyre Forest			Net additional jobs in Worcestershire		
	On-site	Off-site	Total	On-site	Off-site	Total
Gross outputs	498	752	1,250	498	752	1,250
Less deadweight	265	390	655	265	390	655
Gross additional outputs	233	362	595	233	362	595
Less displacement	42	70	112	96	92	188
Gross direct additional outputs	191	292	483	137	269	407
Less leakage	-	151	151	-	72	72
Net direct additional outputs	191	141	332	137	197	335
Add multiplier effects	19	14	33	27	39	67
Net direct and indirect additional outputs	**211**	**155**	**365**	**165**	**237**	**402**

5.7.2 *Total net additional local jobs*

It is unlikely that all of the jobs created by the proposed scheme will be taken up by local residents, although it is expected that many of the seasonal or casual posts in particular will be filled by local people. According to UK Census travel flow data, around 80% of employees within the Wyre Forest also reside within the district, while 85% of employees within Worcestershire also live within the county.

On this basis, as shown in Table 5.20, around 292 FTE net additional jobs would be taken up by residents within the Wyre Forest. At the county level, some 341 FTE net additional jobs would be taken up by people living in Worcestershire. In reality, the local employment impact could be higher given the nature of the jobs created and the proposed initiatives to maximise access to jobs by local people (see Section 6).

Table 5.20: Total net additional local jobs

	Net additional local jobs in the Wyre Forest	Net additional local jobs in Worcestershire
Total net additional jobs	365	402
Less jobs taken by non-local residents	20%	15%
Total net additional local jobs	**292**	**341**

5.8 Gross Value Added

The level of GVA expected to be generated by the proposed scheme has been derived from the analysis of additional on-site and off-site visitor expenditure. An average ratio between turnover and GVA has been calculated for the West Midlands based on Annual Business Inquiry data. This has been used to convert estimates of visitor expenditure into estimates of net additional GVA.

The total GVA in 2008 for tourism related industries in the West Midlands region is recorded as being 39% of the size of total turnover. This ratio has been applied to the estimates of off-site visitor spend. In relation to on-site visitor spend, an adjusted ratio of 36% has been used to reflect the fact that some of this spend will drive expenditure on goods and services from non-tourism related businesses.

Table 5.21 summarises the estimated net additional GVA generated per annum in the Wyre Forest and in Worcestershire, as a result of the proposed developments to the Safari Park. In total, it is expected that some £9 million of net additional GVA per annum will be created within the district, while £10 million of net additional GVA per annum will be created within the county as a whole.

Table 5.21: Net additional GVA per annum

	Net additional GVA in the Wyre Forest			Net additional GVA in Worcestershire		
	On-site (£)	Off-site (£)	Total (£)	On-site (£)	Off-site (£)	Total (£)
Net additional expenditure	14,675,769	9,325,535	24,001,304	11,490,003	14,284,771	25,774,775
Turnover:GVA ratio	36%	39%	37%	36%	39%	38%
Net additional GVA	**5,283,277**	**3,636,959**	**8,920,235**	**4,136,401**	**5,571,061**	**9,707,462**

5.9 Spin-off and regeneration impacts

The consultations and other research indicate that the proposed scheme has the potential to stimulate growth in the local visitor and business tourism markets. The conference centre will generate additional business visits, which will stimulate demand for other accommodation and services in the area. The Waterpark will attract new visitors throughout the year, thus extending the season. By providing a new, high quality hotel, the scheme will also attract visitors to stay in the area that would otherwise probably not have done so. In addition it will provide a demonstration effect to existing accommodation providers, which may well stimulate investment. More generally, the scheme will create a 'destination', resulting in increased overnight stays and expenditure in the area.

It is anticipated that 'spin-off' investments will take place, potentially involving further hotel developments, extensions and improvements. The proposed improvements in Kidderminster and other initiatives will further increase the likelihood of such investments being made. However, it is not possible to identify any specific 'spin-off' impacts at this stage.

In terms of regeneration effects, the anticipated impacts on the four themes highlighted in the Kidderminster Regeneration Prospectus have been considered, as follows:

(i) *transport* - the inclusion of the Severn Valley Railway halt and monorail within the proposed scheme will help to promote the use of public transport, as well as adding to the 'critical mass' of attractions. In addition, it was noted by one consultee that the scheme could contribute to the development of the wider 'Stourport Employment Corridor' and add to the case for the Hoobrook Link Road to the A449. However, it will be important that suitable Green Travel Plans are put in place and improvements made to the existing highway network in order to mitigate the increased transport movements.

(ii) *jobs* – as noted above, the proposed scheme is expected to generate a substantial number of direct, indirect and induced jobs. If the benefit of these is to be maximised it will be important that disadvantaged groups and individuals are given the opportunity to compete for these jobs.

(iii) *homes and communities* - by ensuring that disadvantaged communities can access the opportunities created the proposed scheme can have positive impacts on, for example, deprived areas of Kidderminster.

(iv) *design and environment* - WMSP has indicated that careful thought will be given to the design of the proposed scheme in order to minimise its impact on the environment. There is an opportunity to locate the scheme in such a way and create high quality buildings that are sympathetic to their surroundings, as well as promoting environmental standards.

6 Maximising the benefits and overcoming constraints

6.1 Introduction

This section sets out a possible approach to maximising the benefits of the proposed scheme and to overcoming the constraints. In particular, it is proposed that a Benefit Realisation Plan (BRP or Plan) is developed and implemented.

6.2 Benefit maximisation

6.2.1 Overview

The scope of potential impacts is broad ranging but the BRP should focus initially on those areas of activity that have the greatest potential to deliver substantial net benefits for the local area. While (as described later) these will include social and environmental impacts, a particular emphasis will be on achieving economic aims through, for example:

- jobs and contracting / sub-contracting arrangements within the construction phase;
- employment and recruitment practices in the operational phase;
- approaches to procurement of services and supplies to the Park and associated facilities; and
- identification and promotion of any additional new business opportunities that may arise.

The Plan will provide a unified focus for the assessment of the means whereby project-related activities can be delivered in such a way that their effectiveness and efficiency and their benefits can be maximised. It will therefore be of value to WMSP, its partners and local communities.

The BRP should identify the processes that will be adopted to review and agree future actions to optimise project efficiency and wider benefits. For each aspect of the investment process and subsequent operational activity the Plan will need to consider:

- the scope and potential for benefit realisation activity (including identification of constraints - for example, skills shortages or access difficulties - and the means whereby they might be addressed);
- the actions that will be undertaken;
- the scope and extent of possible benefits and how benefits will be distributed in terms of individual beneficiaries and areas and, in particular, priority groups;
- who will take the lead responsibility and the inputs (including use of existing programmes, services and resources) required from other partners;
- any necessary milestones and details of dependencies;
- when the action will commence / take place;

- a set of performance indicators each with its baseline value (where relevant), targets, and timescales; and
- details of how performance and achievement will be assessed and reported.

6.2.2 Economic benefits

Realising the local economic benefits of the Safari Park project will require inputs from a range of public, private and voluntary sector bodies. As part of the process of Plan preparation, consideration will need to be given to ways in which the necessary co-ordination of activity could be undertaken and delivery of the project supported. The purpose of such an arrangement – or 'integrator' - would be to:

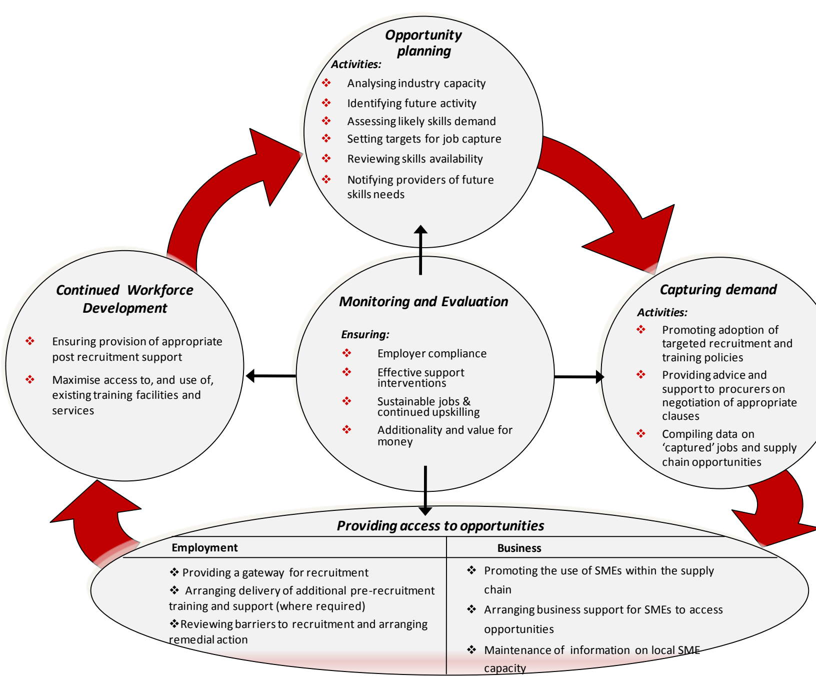
(a) assist WMSP (and potentially other developers/end-users) in meeting their recruitment and supply needs;

(b) maximise opportunities for local people to work in the Park and related facilities; and

(c) optimise opportunities for local businesses arising from new investments and the external procurement of goods and services.

The range of possible functions that an 'integrator' could undertake is shown in Figure 6.1. The following paragraphs provide a brief and indicative summary of each. The Integrator will probably need draw upon resources from public sector partners.

Figure 6.1: Scope of possible 'integrator' functions



Function 1: Opportunity planning:

The integrator will need to assemble information from WMSP, contractors, conference centre and hotel operators, and other employers operating within the development (during both its construction and operational phases) concerning recruitment needs, skills requirements and procurement intentions. This should be used as the basis for regular analysis and forecasting of both 'in-house' and 'external' demand for skills, labour and supplies across the development. These in turn will provide the basis for liaison with employment support agencies, training providers and business support agencies concerning opportunities and the existing availability of relevant skills and capacity.

Function 2: Capturing demand:

WMSP and the integrator will need to work with the contractors in order to promote their commitment to providing opportunities for local people – including accessible 'entry level' opportunities and apprenticeships - and supply chain opportunities. Appropriate liaison arrangements between employers / operators and the integrator will require development.

- Especially during the construction phase, appropriate clauses can be used in order to embed obligations into development and other contracts across the project. Experience shows that such contractual obligations not only ensure that contractors address targeted employment and training and supply chain issues but assist them in meeting their recruitment and supply needs. Clause conditions could include requirements to, for example:
- generate employment opportunities for target groups (for example, by recruiting any additional labour required through specified sources);
- provide training opportunities (for example, apprenticeships) for young people;
- promote supply-chain opportunities to new and small enterprises;
- develop skills in the existing workforce; and
- adopt and implement equal opportunities procedures.

It will be crucial that effective procedures to monitor progress are established. This will require agreement on the respective roles of WMSP and the integrator for individual contracts.

Function 3: Providing access to opportunities

The core function of the integrator would be to enable the provision of both employment and training opportunities for residents and supply chain opportunities for local SMEs. This will involve:

- The creation of a simple 'gateway' for recruitment to jobs associated with the proposed investment and end-user recruitment and procurement activities. This could require:
  - promotion of opportunities to, and engagement of, target groups;
  - liaison with appropriate external providers and agencies;

- arranging for the delivery of training and other advice and support including tailored pre-recruitment support and 'routeways' that will equip local unemployed/workless people with the necessary skills and other attributes required for the identified job opportunities. This could comprise a modular approach that could accommodate a variety of differing job requirements;
- maintenance of a skills register;
- pre-recruitment 'sifting' of candidates to ensure that the employers' requirements are being met; and, possibly, and
- provision of a 'one stop shop' for jobs in the Park.

- The promotion of opportunities for local SMEs within the operational and investment supply chains. Activities could include:
  - identification of opportunities for local businesses arising from the development and end-user supply / service needs;
  - publicising opportunities and encouraging locally based SMEs to access opportunities;
  - maintaining a register of local businesses with the capacity to fulfil supply requirements;
  - arranging delivery of appropriate business support for SMEs to access opportunities; and
  - identifying and promoting business opportunities for new service provision including in particular opportunities for collaboration and for social enterprises.

As well as employment and training, the wider partners should work with WMSP to maximise the level of tourism expenditure in the local area. This might include, for example, the joint marketing of certain activities or events, as well as the identification of opportunities for collaboration between attractions.

Function 4: Monitoring and evaluation

The effectiveness of the integrator will be reliant on systems that can record and match vacancies, track and monitor the progress of individuals, and monitor compliance with contractual obligations. A framework will be required setting out a clear division of responsibilities (and reporting arrangements) between the integrator and the Park operators. The aim will be to ensure both that a quality service is being provided to employers and that wider benefits from the project are being achieved.

Function 5: Continued workforce development

If the integrator is to provide an effective and trusted source for recruitment, it will be important to ensure appropriate post-recruitment support to assist the transition into employment and subsequent progression. This might involve arranging provision of further training as well as ongoing mentoring and/or advice (including potentially assistance with supervision of 'on the job' training).

6.2.3 Social and Environmental

A positive dialogue has been established with the local authority, which should be continued and developed to include local communities. The proposed scheme, including its nature, location and potential benefits can then be discussed more widely.

Further research will need to be undertaken in order to inform a planning application, including in particular, transport and environmental assessments. The results of these can then be used to develop a:

- Landscape masterplan – this would set out the details of the proposals and ensure that they are designed to minimise adverse local impacts. It would respond to the requirements identified in the Planning Inspector's report.
- Green Travel Plan – this would set out targets for the level of car use and of sustainable transport modes, as well as details of the measures to promote sustainable travel. These would include, for example, the proposed Severn Valley Railway halt and monorail, as well as potentially other public transport (bus) and cycling measures.
- Sustainability Plan – this would cover the direct and indirect environmental impacts of the WMSP's operations. It would address the following areas: waste, recycling, water, energy use and carbon dioxide emissions, transport, purchasing and contractors and local produce.

6.3 Management

Continuing detailed consultation and dialogue between partners will be essential to ensure that a BRP remains appropriately orientated to provide a focus for delivery and that there is genuine joint ownership and commitment on the part of all key partners to whatever delivery mechanism is established.

Overall responsibility for the Plan should lie with WMSP but it will also need to involve and be supported by the ReWyre Initiative partners as well as other relevant public sector and voluntary sector agencies (e.g. Jobcentre Plus, local colleges and training providers). An appropriately structured and empowered group should be established to provide the essential continuing steerage and oversight for the development and implementation of a BRP to achieve wider benefits.

7 Conclusions

Introduction

AMION Consulting (AMION) in partnership with Locum Consulting (Locum) and Spirul were appointed by Herefordshire and Worcestershire Chamber of Commerce (on behalf of the ReWyre Initiative partnership) to undertake an Economic Impact Study (EIS) of proposals to develop an attraction of national significance at the WMSP.

The WMSP is located between Bewdley and Kidderminster and currently offers a four mile self-drive safari, various animal exhibits and a variety of rides and attractions in a site of some 80 hectares (200 acres). In order to further extend its appeal and create more indoor attractions that can be enjoyed throughout the year, it is proposed that the existing facilities will be complemented by the development of a 250 bed hotel, a 1,000 delegate conference centre and a Waterpark.

WMSP

The total number of visits to the Park has increased in the last five years. Total visitor numbers (including under 4s) increased by 52,600 (7.6%) from 2005 to 750,000 in 2009. The WMSP is a significant employer. The Park employs 82 people in permanent year-round employment, while the business recruits a further 395 seasonal staff. In terms of full-time equivalents (FTE), the Park employs 265 FTE staff at a cost of £4.2 million.

The owners of the Park have been working on ambitious plans to grow the attraction through the development of:

- a new 250 bedroom four star hotel, including a large restaurant and function rooms, catering for a mix of business and leisure users;
- a dedicated conference centre able to cater for up to 1,000 people within the main room, and flexible enough to accommodate a wide range of different events;
- an indoor Waterpark offering rides, slides and pools, linked to the hotel it is proposed that this will represent a major new leisure attraction that will be open all year round; and
- as part of the proposed development, there are also plans to create a link with the Severn Valley Railway, a popular local attraction which draws around 250,000 visitors each year, together with a monorail link to the main parts of the site.

Context

The development of the WMSP supports key national policy objectives set out by the Coalition Government. Through this project local business will look to drive the development of the visitor economy, enabling business growth and creation of new employment opportunities, built upon an existing asset. Further to this, through enhancing the quality and broadening the appeal of the local visitor economy, the project is fully consistent with the DCMS aim of boosting domestic tourism.

The proposed investment is also strongly supportive of sub-national and local policy objectives. In particular, the proposed package of new facilities and transport links has the potential to enhance the identity and branding of Worcestershire by raising the profile of the area and appealing to a wider range of leisure and business visitors. The proposed scheme is identified as one of the 'economic landmark' projects by the ReWyre Initiative.

The Safari Park is located within the Green Belt and the recent Planning Inspector's report highlighted the need for a sustainable plan for the whole site to support the proposed developments. In addition, he noted that "*… the Site Allocation and Policies DPD process would offer a positive opportunity to progress the ambitions of all parties within the strategic framework set by the Core Strategy while enabling necessary public consultation and sustainability appraisal on more detailed options to take place."*

Economic context

The economy of Worcestershire, in line with other areas of the UK, has experienced a period of decline in recent years from which it is slowly recovering. However, there remains significant uncertainty regarding future economic performance and it is widely acknowledged that, in light of the review of public sector spending, future growth is likely be driven through private sector investment. Analysis of local area statistics indicates that Wyre Forest, where WMSP is located, underperforms in terms of key economic and social indicators in relation to Worcestershire as a whole. There are also significant areas of deprivation within Kidderminster. As such, facilitating the delivery of this project has the potential to enhance the performance of a key sector of the economy close to an area of local need.

Market context

A review of the market has been undertaken, focusing upon visitor, hotel and conference market sectors. In terms of the visitor economy, national survey evidence indicates that attractions across the UK experienced substantial growth between 2008 and 2009. This is in part attributed to higher levels of domestic tourism, as people have looked to holiday at home. As such, the impact of the recession upon visitor attractions has been limited, and attractions across the West Midlands experienced revenue growth of 15% in 2009.

While visitor attractions have experienced growth, the hotel market has been affected by a downturn in activity through the recession, with poor performance reflected in values and levels of investment activity. A review of the local market highlighted a clear gap in the provision of quality branded hotels.

The market analysis also highlights opportunities in relation to business tourism. While the conference market has contracted somewhat in recent years in response to the wider economic downturn, it remains a key part of the visitor economy. There is evidence that the region is perceived to offer the benefit of good accessibility due to its central location. However, at a regional level, conference facilities are strongly focused within Birmingham, and wider provision including in the Wyre Forest is at present limited.

Survey and consultation results

A survey of visitors to the WMSP highlighted support for the project and indicated that proposals have the potential to significantly enhance the attraction, with some 82% of respondents considering the proposals to be positive. 78% of respondents indicated that through the proposed investment the Safari Park would become a 1st choice attraction, while 80% considered its attractiveness would extend to more than one day. The proposed Waterpark was considered to be particularly important in encouraging visitors to extend their stay, with 87% of respondents indicating that this element of the project would encourage people to stay longer. 57% of respondents indicated that the proposed rail link would encourage people to stay longer, while the hotel would encourage 53% to stay longer.

Consultation with local stakeholders reinforced the key findings from the market assessment. The main messages to emerge from the consultation exercise were:

- there is general demand for quality hotel bed-stock within the local area, particularly branded hotels of which there is considered to be a deficiency;
- significant opportunities exist to increase levels of business tourism, a sector within which Worcestershire remains relatively uncompetitive, through the development of the proposed conference centre; and
- investment would contribute towards addressing a perceived gap in the local area for high quality family attractions that have the potential to encourage higher levels of overnight stays.

Impacts

The estimated capital cost of the scheme is some £60 million. Based on construction expenditure to employment ratios, this would be expected to support some 405 person years of construction employment. Assuming 10 years of construction employment is equal to one full-time equivalent (fte) job, this would equate to some 41 construction jobs.

It is estimated that the proposed scheme will, in total, increase the overall number of visits (excluding under 4s) to the extended Safari Park to 1.2 million per annum once a stabilised position is reached – a growth in total visits of 0.5 million compared to current levels. This could result in an increase in visitor expenditure from £34 million to £71 million per annum. Organisational expenditure on goods and services is expected to increase by £1.9 million, from £2.7 million to £4.6 million.

The net additional visits, expenditure, jobs and Gross Value Added (GVA) generated by the proposed development have been estimated for Wyre Forest and Worcestershire by making allowance for deadweight, leakage, displacement and multiplier effects. The number of total net additional local full-time equivalent jobs that would be created in Wyre Forest is estimated to be 292 and in Worcestershire it is 341. The level of net additional GVA generated in each area per annum is estimated to be £9 million and £10 million respectively.

Benefit maximisation

There is an opportunity to develop and implement a Benefit Realisation Plan (BRP) to ensure that the project can be delivered and the benefits of the scheme are maximised and potential constraints are overcome. Focusing particularly upon the potential economic benefits of the scheme, a role is identified for an 'integrator' to ensure that activities are coordinated so as to assist WMSP in meeting its recruitment needs and to maximise the opportunities for local people to access employment vacancies and for local businesses to benefit through the supply chain. Specifically, it is envisaged that the integrator will fulfill five specific functions:

- Opportunity planning – assessing the requirements of key stakeholders including WMSP, contractors and potential operators of new facilities, and working with support agencies and training providers to ensure that these requirements can be addressed;
- Capturing demand – working with contractors to promote commitment to providing opportunities for local people and businesses;
- Providing access to opportunities – to enable the provision of employment opportunities for local residents and supply chain opportunities for SMEs through the provision of a 'gateway' for recruitment and establishment of a comprehensive register of local suppliers. Joint marketing of activities and events could also be undertaken to ensure that visitor expenditure is maximised;
- Monitoring and evaluation – set up systems to enable vacancies to be tracked, monitor the progress of individuals and monitor compliance with contractual obligations; and
- Continued workforce development – provide post-recruitment support around mentoring and ongoing training.

In addition, a positive dialogue has been established with the local authority, which should be continued and developed to include local communities. Further research will need to be undertaken in order to inform a planning application, including in particular, design and master planning, transport and environmental assessments. The results of these can then be used to develop a Landscape Master plan, Green Travel Plan and Sustainability Plan.

Conclusion

Overall, the EIS has identified that the proposed WMSP development scheme has the potential to generate significant net additional local jobs and economic activity. The partners working together through the ReWyre initiative can help to ensure that the wider benefits are maximised and constraints overcome.

Appendix A: Market context

1 Introduction

This section sets out an assessment of the conference, hotel and visitor attractions markets in the UK and West Midlands. In addition, it also reviews a series of comparator projects.

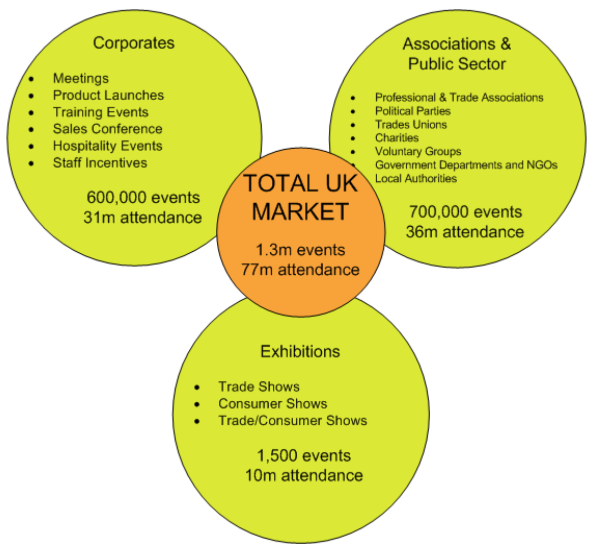
2 Conference market

Conference market demand

(i) UK market

Figure A1 presents a summary of the UK market for conferences and exhibitions.

Figure A1: The market for conferences and exhibitions



Source: Locum Consulting and UK Events Market Trends Survey

It is impossible to assert the scale of the market for conferences in the UK with real precision. There are studies available which look at different sectors of the market although there are also important gaps which have never been adequately researched.

Broadly the market can be divided into three sectors as follows:

(i) Corporates

(ii) Associations and public sector

(iii) Exhibitions

The most credible national research that assesses this market is the UK Events Market Trends Survey (EMTS). The EMTS defines a meeting as *"any gathering of 8 or more people for half a day or longer that is outside the normal course of business."* The EMTS does not capture information about the Exhibitions market.

According to the EMTS there are around 3,500 venues in the UK that collectively host over 1.3 million meetings per year with annual revenues of around £7.2 billion. Annual attendance across all UK venues was around 67 million in 2008 (excludes exhibitions).

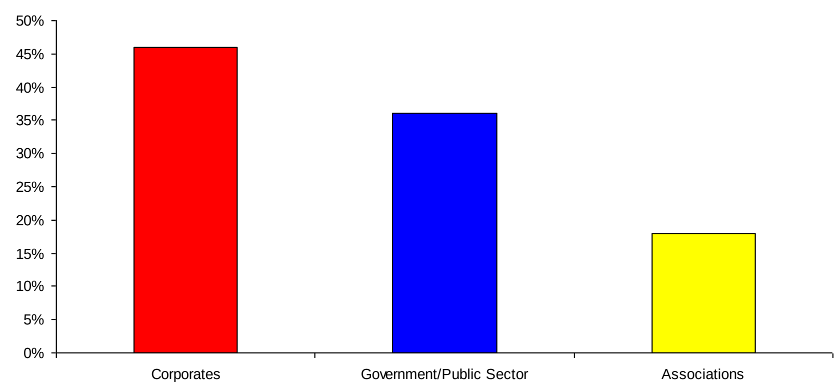
The majority of meetings were for less than 50 people. Only 6% of meetings were for more than 200 people.

In 2008, the average annual number of events per venue was 375. Between the years of 2005 to 2007, this figure was 396 per annum. City venues generally attract more meetings per year. A typical city venue hosted 447 events in 2008. By comparison, venues located in rural areas staged on average 250 events a year.

According to the EMTS, the market has declined in recent years in both volume and value. In the three year period 2005-07, UK conference venues had annual revenues of £8 billion. Venues reported fewer events in 2008 and fewer 'residential' conferences. The UK recession clearly had an impact on demand for conferences and meetings. Conference venues in 2008, reported more negotiation on rates, more shopping around by event organisers, reduced spend on catering, shortening of lead times for events, and a longer wait for confirmations and increased cancellations.

The market for conferences can split into two main sources – corporate and not-for-profit (including national association, government and international association meetings). Corporate events account for approximately 45% of the total market.

Figure A2: UK Events market by type of event



Source: UK Events Market Trends Survey

Table A1 summarises the key characteristic of each event type in terms of duration, average size, seasonality and lead in time.

Table A1: Key characteristics of each event type				
	International Associations	***National Associations***	***Corporates***	***Exhibitions***
Event duration	3 days	1.6 days	1.4 days	2.7 days
Average size	550	340 – 400	100 – 150	10,000
Seasonality	Year round with peaks in spring and autumn	Year round with peaks in spring and autumn	Year round with peaks in spring and autumn	Feb - Apr Sept - Nov
Lead in Time	2 years 8 months	12 months	3 – 6 months	12 months

Source: The Right Solution

Corporate Sector

The volume of corporate meetings generally reflects the state of the economy. Before the recession, two thirds of all conferences were organised by the corporate sector. As noted above, it is estimated that corporates now account for about 45% of all events, with 585,000 meetings per annum and 30 million attendances per annum.

The UK corporate sector is well served by hotels in the UK. Corporate events comprise meetings, product launches, sales conferences, training events, hospitality events and staff incentives.

Industry sectors that hold the most corporate events include pharmaceutical, financial, IT, automotive, retail, fast moving consumer goods (FMCG) and utilities. The average number of delegates at a corporate event is 180, although the majority of events are attended by less than 100 people.

Associations and public sector

The not-for-profit sector now accounts for over half of all meetings in UK venues. This has remained a fairly stable market, although the recent reductions in public expenditure are likely to reduce demand.

The sector comprises the following segments:

- ***National Associations*** – professional associations, trade associations, trades unions, societies, political parties, charities, voluntary groups, religious groups. There are around 7,000 associations in the UK with 3,000 of them holding regular meetings. Some national associations hold up to 13 meetings per year but the average is around 5 per annum. It is estimated that national associations organise around 230,000 events annually with total annual attendance of around 12,000,000.

  London is the most popular conference destination in the UK for national associations. 67% of national associations organised a conference in London in 2007. Manchester and Birmingham are the second and third most popular conference destinations for national associations. Whilst only 14 destinations are included in Table A2 below, conference organisers for national associations cite a further 73 destinations that they used in 2007.

  Conference organisers for national associations regularly rotate the location and often alternate between venues in the north and venues in the south.

Table A2: Destinations used by national associations in 2007	
Destination	**% of National Associations that used the destination**
London	65%
Birmingham	37%
Manchester	36%
Edinburgh	22%
Leeds	18%
Nottingham	16%
Glasgow	14%
Newcastle	12%
Liverpool	11%
Cardiff	10%
Harrogate	10%
Aberdeen	8%
Coventry	8%
Blackpool	7%

Source: UK Events Market Trends Survey

- ***International Associations*** – these associations are mainly worldwide or regional (for example, European) in scope. The locations for meetings of international associations are rotated regularly. These meetings are often highly lucrative for venues and destinations as they often involve longer stays and are attended by relatively affluent people. The media coverage that sometimes accompanies meetings of international associations is often positive for the host destination.

  The Union of International Associations estimates that there are around 11,000 meetings held annually by international associations. The UK hosts around 3% or 4% of these. London, Glasgow and Edinburgh are the top UK cities.

  80% of meetings of international associations are attended by less than 1,000 people. The average number of delegates at an international association meeting is 680.

  This is a very competitive segment of the market and organisers generally look for large, purpose built conference venues in attractive destinations that have easy access to regular international flights, a sizeable and high quality stock of hotel accommodation. Conference organisers choose destinations with lots of 'things to do'. The partners of conference delegates often accompany them and itineraries are drawn up to keep them occupied.

- ***Public Sector*** - government and other public sector organisations account for 36% of all events.

Exhibitions

The Events Industry Alliance estimates that around 900 exhibitions (of more than one day in duration) are held annually in the UK in venues of more than 2,000 square metres. The average space rented for these exhibitions is around 7,000 square metres and on average, each exhibition is visited by 10,000 people. Typically an event will last 2 or 3 days but the venue will be hired for 4 or 5 days to allow for set up and breakdown. Public shows tend to be longer than trade exhibitions.

A further 600 exhibitions are estimated to be held in venues smaller than 2,000 square metres.

There is roughly a 55/45 split between trade and consumer exhibitions. Exhibitions tend to attract people from up to a 90 minute drive time away from the venue.

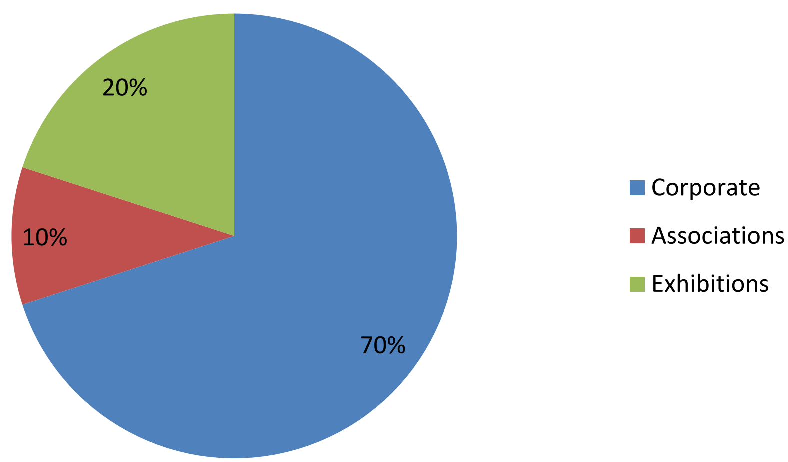
In addition, there are many regional and local exhibitions which last for one day and draw people from a more local area (up to 60 minutes). The number of such exhibitions is not known but an assessment of room bookings for flat floor venues of 2,000 square meters or less shows that they are an important segment of the market.

(ii) West Midlands Market

Very little primary research has been carried out in the West Midlands region because the scale of the conference market is relatively small. Primary data has been collected from Confex (an organisation that brings together organisers of conferences with venue providers in the area and have an overview of the local conference market).

Confex receives about 2,500 enquiries for conferences and about 10% of these are for the West Midlands region. Figure A3 shows the breakdown of conferences by type in the West Midlands.

Figure A3: Breakdown of Conference Type in the West Midlands



Source: Confex 2010

According to Confex, (with the exception of Birmingham) the West Midlands is not a sought after location in terms of conferencing. Overall, there are about 310 venues in the area.

The average sizes of conferences differ by type – corporate customers would hold conferences that last about two days, associations and public sector would be longer at three days and exhibition customers are more likely to be three days. Peak times for conferences are those months without public holidays or school holidays.

The main appeal of the West Midlands as a conference destination according to Confex is its central location and access to the motorway network.

3 Conference market supply

(i) UK market

Table A3 shows that there are around 3,500 conference venues in the UK with 770 venues in the Central England. The 770 venues account for 23% of all conference business in the UK.

Table A3: Regional spread of conference venues and events

Region	Number of venues	% of all UK venues	Number of events	% of all UK events
Southern England	945	27%	390,285	28%
Northern England	770	22%	295,680	22%
Central England	770	22%	318,780	23%
Greater London	450	13%	187,295	14%
Scotland	330	9%	103,620	8%
Wales	140	4%	49,560	4%
Northern Ireland	70	2%	24,780	2%
All UK	**3,475**		**1,370,000**	

Source: UK Events Market Trends Survey

Over half of all conference venues are within hotels. Only 2% of venues are classified as purpose-built conference centres as shown in Table A4.

Table A4: Number of UK conference venues by type

Region	Number of venues	% of all UK venues	Average No. of Events
Hotels	1,820	52%	464
Unusual (e.g. castles, stately homes)	700	20%	163
Multi-purpose civic and municipal halls	385	11%	253
Residential conference/training centres	350	10%	649
Educational establishments	175	5%	295
Purpose built conference centres	70	2%	279
All UK	**3,500**		**392**

Source: UK Events Market Trends Survey

(ii) Comparable Venues in the UK

There are about eight main venues which are comparable to WMSP. Table A5 shows comparable theme parks which offer reasonably large conference facilities.

Table A5: List of comparable venues to WMSP

Venue	Location	Largest capacity Theatre style	Largest flat floorspace (sq m)	Number of meeting rooms	Total lettable space (sq m)

Holiday Inn at Chessington World of Adventures	Surrey	300	217.5	6	525
Alton Towers	Staffordshire	700	549	10	1,291
Drayton Moor	Staffordshire	400	450	4	1,126
Thorpe Park	Surrey	500	940	0	940
Legoland Windsor	Windsor	120	158.2	5	740.5
Crealy Theme Park	Cornwall	200	441	0	775.5
Lightwater Valley	North Yorkshire	250	271.2	0	5,759
Blackpool Pleasure Beach (The Big Blue Hotel)	Lancashire	60	77	7	270.5

Source: Various Websites 2010

These venues are located all over the UK. Alton Towers and Drayton Manor are located in the West Midlands. Capacities range from 120 theatre style up to 1,800 with single largest floor spaces of up to 940 sq. metres. All of these venues offer something slightly different in terms of their conference offer.

(iii) Competition in the West Midlands

Competition in the West Midlands is substantial, especially if Birmingham is included which is home to some of the largest and highest quality venues in the country.

Table A6 shows a list of some of the competing venues in the West Midlands. This list is not exhaustive but includes many venues that West Midlands Safari Park might find itself competing with.

As West Midlands Safari Park is likely to have flexible and convertible conference spaces this means that it could be competing with venue of all range of sizes. However, the extent of competition from within the Wyre Forest district area is limited. The venues located within the district are highlighted in red.

Table A6: Major competing venues in the West Midlands

Dedicated conference facilities in the West Midlands	Location	Largest Capacity Theatre Style	Largest Flat Floorspace Sq m	Number of meeting rooms
Staffordshire				
Swinfen Hall Hotel	Staffordshire	160	124.2	4
The Best Western Stoke on Trent Moathouse	Stoke on Trent	650	470.8	8
Western Park	Shropshire	130	170	9
Somerford Hall	Stafford	120	97.75	3
The Wedgewood Visitor Centre	Stoke-on-Trent	100	-	1
Worcestershire				
Waseley Hills	Worcestershire	40	52	1
Worcester Woods Countryside Centre	Worcester	50	52	3
Cotswold Conference Centre	Worcestershire	100	110	10
Ramada Kidderminster	Worcestershire	380	334	6
The University Worcester	Worcester	200	-	50
Worcestershire Wildlife Trust	Worcestershire	90	-	4

Table A6: Major competing venues in the West Midlands				
Dedicated conference facilities in the West Midlands	**Location**	**Largest Capacity Theatre Style**	**Largest Flat Floorspace Sq m**	**Number of meeting rooms**
Dormy House Hotel	Worcestershire	100	210	7
The Elms Hotel and Spa	Worcestershire	50	120	2
The Fownes Hotel	Worcester	110	80	9
The Granary Hotel	Worcestershire	200	170	4
Malvern College	Worcestershire	400	420	6
Mount Pleasant Hotel	Worcestershire	100	90	3
Stone Manor Hotel	Worcestershire	150	298	6
Tewkesbury Park Hotel	Gloucestershire	200	190	11
Holiday Inn Birmingham Bromsgrove	Worcestershire	220	252	10
Avoncroft Museum of Historic Buildings	Worcestershire	150	160	3
The Guildhall Worcester	Worcester	200	791	6
Hagley Hall	Worcestershire	140	350	4
Ragley Hall	Warwickshire	200	260	4
Sixway Events	Worcester	800	1,800	60
Wharton Park Golf Club	Worcestershire	150	265	3
Worcester Racecourse	Worcester	300	260	6
The Abbey Hotel	Worcestershire	300	227.81	7
Colwell Park Hotel	Worcestershire	120	-	3
Worcestershire County Cricket Club	Worcester	330	264	4
Herefordshire				
Hereford Racecourse	Hereford	250	-	-
Saint Owens Chambers	Hereford	40	-	-
Three Counties Hotel	Hereford	400	461.9	2
Freedom Conference Centre	Hereford	350	-	-
The Courtyards Arts Centre	Hereford	400	100	2
Shropshire				
The International Centre	Telford	1,500	1,296	15
Holiday Inn Telford	Telford	250	-	7
Grays Hotel and Conference Centre	Telford	100	-	19
The Telford Whitehouse Hotel	Telford	140	179	11
The Park Inn Hotel	Telford	400	30 stands	-
Buckatree Hall Hotel	Telford	150	50	6
Patshull Park Hotel	Pattingham	200	192	7
Q Hotels Telford Hotel and Golf Resort	Sutton Heights	350	-	8
Weston Park House	Weston-under-	130	-	6
Enginuity at Ironbridge Gorge Museums	Telford	250	696	-
Blists Hill at Ironbridge Gorge Museums	Telford	100	-	3
The Place at Oakengates Theatre	Telford	621	-	1
Hadley Park House Hotel	Telford	200	-	3
University of Wolverhampton Telford Campus	Wolverhampton	300	-	15
Harper Adams University College	Edgmond	287	297	Over 7
Haughton Hall Hotel	Shifnal	300	-	4
Madeley Court Hotel	Telford	175	244.4	3
Hawkstone Park	Weston-under-	200	147	5
Theatre Seven	Shrewsbury	650	-	-

Table A6: Major competing venues in the West Midlands				
Dedicated conference facilities in the West Midlands	**Location**	**Largest Capacity Theatre Style**	**Largest Flat Floorspace Sq m**	**Number of meeting rooms**
Best Western Valley Hotel	Telford	140	-	2
RAF Museum Cosford	Shifnal	208	-	-
Lake Vyrnwy Hotel and Spa	Llanwyddn	200	145	2
Lilleshall NATIONAL Sports Centre	Nr Newport	250	504	Various
Macdonald Hill Valley Hotel, Golf & Spa	Whitchurch	300	-	5
West Midlands Regional Food Academy	Newport	100	260.7	-
Warwickshire				
Ashorne Hill Conference Centre	Leamington Spa	126	167	41
Britannia Hotel Coventry	Coventry	400	360	12
Britannia Royal Court Hotel	Coventry	650	550	5
Coombe Abbey	Coventry	180	166.85	4
Coventry Hill Hotel	Coventry	120	119.6	4
Coventry Techno Centre	Coventry	200	-	-
Coventry Transport Museum	Coventry	200	465	1
Hilton Coventry	Coventry	400	354	-
Holiday Inn Coventry	Coventry	250	239.7	16
Macdonald Ansty Hall	Coventry	120	210	9
Novotel Coventry	Coventry	120	209	-
Oak Tree Conference Centre	Coventry	150	288	3
Quality Hotel – Coventry	Coventry	150	-	4
Ramada Hotel and Suites	Coventry	600	552	11
Ricoh Arena	Coventry	5,000	-	46
Village Hotels with Vibe	Coventry	150	-	5
Warwick Conferences – Arden	Warwick	-	49.65	30
Woodland Grange Conference Centre	Leamington Spa	200	190	13
Birmingham				
NEC	Birmingham Central	720	714.48	20 Halls
ICC	Birmingham Central	3,000	3,050	10
LG Arena	Birmingham Central	700	3,700	21
NIA	Birmingham Central	12,802	4,800	-
Hyatt Regency	Birmingham Central	240	225	10
Symphony Hall	Birmingham Central	2,000	-	-
New Hall	Sutton Coldfield	200	324	-
Wroxall Abbey	Sutton Coldfield	300	5,000	15
Apollo Hotel	Birmingham Central	130	160	7
Britannia Hotel Birmingham	Birmingham Central	200	-	8
Campanile Hotel	Birmingham Central	200	228	5
City Inn	Birmingham Central	120	-	5
Conference Aston	Birmingham Central	253	223	32
Copthorne Hotel Birmingham	Birmingham Central	200	170	12
Crowne Plaza City Centre	Birmingham Central	300	110	11
Hotel Du Vin	Birmingham Central	100	-	5
Ibis Birmingham Centre	Birmingham Central	156	80	2
Jury Inn Birmingham	Birmingham Central	275	253	20
Macdonald Burlington Hotel	Birmingham Central	400	459	16
Malmaison	Birmingham Central	120	-	5
Menzies Strathallen Hotel	Birmingham Central	170	180	7

Table A6: Major competing venues in the West Midlands				
Dedicated conference facilities in the West Midlands	Location	Largest Capacity Theatre Style	Largest Flat Floorspace Sq m	Number of meeting rooms
Novotel Birmingham Centre	Birmingham Central	300	243	4
Radisson Blu	Birmingham Central	130	108	10
Thistle Birmingham City	Birmingham Central	180	430	12
Arden Hotel and Leisure Club	Solihull	150	-	-
Best Western Westley Hotel	Solihull	180	-	3
Corus Hotel Solihull	Solihull	180	-	3
Hilton Birmingham Metropole	Birmingham	2,000	-	33
Holiday Inn Birmingham Airport	Birmingham	600	602	14
St Johns Hotel	Solihull	700	700.53	-
Village Hotel Solihull	Solihull	250	-	6
Crowne Plaza Birmingham NEC	Birmingham	200	189	10
Hillscourt Conference Centre	Birmingham	200	215	6
The Westmead Hotel	Birmingham	220	260	8
The Belfry	Sutton Coldfield	400	368.3	-

Source: Various Websites

4 Hotels market

Demand

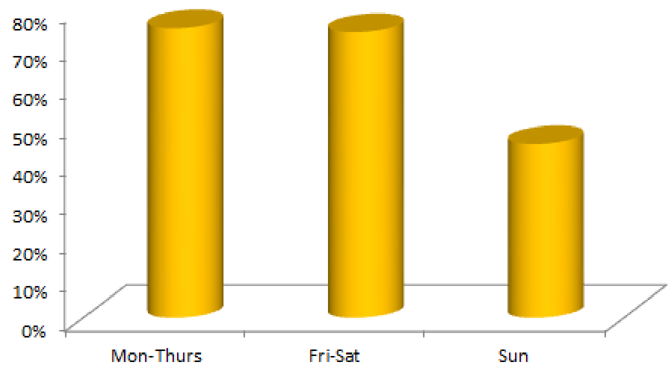
(i) UK market

Colliers International carried out research into recent demand trends for UK hotels in June 2010. The main findings include:

- despite the economic downturn there is no decrease in the numbers of foreign visitors staying in hotels in London and in key tourist destinations throughout the UK;
- there has been an increase in UK residents going on ‘Staycation’ and choosing to holiday at home meaning demand for hotels for leisure tourism has not been affected by the recession;
- a new breed of tourist is emerging who is cost conscious and ‘savvy’;
- leisure driven hotel businesses continue to perform well; and
- corporate business has been reduced and replaced with leisure driven business that commands a weaker average room rate and customer spend.

Tri Hospitality Consulting produced its Hotstats report in 2010 which used a sample of 2,023 hotels to derive hotel industry trends. They found that the average UK occupancy rate in 2009 was 69.1%. There are more hotel stays on Monday-Thursday in the UK, closely followed by Friday-Saturday as shown in Figure A4.

Figure A4: UK Occupancy by Night of the week



Source: Hotstats 2010

(ii) West Midlands market

Only limited information is available on the demand aspect of hotels in the West Midlands. However, there is some data available for the Wyre Forest area.

There are 130,000 overnight trips to the Wyre forest. 43% of all visitors stay in serviced accommodation which is by far the largest accommodation segment.

Table A7: Visitors to the Wyre Forest by type of accommodation

Type of accommodation	UK	%	Overseas	%	Total	%
Serviced accommodation	27,000	43	3,000	50	31,000	43
Self catering	1,000	2	0	0	1,000	2
Touring caravans/tents	11,000	17	0	0	11,000	16
Group/Campus	1,000	2	0	0	1,000	2
Second Homes	1,000	2	0	0	1,000	2
Boat Moorings	19,000	30	0	0	19,000	27
Other	3,000	5	3,000	0	6,000	9
Total	**64,000**	**100**	**6,000**	**100**	**71,000**	**100**

Source: Wyre Forest Tourism Economic Impact Assessment 2009

Hotels market supply

(i) UK market

The UK market for hotels varies hugely depending on the region and the local area. Colliers International's research in June 2010 outlined the following in terms of hotel supply in the UK:

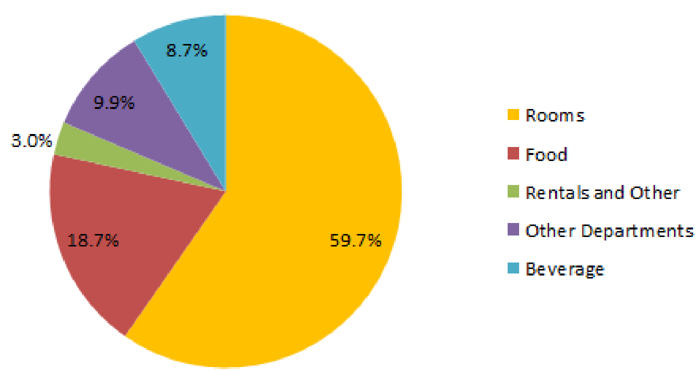
- since the economic downturn fewer hotels are being bought and sold;
- values of hotels have dropped about 20-30% since the height of the property market;
- the volume of hotels available has reduced in the last 12 months;
- many larger independent hotels are now attracting the interest of the large chain groups looking to add to their franchises;

- banks are increasingly selective on the types of hotels they are willing to fund;
- revenue of hotels in the UK per available room has risen by 5.8% overall but this figures masks regional differences which saw cities such as Cardiff seeing hotel rates fall whilst Birmingham, Manchester and Leeds hotels revenue grew – this may affect supply in those areas doing less well;
- in London there is a trend towards the development of small luxury 'aparthotels' and 'pod' hotels and 'easyhotel' style accommodation. This may be unique to the London market because of lack of available space;
- an example of the rise in popularity of budget hotels is Travelodge, the UK's fastest growing hotel chain, which announced the exchange of 10 new hotels at a combined investment value of £61 million adding 1,133 rooms to their existing 28,000 room portfolio; and
- brands are leading the way - with trading conditions having deteriorated in many commercial hotels many private owners are now looking for the comfort of a brand to assist them in their day-to-day operation.

The Tri Hospitality Consulting report 2010 found that the average UK room rate in 2009 was £75.10 which was down on 2008.

The UK hotel market made the most revenue from selling rooms followed by food as shown in Figure A5.

Figure A5: Breakdown of Revenue for Hotels in the UK



Source: Hotstats 2010

(ii) West Midlands market

The surrounding areas of Worcestershire provide the hotel accommodation which might compete most directly with a hotel at the Safari Park. The stock of hotels in these areas is mainly independent rather than branded and therefore quality varies. In Worcestershire there are 231 hotels in total, 8 of these are 5* located in or around Cheltenham. The majority are 4* with a 166 in this category, 81 hotels are 3*, 16 are 2* and 10 are either 1* or unrated.

The hotels located in Bewdley, Kidderminster and Stourport are highlighted in red in Table A8 and are mainly independent.

Table A8: Overview of selected hotels in Worcestershire in each star rating category

Name of hotel	Star rating	Independent or branded	£ per room	Type
Worcestershire				
Church Farm Barn	5	Independent	90	B & B
East House	5	Independent	170	B & B
Cleave Hill House Hotel	5	Independent	75	B & B
Baldwin House	4	Independent	-	B & B
Gilberts End Farm	4	Independent	70	B & B
Bants	4	Independent	85	B & B
The Manor Coach House	4	Independent	70	B & B
Russells	5	Independent	135	Guesthouse
The Dewdrop Inn	4	Independent	88	Guesthouse
Walter De Canteloupe Inn	3	Independent	65	Guesthouse
St Lawrence Hotel	2	Independent	40	Guesthouse
The Wyastone	5	Independent	99	Hotel
The Malvern Spa Hotel	4	Independent	-	Hotel
The Stratford Q Hotels	4	Branded	-	Hotel
Cotswold House Hotel	4	Independent	169	Hotel
Ye Olde Talbot Hotel	3	Branded	70	Hotel
Brook Bank House Hotel	3	Branded	80	Hotel
The Pear Tree Inn Country Hotel	3	Independent	110	Hotel
The Fownes Hotel	3	Branded	115	Hotel
Diglish House Hotel	3	Independent	-	Hotel
The Great Western Hotel	2	Independent	60	Hotel
Elgar Suite	4	Branded	340 (apartment)	Self catering
The Moorings	4	Branded	340 (apartment)	Self catering
The Ramada Hotel	3	Branded	70	Hotel
George Hotel	3	Branded	49	Hotel
Pewterers House	Unrated	Independent	60	B & B
Severn Valley Guesthouse	Unrated	Independent	55	Guesthouse
The Mug House Inn	4	Independent	65	B & B
Menzies Stourport Manor Hotel	4	Branded	56	Hotel
Gainsborough House	3	Independent	62	Hotel
Stone Manor Hotel	4	Independent	68	Hotel
The Granary	3	Independent	75	Hotel
Brockencote Hall	3	Independent	85	Hotel
Park Hall Country House	4	Independent	120	B & B
Olive Guest House	3	Independent	55	Guesthouse

Source: Laterooms.com and various hotel websites 2010

There is understood to be interest from two main operators for hotel sites in Kidderminster Town Centre. In addition, the District Council has received a planning application adjacent to the town centre affiliated with a Marston's pub (the Watermill). A planning permission has also been secured by Henderson Global Investors for the upper floors of Slingfield Mill (Debenhams) at Weavers Wharf and linked to a neighbouring A3 permission.

Birmingham has an extensive hotel stock catering for all types of customer. Warwickshire also has a fairly good offer in terms of its hotel stock, whilst Shropshire largely follows the pattern seen in Worcestershire.

In the West Midlands as a whole there is an abundance of 3* and 4* Hotels.

5 Visitor Attractions

Demand

(i) UK market

Visit England conducted a 2009 visitor attractions survey in which it identified a number of trends relating to demand in the UK. 1,806 attractions provided the data for 2008 and 2009. They reported an increase in visitor numbers of about 5% in 2009.

This shows a stronger performance than in the previous three years. The trend towards domestic trips is thought to have led to this increase. There has also been a strong increase in the number of day trips to attractions (an 8% increase).

In terms of which types of attractions people visited in 2008-2009, gardens and historic houses/castles have seen the biggest rise in visitor numbers (see Table A9).

Table A9: Trends in popularity of UK Visitor Attractions by Type

Attraction Type	Sample	% 08/09 (+)
Country Parks	45	2
Farms	58	6
Gardens	106	10
Historic houses/castles	342	12
Other historic properties	111	1
Leisure/theme parks	35	1
Museums/art galleries	600	3
Steam/heritage railways	29	7
Visitor/heritage centres	75	5
Wildlife attractions/zoos	88	2
Workplaces	53	2
Places of worship	103	6
Other	162	9
England	**1,806**	**5**

Source: Visit England Visitor Attractions Survey 2009

A further trend is that visits to paid attractions increased significantly (+7%) whilst visits to free attractions increased only slightly (+3%). There was also a more marked increase in visits to rural areas than to urban or coastal areas. Table A10 shows that attractions with total visit numbers in the range 50,000 – 100,000 increased the most between 2008 – 09.

Table A10: Visits trends to attractions by size		
Volume of visits	**Sample**	**% 08/09 (+)**
10,000 or less	672	3
10,001 – 20,000	248	8
20,001 – 50,000	319	8
50,001 – 100,000	226	9
100,001 – 200,000	149	8
Over 200,000	192	3
England	**1,806**	**5**

Source: Visit England Visitor Attractions Survey 2009

Adult admission prices to attractions in the UK increased by 4% in 2009. Historic properties reported the lowest adult entry prices overall.

(iv) The West Midlands market

The Visit England Visitor Attractions Survey also looks at trends by region and highlights some interesting data from the West Midlands attractions. For example, it found that revenue for all visitor attractions in the UK went up between 2008 and 2009 with the West Midlands performing particularly well (see Table A11).

Table A11: Revenue of UK attractions by region, 2009		
Region	**Sample**	**% 08/09 (+)**
North West	158	4
North East	85	11
Yorkshire/The Humber	156	8
East Midlands	169	8
West Midlands	128	15
East	242	5
London	88	10
South East	291	11
South West	260	9
England	**1,577**	**8**

Source: Visit England Attractions Survey 2009

The number of visits to attractions in the West Midlands went up by +5% which was the same as the England average (see Table A12).

Table A12: Trends of number of visits to attractions by region		
Region	**Sample**	**% 08/09 (+)**
North West	176	-1
North East	93	6
Yorkshire/The Humber	184	4
East Midlands	194	9

West Midlands	156	5
East	258	6
London	108	3
South East	335	10
South West	302	6
England	**1,806**	**5**

Source: Visit England Attractions Survey 2009

Table A13 shows that visits to paid attraction in general have increased; this trend is particularly marked in the West Midlands which has seen the highest increase in visits to paid attractions of all regions. However, visits to free attractions in the region have fallen.

Table A13: Trends in visits to paid and free attractions by region

Category	West Midlands	NW	NE	Y&H	EM	East	Lon	SE	SW	England
Free	-1	-5	4	-	8	6	3	8	8	3
Paid	15	2	8	7	9	7	5	11	6	7
England	**5**	**-1**	**6**	**4**	**9**	**6**	**3**	**10**	**6**	**5**

Source: Visit England Attractions Survey 2009

The volume of visits to West Midlands attractions has increased for all sizes of attractions apart from those attracting 200,000 visitors or more (see Table A14). The largest increase has been by those attractions pulling between 20,001-50,000 visitors.

Table A14: Trends in number of visits by size of West Midlands attraction

Volume of visits	Sample	West Midlands (%+)
10,000 or less	672	12
10,001 – 20,000	248	6
20,001 – 50,000	319	14
50,001 – 100,000	226	12
100,001 – 200,000	149	15
Over 200,000	192	-
England	**1,806**	**5**

Source: Visit England Attractions Survey 2009

In the West Midlands visits to urban based attractions increased as opposed to rural ones which is the opposite trend to all other regions of England.

Admission charges in the West Midlands increased by 2% between 2008-2009, which was the lowest increase of all regions. The average adult charge in 2009 was £6.23.

Supply

(i) UK market

There are a number of attractions that are classed as 'theme parks' in the UK as shown in Table A15.

Table A15: Other theme park attractions in the UK

Theme Park	Location	Adult Entry £
Alton Towers	Alton	30.4
Adventure Island	Southend	9
Adventure Wonderland	Hurn	1
Camelot Theme Park	Chorley	22
Chessington World of Adventures	Chessington	36
Clarence Pier	Southsea	From 6.99
Codonas Amusement Park	Aberdeen	-
Crealy	Cornwall and Devon	10.5
Diggerland	Devon/Durham/Kent/Yorkshire	17
Drayton Manor	Staffordshire	16.5
Dinosaur Adventure (East Anglia)	East Anglia	8.95
Fantasy Island	Nr Skegness	15
Flambards Village Theme Park	Cornwall	8.25
Flamingo Land Resort	North Yorkshire	25
Great Yarmouth Pleasure Beach (East Anglia)	Great Yarmouth	16
Gulliver's Kingdom	Matlock, Bath	12.5
Gulliver's World	Warrington	13.5
Gulliver's Land	Milton Keynes	13.5
Knowsley Safari Park	Merseyside	14
Legoland Windsor	Windsor	39
Lightwater Valley	North Yorkshire	19.45
Loudon Castle	Galston (Scotland)	-
Oakwood Theme Park	Pembrokeshire	19.95
Paulton's Park	New Forest Hampshire	18.5
Pleasure Beach Blackpool	Blackpool	22
Pleasure Island Family Theme Park	Cleethorpes	18
Pleasureland Arbroath	Arbroath	7.5
Pleasureland Southport	Southport	Free
Pleasurewood Hills (East Anglia)	East Anglia	17
Sundown Adventure Land	Nr Durham	9.5
Thorpe Park	Surrey	39
Twinlakes	Melton Mowbray, Leicestershire	9.75
Wicksteed Park	Kettering	10
Woodlands Family Theme Park	Devon	6

Source: Various websites 2010

There are also a number of zoos and safari parks in the UK, see Table A16.

Table A16: Comparable UK zoos and wildlife attractions	
Zoo/Wildlife Attraction	**Visits (2009)**
Chester Zoo	1,350,000
London Zoo	850,000
WMSP	750,000
Edinburgh Zoo	640,000
Bristol Zoo	560,000
Knowsley Safari Park	530,000
Colchester Zoo	520,000
Twycross Zoo	510,000
Paignton Zoo	500,000
Woburn Safari Park	450,000
Marwell Zoo	440,000
Blackpool Zoo	337,000
Dudley Zoo	205,000
Highland Wildlife Park	125,000

Source: Various Websites 2010

(ii) The West Midlands market

Visittheheart.com lists a number of significant attractions in the West Midlands. Table A17 shows the location and adult entry price for a number of these.

Table A17: List of other park attractions in the West Midlands		
	Location	**Adult Entry Price £**
Cadbury World	Bournville	13.9
Aerial Extreme Trentham	Staffordshire	24
Alton Towers	Staffordshire	30.4
Branston Waterpark	Burton-on-Trent	-
Central Forest Park Aerial Skate	Stoke-On-Trent	Free
Drayton Manor	Staffordshire	16.5
Go Ape – Wyre Forest	Worcestershire	30
Go Ape – Cannock Forest	Staffordshire	30
Hednesford Hills Raceway	Staffordshire	-
Redpoint Climbing Centre	Birmingham	6.5
Top Barn Activity Centre	Worcester	Varies by activity
Wildwalk Plantasia and Maze	Atherstone	5.95
Wonderland	Telford	5.75
West Midlands Safari Park	Bewdley	9.99
Wyedean Canoe and Adventure Centre	Herefordshire	Varies by activity

Source: www.visittheheart.com

There are many other more general attractions in the West Midlands from historic houses, castles, gardens to museums, as shown in Table A18. In addition to these attractions, there are various other smaller attractions in the region such as small museums, art galleries and visitor centres.

Table A18: List of the main general attractions in the West Midlands

Comparable West Midlands Attractions	Location	Price £
Ryton Organic Gardens	Coventry	6
Kingsbury Waterpark	Sutton Coldfield	Free
Cadbury World	Bournville	13.9
Crystal Glass Visitor Centre	Stourbridge	-
Vintage Trains	Birmingham	Varies by trip
Dudley Zoo and Castle	Dudley	11.9
The Falcon Centre	Hagley	3.75
The National Sea Life Centre	Birmingham	17.5
Birmingham Botanical Gardens and glasshouse	Edgbaston	7.5
Bantock House and Park	Wolverhampton	Free
Aston Hall	Aston	Free
Aston Transport Museum	Aston	2
Black Country Museum	Dudley	13.2
Transport Museum	Wythall	5
Walsall Leather Museum	Walsall	Free
Avoncroft Museum	Bromsgrove	5.5
British Motor Heritage	Gaydon	9
Halfpenny Green Vineyards	Staffordshire	-
Hatton Country World	Warwick	Free
Ironbridge Gorge Museums	Telford	Free
Moseley Old Hall	Wolverhampton	6.6
National Motorcycle Museum	Solihull	6.95
Raguley Hall	Alcester	6.5
RAF Museum	Cosford	Free
Severn Valley Railway	Bewdley	From £8
Samuel Johnson Museum	Lichfield	Free
Shakespeare Houses	Stratford-Upon-Avon	From £12.50
Twycross Zoo	Atherstone	13
Warwick Castle	Warwick	19.95
Wightwick Manor	Wolverhampton	8.7
Coventry Transport Museum	Coventry	Free
The Waterworks Museum	Hereford	Free
The Worcester Porcelein Museum	Worcester	6
The Bewdley Museum	Bewdley	Free
Birmingham Museum and Art Gallery	Birmingham	Free
The Coventry Watchmakers Museum	Coventry	Free
Hereford Museum and Art Gallery	Hereford	Free
Staffordshire Regiment Museum	Staffordshire	3
The Elgar Birthplace Museum	Worcestershire	7
Trentham Gardens	Stoke-on-Trent	5.8
The Warwickshire Museum	Warwick	Free
West Midlands Police Museum	Birmingham	Free

Source: Various Websites 2010

Appendix B: List of consultees

Consultees

Wyre Forest Council Planning Officers

Wyre Forest Council Tourism and Regeneration teams

Wyre Forest Council Highways

Worcestershire County Council Transport Planners

Hereford Chamber of Commerce

Kidderminster ReWyre Initiative

Marketing Birmingham & Meet Birmingham

Conference Worcestershire (part of Worcestershire County Council)

Destination Worcestershire (part of WCC)

Visit Herefordshire (part of Herefordshire County Council)

Hoteliers Associations for Worcester & Kidderminster (if they exist)

Webbs of Wychbold

WMSP