

**Test Valley Revised Local Plan
DPD
2011 – 2029
Regulation 22 – Submission to
Secretary of State**

**Policy LE18: Tourism
Topic Paper**

June 2014

REVISED LOCAL PLAN

TOPIC PAPER – POLICY LE18: TOURISM

1 Introduction

- 1.1 The purpose of this topic paper is to consider how the Revised Local Plan should address the issue of providing new tourist development within the Borough and the issue of retaining tourist accommodation from being lost to an alternative use.

2 Background

- 2.1 The Council's Corporate Plan 2011 – 2015 emphasise the importance of promoting Test Valley as a visitor destination by way of achieving a competitive local economy. The Borough is a strong 'day visitor' destination; however, in order to raise the profile of Test Valley as a 'staying visitor' destination, there needs to be sufficient stock and range of quality tourist accommodation.
- 2.2 The Borough has a thriving tourism economy encouraged by the outstanding quality of Test Valley's environment, historic and cultural offer. To build upon the Borough's tourism success, the Council has devised its Corporate Plan 2011 – 2015 and Tourism In Test Valley 2010 – 2013, both of which sets out a vision to develop Test Valley as a leading visitor destination. Equally, the Council wants to ensure that the future growth of the Borough's tourism industry does not come at the expense of the high quality environment, historic and cultural assets of the Borough.
- 2.3 Tourism in Test Valley is not a mass market product. It is more subtle and comprises of a variety of visitor attractions such as Romsey Abbey, Hilliers Arboretum and Mottisfont Abbey. The River Test is renowned for Trout and Fly Fishing, with the industry providing the visiting angler with a wealth of fishing opportunities, leisure breaks and competitions thus supporting the local economy.
- 2.4 Test Valley has good connections to visitor attractions in neighbouring districts such as Paultons Park in the New Forest. Long stay visitors in Test Valley often use it as a base for exploring attractions such as Stonehenge, Winchester and Salisbury Cathedrals. Test Valley is on a main route network between London and the West Country, with potential to encourage visitors to stop off and explore the Borough en route to their final destination.
- 2.5 Studies¹ show that Test Valley's visitor economy has progressively developed with 'day visitor' numbers steadily increasing as illustrated in Table 1.

¹ Tourism South East. (2012). The Economic Impact on Tourism on Test Valley 2012.

Table 1

	2004	2006	2008	2010	2012
Tourism Day Visits	2,976,000	3,117,000	3,145,000	3,215,000	3,260,000
Tourism Day Visitor Expenditure	£91,215,000	£117,569,000	£118,483,000	£120,807,000	£115,763,000
Overnight Trips	237,000	247,486	228,000	223,000	243,000
Staying Visitor Nights	775,000	802,000	795,000	759,000	750,000
Staying Visitor Expenditure	£36,800,000	£37,850,000	£36,892,000	£35,688,000	£41,163,000

- 2.6 Statistics show that there has been a decrease in ‘overnight trips’ and ‘staying visitor’ nights since 2008 which may have been influenced by the recession. It is evident that the ‘day visitor’ market has been resilient during difficult economic times.
- 2.7 Tourism represents a significant and increasing amount of expenditure in the Borough which supports local employment, local tourism businesses and supplier businesses. Expenditure generated from tourism is recycled in the local economy. According to the 2012 Economic Impact on Tourism Study, total expenditure by both ‘day’ and ‘staying’ visitors in Test Valley is estimated to have been £156.9 million, similar to the overall expenditure seen in 2010 (£156.4 million). Once adjustments are made to recognise that some of this expenditure will take place outside the Borough, total direct visitor expenditure is reduced to £149.4 million.
- 2.8 Additional tourism expenditure is however, generated by other sources, increasing the total amount of money spent in the Borough. It is estimated that expenditure on second homes and on goods and services purchased by friends and relatives visitors were staying with, or visiting generated a further total £5,652,000 expenditure associated with overnight trips in 2012. This brings direct expenditure generated by tourism in the Borough to £155 million.
- 2.9 Direct expenditure is translated to £191.4 million turnover for local business through additional direct and induced effects (£36.3million). Compared to 2010, this represents a marginal increase of 8% in total tourism value.
- 2.10 Research conducted by Tourism South East² show that employment provision has increased steadily in conjunction with the growth of the Borough’s visitor economy as illustrated in Table 2.

Tourism South East. (2010). The Economic Impact on Tourism on Test Valley 2010.

Tourism South East. (2008). The Economic Impact on Tourism on Test Valley 2008.

Tourism South East. (2006). The Economic Impact on Tourism on Test Valley 2006.

² Tourism South East. (2012). The Economic Impact on Tourism on Test Valley 2012.

Table 2

	2004	2006	2008	2010	2012
FTE Jobs		2,700	2,787	3,153	3,165
Actual Jobs	3,577	3,706	3,175	4,341	4,448

- 2.11 In 2012 ‘staying’ visitors spent £12.6 million on accommodation, however, actual turnover gained by businesses in Test Valley was greater at £13.6 million. This reflects visitor expenditure being spent on food and drink in hotels.
- 2.12 It is apparent that ‘staying visitors’ contribute to the local economy much more than ‘day’ visitors due to spending money on accommodation, visitor attractions and eating / drinking establishments , thus in turn supporting the viability of local businesses and supplier services. In order for the Borough to market itself as ‘staying’ visitor destination, it is important to retain a significant stock and range of visitor accommodation by way of inviting visitors to stay in Test Valley for more than a day.
- 2.13 Test Valley offers a variety of visitor accommodation choices thus catering for a diverse market. The Borough provides accommodation in connection with fishing breaks, country house hotels, pub / restaurant operators, caravan / camp sites, B & B’s and golf course / country club hotels. The majority of visitor accommodation in Test Valley is serviced (hotels, guest houses and B & B’s). At 430 bed spaces B & B’s account for a higher share of all bed spaces than in any other Hampshire district and Test Valley after New Forest (1,274 bed spaces) and Winchester (522 bed spaces).
- 2.14 According to data compiled by Tourism South East³, serviced accommodation accounted for 37% of staying trips in 2012. However, 48% of staying trips were with friends and relatives.
- 2.15 The Hotel Solutions study⁴ recommended the need for policies to retain existing hotels, but suggest that there may be a case for allowing some poorer quality, less well-located hotels in Andover to exit the market if significant new hotel development takes place in and around the town. Taking into account of the context of the evidence base study, there is merit in safeguarding hotels unless they are in a poor condition and are no longer economically viable. The study states that it would be helpful for the LDF to include a policy designed to resist the loss of existing hotels to alternative uses, particularly residential.
- 2.16 The Council has received planning applications seeking conversion of rural buildings, garages and change of use of granny annex to holiday lets. The Council, through its current Local Plan policies ESN 28 (Tourist Accommodation in the Countryside) and ESN 29 (Touring Caravan & Camping Sites) supports the provision of visitor accommodation subject to proposals satisfying policy tests. However, the Council has also received

³ Tourism South East. (2012). The Economic Impact on Tourism on Test Valley 2012.

⁴ Hotel Solutions. (2008). Test Valley Hotel Futures

recent planning applications proposing a change of use of visitor accommodation to residential. It is considered, that providing a choice and comprehensive range of visitor accommodation is key to promoting Test Valley as a 'staying visitor' destination.

- 2.17 In order to sustain Test Valley as a tourist destination, it is appropriate to protect establishments that serve a valuable role in meeting visitor needs in the Borough. Within the context of Planning for Growth and the National Planning Policy Framework (NPPF) it is considered appropriate to address the challenges present in the tourism economy and to facilitate proactive tourism growth through the Revised Local Plan.

3 Policy Framework

National Planning Policy Framework

- 3.1 Paragraph 28 of the National Planning Policy Framework (NPPF) states:

“planning policies should support economic growth in rural areas in order to create jobs and prosperity by taking a positive approach to sustainable new development. To promote a strong rural economy, local and neighbourhood plans should...support sustainable rural tourism and leisure developments that benefit businesses in rural areas, communities and visitors, and respect the character of the countryside. This should include supporting the provision and expansion of tourist and visitor facilities in appropriate locations where identified needs are not met by existing facilities in rural service centres.”

National Planning Practice Guidance

- 3.2 The National Planning Practice Guidance provides guidance on tourism under the heading of 'What should local planning authorities consider when planning for tourism?' Paragraph 7⁵ states that “Local planning authorities, where appropriate, should articulate a vision for tourism in the Local Plan, including identifying optimal locations for tourism. When planning for tourism, local planning authorities should:

- consider the specific needs of the tourist industry, including particular locational or operational requirements;
- engage with representatives of the tourism industry;
- examine the broader social, economic, and environmental impacts of tourism;
- analyse the opportunities for tourism to support local services, vibrancy and enhance the built environment; and

⁵ CLG. 2014. National Planning Practice Guidance.
<http://planningguidance.planningportal.gov.uk/blog/guidance/ensuring-the-vitality-of-town-centres/ensuring-the-vitality-of-town-centres-guidance/>

- have regard to non-planning guidance produced by other Government Departments.

Local planning authorities may also want to consider guidance and best practice produced by the tourism sector.”

Test Valley Borough Local Plan 2006

- 3.3 At present, there is no policy within the Local Plan seeking to safeguard tourist accommodation from being lost to an alternative use. However, the Local Plan contains policies pertinent to proposals seeking new tourist development:

ESN 27: Tourist Facilities in the Countryside

ESN 28: Tourist Accommodation in the Countryside

ESN 29: Touring Caravans and Camping Sites

Corporate Plan 2011 – 2015: Doing Things Differently (p.13)

- 3.4 The Corporate Plan emphasises the relationship between tourism and achieving a competitive local economy. The promotion of Test Valley as a visitor destination is seen as an important condition to support local businesses and to encourage linkages to other economic opportunities.

4 Policy Approach

- 4.1 The loss of existing visitor accommodation to an alternative use is an issue present in tourist destinations. The continued cumulative impact of small losses on the overall supply can weaken the destination’s ability to retain its status as a visitor destination. New Forest District Council through its Local Plan Part 2: Sites and Development Management (2014) seeks to secure the continued contribution to the tourism economy of buildings in a tourist-related use. For example, where a small hotel is no longer viable, its change of use to a restaurant, public house, or similar use, would ensure a continuing contribution to the local economy, whereas its conversion to a dwelling would not (Policy DM13: Tourism and Visitor Facilities).
- 4.2 It is considered that in respect of an evolving tourism market and changing consumer patterns provides the need for designing a policy approach which seeks to restrict the loss of visitor accommodation.
- 4.3 Unlike, seaside resorts and cities where visitor accommodation tends to be concentrated in specific zones, visitor accommodation is dispersed across the Borough reflecting the rural nature of Test Valley. Therefore, it is appropriate

to identify a policy approach that best reflects the nature and structure of the Borough's visitor economy.

- 4.4 Outside settlements there is a general policy of restraint in order to protect the open character and natural beauty of the countryside. Development outside settlements is also less likely to be accessible by public transport and within easy reach of facilities. New tourism accommodation in the countryside should utilise an existing building wherever possible. New accommodation can be provided through the conversion of existing buildings. Where rural buildings are converted or extended to form tourist accommodation, it is essential that development respects the character of the building and does not have an adverse impact on the surrounding countryside.
- 4.5 In light of the above, the Council recommends to include a joint policy regarding tourism proposals and to safeguard tourist accommodation as follows:

Policy LE18: Tourism

Proposals for tourist development will be permitted provided that:

- a) the proposal is located within a settlement; or**
- b) where the proposal is located within the countryside:**
 - i) it utilises an existing building and meets the requirements of policy LE16; and**
 - ii) any extension or new buildings form part of an existing tourist facility; and**
 - iii) in the case of touring caravans and camping sites these are not prominent in the landscape.**

Proposals which involve the loss of tourist accommodation will only be permitted provided that it can be demonstrated that the existing accommodation unit is no longer economically viable or required.

The re-use or expansion of existing buildings and small scale new buildings can play an important part in the tourism industry for example through the provision of self catering accommodation. These need to be sensitively designed so as to not have an adverse impact on the landscape as set out in policy E2.

Seasonal structures related to tourism, such as marquees, can provide additional support to the local economy. Proposals of this type should be temporary in nature and not have an adverse impact on the landscape.

Touring caravans and camping sites are popular in some areas of Test Valley. The provision of new or the expansion of existing tourist accommodation sites may cause visual intrusion. This would need to be minimised by effective, high quality screening.

Proposals should help support other elements of the rural economy. For example the extension of a public house to provide tourist accommodation may help to support the viability of the public house which in turn provides benefits for the local community.

The Council recognises that visitors who stay will contribute more to the local economy in terms of expenditure than day visitors. In order to sustain Test Valley as a visitor destination and to encourage long stay visitors, it is necessary to protect visitor accommodation. The cumulative loss of visitor accommodation to an alternative use can weaken the destination's overall ability to attract visitors.

Any proposal which resulted in the loss of tourist accommodation would need to demonstrate that it is no longer economically viable or required. This will be evidenced by appropriate marketing for a six month period at an appropriate price reflecting the tourist restriction.