



**CULTYBRAGGAN HERITAGE SELF-CATERING
BUSINESS PLAN**

August 2016

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1. Executive Summary

Cultybraggan Heritage Self-catering Society is a Community Benefit Society (CBS) which has been established by Comrie Development Trust in order to develop, manage and operate a new community owned co-operative business at Cultybraggan Camp. The Society's purpose is: *'to carry on business for the benefit of the community.'* The Society will manage a unique collection of self-catering accommodation properties created by the refurbishment of 11 Category B listed Nissen huts, dating from World War II. Catering to a potential market from all over Europe, the enterprise will generate income for the community of Comrie, and the further development of Cultybraggan Camp.

Cultybraggan Heritage Self-Catering Society (CHSC) provides a unique business opportunity which will benefit the nation's heritage and the community.

Cultybraggan Camp is the last remaining WWII high security POW camp in the UK and is recognised by Historic Scotland as having international value.

The Comrie Development Trust (CDT) acquired the camp, on behalf of the community of Comrie in 2007, to ensure that it survived with new uses which would bring benefits locally. Over the past 8 years much has been achieved in fostering enterprises and providing an amenity for the area.

This project represents a step change in securing investment in restoring a significant group of B listed buildings and generating revenue for re-investment in sustaining the future of the camp.

As a community development body, with charitable status, and a wide-ranging development mission, Comrie Development Trust concluded that the best way of managing this specific trading activity of tourism accommodation is through a devolved organisation of community shareholders. The completed development will therefore be leased by CDT to a new community controlled enterprise - 'Cultybraggan Heritage Self-Catering Society Ltd'. Now registered with the Financial Conduct Authority as a Community Benefit Society, this entity will operate the self-catering business on behalf of the community, with profits being remitted back to CDT to help undertake projects which benefit the wider community.

Opening in Spring 2018, total revenue is expected to reach over £135,900 by year 5, with a surplus that year of before rent to CDT of £29,276, and an overall surplus of £2,776 taking account of rental payments. The accommodation will be self-sustaining without grant.

Visitors to the camp are forecast to increase from 4,000 to over 50,000 a year, boosting the local economy adding over £3m in value and creating an additional 30 jobs (direct and indirect).

The outcomes of this project will include more people understanding the heritage of the camp and the Comrie area and the ongoing preservation of the 11 huts. The project will increase the range of heritage interpretation resources and educational materials. It will join a network of similar historic environments in other countries in increasing understanding of conflict and promoting peace and reconciliation.

The key documents setting out how the outcomes are to be achieved in the longer term include the Activity Plan, the Evaluation Plan, and the Design Statement.

The business plan sets out how the project will generate a surplus, part of which will go to maintaining these listed buildings. Cultybraggan Heritage Self-Catering Society (CHSC) will rent the properties from the Trust on a full repairing lease. The net surplus, after allowing for the needs of the business, will go to the Trust for re-investment in the camp and in projects that benefit the community. The proceeds from this project will help to ensure that the Development Trust is financially resilient in the longer term. The project represents a key stage in the Trust developing the camp as a major visitor attraction and commercial location, which will drive future revenues.

The governance aspects of this project will be covered in a Lease and Memorandum of Understanding between the Society and the Trust, and the Society's rules. The Community Development Trust already has tenancy arrangements in place with a range of businesses at the Camp, and Repairing Lease agreements with

a range of other unit users. The draft Memorandum of Understanding sets out mutual expectations between the CDT and CHSC as well as conditions that could lead to termination of the lease.

The main risks to the project include:

- The buoyancy of the self-catering market, to be mitigated by marketing and effective cost control;
- Non-performance of the Community Benefit Society, to be mitigated by the terms of the Memorandum of Understanding and Lease terms for the units.

“The preservation of this camp is vital as it is part of a diminishing resource of WWII sites that will help future generations to understand the conflict and its impact on British communities.”

Dr Iain Banks, University of Glasgow.

2. Comrie Development Trust & Cultybraggan Heritage Self-catering Society Ltd

2.1. Structure and operation

The project has been initiated by the Comrie Development Trust (CDT), a charity and company limited by guarantee. The Trust acquired Cultybraggan Camp from the army in 2007, under the Community Right to Buy legislation (Attachment 1 – Att. 1). The Trust is one of the most representative Development Trusts in the UK with over 600 full members (residents) out of an adult population of 1,840. In addition, it has more than 100 associate members who live outside the area.

The vision of the Trust is the long term well-being of the Comrie community. The aims are to:

- improve the quality of life and to deliver wide-ranging community benefit in the local area;
- generate local economic activity, job creation and achieve long-term financial sustainability;
- reduce Comrie’s environmental footprint and develop its ability to adapt to climate change;
- conserve, enhance and promote its heritage assets in ways which support its other aims.

The self-catering business will help meet these aims by providing an economic benefit, and raising revenue for investment in community projects, whilst securing the future of this historic environment.

This project will fulfil the Trust’s vision to give the community the opportunity to invest in the future of the village through the purchase of Community Shares in a separate Community Benefit Society. The initial share sale was completed November 2015 raising £27,525 each valued at £25. Within the Society, shareholders each have one single vote, regardless of the number of shares they hold. Of the 213 shareholders, 137 (64%) are from the Comrie area and 76 (36%) are non-local, delivering the required local control.

Cultybraggan Heritage Self-Catering Society Ltd – CHSC - (the non-profit Community Benefit Society registered with the Financial Conduct Authority in 2015) will therefore manage the self-catering business leasing the properties from the Trust. Following the successful share offer, and in line with its own Rules, the Society held its first Annual Meeting in February 2016 and voted for members, who now make up its Management Committee.

The Society Management Committee has 12 members, including three nominated by Comrie Development Trust. Following the establishment of the Society, a Joint Project Group was established with members from the CDT Board and the CHSC Management Committee. (Appendix 1 – JPG Member details)

A jointly signed Memorandum of Understanding (Attachment 2) between the Trust and the Society sets out their general agreement to cooperative working, and the roles and responsibilities of each organisation. In

summary, the Trust, as landlord, is the recipient of the grants and responsible for the initial physical development works. The Society, as prospective tenant, is already the key consultee during the development of the project, and thereafter will be responsible for running the business and maintaining the properties. The combination of the Lease (Attachment 3) and Memorandum of Understanding establish the approach of the two separately constituted bodies to their working relationship and the legal terms of this relationship.

Volunteer support comprises the Trust Board members, the Management Committee of the Cultybraggan Heritage Self-Catering Society, the Joint Project Management Group, members of the Comrie Heritage Group, and the Estate Management Group and the Trust Board's Finance Group. In total, some 20 volunteers are involved in those groups, with a large number of other volunteers engaged in various activities at Cultybraggan Camp. (Att 46 HE 14-01963 CDT-CHSC Volunteer Hours & Costs 2015-2018)

Comrie Heritage Group is responsible for the development of the activities programme, heritage interpretation resources and events and has been a key consultee in the development of the designs for the buildings, their setting and their use.

The Estate Management Group is responsible for the management of CDT Properties, including the business rentals, leases and maintenance of the camp and for other infrastructures, services and the physical integration of the self-catering development with the rest of the camp. The Heritage Group is represented on this group, which makes decisions about the camp or make proposals to the CDT board. A Decision Making Protocol is in place, which makes clear that decisions by the Estate Management Group on any matters which have heritage implications have to be subject of consultation with the Heritage Group. Through this existing process a set of policies is developing for the Cultybraggan camp site, including the community, business, commercial and event areas in relation to property and environmental development, which reflect heritage conservation.

The Finance Group of the Trust Board address issues related to the financial planning and financial management of the Trust. The aspects of that work in relation to the Cultybraggan self-catering development involve not only the CDT Treasurer, who is on the Society Management Committee, but also involve another member of that Society Management Committee.

Comrie Development Trust employed a Project Manager to oversee the earlier design and study work, and draw together the material required for grant applications. Whilst the later developmental work has mostly been progressed through the Joint Project Group, the Trust will require staff involvement in the contract management and delivery of the project, and the planning and implementation of the next phase of developments. The Trust has therefore made grant funding applications for a Project Planning & Development Manager to: the Perth & Kinross Council LEADER programme; the Architectural Heritage Fund; and the Big Lottery Awards for All fund (details are included in the accompanying Funding Strategy paper). The job profile for this post is included at Appendix 2.

In addition, CDT would seek finance from funding bodies with a particular interest in heritage conservation, promotion and education, to employ a part-time Activity Organiser to implement the Heritage Activity Plan and develop the existing heritage education visitor tours and camp events programme.

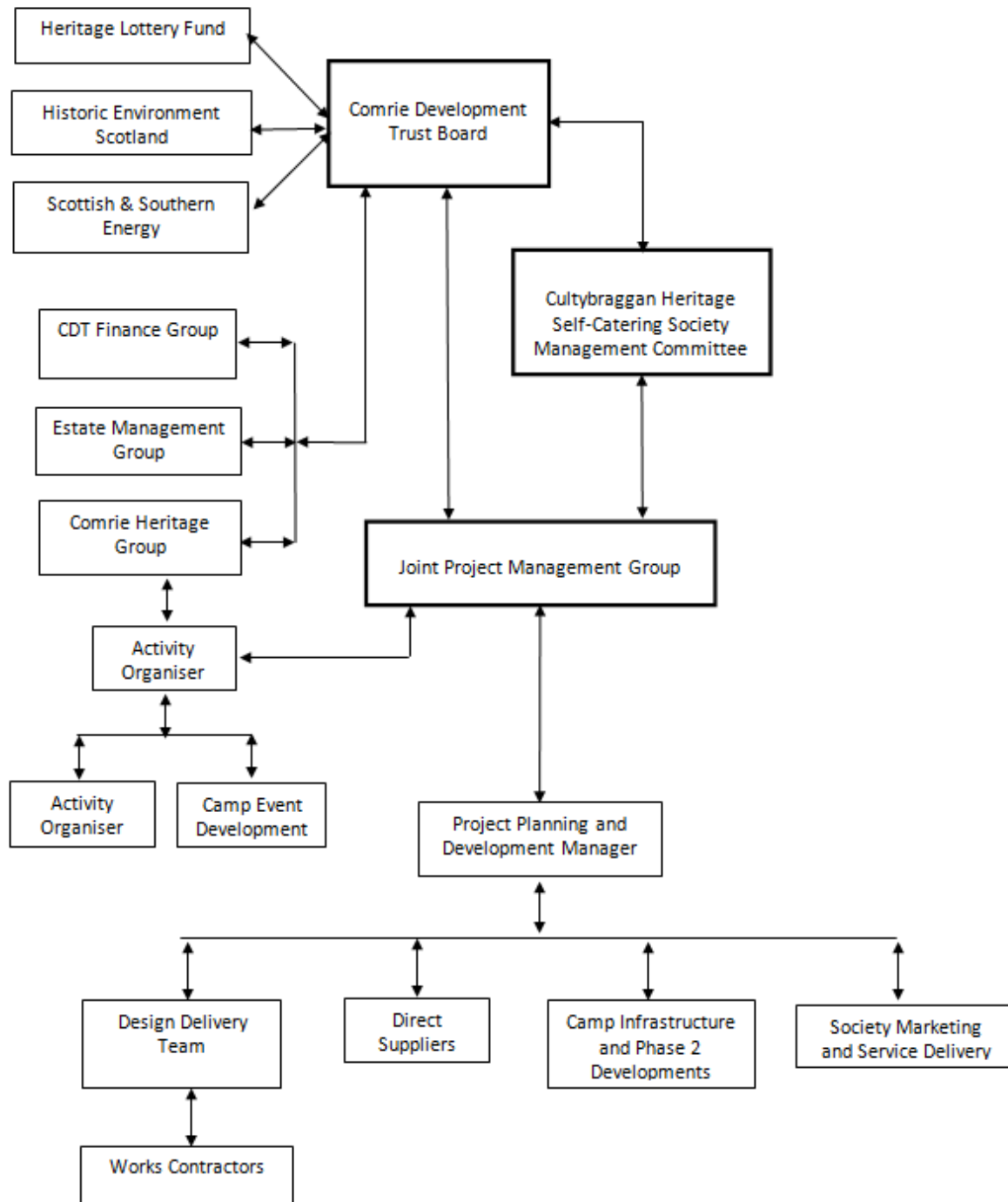
The work of the Project Planning & Development Manager and Activity Organiser would be supplemented by the Trust's two existing part-time staff, who are responsible for financial management and estate management, and are largely funded from the Trust's own resources.

The Project Planning & Development Manager and the Activity Organiser will report to the Joint Project Management Group. This group comprises members of both the CDT Board and the Society Management Committee, and includes members of Comrie Heritage Group. The Project Management Group will make the immediate decisions needed by the Project Planning and Development Manager and the Activity Organiser, and provide the route to consideration and decisions on major issues by the CDT Board and Society Management Committee. The CDT Board and the Planning and Development Manager will also be working on delivering increasing detail concerning the overall strategy for Cultybraggan Camp over the next 10 years. The Project Management Group will continue to provide a forum for such matters. The Activity Organiser would also have special links with Comrie Heritage Group and the CDT Events Group.

The diagram below identifies the various groups involved in the project, and the connections between them..

Figure 1.

Cultybraggan Heritage Self-Catering Project Management



Upon completion of the refurbishment works the Trust will let the 11 Nissen huts to Cultybraggan Heritage Self-Catering Society Limited on a renewable 10 year repairing lease. The Society will be responsible under the terms of the lease for their upkeep, maintenance and insurance, as well as all operating costs.

The Society will donate any surplus income from the business to the Trust for investing in projects that benefit the community, and will have a role in decisions on these investments. The Trust, in receiving this surplus and deciding on spending priorities, will be guided by the strategic plan for the next 10 years and consultation arrangements with Trust members and village organisations and local interest groups, to deliver community benefit to Comrie and the surrounding area, and to transform the Cultybraggan Camp into a major visitor attraction, including:

- refurbishment of the A listed Guards` Block and adjacent huts into a permanent heritage centre, exhibition spaces and educational resources;
- the conversion of the Officers` Mess buildings into a cafe /community/visitor area;
- the restoration of the “D Line”: the last remaining intact area of prisoner accommodation. Conversion of some of the huts within this area will be for purposes of heritage interpretation, including the camp`s connection to post-war military history.

Those paying for self-catering accommodation will therefore be contributing financially to help secure the future of the camp as an important historic environment, whilst also benefit the community which owns the site.

2.2. Experience

Comrie Development Trust has considerable experience in managing projects. The successful purchase of Cultybraggan Camp, under the community right to buy legislation, required considerable consultation and the commissioning of feasibility studies and costings, together with negotiating loans and grants.

Over the period between 2006 and 2015 CDT raised £1.5 + million, with 52% coming from loans and 48% from property sales. The Cultybraggan Camp buy-out cost was £600,000. Of that amount, £448,000 has to date been repaid or converted to loan. The Triodos Bank loan of £300,000 has been fully repaid; repayments to Social Investment Scotland have amounted to £38,000, loan restructuring has been arranged with the Energy Savings Trust and arrangements have been made to convert other loans to grant.

Since then the following projects have been delivered:

1. Camp improvements, including to the roads, lighting, water & energy supplies, and refurbishing 9 unlisted huts for workshop space (£960,000);
2. Solar Photovoltaic system installed on the roof of the former army canteen to supply part of the camp`s energy needs (£27,440);
3. Provision of a Biomass District Heating system – plant and connections providing heat and hot water to initial phase of buildings (£196,990). This system is to be extended as part of this project to serve the self-catering units;
4. Comrie Heritage Centre – conversion of a B listed hut to a small visitor centre, with exhibition material (£32,787).

From the most recent accounts ending March 2015 the revenue income for the Trust was £228,002, with revenue expenditure of £225,039, and therefore surplus of £2,963. The CDT`s 10 year projections to financial year 2024/25 indicate annual budget shortfalls 2015/16 to 2019/20. Comrie Development Trust Board is already addressing these issues through a detailed operational and development strategy in relation to Trust staffing and resources. These plans also involve seeking bridging finance from major funders, which have previously provided financial support. On the basis of the Trust`s financial record, including repayment

of substantial loans, the Trust can also call on the offer of an unsecured overdraft facility of £30,000 already made by Triodos Bank. The 10 year projections include both rent and surpluses from the Cultybraggan self-catering development, and their contribution towards moving the CDT revenue budget into surplus from 20/21, the third year of the development's operations. Comrie Development Trust also has a broader plan for Cultybraggan Camp focusing on heritage developments and the camp becoming a major visitor destination, which are designed not only to substantially enhance the heritage resources, but also to deliver significant surplus income, providing financial sustainability and community benefit. However, the current self-catering project is the main focus of the Trust's current attention alongside associated infrastructure improvements, with no other development projects are at the same stage. The occupancy levels forecast do not require the additional on-site offerings as described on page 20, table 7.

3. Development of the project

Comrie Development Trust, in purchasing Cultybraggan Camp in 2007, acquired over 90 buildings (Attachment 4), including 28 B listed and 4 A listed buildings (Att 5). The 32 listed Nissen huts were built in 1941 and designed for 15 years of use, but are now 75 years old. They had been maintained by the army over the intervening years, but require considerable investment if they are to be preserved over the long-term.

Since its establishment the Trust has sought to identify revenue raising projects which would generate sufficient income to maintain the listed buildings and the internationally significant site. As the area was already popular with visitors, the potential for using properties for self-catering purposes emerged as a possible option to be examined.

An initial study (Attachment 6) in 2011, funded by a £10,000 Big Lottery Investing in Ideas grant, concluded that the business case for self-catering huts was compelling ("Green Hills, Green Huts – A Tourism Vision and Destination Partnership for Comrie and Strathearn"; Dunira Strategy). This study concluded that for self-catering huts)...*"high margins can be achieved...making the business case compelling."* This study encouraged the Trust to pursue a self-catering project.

Seven of the huts, which form part of this project, were identified for self-catering and a funding bid was developed for submission to the Heritage Lottery Fund. The funding application was submitted in November 2013 ("Cultybraggan Heritage Hutting" – HE-13-05518). The Heritage Lottery Fund decided in March 2014 not to award a first-round pass to the project as it was considered a lower priority relative to other high priority applications at the time.

An application was also submitted in January 2014 to Historic Scotland for historic building repair grant. Historic Scotland agreed to proceed with progressing a historic building repair grant and its architects surveyed the properties.

The Trust consulted HLF on the feedback from the unsuccessful bid, and resolved to submit a second application for 11 huts (Attachment 7), given that a significant proportion of match funding now seemed likely through Historic Scotland. This second HLF application was submitted in February 2015 ("Cultybraggan Heritage Self-Catering" HE-14-09163) and achieved a first-round pass in June 2015.

In parallel with this, an initiative was pursued to give the community the opportunity to invest in the self-catering business, through the purchase of community shares. Cultybraggan Heritage Self-Catering Society was registered with the Financial Conduct Authority in February 2015. The work in bringing the community share offer to the market required the Business Plan to be further developed in order that the offer document could achieve the necessary accreditation from Community Shares Scotland. (Att 8) Shares were sold from September to November 2015 and £27,525 was raised with 213 shareholders now members of the Society.

Each stage in the development of this project has involved both consultation with the community and the statutory authorities and also technical input from architects, quantity surveyors, and business planning consultants.



The development grant awarded by HLF in June 2015 has allowed the project to be developed in three areas:

1. More detailed business planning on the demand aspects of the accommodation market and cost framework;
2. Developing the previous concept plans to Stage D design specification;
3. Carrying out a feasibility study into the proposed on site provision of a digital and other heritage interpretation resources.

Whilst the initial proposal was for bunkhouse units - dormitory style accommodation for individuals and groups with separate common facilities – the market study evidenced the more compelling case for self-contained units with integral facilities. The implications of this change have been translated into the significant variations in the interior designs and business planning, which also now also reflect detailed consultations on revisions to the original proposals.

One main financial implication of the shift in target market with its resulting significant design alterations has been a substantial rise in the capital requirements involved in delivering accommodation with the required changes. The funding strategy to make up the capital shortfall focused on grant applications in three directions: major national funders; smaller regional and local funders; military sources. No additional capital has been offered.

The plans and the costings are therefore at a stage where Historic Scotland could offer a Historic Building Repair Grant, subject to the balance of funding being secured and tender prices being obtained. The Heritage Lottery Fund and the Scottish and Southern Energy (SSE) Perth and Kinross Sustainable Development Fund can also contribute grant funding to complete the next (delivery) stage, subject to a successful application being made to HLF for a Delivery Grant. The funding package includes a total of £27,525 from the proceeds of the completed community share sale.

Planning Consent and Listed Buildings Consent

Design specifications have been taken to Stage D, i.e. the planning application stage, with Planning Consent and Listed Building Consent both granted by Perth and Kinross Council on 16.5.16 (Appendix 3). The planning conditions fifth require submission of the detailed site landscaping and planting scheme, and details of all external links to the Council. The consent is granted until 16 May 2019, and with the standard requirements to notify the start and completion of the work. <http://planningapps.pkc.gov.uk/online-applications/applicationDetails.do?activeTab=summary&keyVal=O3IHOXMKKZW00>

4. Market Appraisal

4.1. Market data

Current Facilities and Camp Users

The Cultybraggan Camp site already accommodates a wide range of interests, including community horticulture/leisure, children's/youth activities, heritage and education, business and commerce, event development, and environmental and woodland improvement. All of these interests involve people, often from the local area, coming to the camp on a daily basis, or very regularly. In addition, many of the activities and commercial organisations involve individual visits on a single day or occasionally to join a heritage tour, to come for a heritage or other educational session or event, or for business reasons.

With respect to the built environment on the Cultybraggan site, there is presently a visitor's centre, and heritage tour groups are taken into the Guard Block and certain other huts to illustrate POW accommodation and life. In addition, nine of the Nissen Huts have been renovated providing business accommodation, a number of designated huts are at various stages of improvement under the Repairing Lease Scheme, and huts are used by community groups.

Day Visitors

The present market for day visitors to the camp and who spend time in the visitor centre is largely heritage driven, both through individual visits and events, such as open days and special occasions, e.g. The March to the Camp. Organisations also visit to learn more about community ownership and environmental initiatives (e.g. green energy). There are other events, which use the Camp's facilities, and contribute income, such as the Strathearn Marathon. During the summer months bus tours stop off regularly for guided tours. A visitor book (available since March 2014) has provided the following details: 56 % of the visitors come from all parts of Scotland, 31% from the rest of the UK and 13% from abroad. The fact that limited marketing for open days and Doors Open Day weekends can attract 500-1,000 visitors suggests that there is substantial potential from a more developed heritage and event site.

Self-catering Accommodation

A view was reached that hut renovation to become self-catering accommodation and that this would protect and conserve a row of B listed buildings, the former army officers' living accommodation, bring them into productive use, and provide income both to maintain and develop the camp site and to be used for community benefit across the wider Trust area. The target markets identified in the early stages of planning were groups and those with the special interest in Cultybraggan Camp as a historic site.

The judgement was reached, by early 2015, that the focus should be on providing bunkhouse/dormitory accommodation at a budget (two star) level. This would involve converting eleven Nissen huts to become a self-catering development with: 1 x 4 bed; 2 x 2 bed; 5 x 8 bed bunk house; 1 x 2 bed wheelchair apartment; 1 x dedicated shower block; 1 x common room with office reception; and 1 x bike store. In the initial HLF application this was presented as intended, "to cater for both people looking for self contained accommodation and for groups looking for shared facilities (together with separate leader accommodation)"

The same initial application listed the needs and opportunities to be addressed by the project and associated developments at Cultybraggan Camp as:

- Helping diversify the rural economy in landward Strathearn;
- Meet the camp's potential as employment land for sustainable economic growth;
- Providing tourism resources in line with its importance in the PKC Local Development Plan;
- More people to becoming aware of the value of heritage;
- Linking with similar heritage sites in Poland and Germany, and their communities;
- Increasing marketing of the significance of the camp;
- Improving the facilities by providing accommodation and enhancing heritage interpretation;

- Developing local workforce heritage skills via direct/indirect employment, training & volunteering;
- Maximising the use of match funding, and partnership funding;.
- Delivering one of a series of steps towards a phased implementation of a heritage investment plan;
- Adopting prudent assumptions on occupancy levels and testing lower levels for profitability;
- Adopting a marketing strategy ensuring the camp fits the network of local attractions;
- Fostering international links with heritage related activities for these visitors;
- Providing "like for like" renewal with some existing fabric, and new insulation and services to facilitate the new use and help sustain the life of the structures;
- Providing self-catering targeted at two main groups -
 - Tourists attracted to staying in unusual accommodation within a unique heritage site in an area already attractive to visitors; and
 - Interest groups with a particular interest in the military, Combined Cadet Force, Territorial Army and World War II, typically travelling significant distances, including German, Polish, Italian and Austrian visitors.

Other than the last two bullet points, all of the other needs identified and opportunities to be provided have remained the same between the initial HLF application and the final submission. In the July 2015 draft Business Plan, the earlier proposals for “like-for-like” renewal, moved to planning two types of accommodation: high quality self-catering units; and bunk house accommodation with shared facilities and separate leader accommodation. Both of these proposals have been significantly modified, since the initial application, in line with the findings of the subsequent market study recommendation to provide 4 star accommodation, as signalled in the January 2016 draft Business Plan. At that point, the main target groups were extended, in-line with the market study, to include, the general market of people (couples, families and friends) looking for holiday accommodation in Perthshire, and also groups of school and older students, and other groups coming to attend educational sessions and other events at Cultybraggan Camp.

Market research in the autumn of 2015 (Attachment 9) by SKS consultancy used a combination of surveys, one to one calls, professional opinion, and national data to establish large scale respondent analysis and provided statistically valid information. This included interviews with a selection of bunkhouse providers, self-catering property owners and larger aggregators with substantial numbers of holiday accommodation.

The generally accepted view, conveyed within the market study from a range of sources, including the Scottish Youth Hostel Association and specific bunkhouse providers, was that “the market for bunkhouse style accommodation is in decline with many properties remodelling to create fewer beds with en-suite facilities” (Market Research, page 5). As the manager from Scottish Independent Hostels stated, “Backpackers and groups want private sleeping space and en-suite facilities these days.” (Attachment 10)

The evidence for this change of direction was also supported by Visit Scotland data about the take-up of self-catering accommodation by group size (Table 1), which emphasised the preponderance of couples and families.

Table 1. User Group Sizes in Self-Catering Accommodation	
Take-Up Balance	
Group Size	Proportion of Bookings
Couples – spouses/partners	46%
Adult/s with child/children	19%
Adult/s with parent/s or other family members	14%
Adult/s with friend/s	13%
Single adult	6%
Group	2%

The views expressed about the market movement away from bunkhouses, were complemented, within the market study, by the findings about the balance of take-up within the self-catering market. The study found that, “The annual average occupancy is 55% for self-catering properties in Perthshire. Travelling with friends is more popular amongst overseas travellers, but UK visitors are most likely to be with their partner and children. Family groups and couples dominate the market.” (Market Research Page 3) it was clear that this target market is most often looking for certain standards and facilities in self-catering accommodation.

As the study report says, “The better the standard of property, the higher the occupancy rates.” (Market Research Page 4). This has implications for what accommodation should provide. For example, as was pointed out by the study respondents through “100% feedback that en-suite is the essential part of an accommodation offering in the current market place” (Market Research Page 5)

Interview comments by providers were therefore an important factor in shifting the service plans away from 2 star bunkhouse dormitory to 4 star two and four bed holiday accommodation for couples and families, with the additional potential and flexibility of availability for group bookings. This change of direction was influenced by survey responses and in comments made by staff from organisations offering bunkhouse accommodation – the Marketing Manager of Scottish Independent Hostels, the Revenue Manager of the Scottish Youth Hostels Association, the Development Manager of Coll Bunkhouse, the Managers of Abernethy Bunkhouse and of Balmaha bunkhouse- and others within the tourist accommodation industry, such as the Regional Manager of Sykes Cottages, the owner/manager of local Cooper's Cottages, and a range of other self-catering houses and cottages.

The consensus was that the visitor accommodation industry was already moving away from shared dormitory bedrooms and bathrooms and towards single and double rooms with en-suite bathroom facilities, even in hostels and ‘bunk houses.’

The industry information about the move away from bunkhouse accommodation, combined with the evidence about the positive market for higher standard accommodation, made a compelling case for a changed view about the main target market for self-catering accommodation at Cultybraggan Camp towards couples and families.

There was an additional view about not being restrictive to this main target area. As the manager of Comrie Croft said, “*Flexibility is the key. Finding as many different market niches as possible.*” Amongst the unique selling points of Cultybraggan Camp as a location of self-catering accommodation is the history of the site and the activities, both already happening there and planned for the future. This will bring not only friends, couples and families, but small and large groups for heritage and other educational courses and a great variety of events and exhibitions, and also for the wide range of activities and attractions in the local area and region.

Whilst this final target market of groups suggested the need for flexible accommodation space, the overwhelming evidence indicated the need for a Cultybraggan Camp self-catering development providing 4 star standards and facilities and internal Nissen hut design delivering well furnished and equipped living space and bedroom areas, with kitchens and en-suite bathroom/toilet facilities.

The Market Study also considered occupancy and price data for the determined model of self-catering accommodation for up to two persons and for up to four persons.

It proved impossible to obtain extensive information on occupancy from accommodation providers, concerned about commercial confidentiality, and anonymised details of individual respondents to the Visit Scotland surveys on the same grounds of confidentiality.

However, Visit Scotland publishes occupancy data, broken down by areas of Scotland, including Perthshire, and types of accommodation, including self-catering, and the detail in Table 2. was available to inform judgements about occupancy level in the development. (Attachments 11 & 12)

Table 2. Visit Scotland Occupancy Data					
				At year 5	At year 5
Month	Unit Occupancy % Scotland	Unit Occupancy % Perthshire	Feedback	Model 2 Bed Unit	Model 4 Bed Unit
January	20	34	30-40%	39%	39%
February	30	47	30-40%	41%	43%
March	28	42	30-40%	39%	39%
April	47	59	100%	67%	55%
May	55	61	100%	71%	68%
June	58	54	100%	55%	50%
July	70	57	100%	71%	68%
August	75	79	100%	71%	68%
September	55	74	100%	70%	70%
October	50	59	100%	77%	68%
November	29	41	30-40%	40%	40%
December	26	34	30-40%	39%	48%
Annual Average	45.25	55	60-80%	57%	54.7%
<i>Reference</i>	<i>Visit Scotland 2014</i>		<i>Coopers Cottages</i>		

Scottish Accommodation Occupancy Survey - 2014

Specific data for individual properties and locations is publicly available, which provides information about charges/pricing levels at different times of year and unit capacity in terms of number of people potentially accommodated. (Attachment 13) The market research produced a grid providing price comparisons with costings month by month across the year for accommodation separately for self catering accommodation providing for up to 2 people, and for up to 4 people, both from self-catering resources in the immediate local and Perthshire area (Table 3 and Appendix 4a) and across Scotland (Table 4 and Appendix 4b).

Table 3. Market Data Matrix - Regional Research					
Capacity	Unit	Grading Level	7 Days	7 Days	7 Days
Up to		VisitScotland	High	Mid	Low
2	Loch Tay Highland Lodges	3	£720	£420	£325
2	Braidhaugh Lodges, Crieff	3	£840		£490
2	Braidhaugh Crieff, Caravans	3	£410		£310
4	Loch Monzievard	4	£895	£695	£545
4	Loch Tay Highland Lodges	3	£985	£650	£580
4	Braidhaugh Lodges, Crieff	3	£900		£530
4	Braidhaugh Crieff, Caravans	3	£450		£350
4	Airdenny		£525		£446
4	Tuarach		£644		£494
5	Loch Tay woodland cabin		£740	£520	£450
6	Riverside Log Cabins	3	£725	£699	£355
6	1 Pudding Lane, Comrie	1	£1,022	£851	£681

Table 4. Market Data Matrix - National Research - Ranked Data				
Capacity	Unit			
		1 week	1 week	1 week
Up to		High Season	Mid Season	Low Season
2 Person	Earnmhor	£260	£260	£260
2 Person	Suileag, Kinlocheail	£325	£300	£250
2 Person	Auld Cottage, Whiting Bay	£330	£320	£280
2 Person	The Bothy, Dunkeld	£385	£350	£310
2 Person	Farmhouse	£420	£420	£420
2 Person	Great Glen Shepherds' huts	£490	£420	
2 Person	Kyle Signal Hut	£600	£520	£440
2 Person	1 bed terrace lodge	£630	£560	£420
2 Person	Eagles Brae Cabins, Beauly	£1,450	£1,377	£1,094
2 Person	Wee Orchard Cottage (Lochearnhead)	£350	£350	
2 Person	The Guards Van, Akeld		£475	
4 Person	Ben Wyvis Lodges	£420		£350
4 Person	Braefoot, Strontian	£450		£350
4 Person	Tominour	£460	£440	£400
4 Person	Marketgate, Crail	£460	£430	£415
4 Person	Kinglass Cabin - Lochaweside Cabins	£499	£415	£330
4 Person	Newton Cottage, Blairgowrie	£500	£465	£425
4 Person	View Cottage (Lochearnhead)	£520	£405	£390
4 Person	The Bothy	£545	£490	
4 Person	Farmhouse	£616	£616	£616
4 Person	Courtyard Cottages	£690	£460	£360
4 Person	Fisherman's Cabin (Great Glen)	£700		£630
4 Person	Rowan Comfort	£733	£372	£372
4 Person	Carrick Apt2	£806	£448	£384
4 Person	un-named	£840	£700	£560
4 Person	Osprey 17	£889		£586
4 Person	Upland Shepherd Huts		3 nights w/e	£475

The pricing data obtained, including information about prices by season and unit size, was both influential in reaching final views about the self-catering model to be adopted, in informing the development of the associated cost framework, and assisting judgements and decisions about charging levels across the year. The information about charges also provided evidence to inform consideration of seasonality, and how this should be managed to boost occupancy, for example in the low season with promotions, events incentives.

Whilst the price comparisons used for the purposes of the final cost model relate to charges for (up to) 2 people and (up to) 4 people and will mainly be set on that basis, the flexibility remains available to let several units to groups on that charging basis, or potentially to provide a discounted rate to groups, especially in the mid and low season, in order to enhance occupancy levels.

In relation to the model to be adopted, the market analysis carried out by SKS therefore concluded that:

- The market for bunkhouse-style accommodation has changed. “Ensuite is the essential part of an accommodation offering in the current market place;”
- Bunkhouses with external washroom facilities out dated and unattractive to the market;
- Bunkhouse occupancy would be difficult to manage. Selling only to groups, would limit the market;
- A “common room” hut with catering facilities would reduce income generating huts;
- The biggest potential market for Perthshire, stay in self-catering units and travel with a partner or spouse. The “organised group” market for Perthshire accounted for only 2-3% of the market;
- Groups, including the specialist military-interest groups, do not necessarily want to stay in bunkhouses - in fact, a better standard of accommodation should attract more groups.

More broadly, the market research (see Appendix 3) completed as part of the HLF project indicated:

- The general market for self-catering accommodation is reasonably strong in Perthshire as evidenced by provider occupancy levels. Unit occupancy levels are around 55%, second only to the main tourist destinations of Glasgow and Edinburgh;
- The market is expected to remain strong because as evidenced by surveys that gauge provider optimism; 3 out of 4 providers are optimistic;
- Even organised groups require en-suite facilities with integral self-catering;
- The self-catering market for couples/families tends to be mainly at Visit Scotland Four Star level;
- There is evidence from various locations within the UK of a market for special interest and heritage accommodation, and this is a niche market that fits with Cultybraggan.

Self-catering Target Markets

On the basis of market appraisal, one main target for the accommodation units is therefore the large mainstream and general interest self-catering market to drive volume and occupancy, through:

- Four star level quality; (Attachment 14)
- A configurations of two bed and four bed units, with integral catering and bathroom facilities;
- Multi-purpose units, suitable for both families, and groups able to block book several/all huts;
- Units marketed as mainstream accommodation for the Comrie area (with activities, extra facilities and events developed on site adding to marketability, but not essential to the accommodation offer).

Whilst the main target for self-catering accommodation will be people coming for holidays, including short breaks, this market has a significant advantage of further segmenting across customers, who will be attracted to Cultybraggan Camp as a holiday destination for a variety of specific reasons (Attachment 15), including that the camp:

- represents a unique heritage holiday experience, with good facilities on site
- is located in a great location, surrounded by Perthshire hills and mountains;
- has the friendly village of Comrie nearby, with its shops, cafes and other facilities;
- provides the potential to join a wide range of easily accessible tourist places and outdoor activities;
- gives people with a heritage interest opportunities to explore/understand modern history more fully;
- presents the chance for a return to stay to people, who have been based there in the Army;
- offers wheelchair accessible accommodation for people with disabilities including veterans;
- is situated in a rural location, but is only one hour's drive from major city visitor attractions.

Additionally, it is intended to maximise bookings by also targeting people with a special interest, groups looking for clustered accommodation, and people with special needs who require wheelchair accessible facilities. The specialist market would include people with a particular interest in general heritage or modern history, or the Second World War, or people who have spent time living at the Camp as regular soldiers or army cadets or in support services there, or families with a relative who had been a prisoner of war at Cultybraggan or a similar POW camp.

The military organisations contacted as part of the market research did not, themselves, organise accommodation for their members, but this market can be contacted fairly easily through the Trust's existing contact databases and through newsletters already circulated to current or former members of the Army and specialist magazines. The accommodation offers special potential for student groups from schools and higher education visiting for heritage education and other local opportunities, and other groups of all ages attending events on the site or elsewhere locally and looking for clustered accommodation, where they can stay together in one place.

All of the interests represented at the camp (tourism, heritage, community, business, events) also provide a potential market for the self-catering units, and will be targets in marketing exercises. The special interest market will be further developed over time as the range of facilities, events and activities at the Camp are developed through future investment. There is also substantial potential to promote Cultybraggan heritage self-catering for short breaks or longer holidays on particular dates as a location from which to enjoy specific local events and festivals, such as the New Year Flambeaux, Comrie Fortnight, Perthshire Open Studios (9 days), Strathearn Drovers' Tryst week, Comrie Film Festival (all highlighted in Cultybraggan Self-Catering – Things to Do)

Currently the financial model is cautious about the quantifying the scale of special interest bookings although clearly there would be a very significant number. However, the number of units available and the potential for flexible use, including for large groups, provides significant opportunities, to be marketed and managed in such a way as to significantly improve occupancy levels, especially in the mid and low seasons.

Market entry

The reasons to be confident about entry to the self-catering accommodation market include the following (supported by data from the Visit Scotland Occupancy Survey 2014 and The Key Facts on Tourism in 2014 – Visit Scotland):

- Perthshire is second only to the central belt conurbations for visitor numbers (enjoys both destination visitors and transit visitors) and unit occupancy;
- Unit occupancy levels in Perthshire have been rising since 2010 to the current levels of about 55%;
- The Visit Scotland Occupancy Survey 2014 reported that three quarters of Scottish self-catering accommodation providers are currently confident about the market (Table 5 below);
- The increasing effectiveness of on-line booking sites (the cost of using these services has been factored in to the financial model);
- The immediate prospect of being better than “average” due to the appeal of Cultybraggan to special interest groups (that will make the accommodation more attractive than other providers to certain individuals) – not factored into the financial model at this stage
- The short – medium term prospect of being able to attract some organised groups (perhaps 20% of the occupancy from year one) on grounds of the good value of the accommodation. These groups may or may not be interested in Cultybraggan as a historic site, but might simply be walkers, cyclists or on the site for an open air music event or similar.
- The medium / long term prospect of additional facilities, events and activities on site contributing to the establishment of a full visitor destination - not factored into the financial model at this stage.

Table 5. Self-catering business confidence levels		
next 12 months (2014, %)		
	Very/ quite confident	Not very/ not at all confident
January	79%	21%
February	78%	22%
March	72%	28%
April	71%	29%
May	69%	31%
June	68%	32%
July	79%	21%
August	84%	16%
September	75%	25%
October	76%	24%
November	74%	26%
December	71%	29%
Annual Average	75%	25%
* Scottish Occupancy Survey 2014 - Self-catering data		

Design and development cost implications

One major consequence of the shift from planning 2 star bunkhouse facilities to proposing 4 star accommodation for couples, families and group stays has been substantial changes to the internal design of the 10 B listed huts identified for the accommodation, resulting in substantial increases in the capital costs of conversion, furnishing and fitting. This will not create “luxurious” accommodation, but simply allows for the creation of equipped kitchen areas, an ensuite bathroom/toilet in each of the accommodation units, with bedroom and sitting room areas furnished and fitted out to provide a very good standard of comfortable accommodation for individuals, couples, friends, families and groups. (Attachments 16 & 17)

The evidence indicated that bunkhouse providers and those with accommodation including dormitory bedrooms have been moving in this direction as a result of competitive pressures and the need to protect and improve occupancy levels. Cultybraggan heritage self-catering will be operating in the same competitive environment and the need to gain and maintain occupancy levels, which will not only deliver financial viability, but also surplus for investment and broader community benefit. This supports the need for the increased capital costs, and the associated provision of four star accommodation, allowing both higher charges and delivering higher occupancy levels.

The change in the proposed model of accommodation and variation in its intended use also opens up the potential for different uses of Hut 29. This will no longer be needed as an available area furnished and equipped to support individuals and groups in bunkhouse accommodation, but to provide flexible communal space, which can not only be used by groups and others accommodated in the self-catering units, but also have potential uses within the activity programme as an event and meeting area, or for heritage exhibitions or educational courses.

5. Project Plans and Outcomes

5.1. Project Plans

Final Proposal

The proposal is for high quality (Visit Scotland 4* quality), self-catering accommodation in flexible configurations of units (Nissen huts) comprising 2 and 4 bed en-suite units with catering facilities plus a fully accessible 2-bed unit. In detail, the plans (all ensuite accommodation) are for: 6 four bedded units; 2.5 two bedded units; 1 accessible unit; plus 1 unit divided between heritage and common room use; and half a unit used for linen storage and various other utility purposes.

This takes into account the findings of market research (undertaken by SKS Scotland in 2015) that show current positive and substantial demand for this standard of accommodation. In addition, residents will enjoy the heritage and historic surroundings of the site, alongside excellent service from employees and volunteers. Guests will perceive Cultybraggan as providing very good value for money: with high quality accommodation and services involving mid-marketing pricing.

Guests will anticipate and perceive Cultybraggan as providing these holiday and short-stay facilities via the pre-visit communication and marketing received. Marketing will be customised through communications to general visitors through the normal channels, alongside information provided through different forums to people with special interests and organisations which might bring individuals / groups for educational, heritage and environmental purposes and interests. The mix of employees/volunteers will facilitate the high level of service demanded by guests. Response to a short questionnaire on departure will be requested which will ask for feedback on the product and service given, which will allow adjustments to be made.

The revised proposals for hut 29 as an open, flexible use space retain the objective of the repair and renovation of the final hut in this series of B listed units, but also add value to the overall development by providing a resource, which will not only still provide an area, which can be used by people staying in the self-catering development, but also a resource, which will be available for use in the Activity Programme, for educational and other uses, and use by community groups and various visitors to the camp.

Mission Statement and Unique Selling Proposition

Cultybraggan will offer guests the unique experience of enjoying high quality, self-catering accommodation in one-off, distinctive properties within a heritage environment set in beautiful, Perthshire countryside. Vital to this will be the volunteers and employees who will help to run the enterprise: they will be both supported and given ownership of their areas of expertise. Cultybraggan will involve the local Comrie community by continuing to seek input, sharing information and encouraging participation.

Price positioning

Cultybraggan will give the perception of being 'good value for money' with units weekly pricing varying between £350 low season 2 bed unit to £600 high season 4 bed unit, with seasonal adjustments. This is competitive pricing which will reflect the product and, positioning and appeal to the target 'mid-market'. This pricing strategy is deliberately cautious to encourage early users and can be sensitively adjusted if demand indicates it could be higher.

The table below summarises the pricing for the accommodation for the 2 bed and 4 bed units. The pricing combinations are shown for: per unit per week. At this stage, no discount is proposed for groups, although the accommodation will be available for groups. It is anticipated that discounts may be introduced for group bookings to promote higher occupancy at certain times of year, or in conjunction with the development of heritage resources and events bringing groups to the camp site.

Table 6: Summary of Accommodation Pricing

Price for Unit per week incl. VAT		Jan/Feb	Mar/Apr	May-Aug	Sep-Oct	Nov-Dec
Seasons		Low	Mid	High	Mid	Low
Two bed unit		£350.00	£380.00	£420.00	£380.00	£350.00
Four bed unit		£475.00	£550.00	£600.00	£550.00	£475.00

Target market

As set out in the Self-Catering Marketing Plan for the development (Attachment 31) Cultybraggan's core target market (in line with the general accommodation market) will be strongly represented by:

- Couples (younger adults through to older people)
- Families with one or two adults, and one or two children (aged between 3 – 12 years old)
- Primarily UK based, with some from European, American Canadian, and Australasian countries.

This echoes both the characteristics of Perthshire's guest profile and the results of the marketing research. The accommodation will, however, be flexible and allow additional guests in the 4-bed units (sofa beds in some) for slightly larger families/groups. The accessible unit will provide for wheelchair users, and all of the other units will have the advantage to people with mobility problems of being on one ground floor level.

On the basis of the Marketing Plan, efforts will also be directed at other important targets: special groups: people with an interest in heritage (including modern history and World War II); groups associated with this interest, who may be coming to the site for educational or research purposes, or to attend events organised for heritage or other purposes (arts, cultural, sporting or other inside or outdoor activities).

Marketing will be further directed at people with a personal interest in Cultybraggan Camp because they or family members have prisoner of war associations, or have spent time there during the Second World War or during the Ministry of Defence's 50 years at the camp.

It will be an important reflection of the mix of current interests at the camp and the cooperative partnership between them in developing the camp, that the self-catering accommodation is promoted to people who might want to stay there within the full range of interests, whilst recognising that the general holiday market may have the greatest initial potential for most significant income generation due to its size. The way in which the accommodation is provided should then seek to create loyalty and encourage repeat business. The marketing mix will be adjusted to target and appeal to particular interest groups on the basis of experience.

Accommodation offer

The "offer" to potential accommodation users will be further researched and elaborated to underpin the development of a full and final marketing strategy. Table 7 below illustrates the thinking so far. Greater detail about the nature / timescale for implementing on-site facilities and activities will be delivered. The key attractions in the forward plan for the site are:

- refurbishment of A listed Guards' Block and adjacent huts to a heritage centre and educational suite;
- conversion of the Officers' Mess buildings to cafe/club room (adjacent to planned accommodation);
- the excavation of escape tunnels, with an exhibition space at one of their entrances;
- the restoration of the "D Line": the last remaining intact area of prisoner accommodation.
Conversion of some of the huts within this area will be for purposes of heritage interpretation, including the camp's connection to post-war military history;
- the creation in one of these huts of an oral history centre to record the stories of visitors with a connection to the camp in the past;
- the development of children's play areas, adventure space and hill-ground paths and activities;

Comrie Development Trust has already developed a prototype brochure (attachment 15) for visitors staying in the self-catering accommodation at Cultybraggan Camp. This prototype evidences the wide range of facilities and activities which would be available to visitors in the accommodation from the local village and surrounding area, from wider Strathearn and beyond across the easily accessible parts of Perthshire.

Table 7: Accommodation Users – plan of how site “offer” will build up over time

	Yr 1 of opening (from Mar '18)	Yr 2 (from Mar '19)	Yr 3 (from Mar '20)	Later years
Looking for quality accomm. in a fine location	Y	Y	Y	Y
Attracted by special heritage interests	Y	Y	Y	Y
Attracted by a personal or family Camp connection	Y	Y	Y	Y
Wanting a site with basic facilities	Y	Y	Y	Y
Wanting more elaborate facilities			Y	Y
Wanting a prog. of events & organised activities			Y	Y
Accommodation users – potential profile – and availability of facilities	<i>General area visitors; groups; people with special interest in the camp</i>	<i>General visitors to the area; increasing number of groups</i>	<i>Higher %s interested in heritage; increasing number of specialist groups</i>	<i>Higher %s interested in heritage; increasing number of specialist groups</i>
Heritage centre (hut 1)	Y	Y	Y	Y
Military Memorabilia mus.	Y	Y	Y	Y
Self-guided heritage trail, interp. boards&digital app	Y	Y	Y	Y
Educational space (hut 46)	Y	Y	Y	Y
Indoor games hut (hut 41)	Y	Y	Y	Y
Arts and crafts businesses	Y	Y	Y	Y
Playing field facilities	Y	Y	Y	Y
Shop for basics		<i>Y (Officers' Mess)</i>	<i>Y (Officers' Mess)</i>	<i>Y (Officers' Mess)</i>
Gym	Y	Y	Y	Y
Café		<i>Y (Officers' Mess)</i>	<i>Y (Officers' Mess)</i>	<i>Y (Officers' Mess)</i>
Lounge/bar/meet space		<i>Y (Officers' Mess)</i>	<i>Y (Officers' Mess)</i>	<i>Y (Officers' Mess)</i>
Full heritage centre				<i>Y (Guard Block)</i>
Walking trails			Y	Y
Bike trails			Y	Y
Play areas			Y	Y
Full woodland activities				Y
ACTIVITIES				
Externally organised events (that could be marketed / operated by the external events organiser)	<i>Motor-bike rallies; re-enactments; open air concerts</i>	<i>Motor-bike rallies; re-enactments; open air concerts</i>	<i>Motor-bike rallies; re-enactments; open air concerts</i>	<i>Motor-bike rallies; re-enactments; open air concerts</i>
Events / activities organised and delivered by CDT / HG / CHSC (that could be scheduled in advance, packaged, publicised and booked)	<i>Tours; heritage days “Hands on History”; arts and crafts courses; environment courses; horticultural work parties</i>	<i>Tours; heritage dys Hands on History; environmental & arts/crafts courses; horticultural work parties; topical events e.g. tunnels / geophysics</i>	<i>Tours; heritage days “Hands on History”; environmental & arts/crafts courses; horticultural work parties; topical events e.g. tunnels / geophysics</i>	<i>Tours; heritage days “Hands on History”; environmental & arts/crafts courses; horticultural work parties; topical events e.g. tunnels / geophysics</i>

Delivery Plan

A detailed month by month timeline sets out a Project Delivery Work Programme (Attached 32) for the repair and refurbishment work:

- Development of RIBA Stages E to G;
- Client/community engagement at crucial stages;
- Preparation, submission and determination of building warrants;
- Advertisement and appointment of main contractors
- Cost and grant funding reviews;
- Grant funding review meetings;
- Site possession & starting on site;
- Completion;
- Commissioning & handover;
- Client/community review;
- Final accounting; and
- End of rectification period (12 months)

The outline project plan below provides a brief summary overview of the wider programme:

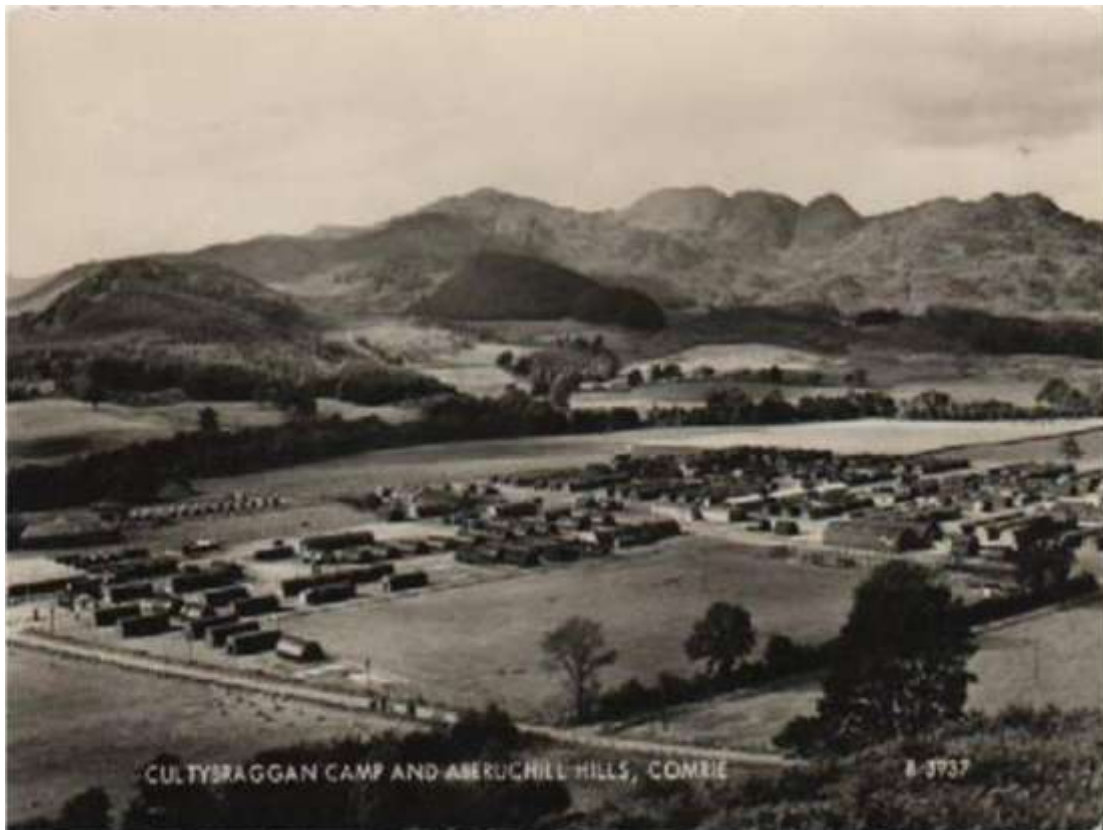
Table 8: Outline Project Plan

Activity	Duration / By when	Any key dependencies
AGM and election of Society Management Committee members	February 2016	
Bidding / award of match funding	HLF August 2016 HES & SSE August 2016	HES & SSE depend on tender prices and award of match funding.
Appointment of contractor	June 2017	Subject to all funding being in place
Accommodation refurbishment complete	December 2017	Programme detail – James F Stephen Architects
Final preparation of marketing, booking system,	Sept – Dec 2017	
Marketing and bookings system operational, staff training	Jan – Mar 2018	
Opening of accommodation to visitors	April 2018	
Delivery of HLF funded heritage activities	April 2017 – March 2018	
Ongoing enhancement of camp facilities and activities	Phase 2 Programme	Depends on staffing, grant sources, capital release and net surpluses from self-catering business.

5.2. Project Outcomes

Project outcomes for heritage

The main aims of the project are to preserve 11 listed buildings, within a historic environment of international significance, and establish an enterprise generating income to secure their future maintenance, to contribute to the broader conservation of the site, and provide community benefit to the local area.



Camp History

Three key ownership periods are meaningful locally, regionally, nationally and internationally.

1941-1948 – as a PoW camp, Cultybraggan housed 4,000 high security German PoWs from 1944 to 1948 when the last prisoners were released. Events of international importance including an infamous murder of a prisoner by other prisoners, escape attempts by German PoWs, and the involvement of Herbert Sulzbach who was an important figure in the establishment of pan-Europeanism. The camp's relationship with Comrie village is important to local history, but the camp is also one of the last sites of its type in the UK and Europe, with the potential to tell the whole story of PoW camps in Britain during a world war. The themes are timeless - love, faith, fear, hope, hate, conciliation, redemption and survival. Camp tours and storyboarding around the camp, museum spaces in the Guard Block, interactive exhibitions and educational resources will pick up these themes.

1948-2004 – the MOD used the camp for training regular, part-time and volunteer British Army units. Almost every famous regiment in Scotland spent time at Cultybraggan. Every international conflict involving the UK since the WW2 connects with Cultybraggan. Vietnam veterans were brought here and soldiers trained here before embarking for Northern Ireland. One of the huts contains a mural painted around 1980 and referencing the Troubles. The nuclear bunker, remains a symbol of the Cold War.

2005 onwards – Comrie people worked together through Comrie Development Trust to protect the camp from external control and development, and to use the site to benefit the community and area.

Improved heritage management and hut condition

The B listed huts for development are in serious need of repair and have deteriorated after being vacant for some 11 years. Their current condition, given their prominent position on the left side of the main entrance road, detracts from the appearance of the camp and first impressions for visitors. (Attachments 18 & 19)



Currently the huts are not being adequately maintained, given the Trust's limited working capital. There is a danger deterioration in the medium term to a point where restoration would not be viable. (Attachment 20) The works proposed will transform these buildings, originally designed to have a short life, into highly sustainable structures, whilst the lease terms include a maintenance plan which will safeguard the conditions produced by the renovation work. (Attachment 21) Management through Cultybraggan Heritage Self-Catering Society, backed by community shares, will give community shareholders the responsibility to deliver a business, which will generate the income to carry out this maintenance work (Appendix 5), and in doing so the opportunity to make sure their investment is protected.

This direct outcome can be readily evaluated by monitoring the condition of the properties post-restoration. The Heritage Centre project (SH-12-11676) carried out by the Trust was nominated for an award in the Glasgow Institute of Architects 2014 awards. An equivalent outcome for this project would be one measure of success. The estimated value of each hut following the restoration and conversion is projected to be £25,000, following a pre-repair value at £9,090 (Attachment 22 - Valuation Report, CKD Galbraith,).

An important element of the project proposal is also the Heritage Activity and Training Plan (Attachment 23) to significantly enhance heritage interpretation resources, going beyond what will be provided to people coming to stay in the self-catering accommodation, to materials for any visitors to the site (Attachment 24) with storyboards (Attachment 25) and audio trails (Attachment 26) to supplement the existing guided tours and self-guided heritage trail through the camp: creating and displaying a model of camp c1944 (Attachment 27); geophysics exploration to identify location of 3 escape tunnels (Attachment 28); "hands on history" educational materials and workshops; partnership working with 2 European communities sharing the POW heritage; a programme of open days; extending the current tour arrangements; and more formalised training of tour guides.

The self-catering accommodation and activity development also has local heritage significance as the first phase of a 10 year strategy to create a heritage visitor destination, including the conversion of the 4 A listed properties and a number of other Nissen huts for a variety of visitor purposes, including heritage exhibition, education, oral history recording and interpretation. The project will be able to offer accommodation for individuals and groups attending heritage education courses, whilst surplus income from the accommodation will provide investment both in extending that work and for the wider developmental programme.

Project outcomes for people

The planned interpretation resources will help visitors to learn about the heritage of the camp and the Comrie area. This will build on the existing exhibition in the Heritage Centre and the heritage trail through the camp, by adding an audio guide and Smart phone application. The programme of events, guided tours and talks will further enhance visitors' understanding of the significance of the site in heritage terms. The developing relationship with the University of Glasgow provides the prospect of visiting lecturers and researchers further enhancing the learning experience. The proposed links with similar sites in Europe, and their communities, will provide reciprocal opportunities for local people to learn about the heritage of other peoples. The learning experience can be assessed through several measures, including the number of study visits, attendance at events, feedback through social media, comments left in visitors' books (Attachment 29), and surveys of visitors and guests.

The learning experiences provided by the improvements at Cultybraggan Camp, including developments particularly directed at children and young people. These will involve a programme of school visits and study visits by interested groups, from Perthshire, the wider region and nationally – Cultybraggan Camp is just around an hour's bus journey for school and other groups from Glasgow, Edinburgh, Dundee and other parts of central Scotland. The existence of self-catering accommodation enhances the potential for groups from elsewhere in Scotland and the UK, and international groups, including from Germany, Poland, Italy and Austria (communities with historical links to the camp) to come and join activities and the educational experience. This will build on the tours already provided by local volunteers and the very successful 'Hands on History' sessions already established with schools in the local area. (Attachment 30)

The establishment of the project by a Community Development Trust (CDT) and its management through Cultybraggan Heritage Self-Catering Society Ltd (CHSC) both provide an opportunity to ensure that people will develop new skills. Participation in CHSC will also provide the opportunity for people to acquire new skills, e.g. administration, marketing, customer service, and an understanding of the heritage tourism market. The development of heritage interpretation resources and activities will give volunteers the chance to widen their skills, e.g. digital technology, managing web sites, researching and writing material, giving guided tours and talks on the heritage of the camp and area. The budget allows for training for volunteers (see Attachment 23 - the Activity Plan and Volunteer Training Plan)

The Heritage Group is also working with the University of Glasgow on increasing understanding of the significance of the camp and an initial connection has already been made with respect to similar heritage sites in Europe, and their communities. European funding is being sought, in conjunction with the University of Glasgow, to assist investment in the remainder of the camp. The volunteers will, in the process, gain new skills in education and languages. The Activity Plan proposes various means for volunteer training, including a study visit to the Imperial War Museum, National Archive at Kew, & other museums, as well as educational programmes associated with Yellow Badge accreditation. The intention would be to make volunteers more expert in tour guiding and oral history recording. This outcome can be evaluated by comparing the skills of the volunteers and contractors before and after the project phase.

One of the aims of CDT is local economic development and 'keeping the £ local' and it can be expected that CHSC will also aim, where possible, to procure service from local companies. Contract award in the repair and refurbishment programme will depend on the results of competitive tendering processes, but will provide opportunities for local businesses to bid for contracts. CDT already has substantial experience of commissioning and contracting of relatively large-scale projects on the Cultybraggan site (30 allotments, the sewage treatment, district heating system, road improvements) and would draw on this for the self-catering development work. The CDT approach and procedures with respect to minor jobs and competitive tendering for medium to large scale work are set out in the CDT Procurement Policy.

In the conversion of Hut 1 into the Comrie Heritage Centre, a local contractor undertook specialist training as part of the construction process. This new development would provide the potential to gain valuable specialist experience in Nissen hut work, including through additional apprenticeships, improving the skills base of the local building industry, and providing a foundation of experience to draw on for the subsequent repairs and maintenance programme and for the later phases in the development of the historic site.

Project outcomes for the community

The Trust's overarching purpose is "the long-term well-being of the community" (CDT vision) and to make Comrie and its surrounding area a better place for its residents and visitors. The business plan demonstrates that a profitable business can be developed. The purpose of Cultybraggan Heritage Self-Catering Society will be to maintain a viable business, holding whatever reserves are necessary to ensure sustainability, and then to donate surpluses to the Trust for projects to benefit the community. The Trust's own financial sustainability, and funding for camp conservation, maintenance and development will also benefit significantly from the Society paying rent and service charges.

The camp is home to community allotments, a community orchard, "Comrie in Colour" (the award winning Bloom organisation), providing space for community organisations, recreational activity and local businesses. All of these interests will be secured by an accommodation development, which places CDT in a more sustainable financial position. A wide range of projects are underway and planned, which will be supported through the generation of income from this project. Critically, this revenue raising project, and others like it, are essential to ensure that the camp can remain open as a community asset and employment area.

The business plan estimates that, whilst there will only be a small number of staff posts (manager, administrative assistant and cleaning staff) directly attributed to the self-catering development, there will be a substantial indirect impact on employment in the surrounding area and the local economy through the associated construction and maintenance work on the self-catering development at the camp and for local commercial and retail businesses, including other visitor resources from people coming to spend time at the accommodation there. The whole project would work in co-operation with current local visitor providers to deliver much of the activity to the mutual benefit of the community and local businesses. (Appendix 6)

Perth and Kinross Council's Local Development Strategy already designates Cultybraggan Camp as an employment site. The Camp is the location for 21 businesses with 45 employees. Perth & Kinross Council's 2014 Local Development Plan says "*Further employment areas are encouraged in the landward area at Cultybraggan Camp near Comrie*" and that "*It is recognised that community owned land at Cultybraggan has significant potential for development.....This will provide important opportunities for sustainable economic growth in a rural location.*"

The Council is now looking, within its revised Local Development Plan, to classify the Cultybraggan camp as a Simplified Planning Zone (SPZ) offering more flexibility to help existing businesses to grow and adapt in a sustainable way. The Council sees this as a way to encourage more investment, and new businesses to locate at the Camp, whilst preserving and enhancing its historic environment. This would require the establishment of policy for site environment and development, established through consultation involving the Council, Historic Environment Scotland, Comrie Development Trust and local people.

The longer term plan, through second phase of the Trust's ten-year strategy is to incrementally establish the camp as a major visitor destination, with heritage, social and economic benefit coming from an increase to substantially more than 50,000 annual visitors. This is an ambitious target, but reasonably calculated against relevant visitor statistics from elsewhere: The Secret Bunker, Fife 45,000; Auchingarrich Wildlife Park, Comrie 60,000; The Famous Grouse Experience, Crieff 85,000; The Italian Chapel, Orkney 100,000; and Eden (POW) Camp, North Yorkshire 160,000.

There is a sensitivity locally about the need to develop business and commercial uses at the community owned site, which respect the integrity of its history and heritage significance. The self-catering project seeks to do this by improving the appearance of a prominent group of listed buildings. Local people already derive satisfaction from showing visitors around the camp and interpreting the area's heritage. The project will enable this commitment to conservation and promotion of the site to be extended. The community's pride in their place will be enhanced by this project as many see themselves as guardians of this important historic environment. More people and a wider range of people will have engaged with heritage.

Environmental outcomes

Electricity to the huts will be supplied, in part, from the camp's Solar Photovoltaic array, thereby further reducing the project's environmental impact. The proposed design of the restored huts will also ensure that use of renewable energy is maximised by connecting them into the camp's existing biomass district heating system which uses wood chip fuel. The system was installed as one of several pilot schemes initiated by the Scottish Government. The alternative would be to install LPG boilers or electric heating. The Biomass Energy Centre estimates that an average house uses 20,000 kWh for heating and hot water. Where LPG is used, the carbon emissions would be 5180 kg CO₂ per annum and for wood chip would be 37 times less at 140 kg p.a. This project will therefore deliver significant carbon savings.

The connection of 11 huts, and the residential use of 10 of them, will provide a significant increase in heat demand, which will improve the efficiency of the system. It will, in the process, improve the viability of the system and increase the possibility of the network being extended further with huts being connected across the site. Increasing efficiency will bring down the cost for other businesses and users of the system. The Trust is also currently engaged in an exercise to establish funding for the work of consulting engineers, already identified after a tendering process, to map out the comprehensive modular improvement of camp infrastructure (electrical and broadband connection, freshwater and foul water disposal). This is another aspect of work in which the self-catering project would be the first phase of wider development.

Most visits to the camp are by car. In recent years the Ring of Bredalbane Explorer Bus route has included a stopping off point very close to the camp, but the future of this service is not guaranteed. This project will help to increase demand for this, and other bus services, given the increased visitors. Increased public transport services to the camp will help to reduce car trips and thereby reduce the environmental impact. Cycling by visitors will be encouraged by making provision for cycle storage. Work will also be undertaken to complete the pathway from village to camp, with improvements to establish a cycle path, and also to complete the access links to the bus service, currently reaching one-mile from the camp entrance.

Participation outcomes

Enhanced community engagement as one outcome of the self-catering developments will be sought both by CDT and CHSC. The share offer launch and promotion and the consultation process in relation to the self-catering unit designs and market proposals, has both brought the project to the notice of people in Comrie and elsewhere, but also involve them actively in contributing ideas, views and funding to the project. There will be continuing review and reference back to shareholders. This process of involvement builds on the history of community engagement by CDT and the involvement of its members in discussing and agreeing major developments over its years of existence.

Sustaining project outcomes

The key project outcomes for heritage concerning the preservation of 11 listed buildings will begin with their repair and internal modification. This will be sustained through the income from the self-catering business, and the financial capacity to deliver the maintenance plan, securing the long-term improvement of the external and internal condition of the units.

Wider heritage promotion will be sustained through implementing the Activity Plan and delivering interpretation resources for camp visitors, including developments particularly directed at children and young people. Maintaining that programme can rely on the involvement of committed volunteers in the Comrie Heritage Group, but also from the wide recognition that heritage conservation and promotion is an essential element of wider long-term camp development as a visitor destination.

The links between the self-catering development, the activity programme and the Phase 2 developments will all ensure the maintenance of outcomes for people, whether they are coming to stay in the self-catering accommodation, day visitors to the camp, local people employed in camp development or businesses, volunteers involved in supporting camp activities, or members of the local community using camp facilities.

The links across the different phases of project development will also help maintain the economic outcomes.

There is significant potential for skills gained within the self-catering repair and renovation programme to be reinforced, not only through the subsequent maintenance work, but also in a continuing repair/renovation programme across the rest of the site, designated by the Council for business development. This work will also include adherence to specified environmental outcomes, with the Trust's use of renewables further secured through the additional use of its solar and biomass energy by the self-catering development.

Finally, the Trust's own financial position will become more sustainable, alongside its ability to maintain a wide range of facilities provided for the local community, to play its part within the growing and strengthening network of Strathearn visitor providers, and to secure the integrated and cooperative approach which will deliver the heritage, people and community outcomes which will come from the various heritage, event, community and business/commercial planned for the community owned camp site.



Outcome evaluation

These outcomes can be evaluated through surveys of visitor numbers and surveys of their spending patterns, and local businesses before and after the self-catering units are launched. The environmental impact can be quantified by measuring the use of the district heating system, solar PV electricity, and recording public transport / walking and cycling use through surveys. The construction project will also be measured in terms of its use of low carbon building materials. The views of local people about the outcomes of the development will be established within local consultation exercises, and formally through the annual meeting of the Culttybraggan Heritage Self-Catering Society and the annual general meetings of Comrie Development Trust.

6. Financial Appraisal

6.1. Cost projections

Introduction to financial appraisal

All financial projections have been created on a cash basis. At the start of the delivery phase, the huts will require refurbishing and equipping. Capital estimates are in section 6.4. Prior to opening, there will be some additional (non-capital) one-off start up costs (excl VAT), currently estimated as:

Table 9. Start-Up Costs

Start-up Costs Estimates	
	Year 0
Pre-marketing costs	£5,950
Pre-Staffing (including training)	£2,500
Initial stock of consumables/small equipment	£1,000
Recruitment advertising (pre-opening)	£750
Staff costs	£4,800
Booking software purchase/licence	£5,000
Total start-up costs	£20,000

For the trading years, the financial modelling has focused on showing that the accommodation business will be able to reach a steady state sustainable position by year 5.

Projections for years 1-4 were have also been prepared, during which:

- Projected occupancy levels are lower;
- The Society is granted a “rent holiday” by CDT at least until year 4 (with discretion to waive rent for further periods);
- The Society may need a working capital loan.

Introduction to financial model

Following on from our initial recommendation of the preferred model being the 2 and 4 bed mixed use model (suitable for families, couples / groups), we have prepared an illustrative financial projection. The tables overleaf show in summary the initial financial projections for a 36 bed accommodation operation (2.5 huts with 2 X 2 bed; 6 huts with 4 beds; 1 hut with 2 bed fully accessible).

The main features of the financial projections are as follows:

- Good occupancy rates by year 5, in line with Perthshire commercial providers;
- Fixed costs are substantial, absolutely and also proportionately to number of beds (this is a relatively small accommodation business);
- Labour costs (management, front-line, administration) will need to “follow” seasonal business patterns to avoid staff being under or over-utilised;
- Certainly for the first year or two, the primary focus is on selling quality accommodation because the full package of facilities and activities that will comprise the Camp 21 “USP” will be yet to come on line;
- Operational management of the summer and winter seasons is likely to differ markedly, reflecting seasonality, and affecting operational decisions on priority customers (families and couples or organised groups), pricing, adoption of minimum lengths of stays etc;
- Margins are expected to be tight and will have to be managed professionally.

The accommodation business:

- Is expected to provide sufficient gross margin to pay for the fixed costs which not only include items such as planned maintenance / repairs and insurance but also provide for a rental payment to CDT and a return to CHSC shareholders;
- Must be marketed and managed in line with industry best-practice (and in line with customer expectations) in order to secure the necessary occupancy levels and fee levels per unit;
- Needs to have a fast start on marketing units to families / couples, using third party booking sites to boost interest, in order to minimise working capital requirements;
- Does not rely on volunteer effort. However volunteers will contribute to heritage activities.

Summary cash flow

The summary (Table 10) shows break-even from year 1, however a modest working capital loan may be needed to support cash flow initially. No inflation is included in the financial model.

The bottom line surplus is shown before and after rental payment to CDT. The reason for this is that the rental payment to CDT is discretionary – it will only be levied if the Society can afford to pay it.

The financial model uses calendar years although in fact opening is planned for April 2018.

Table 10: Summary cash flow for accommodation business

Cultybraggan Heritage Self Catering - Five Year Income Projection					
	Year 1	Year 2	Year 3	Year 4	Year 5
					Steady State
Income					
2 bed ensuite with kitchen:					
Unit occupancy %	34.0%	39.7%	45.3%	51.0%	56.7%
Price per unit pn ex VAT	£46.32	£46.32	£46.32	£46.32	£46.32
Income (2.5 units + accessible unit)	£34,894	£40,710	£46,525	£52,341	£57,500
4 bed ensuite with kitchen:					
Unit occupancy %	32.8%	38.3%	43.7%	49.2%	54.7%
Price per unit pn inc VAT	£65.52	£65.52	£65.52	£65.52	£65.52
Income (6 units)	£49,183	£57,380	£65,578	£73,775	£78,429
Total income all units	£84,077	£98,090	£112,103	£126,116	£135,929
Expenditure					
Total staffing (front-line, mngt, admin)	£20,213	£22,581	£24,950	£27,319	£29,688
Other costs/overheads	£44,209	£51,635	£59,006	£93,968	£103,465
Total overhead expenditure (inc staffing)	£64,421	£74,217	£83,957	£121,287	£133,153
Surplus	£19,656	£23,874	£28,146	£4,829	£2,776
Surplus before CDT rent (yr 4+)					£29,276

6.2. Income

Income assumptions

Trading years - The trading period is assumed to be grant-free. The income and occupancy assumptions are in line with the Perthshire market research (Appendix 4) and are summarised below.

Steady state year 5 - Table 11 projects performance at year 5, showing the movements of pricing and occupancy month by month for examples for the two bed and four bed units, with annual occupancy at 55% in line with the Perthshire average.

Table 11: Year 5 month by month for each 2 bed and four bed unit (showing income and occupancy assumptions)

Cultbraggan Heritage Self-Catering - Five Year Income Projections													
Season	Low	Low	Mid	Mid	High	High	High	High	Mid	Mid	Low	Low	
Year 5 steady state detail by month													
2 bed ensuite with kitchen:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Days per month	31	28	31	30	31	30	31	31	30	31	30	31	
For each 2 person ensuite with kitchen:													
Number of bookings	4	3.8	4	4	4	3	4	4	7	8	4	4	
Number of nights per booking	3	3	3	5	5.5	5.5	5.5	5.5	3	3	3	3	
Number of bed nights in total	12	11.4	12	20	22	16.5	22	22	21	24	12	12	
Unit occupancy %	38.7%	40.7%	38.7%	66.7%	71.0%	55.0%	71.0%	71.0%	70.0%	77.4%	40.0%	38.7%	
Price per unit pn ex VAT (group)	£41.67	£41.67	£45.24	£45.24	£50.00	£50.00	£50.00	£50.00	£45.24	£45.24	£41.67	£41.67	
Price per unit pn ex VAT (non group)	£41.67	£41.67	£45.24	£45.24	£50.00	£50.00	£50.00	£50.00	£45.24	£45.24	£41.67	£41.67	
Non-Group Take-up %	60%	60%	60%	70%	80%	100%	100%	100%	100%	80%	60%	60%	
Group Take-up %	40%	40%	40%	30%	20%	0%	0%	0%	0%	20%	40%	40%	
Income per unit (half a hut):	£	£	£	£	£	£	£	£	£	£	£	£	
Income - full fees ex VAT	£300	£285	£326	£633	£880	£825	£1,100	£1,100	£950	£869	£300	£300	
Income - group discounted fees ex VAT	£200	£190	£217	£271	£220	£0	£0	£0	£0	£217	£200	£200	
Total income ex VAT	£500	£475	£543	£905	£1,100	£825	£1,100	£1,100	£950	£1,086	£500	£500	
Total 6 units (5 x 2 bed + accessible unit)	£3,000	£2,850	£3,257	£5,429	£6,600	£4,950	£6,600	£6,600	£5,700	£6,514	£3,000	£3,000	
4 bed ensuite with kitchen:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Days per month	31	28	31	30	31	30	31	31	30	31	30	31	
For each 4 person ensuite with kitchen:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Year 5 steady state detail by month													
Income:													
Number of bookings	4	4	4	3	7	3	3	3	3	7	4	3	
Number of nights per booking	3	3	3	5.5	3	5	7	7	7	3	3	5	
Average number of guests (non-group)	12	12	12	16.5	21	15	21	21	21	21	12	15	
Occupancy based on units	38.7%	42.9%	38.7%	55.0%	67.7%	50.0%	67.7%	67.7%	70.0%	67.7%	40.0%	48.4%	
Price per unit pn ex VAT (group)	£56.55	£56.55	£65.48	£65.48	£71.43	£71.43	£71.43	£71.43	£65.48	£65.48	£56.55	£56.55	
Price per unit pn ex VAT (non group)	£56.55	£56.55	£65.48	£65.48	£71.43	£71.43	£71.43	£71.43	£65.48	£65.48	£56.55	£56.55	
Non-Group Take-up %	60%	60%	60%	70%	80%	100%	100%	100%	100%	80%	60%	60%	
Group Take-up %	40%	40%	40%	30%	20%	0%	0%	0%	0%	20%	40%	40%	
Income per unit:	£	£	£	£	£	£	£	£	£	£	£	£	
Income - full fees ex VAT	£407	£407	£471	£756	£1,200	£1,071	£1,500	£1,500	£1,375	£1,100	£407	£509	
Income - discounted group fees ex VAT	£271	£271	£314	£324	£300	£0	£0	£0	£0	£275	£271	£339	
Total income ex VAT	£679	£679	£786	£1,080	£1,500	£1,071	£1,500	£1,500	£1,375	£1,375	£679	£848	
Total 6 x 4 bed units	£4,071	£4,071	£4,714	£6,482	£9,000	£6,429	£9,000	£9,000	£8,250	£8,250	£4,071	£5,089	
Total All Units	£7,071	£6,921	£7,971	£11,911	£15,600	£11,379	£15,600	£15,600	£13,950	£14,764	£7,071	£8,089	

Table 12: Year Five – Steady State – Cash Flow

Summary cash flow – all units – Year 5 steady state													
Income:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2 bed ensuite with kitchen:													
Unit occupancy %	38.7%	40.7%	38.7%	66.7%	71.0%	55.0%	71.0%	71.0%	70.0%	77.4%	40.0%	38.7%	
Price per unit pn ex VAT	£41.67	£41.67	£45.24	£45.24	£50.00	£50.00	£50.00	£50.00	£45.24	£45.24	£41.67	£41.67	
Income 6 units (5x2 bed + accessible unit)	£3,000	£2,850	£3,257	£5,429	£6,600	£4,950	£6,600	£6,600	£5,700	£6,514	£3,000	£3,000	
4 bed ensuite with kitchen:													
Unit occupancy %	38.7%	42.9%	38.7%	55.0%	67.7%	50.0%	67.7%	67.7%	70.0%	67.7%	40.0%	48.4%	
Price per unit pn ex VAT	£56.55	£56.55	£65.48	£65.48	£71.43	£71.43	£71.43	£71.43	£65.48	£65.48	£56.55	£56.55	
Income 6x4 bed units	£4,071	£4,071	£4,714	£6,482	£9,000	£6,429	£9,000	£9,000	£8,250	£8,250	£4,071	£5,089	
Total Income All Units	£7,071	£6,921	£7,971	£11,911	£15,600	£11,379	£15,600	£15,600	£13,950	£14,764	£7,071	£8,089	
Expenditure:													
Total staffing (front-line, mngt, admin)	£1,904	£1,876	£1,904	£2,594	£3,004	£2,325	£3,004	£3,004	£2,957	£3,097	£1,904	£2,115	
Other costs/overheads	£8,239	£8,201	£8,307	£8,359	£9,608	£8,187	£8,636	£8,636	£8,908	£10,073	£8,239	£8,072	
Total overhead expenditure (inc staffing)	£10,143	£10,077	£10,211	£10,953	£12,612	£10,512	£11,640	£11,640	£11,865	£13,170	£10,143	£10,187	
Overall surplus	-£3,072	-£3,156	-£2,239	£957	£2,988	£866	£3,960	£3,960	£2,085	£1,594	-£3,072	-£2,098	
Cumulative surplus	-£3,072	-£6,228	-£8,467	-£7,509	-£4,521	-£3,655	£306	£4,266	£6,351	£7,945	£4,873	£2,776	
Surplus before rent to CDT	-£863	-£948	-£31	£3,166	£5,197	£3,075	£6,169	£6,169	£4,293	£3,802	-£863	£111	
Cumulative surplus before rent to CDT	-£863	-£1,811	-£1,842	£1,324	£6,521	£9,595	£15,764	£21,933	£26,226	£30,028	£29,165	£29,276	

6.3. Expenditure

Table 13: Accommodation operations – summary of all costs

Expenditure	Year 1	Year 2	Year 3	Year 4	Year 5
Direct cost analysis					
Total cleaning	£8,089	£9,437	£10,786	£12,134	£13,482
Total laundry	£3,170	£3,699	£4,227	£4,755	£5,284
Total direct costs (clean, laundry)	£11,259	£13,136	£15,012	£16,889	£18,766
NB staffing costs inclusive of NI, pensions.					
Staffing costs:					
Front-line staffing	£5,466	£6,377	£7,289	£8,200	£9,111
Management	£8,746	£10,204	£11,662	£13,119	£14,577
Admin / book-keeping £500/month	£6,000	£6,000	£6,000	£6,000	£6,000
Total staffing (front-line, mngt, admin)	£20,213	£22,581	£24,950	£27,319	£29,688
Other expenditure:					
Cleaning consumables	£1,429	£1,668	£1,906	£2,144	£2,300
Cleaning of common areas - if shared lounge/kitchen provided.	£0	£0	£0	£0	£0
Marketing (see detail overleaf)	£800	£800	£800	£800	£800
Website maintenance	£100	£100	£100	£100	£100
Booking agency fees (see detail above)	£6,306	£7,357	£8,408	£9,459	£10,195
Replacement furnishings / equipment (included in repairs)	£0	£0	£0	£0	£0
Repairs and maintenance (varies with number of huts)	£0	£2,425	£4,795	£8,255	£13,725
Wifi / phone/TV licenses	£2,500	£2,500	£2,500	£2,500	£2,500
Rates (assumed zero)	£0	£0	£0	£0	£0
Rent to CDT (from year 4)	£0	£0	£0	£26,500	£26,500
Service charge	£2,800	£2,800	£2,800	£2,800	£2,800
Insurance (buildings)	£0	£0	£0	£0	£0
Insurance (contents)	£4,000	£4,000	£4,000	£4,000	£4,000
Accountancy	£1,000	£1,000	£1,000	£1,000	£1,000
Recycling	£1,000	£1,000	£1,000	£1,000	£1,000
Book keeping / admin - included elsewhere in variable staffing.	£0	£0	£0	£0	£0
Share scheme admin	£0	£0	£0	£0	£0
Interest on shares (from yr 4)	£0	£0	£0	£0	£0
General office and site costs (inc PAT testing)	£2,000	£2,000	£2,000	£2,000	£2,000
Water and sewerage	£2,522	£2,943	£3,363	£3,783	£4,075
Utilities (H,L,P)	£8,492	£9,907	£11,322	£12,738	£13,705
Total overhead expenditure (inc mngt, front-line, admin staffing)	£64,421	£74,217	£83,957	£121,287	£133,153
Overall surplus	£19,656	£23,874	£28,146	£4,829	£2,776
Cum surplus	£19,656	£43,530	£71,676	£76,505	£79,281

Cost assumptions – accommodation operations

The key assumptions to note are that

- Front-line staffing and Management costs are variable with occupancy
- Laundry is assumed to be outsourced
- No inflation is included.
- Booking agency fees are 50% of revenue for 50% of bookings
- Repairs and Maintenance costs are from the Architects maintenance and repair schedule
- Rates zero based on discussions with the PKC Rates Officer
- Rent to CDT zero until year 4 to allow the Society to build reserves
- Water, Sewerage and Utilities costs all variable with occupancy
- Cleaning consumables - estimated costs based on discussions with a local accommodation provider
- Wifi/phone/TV licenses - estimated based on July 2015 business plan
- Service Charge - CDT Service Charge based on covered area of huts of the entire camp. charge is currently £0.48/sq ft ex VAT and covers security, caretaking, grounds maintenance, street lighting, and long term maintenance (roads, sewage system)
- Insurance buildings - Self insured by CDT
- Insurance contents - Estimated costs based on discussions with CDT insurance broker
- Water and sewerage - Estimated cost based on CDT re-charges to existing Cultybraggan camp owners and tenants
- Utilities - Covers electricity and space heating/hot water from the CDT biomass boiler. Estimated costs based on CDT re-charges to existing Cultybraggan camp owners and tenants
- General office and site costs (including PAT testing) - Estimated costs covering recruitment, bank charges, office consumables, postage, subscriptions, and PAT testing (105 appliances at £2/unit)

Reserves Policy

A prime aim during the first three years of trading will be to build up a Reserves fund for the Society designed to even out future peaks in expenditure and to absorb any unexpected financial demands. The overall reserves fund would incorporate a shares redemption fund, a sinking fund for future planned and unplanned maintenance, and a general contingencies fund. Assuming income to be at least as forecast the intention would be to progressively accumulate a fund of £30,000 over the first three years which would be maintained with inflationary allowance thereafter.

Sensitivity Analysis – Accommodation Operations

The key variables influencing profitability are those of rental pricing and occupancy levels with a strong degree of interdependency between the two.

Rental pricing has been factored in at what is believed to be achievable seasonally adjusted levels following a market study of the self-catering market in Perthshire taking in a wide variety of accommodation types.

The base case financial model has adopted what is believed to be a realistic but cautious view of potential occupancy levels based on the detailed Visit Scotland data on seasonal average self-catering letting levels experienced by the industry.

The consequences of variations to pricing and occupancy have been tested using the financial model examined and the resulting conclusions are set out in table 14 below

Table14: Sensitivity Analysis

Sensitivity Options	Detail	Result
Changes to pricing	Variations to cost per unit, by season and by type of unit, 2 bed, 4 bed, accessible	The pricing has been set at a conservatively achievable level and should not be permitted to drop further. Higher prices could be achieved if the general market is buoyant and / or the depth / breadth of facilities and services on the Cultybraggan site improves.
Changes to occupancy	Variations to occupancy levels, by season and by type of unit, 2 bed, 4 bed, accessible	The occupancy levels allowed within the financial model are currently set at a target level being the minimum necessary for financial sustainability from year 5. Effective marketing coupled with the establishment of a quality reputation during the early years would promote increases. Years 1 to 4 could absorb a reduction of up to 5% but this would have a detrimental effect on the ability to build reserves. A 5% reduction in unit occupancy from year 5 (to 50.4%) would result in an overall deficit of £2,928 which would reduce the rent payable to CDT. A 5% increase in unit occupancy from year 5 (to 60.4%) would result in an overall surplus of £8,479. (ref. appendix 9)
Changes to number of accommodation units	Variations to capital cost and surpluses based on varying number of accommodation units.	The project is financially unsustainable below 8 accommodation units (ref appendix x). This becomes even more financially unsustainable if HES reduce their grant contribution pro-rata to the number of huts renovated (ref appendix 10 and 11)
Changes +/- 10%/20% on income or expenditure	See table below	Accommodation operation can survive a drop of 10% in income or rise of 10% in expenditure provided increased working capital funds are available in the early years (prior to surpluses being generated). This robustness relies on flexible staffing for Front-Line and Management being implemented to avoid fixed cost.

Table 15: Effect of significant reductions / increases on income / costs on the overall surplus

Sensitivity analysis	Year 1	Year 2	Year 3	Year 4	Year 5
Baseline income ex VAT	£84,077	£98,090	£112,103	£126,116	£135,929
Baseline expenditure (inc CDT rent)	£64,421	£74,217	£83,957	£121,287	£133,153
Baseline surplus (inc CDT rent)	£19,656	£23,874	£28,146	£4,829	£2,776
Baseline surplus (before CDT rent)	£19,656	£23,874	£28,146	£31,329	£29,276
Cum surplus after CDT rent	£19,656	£43,530	£71,676	£76,505	£79,281
Cum surplus before CDT rent	£19,656	£43,530	£71,676	£103,005	£132,281
Effect on cum surplus before CDT rent of:					
+10% on income	£28,064	£53,339	£82,887	£115,617	£145,874
-10% on income	£11,248	£33,721	£60,466	£90,394	£118,688
+10% on expenditure	£13,214	£36,108	£63,281	£90,877	£118,966
-10% on expenditure	£26,098	£50,951	£80,072	£115,134	£145,596
+20% on income	£36,472	£63,148	£94,097	£128,229	£159,467
-20% on income	£2,841	£23,912	£49,256	£77,782	£105,095
+20% on expenditure	£6,772	£28,686	£54,885	£78,748	£105,650
-20% on expenditure	£32,540	£58,373	£88,468	£127,263	£158,911

6.4. Total Project Costs and Income

Table 16a : Total project cost and income (illustrating potential funding gap)

Cultybraggan Capital Cost Estimate - 11 Huts Based on QS Cost Update 6.7.2016		
Repair and Improvement Works		Totals
Works costs including inflationary allowances to 2nd Qtr 2017 tender date		
Repair Work	£214,560	
Contingency @ 10%	£21,456	
		£236,016
Improvement Work (incl furniture)	£450,264	
Contingency @ 5%	£22,513	
		£472,777
Inflation @ 5.93%		£42,002
Total Repair & Improvement Work incl contingency & inflation pre VAT		£750,795
Professional fees - Delivery stage - Pre Vat		£66,145
Loose furnishings and equipment		£20,000
Total Project Capital Required incl. professional fees (excl. VAT)		£836,941
Proposed Savings		
Minimise internal improvements to hut 29	-£25,480	
Procure loose furniture through direct client purchase	-£7,000	
		-£32,480
Other Costs to be Funded		
Heritage activity delivery	£40,000	
Accommodation pre-start costs	£20,000	
		£60,000
Total Project Funding Needed		£864,461
Funds earmarked	Stage 1 Appl.	Max Possible
HLF	£294,700	£638,916
HES	£108,810	£108,810
SSE	£36,300	£36,300
Community shares £27,525 - £12,700	£14,825	£14,825
Project income	£454,635	£798,851
FUNDING GAP	-£409,826	-£65,610
Note: All costs exclusive of VAT as 100% recoverable		

Table 16b: Conservation Deficit Calculation

Conservation Deficit Calculation		
Starting value of property		£100,000
Conservation		£214,560
New build		£450,264
Other capital work		£0
Furnishings and equipment		£20,000
Finance		£0
Sub-total (capital costs)		£684,824
Fees (excluding development phase)		£66,145
Contingency rate - conservation:	10%	
Contingency rate: new build	5%	
Contingency - conservation:		£21,456
Contingency - new build:		£22,513
Total contingency:		£43,969
Inflation @ 5.93% of capital		£42,002
Proposed Savings		-£32,480
Sub-total (capital costs) PRE VAT		£804,461
Developers return @ 10% (of capital costs, fees, contingency and inflation)		£80,446
Total capital costs PRE VAT		£884,907
Final value of property		£275,000
Increase in value (final value – starting value)		£175,000
Conservation Deficit (total capital costs less increase in value)		£709,907
H.E.F. Delivery Grant as % of conservation deficit		90%
Max possible HLF HEF grant		£638,916
Heritage Enterprise Grant required (Delivery Grant)		£638,916
Other contributions:		
Applicant contribution		£0
HES		£108,810
SSE		£36,300
Community shares		£14,825
Shortfall (excl. heritage activity&Pre start costs)		£86,056

Table 17: Projected Cash Flow Profile – Delivery Stage

Item	Estimated		Predicted Cash Flow			Notes
	Totals		2016/17	2017/18	2018/19	Financial Years
Contract Works	£750,795			£732,025	£18,770	2.50% Retention
Professional Fees	£66,145		£11,500	£54,565		7.50% post contract admin
Loose Furnishings and equipment	£20,000			£20,000		
	£836,940		£11,500	£806,670	£18,770	

A detailed cash flow forecast is included at Appendix 12

Financial strategy

The market study conclusions that the accommodation model should move away from bunkhouse units to four-star standard self-contained accommodation, with a mix of units for up to 2 people and up to 4 people, added significantly to the capital cost of repair and refurbishment. With these capital costs becoming substantially above the levels identified previously for grant funding, Comrie Development Trust drew up a Financial Strategy, seeking to bridge the funding gap. This strategy (Attachment 33) involved grant applications to major funders, which can provide grant funding of over £100,000, smaller regional funders, with potential to offer financial support up to £50,000, and military trusts/charities, which might have a special interest in funding a Cultybraggan development, and had stated that they could offer funding support to community organisations. Applications for funding were made to a wide range of organisations within these groups without success.

Work was also carried out in relation to the capital spend proposals, and cost estimates broken down for each unit (Attachment 34). The capital cost of repair works to the unit structures had remained the same as the market model had changed, with the internal renovation and fittings the capital increase. An examination was carried out of the consequences of reducing the number of units in the project, and the number of huts available for self-catering accommodation. This resulted in a loss of economies of scale in the capital development and a loss of revenue to the self-catering business, both of which suggested this option was unviable. That strong advice, received from the architect and QS, was that the capital costs had already been rigorously limited, and could not be further reduced without unduly compromising the requirements of the proposed accommodation model.

Reviewing all of the features included in the Development Appraisal (Attachment 35), the conclusion reached was to continue to seek to pursue the self-catering model, which reflected the market study, and is able to deliver the heritage and other outcomes identified above.

7. Governance, Management and Staff

7.1 Governance

The project management group has Comrie Development Trust Board Directors and Cultybraggan Heritage Self-Catering Society Management Committee members. Reference to the full CDT Board and CHSC Management Committee is made as required, e.g. Memorandum of Understanding. Section 2.1. Sets out the groups involved with this project and their roles.

The consultation meetings concerning the market study and its analysis, and the consequential design changes all involved good representation from the Board, Comrie Heritage Group members, and before concluding the process from Society shareholders. The CHSC Management Committee and the CDT Board discussed and approved the Business Plan on 10 August 2016 and 22 August 2016 respectively.

During the refurbishment phase, the Project Management Group, which has already been in existence for some months, in conjunction with the architect, and working through a planning and project manager, will have the responsibility of overseeing the commissioning and construction process and monitoring of the use of capital grant, again referring to the CDT Board and CHSC Management Committee when necessary.

Once the accommodation is open, the CDT Board and CHSC Management Committee CDT joint Project Management Group will change to become a joint CDT-CHSC Liaison Group, initially meeting regularly to deal with any estate and operational issues with mutual implications and requiring joint attention. When, in due course, the self catering service is well established and arrangements are fully in place, the Liaison Group will continue to meet at least six monthly to monitor the workings of the Memorandum of Understanding and Lease terms, including the arrangements for transfer of the surplus between CHSC and CDT and its use in community benefit.

7.2 Management and Staffing

The baseline staffing for CDT has been covered in section 2.1, where reference was also made to CDT seeking funding for a Project Planning and Development Manager to provide contract management in relation to the self-catering, and carry out planning and implementation tasks in relation to the wider development of heritage resources and complementary facilities at the site. It is intended to have the Planning and Project Manager post in place for the delivery phase of the self catering development. Funding applications have been completed for submission at the end of August for Perth and Kinross LEADER funding and for grant assistance from the Architectural Heritage Fund, along with an application to the Big Lottery Awards for All fund. The application has already passed the LEADER Expression of Interest stage.

Additionally, as in line with the overall strategy for the development of Cultybraggan Camp as a major visitor destination, centrally focused on heritage resources, and the initial aim of delivering a successful self catering project, CDT will seek grant funding for a heritage activity and events Organiser. Finally, significant amounts of the staff time of the CDT Finance Officer and Estate Manager will be taken up with the self catering refurbishment programme.

Shared Trust and Society premises in the existing CDT offices (Huts 3 and 4, Cultybraggan Camp) would accommodate the staff employed to manage and service the self-catering accommodation, and staffing arrangements would involve:

- A self catering service manager, a part-time bookkeeper, and cleaning/support staff;
- Trained back-up staff/bank staff to cover for absence and/or unexpected peak demand/emergencies;
- Using annual hours contracts (or similar) so staffing levels follow business volumes;
- Hourly pay rates for staff at or above living wage;
- Use of Board Members or other selected/trained volunteers for occasional back-up on call duties;
- Overnight security provided via existing camp camera network and an on-call 'phone facility.

Consideration was given to the night security, and it was concluded that the camp gates and security camera system in place would provide adequate safeguards, without the need for costly through the night wardens.

When the accommodation becomes operational, the staffing budget will be as follows (excluding cleaning and laundry which will be contracted out).

Table 18: Staffing budget by year for accommodation (excl contracted out cleaning and laundry)

NB staffing costs inclusive of NI, pensions.		Year 1	Year 2	Year 3	Year 4	Total Yr 5 steady state
Staffing costs:	Pay Rate					
Front-line staffing	£10 / Hr	£5,466	£6,377	£7,289	£8,200	£9,111
Management	£16 / Hr	£8,746	£10,204	£11,662	£13,119	£14,577
Admin / book-keeping	£500/Month	£6,000	£6,000	£6,000	£6,000	£6,000
Total staffing (front-line, mngt, admin)		£20,213	£22,581	£24,950	£27,319	£29,688

A decision will be taken, in line with the Memorandum of Agreement, about whether accommodation staff will be employed by CDT or CHSC, and whether hours will be done by one or more post-holders. This will depend on the nature of complementary developments at Cultybraggan Camp, and whether greater efficiency and cost effectiveness can be gained by sharing staff, who might be carrying out similar tasks for both CHSC and CDT, such as taking bookings for self-catering accommodation and heritage or other events, cleaning both accommodation and exhibition spaces, or fulfilling managerial functions. Each of the two bodies will be able to decide in future whether individual staff sharing arrangements meet their own separate requirements and objectives. Broadly, the duties to cover are as shown below.

Table 19: Accommodation staffing responsibilities (proposed)

Front-line staffing	Management	Admin / book-keeping
On site assistance / trouble-shooting where needed; Checking standards of cleaning; Meeting requests e.g. welcome hampers, cots; Minor fixes e.g. bulbs, appliances; Volunteer liaison; Visits to view accommodation; Liaison with other Cultybraggan users; Detailed group arrangements; Tasks delegated by manager; Emergency on call rota.	P&L responsibility; Reporting to CHSC Board; Pricing decisions inc large groups; Liaison with activity organisers re integrated packages; Cost control; Marketing and promotion; Policies; Complaints; Standards; Overall performance (cleaning, laundry); Financial projections; Volunteer liaison; Reporting to funders; Health and safety; Line management; Tel enquiries; Major repairs; Scheduling of planned preventative maintenance / major repairs; Emergency on call rota.	Accounts; Booking system; Tel enquiries / bookings / amendments; Purchasing; Maintenance contracts; Detailed contract performance (cleaning, laundry); Equipment servicing / PAT testing; Web site; Booking engines; Unit information packs including all instructions for operating heating, appliances etc; Tasks delegated by manager; Emergency on call rota.

Table 20:

Cultybraggan: SKS Marketing Budget		
Set up costs	£	Details & Assumptions
Branding (logo)	200	To use on all marketing material (signage, website, flyers etc)
web site	2500	
Visit Scotland free listing	0	
PR	1000	To write 2 press releases and distribute to national, local & industry press
Advertising	1000	
Signage	750	Road and site signage
Design & Print Flyers	500	
Total	5950	
Annual costs		
on-line booking engine e.g. freetobook.com		£1 per successful booking
3rd party booking platform e.g. booking.com		15% of booking fee
Social Media (Facebook boosting)	100	Manager or volunteer can provide social media skills?
Attend target market functions	200	e.g. military group events & fairs (eg Malvern Military Convention)
Advertise in target market magazines & websites	500	e.g. walking/military group
Total	800	

7.3 Volunteers

Whilst the accommodation service will not require support from volunteers, it is planned that volunteers should play a key role in associated developments. (See volunteer training plan in activity plan).

Some 20 volunteers are regularly involved through being members either of the Board, Heritage group, or Estate Management group (see section 2.1.). A considerable number of additional volunteers are also involved in supporting the maintenance of the Cultybraggan Camp estate.

Initial oversight, governance functions and decision-making will be carried out by the Joint Project Group, involving volunteer members of the CDT Board and CHSC Management Committee. Other functions in the delivery phase will be split between:

Comrie Development Trust

The Board – overall strategy and Trust finances

Finance Group – funding, financial planning and financial management

The Heritage Group – visitor resources, activities and events

Estate Management Group – site management, infrastructure, caretaking and security.

Cultybraggan Heritage Self-Catering Society

Management Committee – responsibility for planning, marketing and operating the accommodation.

The Society business has investment through 213 community shareholders. The first annual meeting of these shareholders, held in February 2016, completed elections to the Management Committee of Cultybraggan Heritage Self-Catering Society, and its Committee members have been active since its first meeting in March 2017. These volunteers will be responsible for developing the business pre-launch, e.g. recruiting staff, procuring suppliers, marketing, and other tasks.

7.4 New Organisations and Special Purpose Vehicles

The relationship and joint working arrangements between CDT and CHSC have been set out and agreed in the Memorandum of Understanding, and the Lease terms.

The self-catering business will be operated and managed by Cultybraggan Heritage Self-Catering Society Ltd, a Community Benefit Society registered with the Financial Conduct Authority in April 2015.

The Society will lease Cultybraggan units 29 to 39 from the Trust on a furnished and full repairing and insuring basis for renewable 10 year periods.

A Community Benefit Society (CBS) is an incorporated legal form ideally suited for community-run business ventures; with the Management Committee elected from amongst the shareholders, and accountable to those shareholders through their annual meeting. It can provide community members with a unique opportunity to become both shareholder investors in their enterprise, and have a direct say in how the business is run. Each shareholder has one vote – no matter how many shares she/he holds.

The current members of the society became shareholder investors in the enterprise by purchasing community shares during a share offer held in October and November 2015. Whilst the share promotion concluded at that time, share purchase is still available.

The Rules of the Society have the following key features:

- Minimum shareholding of one £25 share;
- Members are over 16 years of age;
- Minimum of 60% of members to be resident in the Comrie area;
- Shareholders become members of the Comrie Development Trust (Associate Members if they live outside the area).

The Rules of the Society, which followed the format created and recommended by the Plunkett Foundation, provide for the Society Management Committee to have up to 9 members elected by and from shareholders, and up to 3 members as representatives appointed / nominated by the Comrie Development Trust.

The Trust and the Society have a common interest in securing the future of the camp in finding uses for and refurbishing and converting vacant Nissen huts, ensuring the success of their use, and by generating revenue from that use for re-investment at the camp and in community benefit for Comrie and the surrounding area.

The new Society will take possession of the refurbished Nissen huts upon satisfactory completion of the contract works, overseen by Comrie Development Trust. The Society Management Committee will have the primary responsibility for ensuring that the business develops soundly and is well-run and profitable.

The Society intends to recruit an experienced Manager to oversee the running of the accommodation. The Manager will report to the Management committee of the Society, which is, in turn, responsible to the Shareholders / Members.

Comrie Development Trust will continue to manage the implementation of the supporting heritage interpretation resources and events programme.

Membership Engagement Strategy

It is intended to engage both Society members, and the wider community in the development of the accommodation business itself, and Cultybraggan Camp. Volunteers from amongst the Society's members, and the wider community, will be welcome and encouraged to participate in ancillary activities linked to developing Cultybraggan as a visitor attraction. In particular there is scope to involve volunteers in continuing the research and development of the site's heritage and in providing heritage interpretation to visitors, through guided tours, organisation of re-enactment events, giving talks, etc. The Heritage Lottery Fund is being asked to contribute funding towards the training for volunteers to give them the necessary skills to deliver this programme over the coming years.

It is also intended to establish regular communication with members through an e-newsletter and social media, updating them on new initiatives, special offers, events, etc. This will not only help non-resident members to feel part of the on-going project, but will help market the accommodation to an important repeat customer base.

Community Shares

The Society Rules provide for the continued health of the business to be the main concern of Management Committee members. It is therefore important that the Society has sufficient working capital and reserves. Its main purpose is to benefit the community and therefore net profits can only be distributed to:

- a general reserve for the continuation and development of the Society;
- expenditure in carrying out the Society's objects;
- making payments to the Comrie Development Trust for use in accordance with its charitable objectives.

In order to maintain liquidity in the business, shares may only be withdrawn at the sole discretion of the Management Committee with the following main provisions, that:

- Withdrawal will only take place after a minimum of 3 years or such other period as the Management Committee decides;
- There should be 3 month's notice given of a withdrawal;
- The Management Committee may specify the maximum total withdrawal each year;
- The Management Committee may (but is under no obligation) pay interest on shareholdings;
- The rate of interest is determined by the Management Committee, but must not exceed 2% above the Bank of England base rate.

The Management Committee will endeavour to ensure that sufficient liquidity is built up through accumulated reserves to allow for member withdrawals from Year 3 onwards, subject to the provisions outlined above. The Society is also open to new members, to build up the share capital.

Member Returns

As described above, the Society may pay members interest on their shares, at the discretion of the Management Committee, and subject to the financial performance of the business. The current financial projections include an allowance for interest payments from the third year of trading, estimated on the basis of 3% of total share capital. It should be noted that this is an indicative projection only, and any actual interest payments will depend upon the needs of the business being satisfied first.

Formal relationship between CDT and CHSC

The nature of the relationship between CDT and CHSC, and their respective roles and responsibilities, have been agreed between them, and are defined in their Memorandum of Understanding and Lease terms, which deal with both normal working arrangements and with performance and financial shortfall.

Whilst the current Joint Project Group provides the forum for CDT Directors and CHSC Management Committee members to meet regularly and initial planning, financial and project development issues, a Joint Liaison Group will have the role, after the handover of the properties, to deal with initial operational issues of mutual concern and which require joint discussion and agreement, and in relation to later issues through meeting at least six monthly thereafter.

Examples of matters to be discussed and agreed by the Joint Liaison Group on the basis of the Memorandum of Understanding might include:

- Issues in relation to any staff jointly employed;
- Promotional and marketing material related to both self catering development and other Cultybraggan Camp facilities and activities;
- Joint booking arrangements for camp events and resources, and self-catering accommodation;
- Problems being caused by self-catering residents or other camp users or visitors to one another;
- Resolution of questions about responsibilities for major repairs to self-catering units;
- CHSC budget surpluses and their transfer and use for community benefit.

8. Assessing risk

In planning the development, the need to identify risks and the potential impact is well recognised, along with the importance of identifying individuals or organisations to “own” the risk, and of identifying potential courses of action to mitigate the risks.

The self-catering project has been scrutinised for risk, with a Risk Register established (Attachment 36) to identify the risk owner responsible for the particular issue, for which the risk register gives a brief description and attaches a risk level. The register (Appendix 7) also notes the potential consequences of the risk, and the control measures which may require to be taken to deal with it.

It is intended that the risk register should be used for the purposes of operational management, updated at review points and assessed for the outcome in relation to particular issues.

9. Monitoring and evaluating the project

9.1. Monitoring

As outlined in the programme for Delivery Phase, once the accommodation is open, the CHSC Management Committee (including its CDT Board representation) will require monthly reports on the performance of the accommodation, comparing projections and revenue estimates with the actual position, including:

- Bookings to date;
- Sales prices achieved;
- Pipeline of bookings;
- Performance against budget and commentary on variations;
- Complaints and compliments;
- Progress on planned maintenance on the huts;
- Health, safety and security incidents; and
- Risk register.

For the accommodation, monitoring will also include annual tracking and comparison of pricing of comparable 4 star self-catering accommodation. Whilst this can be difficult due to discounting from published prices, other proxies for market demand and seasonal trends will also be used such as tracking pricing of accommodation by the large providers including Travelodge and Premier Inn.

In addition, local, area and regional scheduled events, festivals and concerts will also be tracked and decisions will be made about market pricing in advance of these events.

9.2 Evaluation and Review

The accommodation will undergo full evaluation and review annually, on the basis of the Project Evaluation Plan (Attachment 37), with visitor reaction monitored weekly through:

- On-line write ups including Trip Adviser;
- Departure feedback sheets;
- Follow up emails to visitors;
- Logs of complaints / compliments.

There will also be routine monitoring and greater intervals through analysis of:

- Patterns of repeat bookings;
- Surveys aimed at understanding how visitors made the choice to stay in the accommodation (e.g. price, location, activities on site, activities off-site, style / layout of accommodation etc).

Governance arrangements

Regular reports on the data produced by the monitoring exercises will be presented and considered by the Management Committee of Cultybraggan Heritage Self-Catering Society Limited, which will also be routinely receiving Profit and Loss Reports and specific booking, financial and staffing reports as required. The Management Committee will also be formally reporting on all of these issues to an Annual Shareholders Meeting, as required in its Rules, with its accounts independently audited.

This same process of independent audit will continue to occur, as already well established, with Comrie Development Trust. The CDT Board will also have its regular opportunity at its monthly meeting, to receive financial reports, including reference to the financial performance of the self-catering business, and any other relevant matters concerning the self-catering development. Any immediate site issues will be picked up by the weekly meeting of the Estate Management Group

In addition to these other governance routes, the Joint Project Group will monitor and review progress.

10. Organisational impact

The project is part of a broader programme backed by a 10 year vision to develop the Cultybraggan site including facilities, activities and events for visitors as well as local residents, leading to income generation and the use of any surpluses for ongoing community benefit (in line with the governing documents of the CDT and the Society).

In the event of wind up, assets would be transferred to another not-for-profit organisation. The Society Rules do not allow any possibility of sell-off for personal / shareholder gain.
























The accommodation project will be operated at break even or better after all costs have been met (including preventative maintenance on the huts). Any available surplus from the accommodation will be passed to the CDT to help fund investment delivering community benefit, including potentially the ongoing development of the site.

The accommodation project does require dedicated time and attention from knowledgeable board members and potentially from additional experienced volunteers (e.g. finance, hospitality, marketing). The CDT and CHSC Boards are required to recognise and deal with the impact on wider site development because of the limitations on the capacity of Board members and skilled volunteers. However, once open, the accommodation project does not rely on volunteers to do cleaning, laundry or administration of accommodation bookings.



























The overall programme to develop the site will gain momentum by having the visitor accommodation on-site. Whilst the accommodation will be primarily marketed to general visitors, it will be available with specially targeted marketing to any visitors individually or in groups who have a specific interest in the site and its heritage, or are intending educational or other events on-site or locally and organisations wishing to bring groups to stay the site for outdoor activities. The availability of the accommodation will help boost numbers at the planned heritage and other events / activities and can be used by visiting researchers.

When the visitor accommodation can demonstrate a successful level of bookings, with positive visitor responses and effective management, this will further enhance funding applications for the continuing development programme of Comrie Development Trust.

Attachments List 1

-  1 HE 14-09163 CDT Business Plan Cultybraggan Self Catering 26.8.16.doc
-  1 HE 14-09163 CDT Business Plan Cultybraggan Self Catering.doc
-  Att 1 HE 14-09163 CDT Business Plan Cultybraggan Camp 2007 Land Registration.pdf
-  Att 2 HE 14-09163 CDT Business Plan CDT-CHSC Memorandum of Understanding.doc
-  Att 3 HE 14-09163 CDT Business Plan CDT-CHSC Self Catering Lease Heads of Terms.doc
-  Att 4 HE 14-09163 CDT Business Plan Cultybraggan Camp – Site Plan – Property Numbers.pdf
-  Att 5 HE 14-09163 CDT Business Plan Cultybraggan Camp A & B Listed Properties Map.jpg
-  Att 6 HE 14-09163 CDT Business Plan Green Huts Green Hills Cultybraggan 2011 Dunira Business Case.pdf
-  Att 7 HE 14-09163 CDT Business Plan Cultybraggan Camp Heritage Self Catering Location.png
-  Att 8 HE 14-09163 CDT Business Plan Share Offer Prospectus Document.pdf
-  Att 8 HE 14-09163 CDT Share Offer Prospectus Word text version.doc
-  Att 9 HE 14-09163 CDT Business Plan Market Study.doc
-  Att 10 HE 14-09163 CDT Business Plan SKS Occupancy Research Notes.doc
-  Att 11 HE 14-09163 CDT Business Plan Visit Scotland Occupancy Report 2014.pdf
-  Att 12 HE 14-09163 CDT Business Plan Visit Scotland Occupancy Survey 2014 - Self-catering data.pdf
-  Att 13 HE 14-09163 CDT Business Plan Market Study Data.xls
-  Att 14 HE 14-09163 CDT Business Plan Visit Scotland Grading Scheme.pdf
-  Att 15 HE 14-09163 CDT Business Plan Cultybraggan Self-Catering - Things To Do.pdf
-  Att 16 HE 14-09163 CDT Business Plan Cultybraggan - Scheme Design Proposals.pdf
-  Att 17 HE 14-09163 CDT Business Plan Cultybraggan Self-Catering - JFS Unit Designs.pdf
-  Att 18 HE 14-09163 CDT Business Plan Photos of Hut 39 - Exteriors As Existing.pdf
-  Att 19 HE 14-09163 CDT Business Plan Photos of Hut 39 - Interior As Existing.pdf
-  Att 20 HE 14-09163 CDT Business Plan Design & Access - Heritage Statement.pdf

Attachments List 2

-  Att 21 HE 14-01963 CDT Business Plan CHSC Maintenance Schedule.docx
-  Att 22 HE 14-09163 CDT Business Plan CKD Galbraith Valuation Report.pdf
-  Att 23 HE 14-09163 Cultybraggan Heritage Activity & Volunteer Training Plan 26.8.16.doc
-  Att 24 HE 14-01963 CDT Heritage Activity Plan Appendix 3 Camp 21 Booklet.pdf
-  Att 25 HE 14-09163 Activity Plan Appendix 4 - CDT Consultation Report.doc
-  Att 26 HE 14-01963 CDT Activity Plan Appendix 7 Design Access and Heritage Statement.pdf
-  Att 27 HE 14-01963 CDT Activity Plan Appendix 9 - Digital Interpretation.pdf
-  Att 28 HE 14-09163 CDT Activity Plan Appendix 12 MAKLab Proposal and Quotation.pdf
-  Att 29 HE 14-01963 CDT Heritage Activity Plan Visitor Comments.docx
-  Att 30 HE 14-01963 CDT-CHSC Volunteer Hours & Costs 2015-2018.doc
-  Att 31 HE 14-09163 CDT CHSC Business Plan Marketing Plan.doc
-  Att 32 HE 14-09163 CDT Business Plan Project Delivery Work Programme.xls
-  Att 33 HE 14-01963 CDT Business Plan Cultybraggan Self Catering Fundraising Plan.doc
-  Att 34 HE 14-01963 CDT Cultybraggan Summary 6th July - QS Cost Plan.pdf
-  Att 35 HE 14-01963 CDT Business Plan Self Catering Development Appraisal.doc
-  Att 36 HE 14-01963 CDT Business Plan Risk Register.doc
-  Att 37 HE 14-09163 Cultybraggan Projects Evaluation Plan.docx
-  Att 38 HE 14-01963 CDT Development Phase Procurement Report Procurement of Design Team.docx
-  Att 39 HE 14-01963 CDT Development Phase Procurement Report Business Planning Consultancy.docx
-  Att 40 HE 14-01963 CDT Development Phase Procurement Report Procurement Report Digital Technology...
-  Att 41 HE 14-01963 CDT Cultybraggan Camp Diversity of Interests and 10 year Strategy.pdf
-  Att 42 HE 14-01963 CDT Procurement Policy 2016.doc
-  Att 43 HE 14-01963 CDT Historic Scotland Cultybraggan Camp Statement of Significance 2007.pdf
-  Att 44 HE 14-01963 CDT Cultybraggan Statement of Importance – A&E Banks.docx
-  Att 45 HE 14-01963 CDT Protocol for consulting CHG .pdf
-  Att 46 HE 14-01963 CDT Annual Report and Statement of Accounts 1.4.14 - 31.3.15.doc

Appendix 1.

Biographies

CDT – CHSC Joint Project Group

CDT Board and CHSC Management Committee

Bob Hughes – CDT Board member and Treasurer. CHSC Management Committee member. Chair of CDT Finance Group and member of CDT Estate Management Group. Retired Chartered Management Accountant with more than 35 years` experience in business, mainly in the electronics industry, but more recently as Business Analysis Manager for Gleneagles Hotel.

Blair Urquhart - CDT Board member. CHSC Management Committee Vice-Chair. Blair worked many years as a freelance photojournalist in the Highlands and Islands of Scotland, then briefly worked in Film and Documentary as a director and taught film making at Heriot Watt University. More recently developed interests in software engineering and ecommerce, opening a dot com business in the export of Tartan goods in the former Tartan Museum in Comrie. Blair chaired the CDT Free Huts project through development, and it is now fully operational at Cultybraggan Camp under the title, the “Repair and Lease Scheme.”

Christian Campbell – CDT Board Member. CHSC Management Committee member. Christian Campbell has known and loved this area since 1975 when her parents moved to St Fillans, her mother later to Comrie. Christian moved to Comrie in 2003, from Edinburgh where she had been based for 32 years working in IT. She was an original and active member of the Comrie Heritage Group and wants to see the camp preserved and the opening of a museum, not only containing Militaria and displaying the life of the Camp but also the heritage of Comrie and District be it Neolithic, Roman or Modern.

CDT Board

Andrew Reid – CDT Board Member and Company Secretary. Chair of CDT Project Planning Group. Retired from career in local government, including as Head of Operations within one of Scotland's largest local authorities – and 10 years as a management consultant across Scotland for Councils and NHS boards, Audit Scotland, and Lead Associate for Commissioning with the Scottish Government’s Joint Improvement Team. Extensive experience of working with the voluntary sector, including as Board Chair of a major third sector consortium.

Fiona Davidson – CDT Board Member and Chair of Comrie Heritage Group. Active member of a range of groups in the community for more than 20 years. Managerial, administrative and organisational knowledge and skills related to current employment as Office Manager for a firm of very busy local Architects, active over a wide geographic area. Strongly committed to preserve and promote Cultybraggan Camp as a fantastic asset belonging to the village, through the self-catering project and other developments there.

CHSC Management Committee

Roddy Brown

Roddy Brown, BSc, FRICS, TD. - CHSC Management Committee member.. Retired following a career as a chartered surveyor working in both the private practise and local authority sectors initially as a Quantity Surveyor and subsequently in the fields of Project Management and Property Asset Management. Served in the Territorial Army for 19 years and has a wide ranging interest in the military history of the 20th Century. Currently Chairman and Membership Secretary of the Scottish Military Vehicle Group, a club dedicated to the preservation of historic military vehicles.

Heather McDonald CHSC Management Committee member. Grew up on the road to Cultybraggan watching army vehicle driving to the camp. Home Economics graduate, and subsequent employment as a cook. Worked in the Care industry for the past 10 years. Returned to the area seven years ago, and runs a 3 bedroom Bed and Breakfast business Affiliated to Visit Scotland for the past 4 years to promote the business, to find out what is happening in the sector in general, and to keep up to date with digital marketing.

Appendix 2. Comrie Development Trust
Project Planning and Development Manager – Cultybraggan Camp
Job Description

Responsibilities:

The Project Manager will be responsible for development work at Cultybraggan Camp:
Overseeing the final planning, procurement and delivery of improvement in the self-catering development;
Overseeing the final planning, procurement and delivery of infrastructure improvements;
Contributing to the planning and delivery of other capital developments.

Accountability and line management: Accountability will be to the CDT/CHSC Joint Project Group (Self-Catering Development) CDT Estate Management Group (other work)

Tasks:

The tasks of the project manager will include:

Consulting and reporting to the CDT/CHSC Joint Project Group and CDT Estate Management Group;
Delivering planning and development in relation to the self-catering development, the Heritage Activity Plan including digital interpretation, camp infrastructure improvement, and Phase 2 CDT developments;
Liaising fully with design delivery teams and monitoring works contractors;
Carrying out the full range of procurement functions and tasks with direct suppliers;
Ensuring best value cost and quality standards are planned and delivered in all commissioned work;
Completing Project Plans and scheduling project timelines and deadlines, using appropriate tools;
Defining project tasks and resource requirements;
Completing appropriate risk assessments;
Pursuing and making application for grants loans and other funding;
Managing the Procurement Process, including tendering from specification to contract award;
Managing the project development budget;
Preparing briefs for professional work and dealing with responses and appointments;
Overseeing and co-ordinating all aspects of project delivery;
Reviewing insurance requirements and arranging adequate building and public liability insurance;
Liaising with the lead professional and, as necessary, with other members of the project team;
Liaising with the professional team throughout the development period, and ensuring work conforms to established environmental and conservation standards;
Maintaining communications with local/statutory authorities, including the Council's conservation officer;
Submitting of applications for planning permission, listed building consent and other statutory consents;
Overseeing programme implementation, tracking deliverables and carrying out monitoring and review;
Deliver project reports to all stakeholders at regular intervals on progress, problems and solutions;
Implementing and managing project changes and interventions to achieve project outputs;
Assessing and evaluating project results;
Working on plans for managing and marketing the property following completion of capital works.
Supporting Trustees in decision-making and other governance functions related to the development work;
Keeping records and ensuring a full and complete record of the project at each stage, including dated photographs, before any work begins on site.

Working with the Finance Officer in:

Preparing the budget and cash flow forecasts, and continually revising them against actual income and expenditure;
Submitting regular financial reports to the organisation, advising on actual or potential shortfalls of income and of working capital, and liaising with the professional team to mitigate these;
Overseeing project finance, including arranging adequate working capital to support the cash flow requirement.

Representing the interests of the Community Development Trust at all times;
Carrying out such other tasks as the CDT Board might determine.

Skills and Qualifications:

Degree holder, preferably in relevant subject
Preferably member of relevant professional or chartered body
Knowledge of both theoretical and practical aspects of project management
Knowledge of project management techniques and tools
Direct work experience in project management capacity
Proven experience in: strategic planning; risk management; people management; change management
Knowledge and experience of relevant IT systems and proficient in project management software
Good organisational and communication skills
Analytical approach, highly numerate and literate
Qualified driver with a full, clean drivers licence.

Key competencies

Critical thinking and problem solving skills
Planning, organizing and decision-making
Skills in communication, influencing and leading
Good team worker with ability to delegate as necessary
Skills in negotiation and conflict management

Appendix 3.

PERTH AND KINROSS COUNCIL

Comrie Development Trust
c/o James F Stephen Architects LLP
Doug Reid
Milton Studio
Glamis
Angus
Scotland
DD8 1RG

File No: 4032-20		Pullar House	
20 MAY 2016		635 Kinnoull Street	
PERTH		PH1 5GD	
To	ACORN	TO	
URG		SA	
FCS		AAS	
EUR	✓ 20/5/16		
PS		Library	
DS		Spec	✓

Date 16 May 2016

Town and Country Planning (Scotland) Acts.

Application Number 16/00374/FLL

I am directed by the Planning Authority under the Town and Country Planning (Scotland) Acts currently in force, to grant your application registered on 17th March 2016 for planning permission for **Change of use of former military training huts 29-39 to form holiday accommodation units** at Cultybraggan Comrie subject to the undernoted conditions.


Development Quality Manager

Conditions referred to above

- 1 The proposed development must be carried out in accordance with the approved drawings and documents, unless otherwise provided for by conditions imposed on the planning permission.

Reason - To ensure that the development is carried out in accordance with the plans approved.

- 2 Prior to the commencement of the development hereby approved, a detailed landscaping and planting scheme for the site shall be submitted for the further written approval of the Council as Planning Authority. The scheme shall include full details of all hard landscaping proposals including materials and installation methods and, species, height, size and density of hedges and shrubs to be planted. The scheme as subsequently approved shall be carried out and completed within the first available planting season (October to March) after the completion or bringing into use of the development unless otherwise agreed in writing with this Planning Authority and the date of Practical Completion of the landscaping scheme shall be supplied in writing to the Council as Planning Authority within 7 days of that date. The scheme as agreed and implemented shall thereafter be maintained to the satisfaction of the Council as Planning Authority.

Reason - In the interests of visual amenity and to ensure the satisfactory implementation of the proposed planting scheme.

- 3 Prior to the installation of any external lighting, the details of all external lighting shall be submitted for the further written agreement of the Council as Planning Authority. The scheme shall include details of the brightness of the lighting and the proposed hours of operation. The agreed lighting scheme shall be implemented and maintained in full accordance with the agreed scheme to the satisfaction of the Council as Planning Authority.

Reason - In the interests of protecting the setting of the listed buildings.

Justification

The proposal is in accordance with the Development Plan and there are no material reasons which justify departing from the Development Plan.

Informatives

- 1 This planning permission will last only for three years from the date of this decision notice, unless the development has been started within that period. (See section 58(1) of the Town and Country Planning (Scotland) Act 1997 (as amended).
- 2 Under section 27A of the Town and Country Planning (Scotland) Act 1997 (as amended) the person undertaking the development is required to give the planning authority prior written notification of the date on which it is intended to commence the development. A failure to comply with this statutory requirement would constitute a breach of planning control under section 123(1) of that Act, which may result in enforcement action being taken.
- 3 An application for Building Warrant may be required.
- 4 As soon as practicable after the development is complete, the person who completes the development is obliged by section 27B of the Town and Country Planning (Scotland) Act 1997 (as amended) to give the planning authority written notice of that position.
- 5 This is approval of your application Ref no 16/00374/FLL for planning permission only. It does not include any approval for your related Listed Building Consent Ref no 16/00373/LBC. You should therefore not commence work until you have received Listed Building Consent. Carrying out alterations without Listed Building Consent is an offence.

PERTH AND KINROSS COUNCIL

Comrie Development Trust
James F Stephen Architects LLP
Doug Reid
Milton Studio
Glamis
Angus
Scotland
DD8 1RG

File No: 4051-KP		Pillar House	
20 MAY 2016		35 Kinnoull Street	
PERTH		PERTH	
PH1-EGD		PH1-EGD	
To	Action	To	Action
JFS		SA	
RCS		AAS	
DJR ✓	20/5/16		
PS		Library	
DS		Scot ✓	
Date 16.05.2016			

Town and Country Planning (Scotland) Acts.

Planning (Listed Buildings and Conservation Areas)(Scotland) Act 1997

Application Number **16/00373/LBC**

I am directed by the Planning Authority under the Town and Country Planning (Scotland) Acts currently in force, to grant your application registered on 17th March 2016 for listed building consent for **Alterations to former military training huts 29-39** at Cultybraggan Comrie subject to the undernoted conditions.


Development Quality Manager

Conditions referred to above

- 1 The proposed development must be carried out in accordance with the approved drawings and documents, unless otherwise provided for by conditions imposed on the planning permission.

Reason - To ensure that the development is carried out in accordance with the plans approved.

Appendix 4a.

Market Data Matrix - Regional Research																	
Capacity	Type	Nature of accommodation															
Up to		Grading Level*	7 Days High	7 Days Mid	7 Days Low	3 Days High	3 Days Mid	3 Days Low	Number of Days in 2016 booked as at mid April 2016								
									May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2	Loch Tay Highland Lodges	3	720	420	325	525	350	245									
2	Braidhaugh Lodges, Crieff	3	840		490	480		280									
2	Braidhaugh Crieff, Caravans	3	410		310	220		190									
4	Loch Monzievard	4	895	695	545			395	58%	33%	87%	82%	38%	23%		7	
4	Loch Tay Highland Lodges	3	985	650	580	740	520	450									
4	Braidhaugh Lodges, Crieff	3	900		530	420		320									
4	Braidhaugh Crieff, Caravans	3	450		350	360		260									
4	Airdenny, Taynult		525		446	315		268	56%	42%	39%	61%					
4	Tuarach		644		494	363		297	10		2	9	1				
5	Loch Tay woodland cabin		740	520	450	650	340	230									
5	Fire Station Cottage	1															
6	Riverside Log Cabins	3	725	699	355	505	465	259	80%	54%	54%	46%	16%	12%	2%	32%	
6	1 Pudding Lane	1	1022	851	681	n/a	262	329	18	12		9		11			

Appendix 4b.

SKS: Market Matrix - Research - National Data									
Capacity	Type	Nature of accommodation	Facilities						
Up to		Grading Level*	Grading Level	1 week High Season	1 week Mid Season	1 week Low Season	3 Days High Season	3 Days Mid Season	3 Days Low Season
	Rural with accessibility to Central Belt								
2 Person	Earmhor	3	3	£260	£260	£260	£182	£182	£182
	Wee Orchard Cottage (Lochearnhead)	5	5	£350	£350		N/A	N/A	N/A
4 Person	The Bothy	4	4	£545	£490		N/A	N/A	N/A
	Tominour	5	4	£460	£440	£400	£264	£264	£264
	View Cottage (Lochearnhead)	5	5	£520	£405	£390	£300	£300	£300
4 Person	Kinglass Cabin - Lochaweside Cabins	2	3	£499	£415	£330	N/A	£275	
	Clustered (Lochgoilhead Lodges)								
	Carrick Apt2	4	4	£806	£448	£384	N/A	N/A	N/A
4 Person	Osprey 17	5	5	£889		£586			
	Clustered (Hunters Quay)								
4 Person	Rowan Comfort	3	5	£733	£372	£372	£405	£255	£243
	Clustered (Tomich Holidays)								
4 Person	Courtyard Cottages	4	4	£690	£460	£360	£483	£322	£252
	Clustered (Comrie Croft)								
2 Person	Farmhouse	2	3	£420	£420	£420	£180	£180	£180
4 Person	Farmhouse	2	3	£616	£616	£616	£264	£264	£264
	Clustered (Logierait Lodges)								
2 Person	1 bed terrace lodge	4	4	£630	£560	£420	£270	£240	£180
4 Person	un-named	4	4	£840	£700	£560	£360	£300	£240
	Special interests (heritage)								
2 Person	The Guards Van, Akeld	5	5		£475		£295	£295	£295
2 Person	Kyle Signal Hut	4	4	£600	£520	£440	N/A	N/A	POA
2-4 Person	Eagles Brae Cabins, Beaulie	5	5	£1,450	£1,377	£1,094	N/A	N/A	from £547
2 Person	Great Glen Shepherds' huts	4	4	£490	£420		N/A	£180	£210
4 Person	Fisherman's Cabin (Great Glen)	4	4	£700		£630	N/A	£240	£300
4 Person	Upland Shephard Huts	4	4		3 nights w/e	£475	N/A	£255	£255
	Scotland (no. of people)								
2 Person	Auld Cottage, Whiting Bay	4	4	£330	£320	£280	N/A	N/A	N/A
2 Person	Suileag, Kinlochearl	4	4	£325	£300	£250	N/A	N/A	N/A
2 Person	The Bothy, Dunkeld	5	4	£385	£350	£310	N/A	N/A	N/A
4 Person	Newton Cottage, Blairgowrie	5	4	£500	£465	£425	N/A	N/A	N/A
4 Person	Marketgate, Crail	4	5	£460	£430	£415	N/A	N/A	N/A
4 Person	Braefoot, Strontian	4	4	£450		£350	N/A	N/A	N/A
4 Person	Ben Wyvis Lodges	4	4	£420		£350	N/A	N/A	N/A
* Grading Level - subjective study view									

Appendix 5.

CHSC Maintenance Requirements			
Building Element	Maintenance Required	By end of Year	Subsequent Maintenance Cycle
1.0 External Corrugated Iron Roof Fabric	1.1 Monitoring of Corrugated iron overlap joints and fixings	1	Annually
	1.2 Periodic Wash - Down of corrugated iron to prevent algal/dirt build - up & deterioration of paint finishes	3	Every 3rd Year after re-painting
	1.3 Preparation & Re-application of external paint/protective coatings	5	Every 5th Year
2.0 Catslide Dormer Window Structure	2.1 Periodic wash-down of corrugated iron shallow pitched roof to prevent algal/dirt build-up & deterioration of paint/protective coatings	3	Every 3rd Year after re-painting
	2.2 Preparation & Re-application of external paint/protective coatings	5	Every 5th Year
3.0 External Masonry Gable Walls	3.1 Periodic wash - down of render to remove/prevent algal/dirt build-up & deterioration of paint finishes	3	Every 3rd Year
	3.2 Re-sealant of junction between render & corrugated iron roof	6	Every 6th Year
	3.3 Preparation & Re-application of external paint/protective coatings.	10	Every 10th Year
4.0 External Base Plinth Brickwork	4.1 Preparation & Re-application of paint/protective coatings to base plinth brickwork	5	Every 5th Year
5.0 External Surface Water Drainage Channels	5.1 Periodic removal of dirt/debris/vegetation & clean-out of drainage channel to maintain free-flow operation	1	Annually
	5.2 Preparation & Re-application of paint/protective coating to concrete drainage channel	5	Every 5th Year
6.0 Timber Windows	6.1 Preparation & Re-application of paint/protective coatings to timber surfaces & general overhaul.	4	Every 4th Year
7.0 Metal Windows	7.1 Preparation & Re-application of paint/protective coatings to metal surfaces & general overhaul	4	Every 4th Year
8.0 External Timber Doors	8.1 Preparation & Re-application of paint/protective coatings to timber surfaces & general overhaul.	4	Every 4th Year
9.0 Internal Wall/Ceiling Finishes	9.1 Preparation & Re-application of paint/protective coatings to walls/partitions (vertical)	4 (50%)	Every 4th Year
		5 (50%)	
	9.2 Preparation & Re-application of paint/protective coatings to corrugated iron cladding	6 (50%) 7 (50%)	Every 6th Year
10.0 Internal Floor Finishes	10.1 Replacement of non-slip safety vinyl in shower-rooms due to wear & tear through normal use	7	Every 7th Year / as required
	10.2 Replacement of non-slip safety vinyl in kitchen areas due to wear & tear through normal use	8	Every 8th Year / as required
	10.3 Replacement of carpet tiles due to wear & tear through normal use	8	Every 8th Year / as required

Appendix 6.

Visitors to Self Catering	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Rentees (bed nights)	4,450	5,191	5,933	6,674	7,416	29,664
Average spend	61.16	61.16	61.16	61.16	61.16	61.16
Total Spend	272,138	317,494	362,850	408,206	453,563	1,814,250
Visitors to Camp						
Number of Visitors	2,000	5,000	10,000	10,000	10,000	37,000
Average spend	25	25	25	25	25	25
Total Spend	50,000	125,000	250,000	250,000	250,000	925,000
Total Visitors	3,624	8,052	14,508	15,628	15,796	57,608
Total Visitor Direct Spend	322,138	442,494	612,850	658,206	703,563	2,739,250
Multiplier %	0.40	0.40	0.40	0.40	0.40	0.40
Multiplier Effect	128,855	176,998	245,140	263,283	281,425	1,095,700
Total Spend	450,993	619,491	857,990	921,489	984,988	3,834,950
GVA %	0.70	0.70	0.70	0.70	0.70	0.70
Gross Value Added	315,695	433,644	600,593	645,042	689,491	2,684,465
Approx £ per FTE	23,100	23,100	23,100	23,100	23,100	23,100
Full Time Equivalents	13.67	18.77	26.00	27.92	29.85	29.85

Original methodology - Jean Hamilton, Business Consultant 2013

Key assumptions on spend per person per night and economic multipliers sourced from published statistics, e.g. Scottish Tourism in Scotland 2012, the Scottish Tourism Multiplier Study, and Scottish Input Output Tables.

Appendix 7. Risk Register – Delivery Stage and Operational Stage

Cultybraggan Heritage Self Catering Project – Risk Register								
Item	Risk Owner	Date Identified	Description	Risk Level	Risk Consequence	Control Measures	Last Update	Outcome
Delivery Stage								
D1	CDT	7/16	Construction cost increases due to design changes or market conditions	Medium	Financial	Cost and design management controls by design team based on a fixed maximum project budget. Client authority to proceed required at each key stage of procurement.		
D2	CDT	7/16	Unexpected levels of structural repair works required once work begins	Medium	Financial cost Programme delay	Detailed re-measurable provisional repair works included within tender documents requiring fixed competitive pricing to control costs		
D3	Design Team	7/16	Difficulty in attracting competent competitive contractors to tender due to location / size of the works	High	Financial cost Programme delay	Design team knowledge of the market and effective advertising of the tender opportunity in adequate time to allow effective assessment of potential tenderers		
D4	CDT	8/16	Failure to supervise project adequately	High	Financial Cost Programme Delay	Clearly identify Board and/or Committee Members who will liaise with Project Manager and through him, contractors and suppliers		
D5	CHSC	8/16	Delays in delivery of supplies and equipment	High	Financial Cost Programme Delay	Timely orders, formal contracts and contract compliance process		

Cultybraggan Heritage Self Catering Project – Risk Register								
Item	Risk Owner	Date Identified	Description	Risk Level	Risk Consequence	Control Measures	Last Update	Outcome
Operational Stage								
O1	CHSC	7/16	Failure to recruit to the Society Management Committee	Medium	Quality of service delivery	Effective recruitment of shareholders through newsletters, the CHSC Annual Meeting and board opportunities.		
O2	CHSC	7/16	Failure to recruit sufficiently skilled/experienced Management Committee members	Medium	Quality of service delivery	Use of role specifications/criteria for appointment as a Management Committee member of the Society.		
O3	CHSC	7/16	Market recession	Medium	Financial	Cautious assumptions made on occupancy levels in financial forecasts. CDT review of rent charged and/or CHSC decision that shareholders will not be paid interest on their investment until the market recovers.		
O4	CDT	7/16	Delays in supporting projects designed to enhance the preservation and understanding of heritage through increasing visitors to the camp and providing activities for visitors staying in the accommodation.	High	Financial	The accommodation will be marketed with whatever level of extra facilities / activities are available on site at the time, with the bonus of growing facilities and activities over time, potentially leading to a better performance than projected.		
O5	CDT /CHSC	7/16	The Society is unable to meet its rental obligations to CDT under the terms of the lease	Low	Financial	It is in both bodies' interest that the Society is profitable, and maximises income generation for the community and Cultybraggan. The Trust and the Society will co-operate to ensure that the business has the best chance of success when considering appropriate rent levels.		
O6	CHSC	8/16	Failure to attract customers	Medium	Financial	Increase marketing effort Review and extend the focus of marketing		
O7	CHSC	8/16	Potential Customers consider product too expensive	Medium	Financial	Revise pricing policy, consider discounting		

Appendix 8 - Income Projections Years 1 – 4

Table 11: Year 1 month by month for each 2 bed and four bed unit (showing income and occupancy assumptions)													
Cultybraggan Heritage Self-Catering - Five Year income Projections													
Season	Low	Low	Mid	Mid	High	High	High	High	Mid	Mid	Low	Low	Low
Year 1 detail by month													
2 bed ensuite with kitchen:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Days per month	31	28	31	30	31	30	31	31	30	31	30	31	
For each 2 person ensuite with kitchen:													
Income:													
Number of bookings	2.4	2.3	2.4	2.4	2.4	1.8	2.4	2.4	4.2	4.8	2.4	2.4	
Number of nights per booking	3	3.0	3.0	5.0	5.5	5.5	5.5	5.5	3.0	3.0	3.0	3.0	
Number of bed nights in total	7	7	7	12	13	10	13	13	13	14	7	7	
Unit occupancy %	23.2%	24.4%	23.2%	40.0%	42.6%	33.0%	42.6%	50.0%	45.2%	46.4%	24.0%	23.2%	
Price per unit pn ex VAT (group)	£41.67	£41.67	£45.24	£45.24	£50.00	£50.00	£50.00	£50.00	£45.24	£45.24	£41.67	£41.67	
Price per unit pn ex VAT (non group)	£41.67	£41.67	£45.24	£45.24	£50.00	£50.00	£50.00	£50.00	£45.24	£45.24	£41.67	£41.67	
Non-Group Take-up %	60%	60%	60%	70%	80%	100%	100%	100%	100%	80%	60%	60%	
Group Take-up %	40%	40%	40%	30%	20%	0%	0%	0%	0%	20%	40%	40%	
Income per unit (half a hut):	£	£	£	£	£	£	£	£	£	£	£	£	
Income - full fees ex VAT	£180	£171	£195	£380	£528	£495	£660	£660	£570	£521	£180	£180	
Income - group discounted fees ex VAT	£120	£114	£130	£163	£132	£0	£0	£0	£0	£130	£120	£120	
Total income ex VAT	£300	£285	£326	£543	£660	£495	£660	£660	£570	£651	£300	£300	
Total 6 units (5 x 2 bed + accessible unit)	£1,799	£1,709	£1,953	£3,255	£3,958	£2,968	£3,958	£3,958	£3,418	£3,906	£1,799	£1,799	
4 bed ensuite with kitchen:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Days per month	31	28	31	30	31	30	31	31	30	31	30	31	
For each 4 person ensuite with kitchen:													
Income:													
Number of bookings	2.4	2.4	2.4	1.8	4.2	1.8	1.8	1.8	1.8	4.2	2.4	1.8	
Number of nights per booking	3	3	3	5.5	3	5	7	7	7	3	3	5	
Number of bed nights in total	7	7	7	10	13	9	13	13	13	13	7	9	
Unit occupancy %	23.2%	25.7%	23.2%	33.0%	40.6%	30.0%	40.6%	40.6%	42.0%	40.6%	24.0%	29.0%	
Price per unit pn ex VAT (group)	£56.55	£56.55	£65.48	£65.48	£71.43	£71.43	£71.43	£71.43	£65.48	£65.48	£56.55	£56.55	
Price per unit pn ex VAT (non group)	£56.55	£56.55	£65.48	£65.48	£71.43	£71.43	£71.43	£71.43	£65.48	£65.48	£56.55	£56.55	
Non-Group Take-up %	60%	60%	60%	70%	80%	100%	100%	100%	100%	80%	60%	60%	
Group Take-up %	40%	40%	40%	30%	20%	0%	0%	0%	0%	20%	40%	40%	
Income per unit (half a hut):	£	£	£	£	£	£	£	£	£	£	£	£	
Income - full fees ex VAT	£244	£244	£283	£453	£720	£642	£899	£899	£825	£660	£244	£305	
Income - group discounted fees ex VAT	£163	£163	£188	£194	£180	£0	£0	£0	£0	£165	£163	£203	
Total income ex VAT	£407	£407	£471	£648	£899	£642	£899	£899	£825	£825	£407	£509	
Total 6 x 4 beds	£2,441	£2,441	£2,827	£3,887	£5,397	£3,855	£5,397	£5,397	£4,947	£4,947	£2,441	£3,052	
Total All Units	£4,241	£4,151	£4,780	£7,143	£9,354	£6,823	£9,354	£9,354	£8,365	£8,854	£4,241	£4,851	

Table 11: Year 2 month by month for each 2 bed and four bed unit (showing income and occupancy assumptions)													
Cultybraggan Heritage Self-Catering - Five Year income Projections													
Season	Low	Low	Mid	Mid	High	High	High	High	Mid	Mid	Low	Low	Low
Year 2 detail by month													
2 bed ensuite with kitchen:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Dec
Days per month	31	28	31	30	31	30	31	31	30	31	30	31	31
For each 2 person ensuite with kitchen:													
Income:													
Number of bookings	2.8	2.7	2.8	2.8	2.8	2.1	2.8	2.8	4.9	5.6	2.8	2.8	2.8
Number of nights per booking	3	3.0	3.0	5.0	5.5	5.5	5.5	5.5	3.0	3.0	3.0	3.0	3.0
Number of bed nights in total	8	8	8	14	15	12	15	15	15	17	8	8	8
Unit occupancy %	27.1%	28.5%	27.1%	46.7%	49.7%	38.5%	49.7%	50.0%	45.2%	54.2%	28.0%	27.1%	27.1%
Price per unit pn ex VAT (group)	£41.67	£41.67	£45.24	£45.24	£50.00	£50.00	£50.00	£50.00	£45.24	£45.24	£41.67	£41.67	£41.67
Price per unit pn ex VAT (non group)	£41.67	£41.67	£45.24	£45.24	£50.00	£50.00	£50.00	£50.00	£45.24	£45.24	£41.67	£41.67	£41.67
Non-Group Take-up %	60%	60%	60%	70%	80%	100%	100%	100%	100%	80%	60%	60%	60%
Group Take-up %	40%	40%	40%	30%	20%	0%	0%	0%	0%	20%	40%	40%	40%
Income per unit (half a hut):	£	£	£	£	£	£	£	£	£	£	£	£	£
Income - full fees ex VAT	£210	£200	£228	£443	£616	£578	£770	£770	£665	£608	£210	£210	£210
Income - group discounted fees ex VAT	£140	£133	£152	£190	£154	£0	£0	£0	£0	£152	£140	£140	£140
Total income ex VAT	£350	£333	£380	£634	£770	£578	£770	£770	£665	£760	£350	£350	£350
Total 6 units (5 x 2 bed + accessible unit)	£2,101	£1,996	£2,281	£3,801	£4,621	£3,466	£4,621	£4,621	£3,991	£4,561	£2,101	£2,101	£2,101
4 bed ensuite with kitchen:													
Days per month	31	28	31	30	31	30	31	31	30	31	30	31	31
For each 4 person ensuite with kitchen:													
Income:													
Number of bookings	2.8	2.8	2.8	2.1	4.9	2.1	2.1	2.1	2.1	4.9	2.8	2.1	2.1
Number of nights per booking	3	3	3	5.5	3	5	7	7	7	3	3	5	5
Number of bed nights in total	8	8	8	12	15	11	15	15	15	15	8	11	11
Unit occupancy %	27.1%	30.0%	27.1%	38.5%	47.4%	35.0%	47.4%	47.4%	49.0%	47.4%	28.0%	33.9%	33.9%
Price per unit pn ex VAT (group)	£56.55	£56.55	£65.48	£65.48	£71.43	£71.43	£71.43	£71.43	£65.48	£65.48	£56.55	£56.55	£56.55
Price per unit pn ex VAT (non group)	£56.55	£56.55	£65.48	£65.48	£71.43	£71.43	£71.43	£71.43	£65.48	£65.48	£56.55	£56.55	£56.55
Non-Group Take-up %	60%	60%	60%	70%	80%	100%	100%	100%	100%	80%	60%	60%	60%
Group Take-up %	40%	40%	40%	30%	20%	0%	0%	0%	0%	20%	40%	40%	40%
Income per unit (half a hut):	£	£	£	£	£	£	£	£	£	£	£	£	£
Income - full fees ex VAT	£285	£285	£330	£530	£840	£750	£1,050	£1,050	£963	£770	£285	£356	£356
Income - group discounted fees ex VAT	£190	£190	£220	£227	£210	£0	£0	£0	£0	£193	£190	£238	£238
Total income ex VAT	£475	£475	£550	£756	£1,050	£750	£1,050	£1,050	£963	£963	£475	£594	£594
Total 6 x 4 beds	£2,851	£2,851	£3,301	£4,539	£6,302	£4,501	£6,302	£6,302	£5,777	£5,777	£2,851	£3,564	£3,564
Total All Units	£4,952	£4,847	£5,582	£8,340	£10,923	£7,967	£10,923	£10,923	£9,768	£10,338	£4,952	£5,664	£5,664

Table 11: Year 3 month by month for each 2 bed and four bed unit (showing income and occupancy assumptions)															
		Cultybraggan Heritage		Self-Catering - Five Year income Projections											
Season		Low	Low	Mid	Mid	High	High	High	High	Mid	Mid	Low	Low		
		Year 3 detail by month													
2 bed ensuite with kitchen:		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Days per month		31	28	31	30	31	30	31	31	30	31	30	31		
For each 2 person ensuite with kitchen:															
Income:															
Number of bookings		3.2	3.0	3.2	3.2	3.2	2.4	3.2	3.2	5.6	6.4	3.2	3.2		
Number of nights per booking		3	3.0	3.0	5.0	5.5	5.5	5.5	5.5	3.0	3.0	3.0	3.0		
Number of bed nights in total		10	9	10	16	18	13	18	18	17	19	10	10		
Unit occupancy %		30.9%	32.5%	30.9%	53.3%	56.7%	43.9%	56.7%	50.0%	45.2%	61.9%	32.0%	30.9%		
Price per unit pn ex VAT (group)		£41.67	£41.67	£45.24	£45.24	£50.00	£50.00	£50.00	£50.00	£45.24	£45.24	£41.67	£41.67		
Price per unit pn ex VAT (non group)		£41.67	£41.67	£45.24	£45.24	£50.00	£50.00	£50.00	£50.00	£45.24	£45.24	£41.67	£41.67		
Non-Group Take-up %		60%	60%	60%	70%	80%	100%	100%	100%	100%	80%	60%	60%		
Group Take-up %		40%	40%	40%	30%	20%	0%	0%	0%	0%	20%	40%	40%		
Income per unit (half a hut):		£	£	£	£	£	£	£	£	£	£	£	£		
Income - full fees ex VAT		£240	£228	£260	£506	£703	£659	£879	£879	£759	£694	£240	£240		
Income - group discounted fees ex VAT		£160	£152	£173	£217	£176	£0	£0	£0	£0	£173	£160	£160		
Total income ex VAT		£400	£380	£434	£723	£879	£659	£879	£879	£759	£867	£400	£400		
Total 6 units (5 x 2 bed + accessible unit)		£2,397	£2,277	£2,602	£4,337	£5,273	£3,955	£5,273	£5,273	£4,554	£5,205	£2,397	£2,397		
4 bed ensuite with kitchen:		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Days per month		31	28	31	30	31	30	31	31	30	31	30	31		
For each 4 person ensuite with kitchen:															
Income:															
Number of bookings		3.2	3.2	3.2	2.4	5.6	2.4	2.4	2.4	2.4	5.6	3.2	2.4		
Number of nights per booking		3	3	3	5.5	3	5	7	7	7	3	3	5		
Number of bed nights in total		10	10	10	13	17	12	17	17	17	17	10	12		
Unit occupancy %		30.9%	34.2%	30.9%	43.9%	54.1%	39.9%	54.1%	54.1%	55.9%	54.1%	32.0%	38.7%		
Price per unit pn ex VAT (group)		£56.55	£56.55	£65.48	£65.48	£71.43	£71.43	£71.43	£71.43	£65.48	£65.48	£56.55	£56.55		
Price per unit pn ex VAT (non group)		£56.55	£56.55	£65.48	£65.48	£71.43	£71.43	£71.43	£71.43	£65.48	£65.48	£56.55	£56.55		
Non-Group Take-up %		60%	60%	60%	70%	80%	100%	100%	100%	100%	80%	60%	60%		
Group Take-up %		40%	40%	40%	30%	20%	0%	0%	0%	0%	20%	40%	40%		
Income per unit (half a hut):		£	£	£	£	£	£	£	£	£	£	£	£		
Income - full fees ex VAT		£325	£325	£377	£604	£959	£856	£1,198	£1,198	£1,099	£879	£325	£407		
Income - group discounted fees ex VAT		£217	£217	£251	£259	£240	£0	£0	£0	£0	£220	£217	£271		
Total income ex VAT		£542	£542	£628	£863	£1,198	£856	£1,198	£1,198	£1,099	£1,099	£542	£678		
Total 6 x 4 beds		£3,253	£3,253	£3,766	£5,179	£7,190	£5,136	£7,190	£7,190	£6,591	£6,591	£3,253	£4,066		
Total All Units		£5,650	£5,530	£6,369	£9,516	£12,463	£9,091	£12,463	£12,463	£11,145	£11,796	£5,650	£6,463		

Table 11: Year 4 month by month for each 2 bed and four bed unit (showing income and occupancy assumptions)

Cultybraggan Heritage Self-Catering - Five Year income Projections												
Season	Low	Low	Mid	Mid	High	High	High	High	Mid	Mid	Low	Low
Year 4 detail by month												
2 bed ensuite with kitchen:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Days per month	31	28	31	30	31	30	31	31	30	31	30	31
For each 2 person ensuite with kitchen:												
Income:												
Number of bookings	3.6	3.4	3.6	3.6	3.6	2.7	3.6	3.6	6.3	7.2	3.6	3.6
Number of nights per booking	3	3.0	3.0	5.0	5.5	5.5	5.5	5.5	3.0	3.0	3.0	3.0
Number of bed nights in total	11	10	11	18	20	15	20	20	19	22	11	11
Unit occupancy %	34.8%	36.6%	34.8%	60.0%	63.8%	49.5%	63.8%	50.0%	45.2%	69.6%	36.0%	34.8%
Price per unit pn ex VAT (group)	£41.67	£41.67	£45.24	£45.24	£50.00	£50.00	£50.00	£50.00	£45.24	£45.24	£41.67	£41.67
Price per unit pn ex VAT (non group)	£41.67	£41.67	£45.24	£45.24	£50.00	£50.00	£50.00	£50.00	£45.24	£45.24	£41.67	£41.67
Non-Group Take-up %	60%	60%	60%	70%	80%	100%	100%	100%	100%	80%	60%	60%
Group Take-up %	40%	40%	40%	30%	20%	0%	0%	0%	0%	20%	40%	40%
Income per unit (half a hut):	£	£	£	£	£	£	£	£	£	£	£	£
Income - full fees ex VAT	£270	£256	£293	£570	£792	£742	£989	£989	£855	£781	£270	£270
Income - group discounted fees ex VAT	£180	£171	£195	£244	£198	£0	£0	£0	£0	£195	£180	£180
Total income ex VAT	£450	£427	£488	£814	£989	£742	£989	£989	£855	£977	£450	£450
Total 6 units (5 x 2 bed + accessible unit)	£2,699	£2,564	£2,930	£4,883	£5,937	£4,452	£5,937	£5,937	£5,127	£5,860	£2,699	£2,699
4 bed ensuite with kitchen:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Days per month	31	28	31	30	31	30	31	31	30	31	30	31
For each 4 person ensuite with kitchen:												
Income:												
Number of bookings	3.6	3.6	3.6	2.7	6.3	2.7	2.7	2.7	2.7	6.3	3.6	2.7
Number of nights per booking	3	3	3	5.5	3	5	7	7	7	3	3	5
Number of bed nights in total	11	11	11	15	19	13	19	19	19	19	11	13
Unit occupancy %	34.8%	38.5%	34.8%	49.5%	60.9%	45.0%	60.9%	60.9%	63.0%	60.9%	36.0%	43.5%
Price per unit pn ex VAT (group)	£56.55	£56.55	£65.48	£65.48	£71.43	£71.43	£71.43	£71.43	£65.48	£65.48	£56.55	£56.55
Price per unit pn ex VAT (non group)	£56.55	£56.55	£65.48	£65.48	£71.43	£71.43	£71.43	£71.43	£65.48	£65.48	£56.55	£56.55
Non-Group Take-up %	60%	60%	60%	70%	80%	100%	100%	100%	100%	80%	60%	60%
Group Take-up %	40%	40%	40%	30%	20%	0%	0%	0%	0%	20%	40%	40%
Income per unit (half a hut):	£	£	£	£	£	£	£	£	£	£	£	£
Income - full fees ex VAT	£366	£366	£424	£680	£1,079	£964	£1,349	£1,349	£1,237	£989	£366	£458
Income - group discounted fees ex VAT	£244	£244	£283	£292	£270	£0	£0	£0	£0	£247	£244	£305
Total income ex VAT	£610	£610	£707	£972	£1,349	£964	£1,349	£1,349	£1,237	£1,237	£610	£763
Total 6 x 4 beds	£3,662	£3,662	£4,241	£5,831	£8,095	£5,782	£8,095	£8,095	£7,421	£7,421	£3,662	£4,578
Total All Units	£6,361	£6,226	£7,170	£10,714	£14,032	£10,235	£14,032	£14,032	£12,548	£13,281	£6,361	£7,276

Appendix 9 – Occupation Sensitivity Analysis

Occupancy Sensitivity:	Year 1	Year 2	Year 3	Year 4	Year 5
Baseline unit occupancy:					
Per 2 bed unit:					
No bookings/year	32.3	37.7	43.0	48.4	53.8
Average nights/booking	3.85	3.85	3.85	3.85	3.85
Days unit booked	124.14	144.83	165.52	186.21	206.9
Days in year	365	365	365	365	365
Unit occupancy	34.0%	39.7%	45.3%	51.0%	56.7%
Per 4 bed unit:					
No bookings/year	28.8	33.6	38.4	43.2	48.0
Average nights/booking	4.16	4.16	4.16	4.16	4.16
Days unit booked	119.70	139.65	159.60	179.55	199.50
Days in year	365	365	365	365	365
Unit occupancy	32.8%	38.3%	43.7%	49.2%	54.7%
Weighted occupancy:					
No 2 bed units (inc accessible)	3.5	3.5	3.5	3.5	3.5
No 4 bed units	6	6	6	6	6
Total units	9.5	9.5	9.5	9.5	9.5
2 bed unit days booked/year	434.5	506.9	579.3	651.7	724.2
4 bed unit days booked/year	718.2	837.9	957.6	1077.3	1197.0
Total bed unit days booked/year	1152.7	1344.8	1536.9	1729.0	1921.2
Total unit capacity (no units x days in year)	3467.5	3467.5	3467.5	3467.5	3467.5
Weighted occupancy	33.2%	38.8%	44.3%	49.9%	55.4%
Baseline P & L Analysis:	Year 1	Year 2	Year 3	Year 4	Year 5
Total revenue	84,077	98,090	112,103	126,116	135,929
Cost analysis:					
Costs variable with occupancy:					
Cleaning	8,089	9,437	10,786	12,134	13,482
Laundry	3,170	3,699	4,227	4,755	5,284
Front-line staffing	5,466	6,377	7,289	8,200	9,111
Management	8,746	10,204	11,662	13,119	14,577
Cleaning consumables	1,429	1,668	1,906	2,144	2,300
Cleaning of common areas - if a shared lounge / kitchen provided.	0	0	0	0	0
Booking agency fees (see detail above)	6,306	7,357	8,408	9,459	10,195
Water and sewerage	2,522	2,943	3,363	3,783	4,075
Utilities (water, H,L,P)	8,492	9,907	11,322	12,738	13,705
Total costs variable with occupancy	44,221	51,592	58,962	66,332	72,728
Total costs variable with occupancy - % of revenue	52.6%	52.6%	52.6%	52.6%	53.5%

Fixed costs:					
Admin / book-keeping	6,000	6,000	6,000	6,000	6,000
Marketing (see detail overleaf)	800	800	800	800	800
Website maintenance	100	100	100	100	100
Replacement furnishings / equipment (included in repairs)	0	0	0	0	0
Repairs and maintenance (varies with number of huts)	0	2,425	4,795	8,255	13,725
Wifi / phone	2,500	2,500	2,500	2,500	2,500
Rates (assumed zero)	0	0	0	0	0
Rent to CDT (from year 4)	0	0	0	26,500	26,500
Service charge	2,800	2,800	2,800	2,800	2,800
Insurance (buildings)	0	0	0	0	0
Insurance (contents)	4,000	4,000	4,000	4,000	4,000
Accountancy	1,000	1,000	1,000	1,000	1,000
Recycling	1,000	1,000	1,000	1,000	1,000
Book keeping / admin - included elsewhere in variable staffing.	0	0	0	0	0
Share scheme admin	0	0	0	0	0
Interest on shares (from yr 4)	0	0	0	0	0
General office and site costs NEW	2,000	2,000	2,000	2,000	2,000
Total fixed costs	20,200	22,625	24,995	54,955	60,425
Total costs	64,421	74,217	83,957	121,287	133,153
Surplus/ Deficit	19,656	23,874	28,146	4,829	2,776
Occupancy Sensitivity:	Year 1	Year 2	Year 3	Year 4	Year 5
Base case:					
Total unit occupancy	33.2%	38.8%	44.3%	49.9%	55.4%
Total revenue	84,077	98,090	112,103	126,116	135,929
Total costs variable with occupancy:	44,221	51,592	58,962	66,332	72,728
Total % of costs variable with occupancy	52.6%	52.6%	52.6%	52.6%	53.5%
Total fixed costs	20,200	22,625	24,995	54,955	60,425
Surplus/ Deficit	19,656	23,874	28,146	4,829	2,776
Cumulative surplus/deficit (after rent to CDT)	19,656	43,530	71,676	76,505	79,281
Occupancy sensitivity: +5% in unit occupancy	Year 1	Year 2	Year 3	Year 4	Year 5
Total bed unit days booked/year	1152.7	1344.8	1536.9	1729.0	1921.2
Total unit capacity (no units x days in year)	3467.5	3467.5	3467.5	3467.5	3467.5
Base case overall unit occupancy	33.2%	38.8%	44.3%	49.9%	55.4%
+5% in occupancy:					
Total overall unit occupancy	38.2%	43.8%	49.3%	54.9%	60.4%
Total bed unit days booked/year	1326	1518	1710	1902	2095
Total unit capacity (no units x days in year)	3467.5	3467.5	3467.5	3467.5	3467.5
Check occupancy %	38.2%	43.8%	49.3%	54.9%	60.4%
Total revenue	96,723	110,736	124,749	138,762	148,196
Total variable costs	50,873	58,243	65,613	72,983	79,291
Total fixed costs	20,200	22,625	24,995	54,955	60,425
Surplus/deficit	25,651	29,868	34,141	10,824	8,479
Cumulative surplus/deficit (after rent to CDT)	25,651	55,519	89,660	100,484	108,963
-5% in occupancy:					
Total overall unit occupancy	28.2%	33.8%	39.3%	44.9%	50.4%
Total bed unit days booked/year	979	1171	1364	1556	1748
Total unit capacity (no units x days in year)	3467.5	3467.5	3467.5	3467.5	3467.5
Check occupancy %	28.2%	33.8%	39.3%	44.9%	50.4%
Total revenue	71,431	85,444	99,457	113,470	123,662
Total variable costs	37,570	44,940	52,310	59,681	66,165
Total fixed costs	20,200	22,625	24,995	54,955	60,425
Surplus/deficit	13,661	17,879	22,152	(1,166)	(2,928)
Cumulative surplus/deficit (after rent to CDT)	13,661	31,540	53,692	52,526	49,598

Appendix 10 – Unit Sensitivity Analysis

Cultybraggan Heritage Self-catering: Unit sensitivity analysis							
Capital cost estimate and revenue funding:							
	Business	Revised	HLF Grant	HLF Grant	HLF Grant	HLF Grant	HLF Grant
	Plan 10.08.16	post Review	capped	capped	capped	capped	capped
	HLF Grant	HLF Grant	(no uplift)	(no uplift)	(no uplift)	(no uplift)	(no uplift)
	@ max. poss.	capped @	5 accomm unit	6 accomm unit	7 accomm unit	8 accomm unit	9 accomm unit
		initial level	approx costs	approx costs	approx costs	approx costs	approx costs
Accommodation Units:	No. huts	No. huts	No. huts	No. huts	No. huts	No. huts	No. huts
2x 2 bed ensuite	2.5	2.5	1.0	1.0	2.0	2.0	2.0
4 bed ensuite	6.0	6.0	3.0	4.0	4.0	5.0	6.0
2 bed accessible	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total accommodation	9.5	9.5	5.0	6.0	7.0	8.0	9.0
Heritage use/common room	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Linen storage/utility	0.5	0.5	0.0	0.0	0.0	0.0	0.0
Total Huts	11.0	11.0	6.0	7.0	8.0	9.0	10.0
Probable cost per QS schedule:							
Repair works:	Costs	Costs	Costs	Costs	Costs	Costs	Costs
Hut No 29 Heritage	£20,311	£20,311	£20,311	£20,311	£20,311	£20,311	£20,311
Hut No 30 2 bed accessible	£18,098	£18,098	£18,098	£18,098	£18,098	£18,098	£18,098
Hut No 31 4 bed	£18,080	£18,080	£0	£0	£0	£18,080	£18,080
Hut No 32 4 bed	£18,162	£18,162	£0	£18,162	£18,162	£18,162	£18,162
Hut No 33 4 bed	£21,567	£21,567	£21,567	£21,567	£21,567	£21,567	£21,567
Hut No 34 4 bed	£19,934	£19,934	£19,934	£19,934	£19,934	£19,934	£19,934
Hut No 35 4 bed	£17,443	£17,443	£17,443	£17,443	£17,443	£17,443	£17,443
Hut No 36 4 bed	£21,372	£21,372	£0	£0	£0	£0	£21,372
Hut No 37 2 x 2 bed	£19,127	£19,127	£19,127	£19,127	£19,127	£19,127	£19,127
Hut No 38 2 x 2 bed	£20,647	£20,647	£0	£0	£20,647	£20,647	£20,647
Hut No 39 2 bed/office	£19,819	£19,819	£0	£0	£0	£0	£0
Sub Total	£214,560	£214,560	£116,480	£134,642	£155,289	£173,369	£194,741
Contingencies @ 10%	£21,456	£21,456	£11,648	£13,464	£15,529	£17,337	£19,474
Total Repair Works	£236,016	£236,016	£128,128	£148,106	£170,818	£190,706	£214,215
HES	£108,810		£102,502	£118,485	£136,654	£152,565	£171,372
Improvement Works							
General items:							
Main Contractors Preliminaries	£40,933	£40,933	£22,327	£26,048	£29,769	£33,491	£37,212
Asbestos Surveys to 11 huts	£1,000	£1,000	£545	£636	£727	£818	£909
Electric Mains Connections	£8,271	£8,271	£4,511	£5,263	£6,015	£6,767	£7,519
Planning/LBC/Warrant	£7,293	£7,293	£3,978	£4,641	£5,304	£5,967	£6,630
Mains water to 10 huts	£7,583	£7,583	£4,136	£4,826	£5,515	£6,204	£6,894
Mains drainage to 10 huts	£9,915	£9,915	£5,408	£6,310	£7,211	£8,112	£9,014
External works option 5	£31,364	£31,364	£17,108	£19,959	£22,810	£25,661	£28,513
Signage	£1,000	£1,000	£545	£636	£727	£818	£909
Wi fi / TV to units	£3,464	£3,464	£1,889	£2,204	£2,519	£2,834	£3,149
Sub Total	£110,823	£110,823	£60,449	£70,524	£80,599	£90,673	£100,748
Contingencies @5%	£5,541	£5,541	£3,022	£3,526	£4,030	£4,534	£5,037
Total General Works	£116,364	£116,364	£63,471	£74,050	£84,628	£95,207	£105,786

Improvements to Units:							
Hut No 29 Heritage	£31,022	£31,022	£31,022	£31,022	£31,022	£31,022	£31,022
Hut No 30 2 bed accessible	£33,520	£33,520	£33,520	£33,520	£33,520	£33,520	£33,520
Hut No 31 4 bed	£27,770	£27,770	£0	£0	£0	£27,770	£27,770
Hut No 32 4 bed	£27,770	£27,770	£0	£27,770	£27,770	£27,770	£27,770
Hut No 33 4 bed	£27,770	£27,770	£27,770	£27,770	£27,770	£27,770	£27,770
Hut No 34 4 bed	£27,770	£27,770	£27,770	£27,770	£27,770	£27,770	£27,770
Hut No 35 4 bed	£27,770	£27,770	£27,770	£27,770	£27,770	£27,770	£27,770
Hut No 36 4 bed	£27,770	£27,770	£0	£0	£0	£0	£27,770
Hut No 37 2 x 2 bed	£37,686	£37,686	£37,686	£37,686	£37,686	£37,686	£37,686
Hut No 38 2 x 2 bed	£37,686	£37,686	£0	£0	£37,686	£37,686	£37,686
Hut No 39 2 bed/office	£32,906	£32,906	£0	£0	£0	£0	£0
Sub Total	£339,440	£339,440	£185,538	£213,308	£250,994	£278,764	£306,534
Contingencies @5%	£16,972	£16,972	£9,277	£10,665	£12,550	£13,938	£15,327
Improvement Works to Units	£356,412	£356,412	£194,815	£223,973	£263,544	£292,702	£321,861
Grand Total	£708,792	£708,792	£386,414	£446,130	£518,990	£578,615	£641,861
Inflation from 4th qtr 2015 to 2nd qtr 2017 5.93%	£42,002	£42,002	£22,898	£26,437	£30,754	£34,288	£38,035
Total Repair and Improvement Work	£750,794	£750,794	£409,312	£472,566	£549,744	£612,903	£679,897
Professional fees - Delivery phase ex VAT	£66,145	£66,145	£36,079	£42,092	£48,105	£54,119	£60,132
Loose furnishings and equipment	£20,000	£20,000	£10,526	£12,632	£14,737	£16,842	£18,947
Total Project Capital Required inc Professional Fees	£836,939	£836,939	£455,918	£527,290	£612,587	£683,863	£758,976
Proposed savings:							
Minimise internal improvements to hut 29	-£25,480	-£25,480	-£25,480	-£25,480	-£25,480	-£25,480	-£25,480
Procure loose furniture via direct client purchase	-£7,000	-£7,000	-£3,684	-£4,421	-£5,158	-£5,895	-£6,632
Total Proposed savings	-£32,480	-£32,480	-£29,164	-£29,901	-£30,638	-£31,375	-£32,112
Other costs to be funded:							
Heritage activity delivery	£58,000	£40,000	£40,000	£40,000	£40,000	£40,000	£40,000
Accommodation pre-start costs	£15,200	£19,200	£19,200	£19,200	£19,200	£19,200	£19,200
Other costs to be funded	£73,200	£59,200	£59,200	£59,200	£59,200	£59,200	£59,200
Total Project Funding Needed	£877,659	£863,659	£485,954	£556,589	£641,149	£711,689	£786,064
Funds earmarked:							
HLF	£638,916	£294,700	£294,700	£294,700	£294,700	£294,700	£294,700
HES	£108,810	£108,810	£108,810	£108,810	£108,810	£108,810	£108,810
SSE	£36,300	£36,300	£36,300	£36,300	£36,300	£36,300	£36,300
Community shares (£27,525 - £12,700)	£14,825	£14,825	£14,825	£14,825	£14,825	£14,825	£14,825
Project income	£798,851	£454,635	£454,635	£454,635	£454,635	£454,635	£454,635
Funding Gap	-£78,808	-£409,024	-£31,319	-£101,954	-£186,514	-£257,054	-£331,429

P & L Unit Sensitivity:							
	Business	Revised	HLF Grant	HLF Grant	HLF Grant	HLF Grant	HLF Grant
	Plan 10.08.16	following	capped	capped	capped	capped	capped
		review	(no uplift)	(no uplift)	(no uplift)	(no uplift)	(no uplift)
			5 accomm unit	6 accomm unit	7 accomm unit	8 accomm unit	9 accomm unit
Accommodation Units:	No. huts	No. huts	No. huts	No. huts	No. huts	No. huts	No. huts
2x 2 bed ensuite	2.5	2.5	1.0	1.0	2.0	2.0	2.0
4 bed ensuite	6.0	6.0	3.0	4.0	4.0	5.0	6.0
2 bed accessible	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total accommodation huts	9.5	9.5	5.0	6.0	7.0	8.0	9.0
Heritage use/common room	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Linen storage/utility	0.5	0.5	0.0	0.0	0.0	0.0	0.0
Total Huts	11.0	11.0	6.0	7.0	8.0	9.0	10.0
Beds per accommodation unit:							
2x 2 bed ensuite	2	2	2	2	2	2	2
4 bed ensuite	4	4	4	4	4	4	4
2 bed accessible	2	2	2	2	2	2	2
Total accommodation units:							
2x 2 bed ensuite	5	5	2	2	4	4	4
4 bed ensuite	6	6	3	4	4	5	6
2 bed accessible	1	1	1	1	1	1	1
Total accommodation units:	12	12	6	7	9	10	11
Total Beds:							
2x 2 bed ensuite	10	10	4	4	8	8	8
4 bed ensuite	24	24	12	16	16	20	24
2 bed accessible	2	2	2	2	2	2	2
Total Beds:	36	36	18	22	26	30	34
Price/unit/per night ex VAT:							
2x 2 bed ensuite	£46.30	£46.30	£46.30	£46.30	£46.30	£46.30	£46.30
4 bed ensuite	£65.46	£65.46	£65.46	£65.46	£65.46	£65.46	£65.46
2 bed accessible	£46.30	£46.30	£46.30	£46.30	£46.30	£46.30	£46.30
Unit occupancy %:							
2x 2 bed ensuite	56.7%	56.7%	56.7%	56.7%	56.7%	56.7%	56.7%
4 bed ensuite	54.7%	54.7%	54.7%	54.7%	54.7%	54.7%	54.7%
2 bed accessible	56.7%	56.7%	56.7%	56.7%	56.7%	56.7%	56.7%
Unit nights occupied:							
2x 2 bed ensuite	207	207	207	207	207	207	207
4 bed ensuite	200	200	200	200	200	200	200
2 bed accessible	207	207	207	207	207	207	207
Total income all units:							
2x 2 bed ensuite	£47,910	£47,910	£19,164	£19,164	£38,328	£38,328	£38,328
4 bed ensuite	£78,416	£78,416	£39,208	£52,278	£52,278	£65,347	£78,416
2 bed accessible	£9,582	£9,582	£9,582	£9,582	£9,582	£9,582	£9,582
Total income all units:	£135,909	£135,909	£67,954	£81,024	£100,188	£113,257	£126,327

Running costs and overheads:							
Costs variable with income:							
Cleaning	£13,482	£13,482	£6,741	£8,038	£9,939	£11,235	£12,532
Laundry	£5,287	£5,287	£2,643	£3,152	£3,897	£4,406	£4,914
Front line staffing	£9,106	£9,106	£4,553	£5,429	£6,713	£7,588	£8,464
Management	£14,569	£14,569	£7,285	£8,686	£10,740	£12,141	£13,542
Cleaning consumable	£2,297	£2,297	£1,148	£1,369	£1,693	£1,914	£2,135
Booking agency fees	£10,193	£10,193	£5,097	£6,077	£7,514	£8,494	£9,474
Water & sewerage	£4,077	£4,077	£2,039	£2,431	£3,006	£3,398	£3,790
Utilities (HLP)	£13,700	£13,700	£6,850	£8,167	£10,099	£11,416	£12,734
Total costs variable with income	£72,711	£72,711	£36,356	£43,348	£53,600	£60,593	£67,585
Total accommodation huts	10	10	5	6	7	8	9
Costs variable with No of accommodation units:							
Repairs & maintenance	£13,725	£13,725	£7,224	£8,668	£10,113	£11,558	£13,003
Rent to CDT	£26,500	£26,500	£13,947	£16,737	£19,526	£22,316	£25,105
Service charges to CDT	£2,800	£2,800	£1,474	£1,768	£2,063	£2,358	£2,653
Insurance (contents)	£4,000	£4,000	£2,105	£2,526	£2,947	£3,368	£3,789
Total costs variable with No of accommodation units	£47,025	£47,025	£24,750	£29,700	£34,650	£39,600	£44,550
Fixed costs:							
Admin/book-keeping	£6,000	£6,000	£6,000	£6,000	£6,000	£6,000	£6,000
Marketing	£800	£800	£800	£800	£800	£800	£800
Website maint	£100	£100	£100	£100	£100	£100	£100
Wifi / phone	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500
Accountancy	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000
Recycling	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000
General office & site costs	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000
Total fixed costs	£13,400	£13,400	£13,400	£13,400	£13,400	£13,400	£13,400
Total running costs and overheads	£133,136	£133,136	£74,506	£86,448	£101,650	£113,593	£125,535
Surplus / (Deficit) after Rent to CDT	£2,772	£2,772	-£6,551	-£5,424	-£1,463	-£335	£792
Per BP	£2,776						
Surplus / (Deficit) before Rent to CDT	£29,272	£29,272	£7,396	£11,313	£18,064	£21,980	£25,897
Per BP	£29,276						

Appendix 11 – Unit Sensitivity Analysis 2 – HES Grant Reduced in Line with Number of Huts

Cultybraggan Heritage Self-catering: Unit sensitivity analysis (2) HES Grant reduced in line with number of huts							
Capital cost estimate and revenue funding:							
	Business	Revised	HLF Grant	HLF Grant	HLF Grant	HLF Grant	HLF Grant
	Plan 10.08.16	post Review	capped	capped	capped	capped	capped
	HLF Grant	HLF Grant	(no uplift)	(no uplift)	(no uplift)	(no uplift)	(no uplift)
	@ max. poss.	capped @	5 accomm unit	6 accomm unit	7 accomm unit	8 accomm unit	9 accomm unit
		initial level	approx costs	approx costs	approx costs	approx costs	approx costs
Accommodation Units:	No. huts	No. huts	No. huts	No. huts	No. huts	No. huts	No. huts
2x 2 bed ensuite	2.5	2.5	1.0	1.0	2.0	2.0	2.0
4 bed ensuite	6.0	6.0	3.0	4.0	4.0	5.0	6.0
2 bed accessible	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total accommodation	9.5	9.5	5.0	6.0	7.0	8.0	9.0
Heritage use/common room	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Linen storage/utility	0.5	0.5	0.0	0.0	0.0	0.0	0.0
Total Huts	11.0	11.0	6.0	7.0	8.0	9.0	10.0
Probable cost per QS schedule:							
Repair works:	Costs	Costs	Costs	Costs	Costs	Costs	Costs
Hut No 29 Heritage	£20,311	£20,311	£20,311	£20,311	£20,311	£20,311	£20,311
Hut No 30 2 bed accessible	£18,098	£18,098	£18,098	£18,098	£18,098	£18,098	£18,098
Hut No 31 4 bed	£18,080	£18,080	£0	£0	£0	£18,080	£18,080
Hut No 32 4 bed	£18,162	£18,162	£0	£18,162	£18,162	£18,162	£18,162
Hut No 33 4 bed	£21,567	£21,567	£21,567	£21,567	£21,567	£21,567	£21,567
Hut No 34 4 bed	£19,934	£19,934	£19,934	£19,934	£19,934	£19,934	£19,934
Hut No 35 4 bed	£17,443	£17,443	£17,443	£17,443	£17,443	£17,443	£17,443
Hut No 36 4 bed	£21,372	£21,372	£0	£0	£0	£0	£21,372
Hut No 37 2 x 2 bed	£19,127	£19,127	£19,127	£19,127	£19,127	£19,127	£19,127
Hut No 38 2 x 2 bed	£20,647	£20,647	£0	£0	£20,647	£20,647	£20,647
Hut No 39 2 bed/office	£19,819	£19,819	£0	£0	£0	£0	£0
Sub Total	£214,560	£214,560	£116,480	£134,642	£155,289	£173,369	£194,741
Contingencies @ 10%	£21,456	£21,456	£11,648	£13,464	£15,529	£17,337	£19,474
Total Repair Works	£236,016	£236,016	£128,128	£148,106	£170,818	£190,706	£214,215
HES	£108,810		£102,502	£118,485	£136,654	£152,565	£171,372
Improvement Works							
General items:							
Main Contractors Preliminaries	£40,933	£40,933	£22,327	£26,048	£29,769	£33,491	£37,212
Asbestos Surveys to 11 huts	£1,000	£1,000	£545	£636	£727	£818	£909
Electric Mains Connections	£8,271	£8,271	£4,511	£5,263	£6,015	£6,767	£7,519
Planning/LBC/Warrant	£7,293	£7,293	£3,978	£4,641	£5,304	£5,967	£6,630
Mains water to 10 huts	£7,583	£7,583	£4,136	£4,826	£5,515	£6,204	£6,894
Mains drainage to 10 huts	£9,915	£9,915	£5,408	£6,310	£7,211	£8,112	£9,014
External works option 5	£31,364	£31,364	£17,108	£19,959	£22,810	£25,661	£28,513
Signage	£1,000	£1,000	£545	£636	£727	£818	£909
Wi fi / TV to units	£3,464	£3,464	£1,889	£2,204	£2,519	£2,834	£3,149
Sub Total	£110,823	£110,823	£60,449	£70,524	£80,599	£90,673	£100,748
Contingencies @5%	£5,541	£5,541	£3,022	£3,526	£4,030	£4,534	£5,037
Total General Works	£116,364	£116,364	£63,471	£74,050	£84,628	£95,207	£105,786

Improvements to Units:							
Hut No 29 Heritage	£31,022	£31,022	£31,022	£31,022	£31,022	£31,022	£31,022
Hut No 30 2 bed accessible	£33,520	£33,520	£33,520	£33,520	£33,520	£33,520	£33,520
Hut No 31 4 bed	£27,770	£27,770	£0	£0	£0	£27,770	£27,770
Hut No 32 4 bed	£27,770	£27,770	£0	£27,770	£27,770	£27,770	£27,770
Hut No 33 4 bed	£27,770	£27,770	£27,770	£27,770	£27,770	£27,770	£27,770
Hut No 34 4 bed	£27,770	£27,770	£27,770	£27,770	£27,770	£27,770	£27,770
Hut No 35 4 bed	£27,770	£27,770	£27,770	£27,770	£27,770	£27,770	£27,770
Hut No 36 4 bed	£27,770	£27,770	£0	£0	£0	£0	£27,770
Hut No 37 2 x 2 bed	£37,686	£37,686	£37,686	£37,686	£37,686	£37,686	£37,686
Hut No 38 2 x 2 bed	£37,686	£37,686	£0	£0	£37,686	£37,686	£37,686
Hut No 39 2 bed/office	£32,906	£32,906	£0	£0	£0	£0	£0
Sub Total	£339,440	£339,440	£185,538	£213,308	£250,994	£278,764	£306,534
Contingencies @5%	£16,972	£16,972	£9,277	£10,665	£12,550	£13,938	£15,327
Improvement Works to Units	£356,412	£356,412	£194,815	£223,973	£263,544	£292,702	£321,861
Grand Total	£708,792	£708,792	£386,414	£446,130	£518,990	£578,615	£641,861
Inflation from 4th qtr 2015 to 2nd qtr 2017 5.93%	£42,002	£42,002	£22,898	£26,437	£30,754	£34,288	£38,035
Total Repair and Improvement Work	£750,794	£750,794	£409,312	£472,566	£549,744	£612,903	£679,897
Professional fees - Delivery phase ex VAT	£66,145	£66,145	£36,079	£42,092	£48,105	£54,119	£60,132
Loose furnishings and equipment	£20,000	£20,000	£10,526	£12,632	£14,737	£16,842	£18,947
Total Project Capital Required inc Professional Fees	£836,939	£836,939	£455,918	£527,290	£612,587	£683,863	£758,976
Proposed savings:							
Minimise internal improvements to hut 29	-£25,480	-£25,480	-£25,480	-£25,480	-£25,480	-£25,480	-£25,480
Procure loose furniture via direct client purchase	-£7,000	-£7,000	-£3,684	-£4,421	-£5,158	-£5,895	-£6,632
Total Proposed savings	-£32,480	-£32,480	-£29,164	-£29,901	-£30,638	-£31,375	-£32,112
Other costs to be funded:							
Heritage activity delivery	£58,000	£40,000	£40,000	£40,000	£40,000	£40,000	£40,000
Accommodation pre-start costs	£15,200	£19,200	£19,200	£19,200	£19,200	£19,200	£19,200
Other costs to be funded	£73,200	£59,200	£59,200	£59,200	£59,200	£59,200	£59,200
Total Project Funding Needed	£877,659	£863,659	£485,954	£556,589	£641,149	£711,689	£786,064
Funds earmarked:							
HLF	£638,916	£294,700	£294,700	£294,700	£294,700	£294,700	£294,700
HES	£108,810	£108,810	£59,351	£69,243	£79,135	£89,026	£98,918
SSE	£36,300	£36,300	£36,300	£36,300	£36,300	£36,300	£36,300
Community shares (£27,525 - £12,700)	£14,825	£14,825	£14,825	£14,825	£14,825	£14,825	£14,825
Project income	£798,851	£454,635	£405,176	£415,068	£424,960	£434,851	£444,743
Funding Gap	-£78,808	-£409,024	-£80,778	-£141,521	-£216,189	-£276,837	-£341,321

P & L Unit Sensitivity:							
	Business	Revised	HLF Grant	HLF Grant	HLF Grant	HLF Grant	HLF Grant
	Plan 10.08.16	following	capped	capped	capped	capped	capped
		review	(no uplift)	(no uplift)	(no uplift)	(no uplift)	(no uplift)
			5 accomm unit	6 accomm unit	7 accomm unit	8 accomm unit	9 accomm unit
Accommodation Units:	No. huts	No. huts	No. huts	No. huts	No. huts	No. huts	No. huts
2x 2 bed ensuite	2.5	2.5	1.0	1.0	2.0	2.0	2.0
4 bed ensuite	6.0	6.0	3.0	4.0	4.0	5.0	6.0
2 bed accessible	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total accommodation huts	9.5	9.5	5.0	6.0	7.0	8.0	9.0
Heritage use/common room	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Linen storage/utility	0.5	0.5	0.0	0.0	0.0	0.0	0.0
Total Huts	11.0	11.0	6.0	7.0	8.0	9.0	10.0
Beds per accommodation unit:							
2x 2 bed ensuite	2	2	2	2	2	2	2
4 bed ensuite	4	4	4	4	4	4	4
2 bed accessible	2	2	2	2	2	2	2
Total accommodation units:							
2x 2 bed ensuite	5	5	2	2	4	4	4
4 bed ensuite	6	6	3	4	4	5	6
2 bed accessible	1	1	1	1	1	1	1
Total accommodation units:	12	12	6	7	9	10	11
Total Beds:							
2x 2 bed ensuite	10	10	4	4	8	8	8
4 bed ensuite	24	24	12	16	16	20	24
2 bed accessible	2	2	2	2	2	2	2
Total Beds:	36	36	18	22	26	30	34
Price/unit/per night ex VAT:							
2x 2 bed ensuite	£46.30	£46.30	£46.30	£46.30	£46.30	£46.30	£46.30
4 bed ensuite	£65.46	£65.46	£65.46	£65.46	£65.46	£65.46	£65.46
2 bed accessible	£46.30	£46.30	£46.30	£46.30	£46.30	£46.30	£46.30
Unit occupancy %:							
2x 2 bed ensuite	56.7%	56.7%	56.7%	56.7%	56.7%	56.7%	56.7%
4 bed ensuite	54.7%	54.7%	54.7%	54.7%	54.7%	54.7%	54.7%
2 bed accessible	56.7%	56.7%	56.7%	56.7%	56.7%	56.7%	56.7%
Unit nights occupied:							
2x 2 bed ensuite	207	207	207	207	207	207	207
4 bed ensuite	200	200	200	200	200	200	200
2 bed accessible	207	207	207	207	207	207	207
Total income all units:							
2x 2 bed ensuite	£47,910	£47,910	£19,164	£19,164	£38,328	£38,328	£38,328
4 bed ensuite	£78,416	£78,416	£39,208	£52,278	£52,278	£65,347	£78,416
2 bed accessible	£9,582	£9,582	£9,582	£9,582	£9,582	£9,582	£9,582
Total income all units:	£135,909	£135,909	£67,954	£81,024	£100,188	£113,257	£126,327

Running costs and overheads:							
Costs variable with income:							
Cleaning	£13,482	£13,482	£6,741	£8,038	£9,939	£11,235	£12,532
Laundry	£5,287	£5,287	£2,643	£3,152	£3,897	£4,406	£4,914
Front line staffing	£9,106	£9,106	£4,553	£5,429	£6,713	£7,588	£8,464
Management	£14,569	£14,569	£7,285	£8,686	£10,740	£12,141	£13,542
Cleaning consumable	£2,297	£2,297	£1,148	£1,369	£1,693	£1,914	£2,135
Booking agency fees	£10,193	£10,193	£5,097	£6,077	£7,514	£8,494	£9,474
Water & sewerage	£4,077	£4,077	£2,039	£2,431	£3,006	£3,398	£3,790
Utilities (HLP)	£13,700	£13,700	£6,850	£8,167	£10,099	£11,416	£12,734
Total costs variable with income	£72,711	£72,711	£36,356	£43,348	£53,600	£60,593	£67,585
Total accommodation huts	10	10	5	6	7	8	9
Costs variable with No of accommodation units:							
Repairs & maintenance	£13,725	£13,725	£7,224	£8,668	£10,113	£11,558	£13,003
Rent to CDT	£26,500	£26,500	£13,947	£16,737	£19,526	£22,316	£25,105
Service charges to CDT	£2,800	£2,800	£1,474	£1,768	£2,063	£2,358	£2,653
Insurance (contents)	£4,000	£4,000	£2,105	£2,526	£2,947	£3,368	£3,789
Total costs variable with No of accommodation units	£47,025	£47,025	£24,750	£29,700	£34,650	£39,600	£44,550
Fixed costs:							
Admin/book-keeping	£6,000	£6,000	£6,000	£6,000	£6,000	£6,000	£6,000
Marketing	£800	£800	£800	£800	£800	£800	£800
Website maint	£100	£100	£100	£100	£100	£100	£100
Wifi / phone	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500
Accountancy	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000
Recycling	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000
General office & site costs	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000
Total fixed costs	£13,400	£13,400	£13,400	£13,400	£13,400	£13,400	£13,400
Total running costs and overheads	£133,136	£133,136	£74,506	£86,448	£101,650	£113,593	£125,535
Surplus / (Deficit) after Rent to CDT	£2,772	£2,772	-£6,551	-£5,424	-£1,463	-£335	£792
Per BP	£2,776						
Surplus / (Deficit) before Rent to CDT	£29,272	£29,272	£7,396	£11,313	£18,064	£21,980	£25,897
Per BP	£29,276						

Appendix 12 – Delivery Stage Cash Flow Forecast

Cultybraggan Self Catering Project																	
For Comrie Development Trust																	
Estimated Cash Flow Forecast																	
	2017												2018				
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Dec	Totals
Contract Works							£95,000	£120,000	£160,000	£160,000	£105,000	£78,770		£7,500	£5,755	£18,770	£750,795
Professional Fees	£2,500	£4,000	£5,000	£10,500	£8,500	£6,645	£4,000	£4,000	£4,000	£4,000	£4,000	£4,000			£5,000		£66,145
Loose Furnishings and Equipment													£6,000	£6,000	£8,000		£20,000
Totals	£2,500	£4,000	£5,000	£10,500	£8,500	£6,645	£99,000	£124,000	£164,000	£164,000	£109,000	£82,770	£6,000	£13,500	£18,755	£18,770	£836,940
Note: The actual cash flow will be dependant upon the contractors programme																	