

**From:** [REDACTED]  
**To:** [Forestry FLS Communities](#)  
**Subject:** Glenmore Visitor Centre and car park - Asset Transfer  
**Date:** 08 February 2024 16:47:51  
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Thank you for the opportunity to look at this.

Firstly, we would like to recognise the positive impact the Trust have had to the area, specifically in getting the ice rink up and running, a real success story for Aviemore.

We wanted to set out how we are going to approach this. We have been a tenant of FLS for over a year now. We signed the lease for the Campsite after going through a long tendering process, where our business model was scrutinised, and our resources were analysed to ensure we could meet the commitments we signed up to.

During our first year we have been extremely lucky to get to know our neighbours, as it is very important to us that we work with everyone for the betterment of Glenmore and the surrounding area. The Pine Marten, the hostel, the water sports centre, reindeer centre and the visitors centre are all integral parts of the community and why people stay at our campsite. We find FLS great to work with and are currently working on various projects with the local rangers, including constructing nature trails and rebuilding the playpark.

So, our approach is looking at what we have just now, and whether the model the Trust proposes looks like it will benefit us all in Glenmore.

The Trust has been in the press saying the area needs a lift and that it is badly managed. We have to say we have not seen that. Parking was an issue in the area, but working with FLS, the Council, the community council, the police and the local businesses we have seen a dramatic improvement in this issue.

It was disappointing to hear last year that the tendering process for the café had stalled, and that the café was due to close while the Trust continued to be get a proposal together. The café is a great asset to the areas for locals and visitors alike. So, we were heartened to hear that after talking to FLS, and Cobbs and getting them to discuss options, sense had prevailed and Cobbs lease was extended to allow it to continue, as a vital service for our customers and the community.

We had not realised until this point how big the Cobbs organisation actually is:

- 4 Cobbs Hotels
- 17 Cobbs Cafes
- Cobbs Cakes, distributed throughout Scotland and the north of England
- All the biscuits across ScotRail

This is a great neighbour to have, one that can weather a storm, and safeguard employees, with resources built up over time and a great deal of expertise in the hospitality sector.

Having read through the proposal from the Trust we don't understand how the current situation will be improved with the Trust taking over, and worry about how the business will fair, and how it will affect us and others in the area, which we will elaborate on below.

We will take the areas in turn as they are detailed in the business plan:

**Objectives:**

We have the following points relating to visitor experience, the Trust are looking to:

Developing strong partnerships between key stakeholders and the community to create a unified approach to visitor management	Do we not have a unified approach at the moment?
Developing a visitor information hub to work with stakeholders to promote other Glenmore, Cairngorm and wider Aviemore	Is this not done well at the moment by Visit Cairngorms?

area activities	
Developing strong working relationships with other Glenmore area operators	How are they going to do this, if they are opening longer, and this is likely to take business away from the Hostel and Pine Marten?

The interpretation of the market and demand is overly ambitious for the following reasons:

**Market:**

The overall number of visits to the park is taken as 1.18 M visitors staying for an average of 2.5 days, so overall 2.97M visitor days.	I would suggest taking the number of visitors rather than the visitor days is more accurate, as people would be less likely to go to the same café 2 days in a row, given its location.
In point 2.7 They base demand on visitor numbers with an assumption that 27% of all days people spend in the park will be close to the GVC. This is based on the most recent visitors survey Cairngorm National Park Authority Visitor Survey 2019-20.	But looking at the detail of the survey used, 23% said that Loch Morlich was their main reason to visit. This is not a surprise, when you look at where the surveys were carried out, with 21% of the 2,000 respondents surveyed in Glenmore.
Point 2.9 states that the target visitors are 50,000 around 5% of the total worked out on the above assumptions	But in the first paragraph of the Demand section the number coming to the area jumps to 500,000. I cannot see where this figure comes from, if it is the estimated % of all coming to the park, then the percentage would be 50%.
The door counter states visitors are currently 120,000 per annum, the Trust have said they will grow the level of customers by 25%. On top of that Cobbs currently turnover £300,000 and the trust will take this to £500,000.	They are taking on a business that has been run by a national operator with a proven track record, and they have little to no experience in this field, which does appear to be overly ambitious.

Taking customer levels from 120,000 to 150,000 is in their plan, but in their financials it looks like it is instant, how will this work, there needs to be a cashflow element to this, how will that be funded ?

**Demand:**

- Cobbs cafe Glenmore turned over £300,000 last year. We believe AGCT (Trust) are projecting £500,000 in cafe sales. That's an increase of 66% in year one from a standing start. The Trust have no direct experience of running a catering business, as stated above, the current operator has 4 hotels, 17 cafes, 2 visitors centres and a cake business that among other things, services ScotRail. How can they be performing so badly that the Trust can instantly improve things by 66%
- They are saying in point 3.4 that they will not disrupt the local businesses, but extending hours, will impact on the Pine Marten and the Hostel, and adding a retail element will impact on the reindeer centre and the Pine Marten.

**Marketing:**

- Many of the things the Trust are planning to do sound good, but there is no detail on how these collaborations will work or be delivered in practice, and also these collaborations will increase costs and drive down margins or cause prices to be increased, which will impact on demand. We cannot see how this has been factored in.
- The overriding assumption is that the increase in trade will allow the Trust to pay for all the

things they are proposing. Given the questions raised above, how will these happen, if the points in demand and market raised above are valid?

**Operational Plan:**

- There will be 9 paid staff, but no detail on what will happen to existing staff, or what TUPE obligations the Trust will be taking on in day one.
- Operational ownership is scheduled for 1<sup>st</sup> November, but with no cashflow in the projections, it is not clear how the new staff or staff TUPE'd across will be paid if the 65 daily customers spending £8-10 each do not appear, or if suppliers want money up front as it's a new venture.

**Financial Plan:**

- With the new operation increasing its focus on 'grab-and-go' options and expect a large take-up in takeaway coffees and snacks/rolls, is the spend of £9 per customer realistic? This is higher than most café spend such as Starbucks and Costa. Also, this business is projected to happen instantly, will there not be a build up over time.
- What is the cashflow resilience if the numbers expected do not arise at the pace the Trust expect, where is the investment to allow staff and suppliers to be paid?
- The current leaseholder has a strong balance sheet and resources to weather short term issues, how will the TUPE'd staff get protection from the Trust as their new employer?
- The site has been agreed to be purchased at £265,000 is there a detail of how this was arrived at, it seems cheap for such a good local asset. Has an open market valuation been carried out?
- The sensitivity analysis seems light, given the lack of experience of the proposed new owner compared to the incumbent. The Trust are looking at growing a business by well over 50% on the back of a well-established operator, and have only looked at a possible drop off of 10%. Plus from the figures provided, this is an instant jump, cash flow analysis, to assess what resource is required, needs to be looked at, as jobs may be at risk.

We value the café as a core part of the set up in Glenmore and enjoy working with the Cobbs team. For all the reasons detailed above, we are concerned how a new business with the proposed model will work and survive and would be more comfortable with an experienced operator with resources behind them to offer the service.

To be clear, we are very happy that we have secured the lease for the Campsite, everyone we have engaged with has been supportive of our efforts, and we are enjoying working with the local community and businesses to improve the area for everyone's benefit.

So, to see a proposal such as this which points to the area not currently benefitting from strong partnerships between key stakeholders and the community and a unified approach to visitor management along with strong messaging relating to responsible tourism and environmental protection suggests that the Trust are not fully aware of what is going on in the area.

Would the £75,000 in grants not be better suited going to FLS to allow them to upgrade things for visitors, and the café left with the national operator appointed for the other FLS properties who are more likely to invest in the visitor experience with a long lease, and have resources to invest of their own. It is worrying that FLS would lose out on £53,000 of car park income that help fund rangers for the local area, we are enjoying working with them and value their knowledge.

At the meetings attended by Glenmore Campsite staff, they have made up the majority of attendees, and are struggling with the proposal which they see as being forced on them by those who actually do not live and work in Glenmore. At these meetings and in the press the Trust have discussed:

- Moving the visitors centre to the Hayfield
- That this would be a toe hold in the area from where they can expand
- Their wish to at some point to use the income from the campsite to fund their plans for the area.

Where is this in the proposal?

In conclusion, there is clearly a lot of work been put into this proposal, and we respect the fact that the Trust are giving up their free time to work for the benefit of the area. But there are many questions still needing answered as noted above. We feel there are issues with the level of demand projected and the cashflow assumptions, and this will have an impact on what can be delivered. We feel that the setup of businesses in Glenmore works very well at the moment contrary to what the Trust are saying and would not want this impacted on by a proposal that lacks sector specific expertise, has flaws in its assumptions on market demand and has not been tested in relation to cashflow generation.

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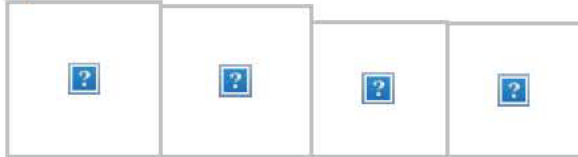
Yours faithfully,

For and on behalf of the By The Loch Group

Best regards

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Third Floor, 48 West George Street, Glasgow, G2 1BP



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