



# Balmacara Campsite Options Appraisal & Business Plan

**Commissioned by**  
Balmacara Community Trust

**SKS Team**  
Kerrien Grant  
Claire Whyte  
John Gilbert Architects  
[www.sksscotland.co.uk](http://www.sksscotland.co.uk)

September 2023, Updated by BCT 11-2023



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# Balmacara Campsite - Executive Summary

**Balmacara Community Trust (BCT)** is currently considering the potential acquisition of the former Balmacara Campsite, which is of significant recreational and environmental value to local people. The site is 22.74 acres and includes established natural woodland and grassland, with a number of burns and an existing derelict building. Most of the woodland on the site is classed as long established and of plantation origin.

This document articulates the options for site purchase, redevelopment and management by BCT, and considers markets and income streams, risk and the potential for a sustainable business model to be created.

A **community survey** run in April 2023 resulted in 173 people responding. 66% supported the purchase of the site by BCT and a further 20% were unsure at this point in time. Provision of public toilets, ongoing public access to the site and re-instatement of camping and motorhome facilities were highlighted as priorities by the community. The need for clear business planning, balancing visitor use with local infrastructure needs and protecting wildlife were also viewed as very important. Therefore, sympathetic management of the site to manage visitors, maintain local access and protect wildlife is key to any future development.

An **Options Appraisal** was used to prioritise and analyse the options available to BCT. After discussion and taking account of the community feedback, BCT decided that if it goes ahead with the purchase, it will focus on Priority 1 Options initially, considering Priority 2 Options for a later phase of the project. A later project phase may also consider progressing an affordable housing project adjacent to the existing building in the future.

**The Priority 1 Options address the top five priorities highlighted in the community survey.**

Phase 1 of the redevelopment of the site, if purchased, will therefore focus on:

- Provision of public toilets.
- Inclusion of flexible, low impact community events / forest school space.
- Redevelopment of the campsite infrastructure, allowing for some areas to be leased to partners.
- Maintaining community and public access to the woodland walks.
- Provision of BCT office and storage.

BCT is undertaking a restoration project of the former water powered sawmill in Balmacara Square and has been undertaking significant fundraising and making grant application. This has all been highly positive and with significant community backing and support.

The Trust needs to mitigate the financial risks and liabilities of the campsite as soon as possible after any purchase to assure sustainability, site maintenance and upkeep. Generating an income becomes an essential requirement of the ownership. The Trust was concerned about the cost of the developments required to bring the site back into operation and its ability to raise these funds in good time, such that financial security was not impacted. It was also aware of local provision that would be competing against the Trust with campsite provision and with much more experience.

During the time of this Business Plan being created, BCT was approached by Jamie McColl, the owner and manager of Reraig Campsite with a proposal. This proposal changed the landscape of this project to one that is realistic, sustainable, meets the phase 1 priorities and provides to BCT the security it needed for the acquisition.

It also assures that BCT still has full say on what can and cannot be undertaken on the site as owners. This concept gives to BCT and the community a significant opportunity to purchase the site and preserve it for generations to come with minimal and sympathetic redevelopment that it would want.

A 25-year lease partnership has been proposed by Reraig Caravan and Camping that is seen as favourable to BCT.

### Redevelopment Project Outline of works - Phase 1

1. Redevelop the camping and motorhome offer at Balmacara campsite with the view to leasing an area out to Reraig Camping and Caravanning, as follows:
  - 16 camper van pitches 3m x 8m with hard standing and grass, with hook ups.
  - A prefabricated 15.4m x 3.6m shower block. 3 showers, 5 WC's and 6 sinks (per side) sufficient for 50 pitches. It offers external sinks and wash up area. The unit offers a small office at one end and storage.
  - Survey and upgrade or replace the wastewater tank and septic tank as required. A tank sufficient for 50 pitches (future proofing) will be installed for black water.
  - A clearly marked rubbish disposal and recycling area will be established.
  - A 75m x 5m track infrastructure for access to the 25 grass tent pitches to be built, ensuring vehicles are kept off the grass.
2. Upgrade the existing building to house the BCT office, public toilet, laundry and storage.
3. Maintain public access across the whole site.
4. A shelter with power to support performances and outdoor activity.
5. Community gathering space with seating also suitable for forest school provision.
6. Implement tree and wildlife conservation and management measures across the whole site.

Given the high estimated redevelopment costs and the potential difficulty of raising grant funding in a realistic timescale to cover the campsite redevelopment costs, BCT is to provide a long-term lease for the campsite to a private business *before* redeveloping it. This would provide the opportunity for the private investor to carry out the redevelopment works to their own specification and to invest these costs.

Reraig Campsite would fund the full development of the designated campsite area. This partnership, governed through a memorandum of understanding, brings security to the project, but also the experience of a well reputed campsite provider.

This would reduce the risk to the community significantly and provide BCT with an income soon after purchase, which would ensure that management costs of the wider site could be covered.

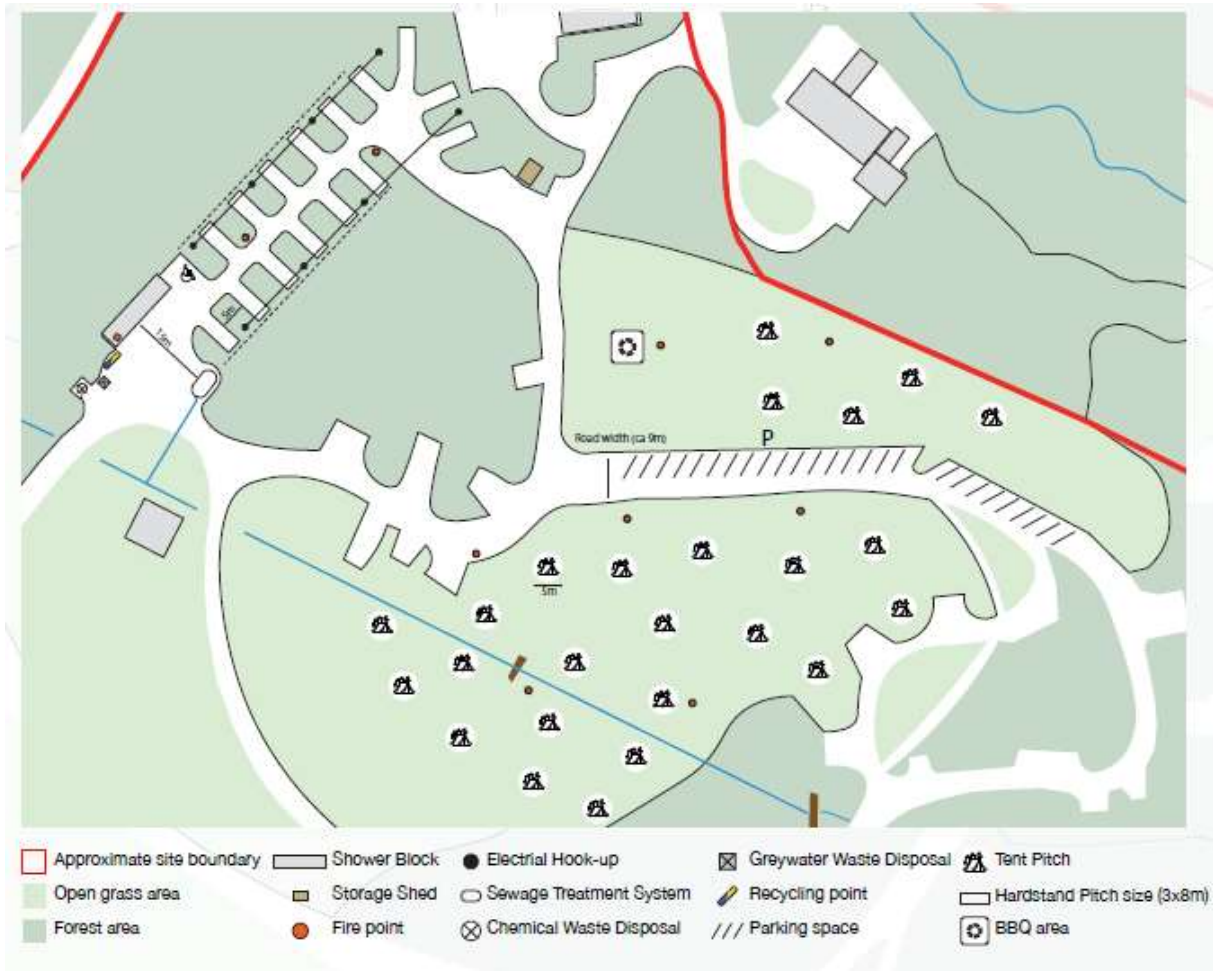
The key consideration for this to be a viable option, is that BCT would need to commit to a long-term lease on the campsite area of the site (e.g., 25 years). The annual lease cost need not be significantly lower than

that estimated for a short-term lease on a redeveloped site, and could be linked to business profits, so increase as the business grew. Early-stage discussions with Reraig held on site in September 2023 indicated that this is a realistic option, and a further meetings are planned.

This is the preferred option for BCT and will be pursued by BCT from this point in time. The Business Plan has therefore been updated to include the capital and revenue implications of Reraig leasing the campsite area before redevelopment is carried out, on a 25-year lease.

The option of a phased redevelopment by BCT has been removed from the Business Plan as Reraig’s plans for redevelopment are very similar and financially more achievable.

### Phase 1 Site Plan – Long Term Lease Model



Later redevelopment phases could build upon the first phase and consider the potential for creating affordable housing or adding the option of a high-quality glamping offer with Tree Tents Estates to the far south of the site in the wooded hillside. Reraig Campsite also offer opportunities for expansion of the above provision at a 5-year review, increasing the lease income to BCT.

### Management Model.

BCT will liaise with Reraig Camping and Caravanning regarding a long-term lease for part of the site before redevelopment to generate a regular income to cover wider site costs with minimal risk to BCT and the community. This option has significantly less requirement for Board member voluntary capacity and time to maintain the model successfully, is lower risk for BCT and is viewed as the most appropriate option given BCT's current existing commitments. The agreement for the lease would be through a memorandum of understanding.

### Estimated capital costs and potential funding.

The current funding landscape for capital redevelopment projects in the Highlands is challenging.

Total capital costs for site purchase are £140,000 at market value with vacant possession, assuming a 15-year standard security / claw back on development gain (Rennie Property Consultants 14/11/2023).

Total estimated wider site redevelopment costs for BCT (excluding campsite) are £191,770.

### Estimated income and expenditure.

The income and expenditure tables indicate that BCT is likely to cover site costs and generate a reasonable surplus by leasing part of the site out to Reraig before redevelopment on a 25-year lease.

### Estimated income and expenditure summary table.

Summary table for Exec Summary						
Estimated Income and Expenditure - from operational Year 1	Yr0	Yr1	Yr2	Yr3	Yr4	Yr5
Total estimated annual income	£1,000	£15,500	£15,665	£16,135	£16,619	£17,118
Total Estimated annual expenditure	£2,500	£9,000	£9,220	£9,500	£9,793	£10,100
Profit/Loss	-£1,500	£6,500	£6,445	£6,635	£6,826	£7,017
Cashflow	-£1,500	£5,000	£11,445	£18,080	£24,906	£31,923

Lease is being initially modelled at £10,000p.a. (an independent lease valuation is being undertaken by Strutt and Parker Q1 2024) with a 3% uplift from year 3 and BCT will supplement that through fundraising, operation of the laundry, donations from the public WC and events / activities. This is based on conservative expenditure on equipment and resources that may be needed such as for play.

The **key risks** identified with this project are BCT being unable to raise the required capital funding to develop the wider site once purchased, Reraig being unable to go ahead with the 25yr lease, BCT Board capacity and slippage in timescales. These will be addressed by careful project planning and taking a realistic view of timescales and ability to secure capital funding.

# 1. Introduction

Balmacara Community Trust (BCT) was formed in 2021 and is a Company Limited by Guarantee (SC703469) and a Scottish Charity (SC051242). It is working to take ownership of land and assets on behalf of the community, in order to achieve more sustainable, economic, environmental and social development for the area. BCT is currently delivering the redevelopment of the Old Mill in Balmacara and is now considering the potential acquisition of the former Balmacara Campsite. This site is currently owned by Forestry and Land Scotland (FLS) and is of significant value to local people as a recreational area and high-quality natural environment. It was previously set up as a campsite, and much of the infrastructure is still in place, although it has not been run as such for a number of years. BCT are holding positive discussions with FLS regarding the potential community ownership of the site and any sale has been ceased until the community has decided the best route forward.

Through this and other current community projects, BCT hopes that the community will:

- achieve more sustainable, economic, environmental and social development through ownership of land and assets.
- have a stronger role in the control of local asset development.
- own well managed, financially sustainable land and buildings.

Balmacara village has a population of approximately 250 people and is situated just off the A87 between Inverness and the Isle of Skye, approximately three miles from Kyle of Lochalsh. It is part of the estate land now owned by the National Trust Scotland, which also includes the villages of Plockton and Kyle of Lochalsh. The estate also encompasses Lochalsh Woodland Gardens and many active crofts and is a popular area for tourists.

To enable BCT to make informed decisions about the potential ownership, redevelopment, and use of the former Balmacara campsite, it has commissioned this options appraisal and business plan. This document articulates the options for redevelopment, considers benefits, markets and income streams, assesses risk, and clarifies the potential for a sustainable business model to be created.

[www.balmacara.scot](http://www.balmacara.scot)



# 1. The Site

The campsite comprises of approximately 22.74 acres of land lying alongside the A87 (IV40 8DL). It includes established natural woodland and grassland with pathways, two road access points, and a number of burns, all of which are open to public access currently. The area also provides easy access to other forest tracks and into Coille Mhòr, a Special Area of Conservation. The site has electricity, water, and hard standing in place, as it was previously used as a campsite, and includes an unoccupied dwelling which was used as the former FC Office.



Balmacara Campsite unoccupied dwelling

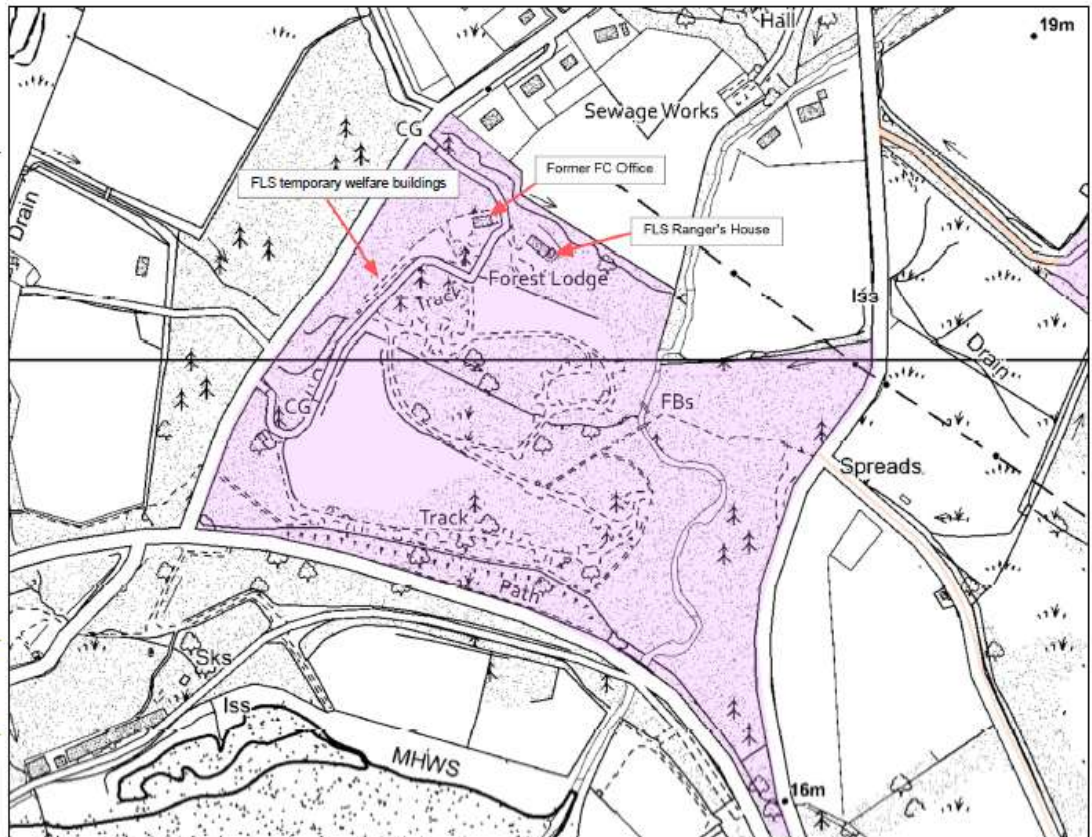
**Balmacara Campsite**

Author: Ruairidh MacIain  
 Scale @ A3: 1:2,500  
 Date: 09/09/2021

**Legend**

**Registrations**

- Ancillary Rights Pending
- Ancillary Rights Registered (tbc)
- Ancillary Rights Registered
- Ownership Pending
- Ownership Registered (tbc)
- Ownership Registered
- Tenancy Registered (tbc)
- Tenancy Registered



**NB: the FLS Rangers House is out with the land sale.**

Former Balmacara Campsite map (FLS)



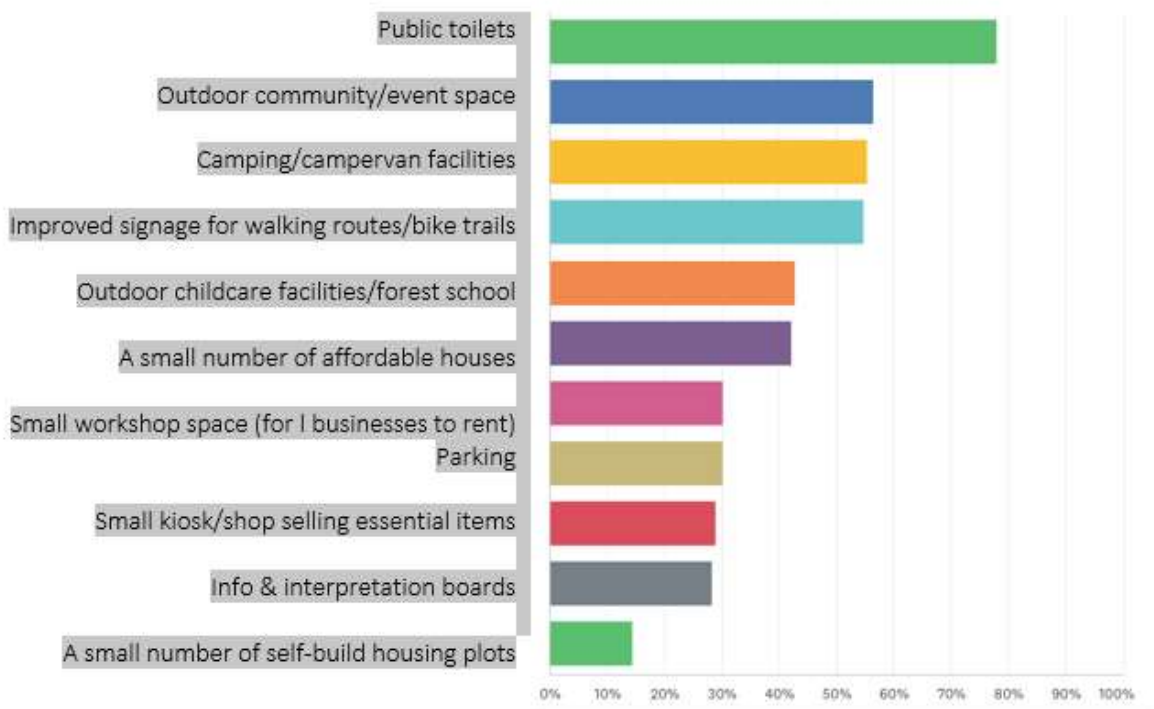
## 2. Community Consultation

### Balmacara Community Survey Summary

A community survey was carried out in March / April 2023 to gather the views of both local people and visitors regarding the possible community purchase of the former Balmacara Campsite, what they currently use it for and what they would like to see happen to it. There was a good response to the community survey, which gave a clear indication of the priorities for the local community.

64% of the 173 respondents lived in or up to 5 miles outside Balmacara and 13% were visiting the area. A summary of key findings is given below, and a full analysis of the results is provided in appendix 1.

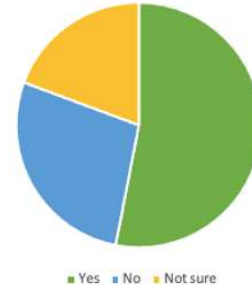
#### 1. Which of the following do you think are needed in the Balmacara area?



Provision of public toilets, ongoing public access to the site and re-instatement of camping and motorhome facilities were highlighted as priorities by the community.

66% of respondents support the purchase of the site by BCT, with a further 20% unsure at this stage and needing to know more before they make a decision.

5. In principle, would you support a potential community purchase of the Balmacara Campsite?



Comments within the survey ranged from being keen to see the site back in use as a campsite, ensuring that public amenity is retained, highlighting that business planning with estimated costs and income were needed, not focussing completely on tourism and balancing use with local infrastructure and minimising disturbance for local people. The need to protect wildlife, managing visitors and ensuring that the space did not become private and therefore lost to local people were also raised.

Sympathetic management of the site to manage increasing numbers of visitors and maintain local access are therefore key to any future development.

### 3. Options Appraisal

Below is summary of the high-level pros and cons of Balmacara Community Trust (BCT) purchasing Balmacara Campsite from FLS. This is followed by a summary of the long list of options for potential inclusion in redevelopment plans and the decisions regarding priorities for BCT.

The full long list of options and Options Appraisal is provided in appendix 2.

The Priority 1 options listed below have been incorporated into site plan proposals and a phased approach proposed for the redevelopment, with some aspects being planned for future implementation.

#### BCT Purchase of site – early-stage pros and cons

Pros	Cons
Facilitates local empowerment, access, and control of resources	BCT capacity – relatively new Board that are already working on a complex Hall project (some community want to see this completed first)
Potential to protect the wildlife and natural environment of the site	Financial viability needs to be carefully assessed and the community will need assurance that income streams can cover running costs
Local recreational space will be preserved	Could be a conflict around the use of the site – income generation vs community access
Gives community a say in what happens to the site – for example prevents a private purchaser closing off access	Woodland management plan and assessment of trees could be required re safety

Positive social, environmental and health and wellbeing outcomes can be achieved by BCT	Ongoing management and maintenance responsibilities will sit with BCT
Potential to create BCT office and storage and a public toilet on the site	Significant capital grants will be required to purchase and fully redevelop the site
Would generate an income for BCT	
Support offered from local community, businesses and development trusts	

The 'Pros' list above also illustrates the outcomes that will not be achieved if this project does not go ahead, and the site is purchased privately. These can be summarised as:

- Loss of local use of the site and no community say in its future use.
- Potential loss of wildlife and environment.
- Potential social, environmental and health and well-being outcomes not achieved
- No earned income for BCT
- No BCT office, storage space or public toilet created

## Summary Table of the Long List Options

Option	Income generating?	Community support?	Benefits	Costs	BCT Priority
Public Toilets	Yes - donations	High	Improved facilities and increased use of site	Capital grants required. Management costs.	1
Campsite infrastructure	Yes – lease or business income	High	Basic infrastructure in place - will generate an income	Capital – will need grants	1
Campsite Reception and toilets	As part of above essential	High	Required for income generation	Capital – will need grants	1
Community event space / forest school facilities	No / minimal	High	Social activity / health and wellbeing. Includes provision for forest school	Minimal – if space available out-with campsite area	1
Improved signage / walking trails	No	High	Health and wellbeing / improved access	Minimal – grants to be sourced	1
Affordable housing	Yes, long term	Medium	Increased housing for local people, increased population	High levels of capital grants / partnership working	2
Workshops to rent	Yes	Low	Economic opportunities	Capital – need grants to develop	
Shop / kiosk	Yes	Low	Could compete with local provision	Capital and staff requirements	
Signage / Interpretation	No	Low		Capital - grants	



Parking	No / potential	Low	Increase use by visitors		
House plots	Yes	Low	Provides housing opportunity	Minimal - if can be sold	

The top priorities in the longlist address the top five priorities highlighted in the community survey, as shown below:

### 1. Which of the following do you think are needed in the Balmacara area?



## BCT decisions from the long list of options

After discussion, it was decided that BCT will initially focus on Priority 1 Options from the table above, considering priority 2 Options for a later phase of the project. They will not pursue the other options at this point in time. The design drawings will therefore focus on:

- Provision of public toilets.
- Inclusion of a flexible low impact community events / forest school space.
- Redevelopment of the campsite infrastructure, allowing for lease of some areas to partners as appropriate.
- Maintaining community and public access to the woodland walks.
- Provision of BCT / campsite office and storage.

A later project phase may put a small number of affordable houses in place adjacent to the existing building, if demand is strong and grant funding is sourced.

## 4. Partnerships

### Partnership Options for BCT to develop the project

Two options for campsite redevelopment have arisen as a result of potential partners contacting BCT with early-stage proposals:

#### Reraig Caravan and Camping

Jamie McColl, the owner and Director of [Reraig Caravan & Camping](#), is keen to work in partnership with BCT to provide additional pitches for visitors in tandem with his existing site. Reraig is well established (set up in 1920) and is based 2 miles from Balmacara Campsite. It is very popular, fully booked through the main season and often turning people away. It has a strong branding, is proactive in social media marketing and has a high-quality website. Reraig operates seasonally from April to September.

Jamie would manage a leased site at Balmacara through Reraig. He proposes to place a 7 days/24 hr warden at the Balmacara site to oversee all camping activity and carry out cleaning and basic maintenance.

Advertising and bookings would be managed through the central Reraig office. The Balmacara site would be used for motorhomes and also tents, as there is a strong market for tent camping with very little provision locally (Reraig has 33 hard standing sites and only a few tent sites). He is open to discussion regarding detail of operations and what might work for both parties and would be happy for public access to the site.

If required, Jamie may consider potential investment into the infrastructure of the Balmacara site, focussing on a prefabricated toilet and shower block, or would lease an area that has been set up with basic toilets and camping facilities by BCT. Further information is provided in appendix 3.

Subsequently, this option became the preferred.

#### Tree Tents and Highland Hang Out

Willy Roe is Chair of the Board of Tree Tents Estates, which builds partnerships with landowners and communities to create and manage green, nature-based and wilderness-based eco-glamping resorts in Scotland. TTE can create joint ventures with partners, where each partner invests in the capital to create the resort and benefits from the significant income generated (for example, they are currently working with The National Trust in the Lake District). [Tree Tents International](#) produces the high-quality glamping tents that can be bought, part owned or leased, depending upon the chosen business model. Willy is also the Director of Highland Hang Out, a local company that provides the management services required to support an eco-glamping offer if required, including bookings, welcome, changeover and maintenance. Willy proposes a small eco-glamping resort in one area of Balmacara Campsite, providing high quality glamping accommodation in approximately six Tree Tents, set up separately or in small groups in secluded areas of the woodland. These would not be accessible by car or on a track, with customers parking centrally and then walking to their Tree Tent. Each Tree Tent would have its own private, high quality toilet facilities, either in one bespoke block (with 6 doors) or as separate entities. These would not be available to any other site users. Public access across the Balmacara site is not an issue for this model as the tents would be situated in secluded areas away from the main tracks. The Tree Tents can be used year-round if required, although usually the season is from March to October.

There are a variety of flexible ownership and management options available:

- BCT purchasing the Tree Tents outright
- BCT leasing the Tree Tents

- A 50/50 ownership model of the Tree Tents and potentially some infrastructure

Responsibility for infrastructure and toilet set up would lie with BCT although Tree Tents would be open to discussion regarding a joint venture if appropriate. There are also options around management of the glamping, changeovers, servicing, and maintenance.

BCT Decision: BCT is keen to keep the initial development of the project as simple as possible in the first instance. It sees the existing infrastructure and previous use as a motorhome site as the first route for generating an income for BCT, with the view to leasing out to Reraig. The option to develop a glamping offer in partnership with Tree Tents Estates is also of interest and will be considered as a second phase of the project.

## Other Partners BCT work with

**Kyle of Lochalsh Community Trust** - is very supportive of BCT and has offered to work closely with them to facilitate community ownership of the site. This support extends to KLCT offering to progress a community purchase through their own organisation if BCT chooses not to pursue that route. KLCT is experienced in land ownership and low impact management, so could also provide useful advice to BCT if it develops the site itself.

**Balmacara Hotel** - is situated very close to the Balmacara campsite site and serves as a meeting space for the community, as well as providing food and accommodation for visitors. It is very supportive of BCT's activities and is likely to benefit from the availability of additional camping and motorhome facilities in Balmacara.

**Home in the Highlands** - a local clothing, gifts, and crafts shop in Balmacara Square. Highly supportive of BCT's efforts and has hosted and support fundraising activity.

**National Trust for Scotland** - as the owner of the whole Balmacara estate, National Trust Scotland will be an important partner for BCT going forward, potentially supporting land and woodland management works.

**Forestry and Land Scotland** - as owner of the site, FLS is working closely with BCT to support the Community Asset transfer request and share existing information about the site. This relationship is likely to be ongoing, providing advice and support for BCT's woodland management plans and ongoing maintenance.

**Lochalsh Community Council** - BCT is represented on this community council and its catchment area is the same. BCT is working on the Lochalsh Collaboration Action Plan and on the Local Place Plan with LCC.

**Highland and Islands Enterprise** - regular guidance, support and encouragement is received from HIE, and their office is local in Auchtertyre.

**The Community Ownership and Support Service** - A separate part of DTAS, COSS provide the voluntary sector with professional guidance and support in a range of essential areas. We have worked with COSS to update our Articles of Association.

**The Impact Hub** - is working with BCT on the restoration of the Old Mill Hall. They were engaged in the concept's feasibility and now by the AHF to support us with the COF grant application to complete the work.

**MAAC Studio** - Our heritage specialist architect who have established the plans for the Old Mill Hall restoration. BCT is also working with archaeologists, environmental consultants and builders on this project.

**Harley Haddow** - A multi-disciplinary design and engineering firm we are working with on the Old Mill Hall restoration. They have provided our Energy Options Report.

**McLeod and Aitken** - Quantity Surveys we are working with on the Old Mill Hall restoration.

BCT is a member of the Heritage Trust Network, their Mills Natter Group and the Scottish Council for Voluntary Organisations.

## 5. The Potential Project



## Project Focus

As identified above, the priorities for Balmacara community are:

- Maintaining community and public access to the woodland walks.
- Provision of public toilets.
- Redevelopment of the campsite infrastructure, allowing for lease of some areas to partners as appropriate.
- Provision of BCT / campsite office and storage.
- Inclusion of a flexible low impact community events space.

The community survey and discussions with BCT and other stakeholders have led to the following project scope, which in turn informed the architect design options and phases in section 7. (Prior to Reraig's involvement):

- 1) Redevelop the camping and motorhome offer at Balmacara campsite along the lines of:
  - 50 pitches with hard standing and grass, 25 with hook ups.
  - Toilet block sufficient for 50 pitches (5 sinks, 5 toilets and 3 showers for male and for female.)
  - Survey and upgrade or replace the wastewater tank and septic tank as required.
  - Track infrastructure for access to all pitches and toilets.
- 2) Upgrade the existing building to house BCT office, site warden, public toilet and storage.
- 3) Maintain public access across the whole site.
- 4) Community gathering space with seating (and potential covered seating area), also suitable for forest school provision.
- 5) Tree and wildlife conservation and management measures across the whole site.
- 6) Consider the development of glamping options in partnership with Tree Tents Estates as a second phase.

It is important to note that due to financial implications the number of campervan parking bays was reduced from 50 to 16 in Phase 1. The priority for Reraig was to increase provision of grass tenting and this is very much in keeping with BCT aspirations of sympathetic redevelopment.

## 6. Site Design Options

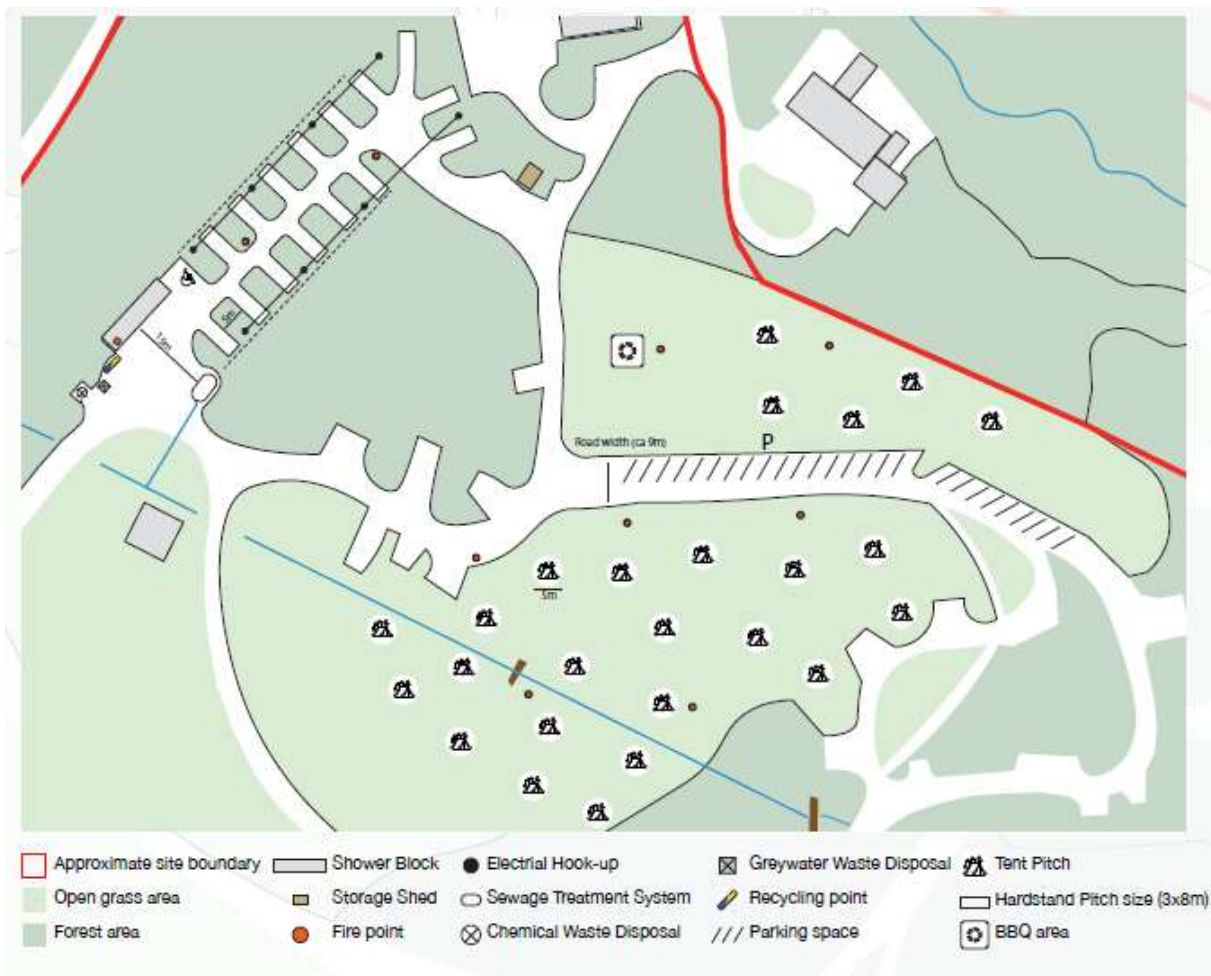
The chosen redevelopment option has been incorporated into the site plan proposals and a phased approach has been taken to delivering the full ambitions for the site, taking into account the time it is likely to take to secure capital grant funding.

### Phase 1 – The Reraig Partnership Development

The first phase focuses on the development of the camping and motorhome offer at the north of the site, together with creation of an office, storage and public toilet in the existing building. The 16 pitches will be flexible, for use by motorhomes, with electric hook ups. A community shelter is also planned as a community project, with community space and walks also being maintained to the south.

This phase is in conjunction with Reraig Campsite and the 25 year lease model.

**Balmacara Campsite Redevelopment Phase 1** (full size plan is available in appendix 4a)



A site specification detailing the works to be carried out to achieve Phase 1 has been produced and these works have been costed by the QS for inclusion in the capital finance tables. An overview of the works is provided below for information, together with a list of surveys likely to be required as the project progresses.

It is recommended that these surveys are carried out as part of the development phase of the project and estimated costs for these are included in the Stage 2 SLF application.

Given the high estimated redevelopment costs and the potential difficulty of raising grant funding in a realistic timescale to cover the campsite redevelopment costs, BCT is to provide a long-term lease for the campsite to a private business *before* redeveloping it. This would provide the opportunity for the private investor to carry out the redevelopment works to their own specification and to invest these costs.

Reraig Campsite would fund the full development of the designated campsite area. This partnership, governed through a memorandum of understanding, brings security to the project, but also the experience of a well reputed campsite provider.

This would reduce the risk to the community significantly and provide BCT with an income soon after purchase, which would ensure that management costs of the wider site could be covered.

The key consideration for this to be a viable option, is that BCT would need to commit to a long-term lease on the campsite area of the site (e.g., 25 years). The annual lease cost need not be significantly lower than that estimated for a short-term lease on a redeveloped site, and could be linked to business profits, so increase as the business grew. Early-stage discussions with Reraig held on site in September 2023 indicated that this is a realistic option, and a further meetings are planned.

This is the preferred option for BCT and will be pursued by BCT from this point in time. The Business Plan has therefore been updated to include the capital and revenue implications of Reraig leasing the campsite area before redevelopment is carried out, on a 25-year lease.

### Balmacara Campsite Specification Summary:

#### **BCT Existing Building Upgrade** (to make habitable and affordably warm):

- Check and carry out minor repairs on existing roof, gutters, downpipes.
- Remove any asbestos and upgrade electrics with 3 phase.
- Install roof, wall and floor insulation.
- Make loft accessible for storage.
- Option to replace windows with triple glazed windows.
- Replace internal doors and install a new kitchen and bathroom.
- Install storage heaters and continuous extractor system.
- New electric points, telecom, fire alarm and extinguishers and redecorate.

#### **BCT Install Public Toilet in existing building:**

- Single unisex, accessible public toilet to be accessed from the outside.
- Create new partition, external doorway, lockable door and ramp.
- New drain to existing drainage system and replace water pipes and electrics.
- Install toilet, washbasin, electric panel heater, extractor and lights.
- Plasterboard and decoration.
- Landscaping

#### **BCT Signage**

- General signage for paths, community access, public toilet. Campsite signage to be provided and branded by Reraig.

#### **Reraig Campsite Toilets:**

New prefabricated building with toilet and shower block to create 5 WCs, 6 Basins and 3 showers each side:

- Prefab block on hardstanding with services and landscaping

#### **Reraig Utilities Upgrade** (See recommended surveys below)



- Install new electrical hook ups for 16 campervan parking bays.
- Check water waste disposal tank – assumed to require upgrade and replacing.
- Check drainage and water supply system. Water supply assumed to be in reasonable condition and with capacity for new facilities – contingency allowed for repairs.
- NB – Forest Land Scotland has confirmed that the existing septic tank is currently being used for the FLS welfare unit and has been emptied regularly. The derelict house also feeds into this tank.

#### Reraig Roads, pitches and landscape upgrade

- Create 25 grass tent pitches with designated roadside parking protecting the grass from vehicles.
- Patch and dress existing track road, carry out general landscape improvements.
- Continued management of knotweed through a SLA with FLS.

#### Surveys likely to be required at the next stage (estimated cost included in capital financial tables):

- Asbestos survey of existing property.
- Electrical Safety check on existing property.
- Fire safety check on existing building, based on preferred use class and risk profile.
- Topographical survey of site, to show in particular all trees, utilities, paths and boundaries (useful also for legal reasons).
- CCTV survey of all drainage on site, to include all surface water, sewage and chemical waste tank, drains, inspection chambers and (assumed) outfall to burn.
- Review of septic tank.
- Water supply check for quality and capacity.
- Wastewater tank survey (assumed to require replacing and upgrading).
- Septic tank survey.
- Survey (location, condition, and capacity) and safety check on all electrical items on site.
- Percolation tests to allow for soakaways to be dug for all surface water currently taken into drains.
- Flood risk analysis.
- (BCT) Ecological survey / Forestry Management Plan – potentially needed for planning application.

## Later Phase

Later phases builds upon the first phase to add the option of a high-quality glamping offer to the far south of the site, in the wooded hillside. This would require additional bespoke toilets and power and services being brought to this area.

## Balmacara Campsite Redevelopment Phase 2 (full size plan is available in appendix 4b)

- An additional 10 hardstand non electric pitches will be constructed in this area.
- Widening of the existing pathway to provide better vehicle access.
- Construction of children's woodland play area.
- Installation of electric vehicle charging points.



## 7. Market

BCT intends to lease out the motorhome and camping site to an experienced business, so benefiting from established knowledge of the markets and marketing expertise. There is already interest in leasing the site from potential partners, which together with anecdotal evidence of the need for additional camping and motorhome space (particularly in the high season) indicates that the market for camping and motorhomes in the area is strong. Anecdotally, there is a high demand for motorhome and camping spaces throughout the summer months, with large numbers of visitors being turned away due to lack of space.

**Current data shows that:**

The camping and caravanning industry in the UK grew significantly as a result of covid in 2021, although this is now levelling off to pre covid figures as foreign holidays become possible again and the cost of living crisis limits spend ([UK Camping & Caravanning Market Report – Trends & Analysis \(mintel.com\)](#))

Visit Scotland analysis also shows a slight drop in figures from 2021 to 2022 for touring pitches. Camping pitches are growing in popularity however, as a low cost holiday option ([Camping & Caravans – Occupancy Statistics | VisitScotland.org](#))

Visit Scotland accommodation occupancy survey report August 21/22 and 19/22:

**3.0 Touring Accommodation**

**3.1 Performance by Touring Category – August 2022/2021 & August 2022/2019**

Touring Pitch Occupancy was **55.95%** in August 2022 when compared to data from the previous year of **57.66%** occupancy rate; this shows an overall percentage point decrease of **1.71**. When comparing to data from 2019 of **57.11%** occupancy rate this shows an overall percentage point decrease of **1.16**.

**Pitch by Occupancy Type – August 2022/2021**

Occupancy Type	August 22	August 21	22/21 Diff <sup>1</sup>	Change <sup>2</sup>	YTD 22	YTD 21	22/21 Diff	Change
Touring Pitch Occupancy <sup>3</sup>	55.95%	57.66%	-1.71	98	43.16%	51.32%	-8.16	92
Whole Park Occupancy	54.72%	55.89%	-1.17	99	42.86%	60.89%	-18.03	82
Caravan Pitch Occupancy	65.88%	68.87%	-2.99	97	50.29%	34.61%	15.68	116
Tent Pitch Occupancy	64.52%	54.18%	10.34	110	30.71%	27.74%	2.97	103

**Pitch by Occupancy Type – August 2022/2019**

Occupancy Type	August 22	August 19	22/19 Diff <sup>4</sup>	Change <sup>5</sup>	YTD 22	YTD 19	22/19 Diff	Change
Touring Pitch Occupancy <sup>6</sup>	55.95%	57.11%	-1.16	99	43.16%	45.76%	-2.60	97
Whole Park Occupancy	54.72%	57.04%	-2.32	98	42.86%	48.55%	-5.69	94
Caravan Pitch Occupancy	65.88%	62.22%	3.66	104	50.29%	47.17%	3.12	103
Tent Pitch Occupancy	64.52%	46.84%	17.68	118	30.71%	23.81%	6.90	107

[CAMpRA](#) provides figures that show the size and potential spend of the Motorcaravan market Europe wide:

**NC500**

Balmacara is just south of the NC500 route and the increase in visitors, motorhomes and campervans that it is experiencing is likely to be related to the popularity of this route and the promotion of the Highlands as a whole.

This 516-mile North Coast 500 route was created by the North Highland Initiative (NHI) as a tourism product, which sought to capitalise on the natural and cultural assets in the North Highlands and generate economic opportunities for the area, through attracting both domestic and overseas tourists.



Established in 2015, it has been increasing rapidly in popularity ever since. A [Highland and Islands Enterprise research study](#) commissioned in 2017 sought to provide an economic baseline against which to measure the impact of the NC500, alongside an assessment of the impact of the route to date. Overall, businesses reported that the NC500 had attracted additional visitors to the area, which had created new opportunities and confidence for local business to invest in their products and services, including business expansions, upgrades, and diversification.

BCT has an opportunity to develop an income stream from the growing visitor numbers coming to the area to fund the management and maintenance of the Balmacara site, as well as retaining community access and conserving the wildlife and environment.

## 8. Competitors

The survey responses and discussions with local people and campsite owners anecdotally show that there is a growing demand for tent and motorhome touring pitches in the area, with existing sites having to turn away large numbers of people in the height of the season. This can lead to issues locally, as lack of managed facilities means that visitors are forced to camp on roadsides and without suitable services. Provision of enough suitable camping and motorhome opportunities around Balmacara is a priority for BCT, so helping to manage visitor numbers effectively and ensuring that both visitors and local people have positive experiences.

There are three campsites in the area:

[Reraig Caravan and Camping](#) (2 miles from the Balmacara campsite) – 40 hard standing pitches and very limited tent pitches.

[Morvich Caravan and Motorhome Club](#) (11 miles from Balmacara) 77 pitches with electric options – aimed at the Member market.

[Camping Skye in Broadford](#) (13 miles) – 26 hard standing pitches

In addition, licensing regulations were relaxed by Highland Council in 2021 to allow landowners to provide motorhome stopover points for up to five vehicles.

BCT is aiming to provide additional facilities in a woodland setting, to attract people who want to stay on a quiet site which has been developed with minimal intervention, conserving the natural environment wherever possible. The established natural environment is likely to encourage people to stay for a period of time, as opposed to transient stop overs, so Balmacara will appeal to a slightly different market to the other sites in the area.

Reraig is in discussion with BCT around leasing part of the site and managing camping and caravanning facilities and managing them in conjunction with their current site. This is a positive option for BCT as it reduces the risk of running a business whilst providing a secure and sustainable income to be used for wider site management and reinvestment. Other opportunities for partnership have also been identified and provide BCT with several options going forward.



## 9. Strategic Fit

### Local

Balmacara Community Trust is working closely with [Kyle of Lochalsh Development Trust](#) to deliver projects to address community needs in the local area, which are highlighted in the [Lochalsh Community Plan](#). The redevelopment of the Balmacara campsite has the potential to contribute towards better managing tourism in the area, provide local work opportunities and maintain local facilities. We are ensuring this and our Old Mill Hall restoration are represented on the Local Place Plan.

### Regional

#### Highland Council – Tourism Infrastructure

- Increasing tourist accommodation options so addressing carrying capacity
- Providing public Toilets
- Sustainable development

#### Highland Council Programme 2017-2022 – Local Voices, Highland Choices

Contributing to the delivery of priority themes in relation to:

- A place to live
- A place to prosper
- A welcoming place

#### Highlands & Islands Enterprise Strategy 2019-2022

The delivery of this project aligns strongly with the HIE priority in relation to building strong, capable, and resourceful communities.

### National

[Scotland's National Strategy for Economic Transformation](#) by redeveloping local facilities and addressing tourism management effectively.

[Scotland's National Outcomes](#) – specifically 'strong, resilient and supportive communities' living in 'well-designed, sustainable places.' BCT is working towards developing a number of community owned assets that will give the community resilience through a sustainable earned income.

[Visit Scotland Strategic Framework](#) – by building responsible and quality facilities for visitors to the area.

[Net Zero Scotland](#) by considering long term sustainability of the facilities which support and encourage walking and cycling to local outdoor areas, reducing car usage.

[The Scottish Government Health Policy \(2017\)](#) by improving access to natural facilities and the provision of activities in the local community, enhancing the health and well-being of local people and visitors.

[Scotland's Social Enterprise Strategy 2016-2026](#) – Balmacara Community Trust is a community led organisation working towards income generation and sustainability on behalf of its community.

## 10. Outcomes and Benefits

A wide range of positive outcomes can be achieved by this project, including:

### Social / Community

- Increased agency for community through ownership of an asset that is important to them.
- Opportunities for community gathering events and forest school by preserving outdoor communal area.
- Increased health and wellbeing for local people and visitors through access to natural spaces.
- Increased community resilience through the generation of a steady income stream.
- Retaining community use of a valued local natural environment.
- Local and visitor walking opportunities with parking and paths, including access to a wider range of FLS paths.
- Provision of public toilet facilities for local people and visitors, maximising enjoyment of the area.
- Positive visitor management, so reducing local issues.
- Reduced pollution and health risks locally.
- Increased opportunity for accessing and learning about the natural environment.
- Governance that is provided locally and by those affected most by the site.

### Environmental

- Redeveloped site incorporating low carbon technologies.
- Reduced incidences of pollution locally by ensuring that toilet facilities are available and black waste disposal facilities.
- Encouraging walking and accessing the natural environment locally
- Conserves local natural environment and wildlife through community ownership
- Positive land management through community ownership.

### Economic

- Improved visitor experience leading to increased visits, length of stay and spend with tourism businesses.
- Improved signposting orientating visitors and encouraging extended visits.
- Toilet availability increasing Balmacara's attraction as a destination and day visitor length of stay.
- Increased spend at local businesses.
- Opportunity for locally owned business(es) to expand.
- Small scale employment opportunities through campsite management.
- Increased income for BCT through leasing areas of the site.

## 11. Project Delivery

### Overview of Balmacara Campsite Phased Redevelopment:

BCT intends to lease the campsite area to Reraig before the redevelopment is carried out, to reduce capital costs for BCT and generate private investment into the site. Reraig is in discussion with BCT about this proposal and is keen to move forward on the basis of a 25 year lease.

Reraig has confirmed that it will maintain public access to the whole site with this agreement, which is a key outcome for BCT. It will carry out the required capital works to bring the campsite back into use, investing in the site infrastructure and paying an annual lease for the use of the land.

The key areas of development below have been annotated to show which will be carried out by BCT as part of the wider site development.

#### Phase 1 (years 1 to 5):

BCT to carry out community benefit redevelopments as funding allows:

- Upgrade existing building to house BCT office space, internal WC and storage. Soft landscaping.
- Externally accessible public toilet.
- Externally accessible laundry (relocated from the Old Mill Hall plans to save space and improve the provision).
- Covered community shelter / bandstand with power to support recreation, events and performances.
- Public access across the whole site – upgraded and signposted walks.
- External community gathering space also suitable for forest school provision.
- Tree and wildlife conservation and management measures across the whole site.

Reraig will redevelop the camping and motorhome offer at Balmacara campsite including:

- Planning permissions and caravan site license.
- 16 pitches with hard standing and grass with hook ups (8 posts).
- 25 grass tenting pitches.
- Prefabricated toilet block sufficient for 50 pitches (6 sinks, 5 toilets and 3 showers each side). This being future proof too (phase 2). It would include a small office for the warden and storage.
- Chemical waste disposal point (black waste).
- Drive over grey waste disposal point.
- A clearly marked refuse and recycling point.
- A 75m gravel surfaced track to the tent area with parking for 25 vehicles, keeping cars off the grass.
- Fire Points.

- A steel storage shed.
- Survey and upgrade or replace the wastewater tank and septic tank as required
- Track infrastructure for access to all pitches and toilets.
- Soft landscaping.

Reraig’s business plan gives more detail on the above.

BCT aims to work in partnership with Reraig Camping and Motorhome site to develop this first phase of delivery.

**Later Phase (after year 5):**

Continue to redevelop the visitor offer at Balmacara, potentially to include:

- Discussions with TreeTent for a glamping model.
- Discussions with Reraig over Phase 2.

There is also potential to consider additional housing as part of a later phase, revisiting the housing needs for the area and the community support for housing creation at this later point in time.

## Proposed Management Model – The 2 Options with Pros and Cons

There are two main options for site management and operation of this facility (overview laid out below):

- **BCT manages the whole site**, including the camping and motorhome business, to generate an income for BCT to reinvest in the community.
- **BCT leases out the camping and motorhome site** to an experienced business to generate a lease income, whilst retaining responsibility for the management of the wider site.

BCT manages the whole site..	
Pros	Cons
BCT retains decision making overuse and access for whole site	BCT holds the responsibility for managing a successful and profitable camping and caravanning business, with relatively low levels of relevant knowledge and capacity.
	BCT is responsible for set up of site – information is available from the <a href="#">Campra website</a> .
BCT sets up an office and storage within the existing building, maintaining a presence on site	All day-to-day management responsibilities of the business, together with staff management sit with the BCT Board – potentially creating a serious capacity issue.
BCT can brand the site itself and market as it chooses	Set up of marketing and operational systems will take time and not benefit from previous experience and expertise, so likely to take several years to develop a market and customer base.



BCT has the potential to employ members of staff to run the business.	Recruitment and retention of business staff is a high risk for BCT.
BCT has the potential to generate more profit from the business than a lease would provide.	Income not secure and liable to fluctuation. BCT holds all the risk with responsibility for all costs and needing to generate sufficient income to cover them.  BCT must attract the full redevelopment capital funding through grants and fundraising which will take significant time.

### BCT leases out the camping and motorhome site...

Pros	Cons
BCT benefits from the expertise and knowledge of an established business, so maximising the chances of a successful operation.	BCT passes decision making around campsite management to a third party. It retains overall management / oversight of the whole woodland area.
Existing marketing and operational systems mean that once redeveloped the site can be up and running quickly.	Branding not BCT focussed.
BCT Board have time to focus on the delivery of other projects (The Old Mill).	BCT has less day to day input into business management (also a positive!).
BCT sets up an office and storage within the existing building, maintaining a presence on site.	BCT manages the wider site, ensuring community access, paths, and trees / vegetation are managed according to community needs.
Full public access is maintained across the whole site.	
Income generated from lease(s) is relatively stable and secure.	Business lease holder(s) take the risk of fluctuating markets and income.
If the campsite lease fails, the prefabricated building can easily be extracted and BCT is left with infrastructure as per memorandum of understanding. This provides safer option.	

**BCT Decision:** BCT will pursue a lease/s with an experienced business/es to maximise the potential benefit of the site and to generate a regular and secure income with minimal risk to BCT and the community. This option also has significantly less requirement for Board member voluntary capacity in the form of skills and time to maintain the model successfully and is viewed as the most appropriate option give BCT's current existing commitments.

BCT will liaise with Reraig regarding a long-term 25-year lease on the campsite area before the redevelopment has been carried out. This has the added benefits of:

- BCT not needing to secure large capital grants to cover the costs of campsite redevelopment
- BCT not having to manage the redevelopment of the whole site
- Secure income for BCT over 25 years of lease
- Experienced campsite operator taking responsibility for all campsite redevelopment and management
- Public access across the whole site is maintained as part of the lease agreement.

## Proposed Operational Model

The following operational model would be appropriate for a lease option on the camping and caravanning site. Reraig will make final decisions about the operational model once a lease is in place.

- Camping and motorhome site open 6 months of the year, from 1<sup>st</sup> April to the 30<sup>th</sup> September.
- Onsite Warden 24 hrs a day 7 days a week, to include general site maintenance, visitor welcoming and management and cleaning.
- All marketing, booking and payment management to be managed centrally by the lease holder.
- Site insurance, licenses etc to be put in place by the lease holder.
- BCT office and storage to be housed in the existing building, so BCT present on site regularly.
- Public toilet in the existing building to be opened and managed by BCT (potential to liaise with lease holder wardens re opening, closing, and cleaning).
- Public access to be maintained across the whole site – community gathering space to be available at all times for events.
- Parking to be available for local people to access the site.

It should be noted that the electricity meter for the campsite will be separate from the meter for the BCT office, storage and public toilet building, so that campsite electricity use can be monitored and charged appropriately.

There will also be 3 phase electricity with a 3-phase distribution board situated next to the existing building, to enable BCT to situate an EV car charger there when appropriate.

BCT would own the asset and be responsible for any significant repairs to the assets and overall maintenance of the wider site:

- Tree safety – e.g. annual check of tree condition and remedial work planned to maintain safety.
- Japanese knotweed – ongoing treatment as required.
- Wider public path network (excluding the tracks that are integral to the campsite access) – annual check and repairs as appropriate.
- BCT to retain responsibility for public access and signage across the site to FLS walks and tracks.
- BCT to carry out annual check and repair of community space and covered seating / bandstand area.

## 12. BCT Governance and Ownership Models

BCT was set up in 2021 and is a Company Limited by Guarantee SC703469 and a Charity SC051242. The Board has eight Directors and currently no employed staff. BCT may consider the potential for employing a part-time Development officer to oversee the Balmacara Campsite Project together with the other asset-based project they are currently carrying out.

BCT functions as a social enterprise and is in the process of developing The Old Mill to create a community space and venue with a significant heritage value. BCT intends to set up a trading company to run The Old Mill Hall once completed and this trading company will also manage the Balmacara Campsite. This will ensure that BCT retains the community owned assets whilst trading to generate an income. All profits from the trading company will be paid to BCT to be invested on behalf of the community. The Balmacara site will therefore be purchased and redeveloped by BCT and it would be appropriate for a trading company to be set up to manage the lease when the project is at that point.

## 13. Communications

BCT communicates well with the local community through a regularly updated website, local events and activities. Every effort is made by the BCT Board to be clear, open and transparent in all communications, with all Board minutes, policies relevant reports and news updates available on the website.

As this project is developed, BCT will continue to regularly update people regarding progress. There are a number of different stakeholder groups that need to be kept informed. These are categorised in the table below, together with suggested actions to maintain communications.

Stakeholders	Communication Actions
Potential partners and supportive businesses	<ul style="list-style-type: none"> <li>• One to one conversation with interested businesses.</li> <li>• Regular targeted updates re project progress and timescales.</li> </ul>
BCT Members and Wider Community	<ul style="list-style-type: none"> <li>• Public information event / Galas.</li> <li>• Regular social media updates re project activities and progress.</li> <li>• Continue to maintain high quality accessible website.</li> <li>• Specific promotion for this project, highlighting positives for community and encouraging engagement.</li> </ul>
Visitors	<ul style="list-style-type: none"> <li>• Regularly updated website.</li> <li>• Social media promotions and awareness raising.</li> </ul>
Partner Organisations	<ul style="list-style-type: none"> <li>• As above plus:</li> <li>• Project feedback as requested.</li> <li>• Regular contact to ensure positive relationship is maintained.</li> </ul>
Funders Local Authority and Councillors	<ul style="list-style-type: none"> <li>• Lochalsh Collaboration Action Plan.</li> <li>• Local Place Plan.</li> <li>• Specifically targeted project feedback as appropriate or requested.</li> <li>• Targeted updates on BCT activity to maintain visibility where appropriate.</li> </ul>
Networks / OSCR / Companies House	<ul style="list-style-type: none"> <li>• Targeted information as requested.</li> </ul>

## 14. Financial Summary

### Site Purchase Cost

This table is based upon a purchase price for the site provided 14/11/23.

Estimated Capital Costs - Balmacara Campsite		
Capital Costs - Site Purchase		<b>Notes</b>
Site cost (from Valuation)	£175,000	No claw back model
Legal costs	£8,750	Estimate 5% of site cost
Capital Costs - subsidiary costs e.g. surveys		
Next stage survey costs	£22,920	QS figure inc VAT- see summary of surveys on P18
Immediate site maintenance costs	£2,400	(e.g. vital tree felling / Japanese knotweed treatment)
<b>Total Capital Costs included in SLF stage 2 application</b>	<b>£209,070</b>	

Offer to FLS £164,500 which equates to a 5% discount on the total capital costs (£10,500).

Estimated Potential Capital Funding - site purchase	
Joint Valuation Price	£175,000
Estimated FLS reduction of cost by 5% of the total PRICE (209,070 x 5%)	£10,500
<b>Total Capital Funding for site purchase</b>	<b>£164,500</b>

### Funding options for Site Purchase

**Scottish Land Fund (SLF)** – SLF supports rural and urban communities to become more resilient and sustainable through the ownership and management of land and land assets. SLF can provide up to 95% of capital purchase costs (up to £1 million) if the community can demonstrate that ownership of the asset will enable it to:

- achieve more sustainable economic, environmental and/or social development through ownership of land and buildings.
- have a stronger role in and control over their own development.
- own well managed, financially sustainable land and buildings.

**Forest and Land Scotland (FLS)** - As the seller of the site, FLS has the potential to reduce the cost of the asset as a recognition of the community benefit provided by community ownership and management. This will be calculated as part of the [Community Asset Transfer Scheme \(CATS\)](#) and can be counted as part of the community contribution to the purchase costs.

**Balmacara Community Trust** - Some community fundraising is likely to be required to contribute towards operational costs.



## Phase 1 Redevelopment Capital Costs - Updated

The QS figures for redevelopment costs of the site are provided in appendix 6. The full costs provided are to redevelop the full infrastructure of the site to a high quality. Potential savings have been identified by the QS, and an option to reduce the number of landscaped pitches to 25 is also proposed within these. The reduced total capital cost including preliminaries, contingency and VAT is also provided for comparison.

BCT has considered these capital costs and has decided that it is not in a position to fundraise and manage a redevelopment project of this size at this point in time.

Further discussion with Reraig has highlighted the alternative option of Reraig leasing the site from BCT before it has been redeveloped and carrying out the redevelopment works as a private investor. This will require a 25-year lease to be put in place and will still generate an annual income for BCT to enable it to cover wider site management costs.

The amended costs table for the BCT associated investment is detailed below.

Estimated Capital Costs - Balmacara Campsite		
Capital Costs - Site Purchase	£	Notes
Site cost (from Valuation)	£175,000	No claw back model
Legal costs	£8,750	Estimate 5% of site cost
Capital Costs - subsidiary costs e.g. surveys		
Next stage survey costs	£22,920	QS figure inc VAT- see summary of surveys on P18
Immediate site maintenance costs	£2,400	(e.g. vital tree felling / Japanese knotweed treatment)
<b>Total Capital Costs included in SLF stage 2 application</b>	<b>£209,070</b>	
Capital costs - Site redevelopment (non-SLF)		
Public toilet	£14,942	QS cost, see appendix 6 for detail
Laundry provision	£15,000	Estimated
Existing building redevelopment as per architect specification	£98,372	QS cost, see appendix 6 for detail
<b>Sub total (ex VAT)</b>	<b>£128,314</b>	
Professional fees to take to planning and building warrant 10%	£12,831	
Preliminaries 10% to include allowances in QS report	£12,831	
Contingency 10%	£12,831	
<b>Sub total</b>	<b>£166,808</b>	
VAT 20%	£33,362	
<b>Total Estimated Capital Redevelopment Costs</b>	<b>£200,170</b>	
General site signage	£5,000	Estimate for separate Community Project
Community seating / shelter - separate community project	£10,000	Estimate for separate Community Project
<b>Total Costs including building, Community shelter and signage</b>	<b>£215,170</b>	
Capital costs for the redevelopment removed, Reraig lease site before redevelopment works take place		
Reraig to invest in the redevelopment as a private investor, requiring a 25 year lease		

## Potential Capital Funding Opportunities

The current funding landscape for capital redevelopment projects in the Highlands is challenging. Potential opportunities for funding are summarised below.

### **Community Regeneration Funding** - [Community Regeneration Funding | The Highland Council](#)

Highland Council has combined the following four grant funds under a single application process for community regeneration.

- Highland Coastal Communities Fund (£3 million)
- Place-Based Investment Programme (£1.704 million)
- Community Led-Local Development (£1.84 million)
- UK Shared Prosperity Fund (funding allocation to be announced)

The Highland Council are inviting community groups and organisations to apply for Community Regeneration Funding (CRF) to finance projects that will respond to the needs of their local area and have a positive community impact. This is the second call for expressions of interest and is for both capital and revenue projects. The next deadline to submit an [Expression of Interest](#) is 12pm on 8 September and this round of funding spend must be able to start from early 2024 and be concluded and claimed by 1 March 2025. The expression of interest form requires full project costs and named match funders, so is unlikely to be suitable for BCT at this point in time. However, this is the key potential funder for the project and should be applied to for the following round of funding (to spend from April 2025).

**Regeneration Capital Grants Fund (RCGF)**, also via Highland Council and may be part of the Place Based investment programme listed above. Annual capital grants for infrastructure projects from Scottish Government, applied for by Local Councils on behalf of community projects. BCT to discuss opportunities for an application to RCGF with Highland Council at an early stage in project development to ascertain the likelihood of the Council supporting the application and potential timescales.

**Highlands and Islands Enterprise [Support for Community Organisations](#)** potential support for capital projects for organisations exhibiting growth and social, environmental and economic outcomes. The positive tourism and income generating outcomes for BCT may make this project of interest to HIE. The first step is early stage discussions with the relevant account manager.

### **Garfield Weston**

This Trust funds charities working with communities and can fund up to 10% or £30K of a capital project. They expect to see local fundraising activity to show how much the local community values the organisation and community and social outcomes will be important.

### **Rural Tourism Infrastructure Fund (RTIF) - Not currently available for the Balmacara project**

This would normally have been the most appropriate funding stream to approach for this project. However, Highland Council has taken a strategic approach to the funding over the next 5 years and has identified 22 key projects that the money will be allocated to. RTIF is designed to support collaborative projects that focus on improving the visitor experience in rural parts of Scotland that are facing immediate and damaging pressures on their infrastructure, or negative impacts on communities due to significant increases in visitor numbers. RTIF has supported the development of 24 Strategic Tourism Infrastructure Development Plans in rural areas across Scotland. The Strategic Infrastructure Plans will inform the priorities for RTIF over the next three to five years. The fund is opened annually by Visit Scotland and it is a two stage process. Expressions of Interest are normally requested in June each year.

Unlike the previous 4 rounds, where applications were accepted on an individual basis, future rounds of RTIF will focus on delivering the priorities within the Highland Strategic Tourism Infrastructure Development Plan. The plan identifies two levels of tourism infrastructure related priorities and twenty-two projects that the Highland Council and its partners plan to take forward over the next 2-5 years as priorities.

[Ambitious Tourism Infrastructure Development Plan approved | The Highland Council](#)

This project in Balmacara is not included in the Development Plan and therefore is unlikely to secure RTIF funding.

## Community Project Funding

The community shelter and local path network signposting is likely to form a separate community project, with funding potentially secured from a smaller grant funder, e.g.

**Awards for All** - Up to £10,000 for a community led project that provides small scale community activity or facilities. [National Lottery Awards for All Scotland](#)

## Phase 1 Early Stage Estimated Income and Expenditure: BCT leasing out the camping and motorhome site.

<b>Phase 1 from Year One Operation (after redevelopment of site)</b>		3% inflation included from year 2				
Income early estimates - Annual Income	Yr 0	Yr1	Yr2	Yr3	Yr4	Yr5
Income for use of toilets - annual donations estimate		£1,000	£1,030	£1,061	£1,093	£1,126
Income from the laundry		£1,500	£1,545	£1,591	£1,639	£1,688
Events and Campsite Fundraising	£1,000	£3,000	£3,090	£3,183	£3,278	£3,377
Annual Lease for motorhome and tent pitches, including infrastructure (reduced yr 1 for input to set up)		£10,000	£10,000	£10,300	£10,609	£10,927

<b>Total estimated annual income</b>	£1,000	£15,500	£15,665	£16,135	£16,619	£17,118
Expenditure early estimates - Annual expenditure	Yr 0	Yr1	Yr2	Yr3	Yr4	Yr5
General path and site maintenance		£1,500	£1,545	£1,591	£1,639	£1,688
Tree / vegetation management and maintenance		£2,000	£2,100	£2,205	£2,315	£2,431
Building and Public liability insurance (for BCT)	£1,500	£1,500	£1,575	£1,654	£1,736	£1,823
Legal fees for lease set up and ongoing solicitor fees	£1,000	£1,000	£1,000	£1,050	£1,103	£1,158
Contribution towards site development (signage, new paths, benches, play equipment)	£0	£3,000	£3,000	£3,000	£3,000	£3,000
<b>Total Estimated annual expenditure</b>	<b>£2,500</b>	<b>£9,000</b>	<b>£9,220</b>	<b>£9,500</b>	<b>£9,793</b>	<b>£10,100</b>
<b>Profit/Loss</b>	<b>-£1,500</b>	<b>£6,500</b>	<b>£6,445</b>	<b>£6,635</b>	<b>£6,826</b>	<b>£7,017</b>
<b>Cashflow</b>	<b>-£1,500</b>	<b>£5,000</b>	<b>£11,445</b>	<b>£18,080</b>	<b>£24,906</b>	<b>£31,923</b>

Summary Table						
Estimated Income and Expenditure - from operational Year 1	Yr 0	Yr1	Yr2	Yr3	Yr4	Yr5
Total estimated annual income	£1,000	£15,500	£15,665	£16,135	£16,619	£17,118
Total Estimated annual expenditure	£2,500	£9,000	£9,220	£9,500	£9,793	£10,100
Profit/Loss	-£1,500	£6,500	£6,445	£6,635	£6,826	£7,017
Cashflow	-£1,500	£5,000	£11,445	£18,080	£24,906	£31,923

## 15. Investment From Reraig Campsite Projections

Following investigations, Reraig Campsites business plan indicates that their investment would be:

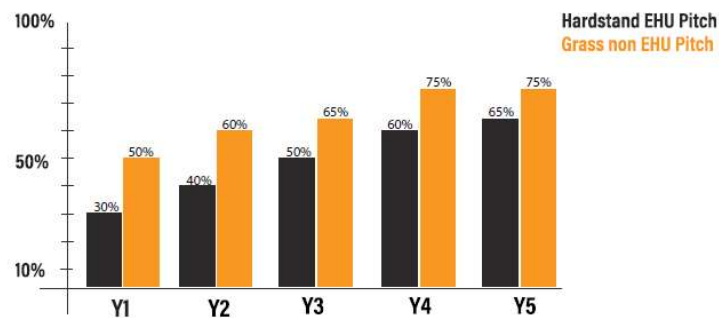
### PROJECTED DEVELOPMENT COST BREAKDOWN

<b>Arkem leisure 15.4m Amenity Unit</b>	£ 81 354
Delivery and Installation	£ 10 000
CPES Europa power bollard x 8	£ 7 100
<b>Premier Tech Aqua Ecoflo</b> waste water treatment plant (incl. Installation and additional collection tank)	£ 60 000
Elsan Disposal Point	£ 896
Steel Storage Shed incl. construction	£ 8 000
Fire point kits x10	£ 2 230
Solar powered lighting pedestals x10	£ 2 000
Communal BBQ area	£ 2 500
New double wide access gate	£ 365
Pedestrian Bridge	£ 450
Street sign posts	£ 1 600
Touring Caravan (warden accommodation)	£ 15 000
<b>Ground Work</b>	
Approx. 100 tonnes type 2 gravel	£ 10 000
Anti growth plastic membrane 16 x 14m roll	£ 240
Top soil 680m <sup>2</sup>	£ 1 468
<b>Contractors</b>	
[REDACTED]	£ 30 000
Pitch + parking area clearance and construction	
Laying of approx. 100 tonnes gravel	
Laying turf between pitches	
Concrete base construction for amenity building and shed	
Installation of solar lighting pedestals	
Resurfacing roads and paths where required	
Chemical disposal point installation	
[REDACTED]	£ 20 000
Laying 2 armoured cables of approx. 50m	
Installation of 8 CPES power pedestals	
Installation of fuse boxes and EICR testing	
<b>Contingency</b>	£ 40 000
<b>Total</b>	<b>£ 293 203</b>

## Occupancy Estimates:

### OCCUPANCY PROJECTION

Based on 16 Hardstand and 25 Grass Pitches



## 16. Risks and Mitigation

The table below identifies the key risks and potential mitigating actions for this project. These will be monitored updated by BCT as the project progresses.

Nature of risk	Detail of possible risk	Likely	Impact	Mitigation
Board capacity	Lack of time for Board members as currently undertaking another capital project	Med	High	BCT to manage time effectively and delegate tasks to all member of the Board appropriately. Set up a subgroup for this project and recruit new members
Board capacity	Lack of specialist skills to cover the work that needs doing	Low	High	Strong and committed Board in place. Succession planning and recruitment will be carried out as required
Unable to raise the required match funding to purchase the asset	BCT is applying to SLF for the cost of the asset. If successful, the SLF grant could cover 95% of the valuation.	low	high	BCT to liaise with FLS (current site owner) through the CAT process regarding a potential reduction in the site value to cover BCT's 5% contribution (acceptable to SLF)
Unable to secure capital funding required for BCT redevelopment plans (excluding campsite)	Capital grants required for redevelopment	High	High	Liaise with potential funders from the outset. Project must be strongly presented to attract funding from a wide range of funders. Consider seeking local investors/ partners to contribute towards capital set up costs
Timescales for capital works not in line with BCT need for income	The asset could require work before a lease income can be generated.	Low	Med	Lease to Reraig before redevelopment works carried out. Ensure that any early-stage costs for overall site maintenance are incorporated into the capital works



Nature of risk	Detail of possible risk	Likely	Impact	Mitigation
				plan and included in funding strategy
Surveys at purchase stage identify further works	A number of further surveys have been identified	Med	Med	Incorporate any additional identified work in the specification for the capital works and fundraise to cover the costs of delivery
Heightened local community expectations	Unable to meet expectations re facilities to be developed	Med	Med	Clear ongoing communication with community
Reputational risk	Failure to deliver outcomes damages BCT reputation	Low	High	Strong Board processes, and policies in place, good code of conduct, Clear communication with community and stakeholders

## 17. Capital Project – Next Steps and Timescale

### Key Actions for BCT

- Obtain independent site valuation jointly with FLS –taking into account the potential for a 15 year standard security to be imposed (so lower valuation) or not (so higher valuation).
- Continue to liaise with FLS re the CAT process and submit the CAT application – if appropriate, request a potential reduction in the site value to cover BCT’s 5% contribution (see table of actions below)
- Submit Stage 2 Scottish Land Fund application (requires valuation – see table of actions below) to include development costs of surveys, legal fees and potentially some development time costs
- Ongoing liaison with community and stakeholders to keep everyone informed of progress throughout the process using events, newsletters and social media.
- Early stage liaison with Reraig regarding a 25 year lease. Develop a partnership at an early stage to support development and business planning.
- Plan surveys in preparation for purchase of site. Line up required survey work to take place as soon as SLF approval secured.
- Begin to develop funding applications for BCT capital redevelopment costs, including next stage of architect design work to RIBA 3 to achieve planning permission and prepare tender brief for contractors.

### Approximate Timescale estimates

Action	Approximate date
Receive valuation for site	Nov 2023
Discuss Business Plan and make a decision re whether to progress purchase	Nov 2023
Apply To Forest Land Scotland for Community Asset Transfer	Dec / Jan 2023
Receive price from for site from FLS	Feb 2024
Apply to Scottish Land Fund for capital grant to purchase site (once price agreed)	Feb 2024
SLF approved	June 2024
Carry out additional surveys	July 2024
Purchase site from FLS – completion of legals	Aug 2024
Set up 25-year lease with Reraig	Aug 2024
Reraig to start planning and redevelopment process	Sept 2024
Reraig capital works and early stage works on site	Sept 2024
BCT carry out additional design work and apply for planning and building warrant (BCT works)	Aug to Dec 2024
Apply for capital funding for BCT works - building redevelopment project	Aug 24 to Mar 2025
Tender for contractors and appoint subject to funding	Dec 24 to Mar 2025
Once funding in place, BCT start capital works	April 2025
Reraig complete capital works	May 2025
Balmacara Campsite open for business	Summer 2025

## 18. Appendices

- Biz Plan App 1 Balmacara Campsite Survey Analysis
- Biz Plan App 2 Options Appraisal
- Biz Plan App 3 Reraig Motorhome and Camping Proposal
- Biz Plan App 4a Site drawing Phase 1
- Biz Plan App 4b Site drawing Phase 2
- Biz Plan App 5a Radon Mapping Assessment
- Biz Plan App 5b Flood Risk Mapping
- Biz Plan App QS Indicative Costs 11-09-2023
- Biz Plan App 7 Balmacara Campsite Risks