

# **Manor Farm Partnership**

## **The Project**

**Construction of Stables and Granary to  
self-catering**

**and**

**Installation of woodchip biomass heating to  
serve the Village Community Shop, Stables  
and Granary**

**Application for SEEDA grant funding**

**Briefing document and Business Plan**

# Contents

## **1. Executive Summary**

## **2. Mission statement**

## **3. Background Information**

Location

Farm and family

Existing bed and breakfast business

Farm diversification – the farmyard

Stables and Granary - 'Phase 1' of development

Village Community Shop

Woodchip boiler

## **4. Business Objectives**

Short term

Medium term

Long term

## **5. Collaborative nature of the project**

Community Shop

White Hart pub

Claytons Cars

Sports & Relaxation massage therapist

Steve Callaway – mountain bike guides

Pang, Kennet & Lambourn Valleys Countryside Projects

## **6. Market Research and analysis**

Environment analysis – PESTEL

Primary research

Advice from experts

Secondary research

Competition

SWOT analysis

## **7. Product/service offering**

Accommodation type

Quality of accommodation

Flexibility of offer

Points of difference

## **8. Marketing**

Market Segmentation

Promotion/marketing initiatives

Price

## **9. Impact of project**

Economic

Social

Environmental

**10. Operational requirements**

Staffing

Quality and reliability

**11. Human resources**

Training and development

Health and Safety

Staffing requirements

**12. Financial Appraisal**

Build costs

Funding

Projected revenue, profit & loss

Projected 3 year cash flow

**13. Risk Management and Exit Strategy**

Competitor action

Commercial issues

Operations – IT failures

Staff skills, availability and costs

Acts of God, fire or flood

**14. How Project can deliver RDPE and SEEDA objectives**

RDPE 2007 -2013

The South East Regional Forestry Framework

Tourism South East tourism strategy document 'Tourism ExSellenace'

## **1. Executive Summary**

- 1.1. The applicant is a farming family with strong ties to Hampstead Norreys. The project involves the conversion of the dilapidated Stables and Granary (no longer suitable for modern agriculture) into self-catering accommodation. This is part of a larger and exciting farm diversification mixed-use scheme for the old farmyard in the centre of the village.
- 1.2. There is a shortage of self-catering accommodation in West Berkshire and a proven demand. Providing self-catering accommodation units will build on the current successful bed and breakfast business and further develop the farm diversification programme. The proposed business venture will bring benefits to a wide range of people and organisations, which will help boost the local economy.
- 1.3. Installing a biomass boiler (wood chip) ensures a sustainable source of heating for the accommodation and for the future, allows the business to take advantage of the farm woodland to supply wood chip fuel.
- 1.4. The applicant takes a long term financial view on the buildings. Its primary goal is to safeguard the assets and generate an income stream that ensures the buildings are preserved. Without grant aid, the start up costs for the biomass heating system and the higher costs involved with the conversion of the listed buildings, in particular the Granary, are prohibitive.

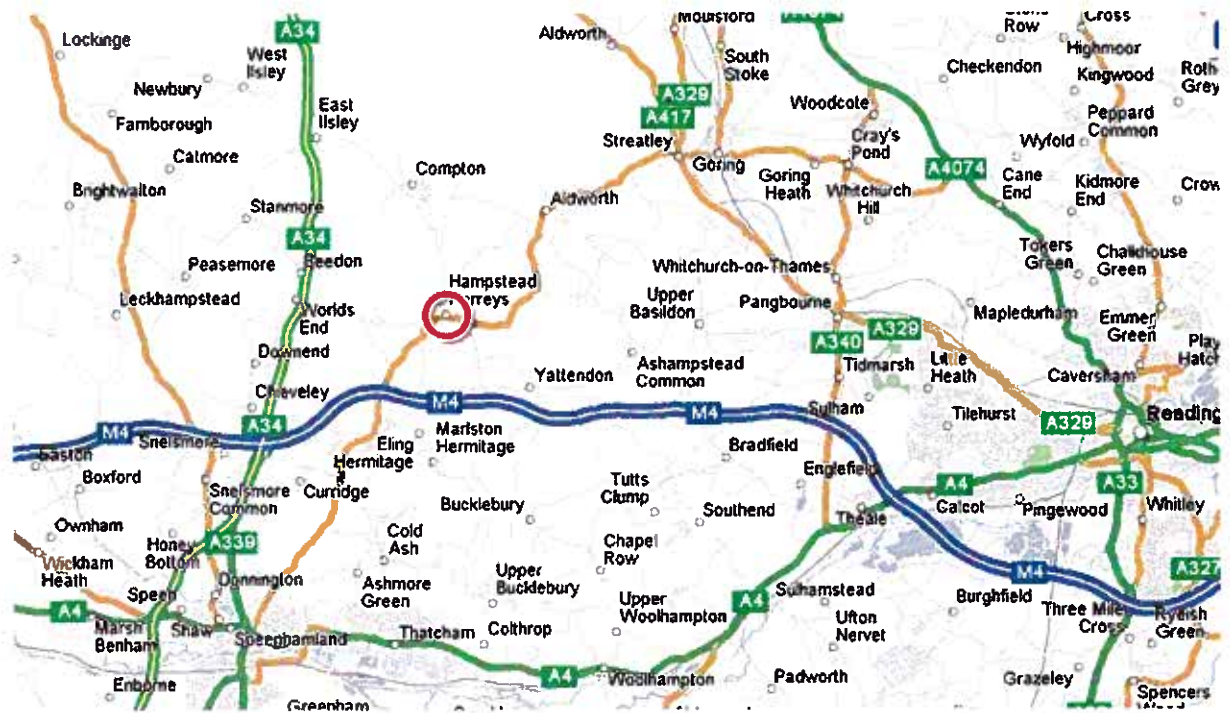
## **2. Mission statement**

- 2.1. Our aim is to offer guests who stay in the Stables or the Granary at Manor Farm a high quality stay:
  - where they feel completely at ease and looked after in a warm, friendly environment;
  - that offers value for money and exceeds expectations; and
  - that encourages guests to be environmentally responsible.

## **3. Background information**

### Location

- 3.1. Manor Farm is in the centre of the village of Hampstead Norreys, located in the North Wessex AONB in West Berkshire, approximately 4.5 miles north of the M4 J13 (10 minutes by car) and 4.5 miles to the east of the A34 (10 minutes by car). The village is on the B4009 Newbury to Streatley road.



- 3.2. A schedule of photographs showing the buildings which are the subject of this application as well as some of the amenities in Hampstead Norreys, is attached at **Appendix 1**.

### The farm and family

- 3.3. Manor Farm has been owned by six generations of the family since 1817. Both the older and younger generations of the current Betts family are conscious of their forbears' achievements and feel a strong commitment to the future of the family farming tradition, the land and the community of Hampstead Norreys in which it is set.
- 3.4. [REDACTED] and his second son [REDACTED], manage the agricultural farm. The farm comprises a mixed arable beef unit, extending in total to approximately 350 acres. Approximately 300 acres is in arable production, producing around 800 tonnes of grain per year. The farm has also expanded its operation in recent years by carrying out contract work for neighbouring farms.
- 3.5. The farm has 3 sites of operation:
- The 'Parlour' site, located north of the White Hart pub in the centre of the village;
  - Site at Hackney Bottom, approximately half a mile to the north of the village, at the far end of the farm; and
  - Manor Farm farmyard in the centre of the village. This old farmyard contains a range of Grade II listed barns and buildings, some of which continue to house some farming activities, however they are no longer suitable for modern agricultural use.
- 3.6. The farm is unusual in that it has a significant asset in the form of the farmyard in the centre of the village, consisting of a range of 16<sup>th</sup> and 17<sup>th</sup> century Grade II listed barns. Many of the barns are no longer suitable for modern agriculture and are in a

dilapidated condition. We wish to restore and diversify the use of the barns, so that these assets are preserved and produce a sustainable income, rather than being a liability for the business.

- 3.7. In common with other small farms, there has been a substantial drop in the farm's income generated by traditional agricultural activities. Prospects have improved over the last few years with improved market prices and fewer crises; however the agricultural economy is volatile.
- 3.8. As part of the planning for the future of the farm, the Betts family has formed a partnership business, with all [REDACTED] being partners. The partnership is called The Manor Farm Partnership.
- 3.9. A copy of the last 3 years accounts are attached at **Appendix 2**.

#### The existing Bed and Breakfast business

- 3.10. In 2002 [REDACTED] started a bed and breakfast business in the Manor House, which is located next to the old farmyard. There are two double rooms and a self-contained annexe. Further detail of the bed and breakfast business offering can be seen at its website [www.bettsbedandbreakfast.co.uk](http://www.bettsbedandbreakfast.co.uk). The business has been run mainly by Pamela and Richard, with the assistance of a part-time worker and with help from the four children when needed.
- 3.11. The business has been successful year on year. We have experienced a consistently strong demand for good quality accommodation set in rural surroundings with good transport connections. We attract a very broad customer base, both from the UK and overseas, who come to stay for a wide range of reasons.
- 3.12. The room occupancy rate for the bed and breakfast business since it started in 2002 has been consistently high, achieving 83.5% in 2006. The business has been affected by the current recession with occupancy levels now just above 60%. The business has generated a significant amount of goodwill in its lifetime. The significance of the existing goodwill is evidenced in the number of repeat bookings made. In 2008, 34% of the total bookings made were repeat business. In 2009, up to and including October, 36% of all bookings made were repeats. This gives the applicant confidence in its product and the service it is currently offering.
- 3.13. There are significant periods in the year when the bed and breakfast business cannot fulfil the demand and so has to turn away bookings.
- 3.14. In addition, although the applicant does not advertise self-catering as such, it receives a significant number of enquirers seeking self-catering accommodation, some of which, bed and breakfast bookings permitting, can be accommodated in the annexe.
- 3.15. Based on this evidence, and taking into account other factors discussed in this document, the applicant is keen to extend the offering and provide more accommodation for tourism in the West Berkshire area.

#### Farm diversification - the farmyard

- 3.16. The applicant has recognised for a number of years that further substantial diversification is necessary in the old farmyard, not only to provide a sustainable

source of income, but also to repair and maintain the dilapidated buildings in the farmyard. The majority of the buildings in the farmyard are Grade II Listed, and therefore need to be brought back into suitable active use in order to secure their long term future.

- 3.17. Since January 2005 the applicant has carried out extensive research and due diligence in planning diversification for the farmyard. It also engaged in detailed pre-planning consultation with West Berkshire Council and interested parties from the village prior to submitting its application in May 2008, including an 'open day' to show the proposed plans. In August 2008 the applicant was granted planning permission for its 'major application' (08/01099/FULEXT) for the re-development of the old farmyard. A copy of the planning permission is attached at **Appendix 3**. A site plan is attached at **Appendix 4**. The site is approximately 1 hectare in size.
- 3.18. Planning permission was granted for self-catering in the existing Granary, Stables and adjacent new-build. The permission also covers the conversion of various barns for B1 Office use (Machinery Barn, Rex's shed and the Long Barn) and the Saw Barn to residential use.
- 3.19. The applicant was also subsequently granted permission for the building of a village Community Shop and a biomass boiler (planning application 09/00744FULD). A copy of the planning permission is attached at **Appendix 5** and a copy of the site plan attached at **Appendix 6**.
- 3.20. To accommodate the farm diversification plans, the current agricultural activities taking place in the farmyard will be re-located to the Parlour and Hackney Bottom. Farm vehicles can travel between the Parlour and Hackney Bottom sites along farm tracks, without the need to use the roads. This relocation of agricultural activities from the farmyard to the other farm sites will help cut down the amount of farm traffic through the village.
- 3.21. The applicant recognises that the overall scheme is a significant undertaking. However the applicant takes a long term view over the development of the farmyard, and will approach the project on a phased basis over a number of years.
- 3.22. The first phase is the building of the village Community Shop (with flat above,) the conversion of the Stables and Granary to self-catering; and the installation of the woodchip boiler.

#### The Stables and Granary as part of 'Phase 1' of the development

- 3.23. The applicant has discussed with members of the Shop Management Committee the practical details surrounding the timing of the building of the Shop and the existing Stables, to which the Shop building will be attached.
- 3.24. On consultation with our architect, structural engineer and the builders we have interviewed, it is clear that it would be advantageous to complete the conversion works to the Stables at the same time as the building of the shop. Works needed to the Stables are significant and involve: underpinning, removal, repair and replacement of roof sections and extensive brickwork repair. To build only the Shop and open the Shop before any works are done to the Stables would mean significant disruption for the Shop when the work on the Stables takes place.

### The village Community Shop

- 3.25. The Community Shop project developed out of the village's Parish Plan questionnaire in 2007. This survey showed an unprompted majority expression of the desire to improve the amenities of Hampstead Norreys by the re-establishment of a village shop. The village has been without a shop for 11 years.
- 3.26. It was quickly established that the only feasible model to successfully re-introduce a shop into the village was through a community-owned shop – a shop business run by the community for the benefit of the community.
- 3.27. A formal Management Committee, consisting of members of the village, was set up and tasked with finding a suitable location for the shop. Manor Farm farmyard was identified as the only suitable and viable site for the shop. The Parish Plan Implementation Committee therefore approached the applicant to see if it would agree to apply for planning permission for a village shop in the farmyard.
- 3.28. The applicant, being active and involved in community life, agreed to this request. [REDACTED] (years) has lived in Hampstead Norreys all his life. His [REDACTED] has lived in the village since [REDACTED] have seen the loss of two shops over the last 40 years. In their view the village has lost an amount of community spirit since there has been no local shop – the sense of 'being known and of knowing' in the community has dissipated. They strongly believe that the re-introduction of a well-run village shop will greatly help re-build some of the neighbourliness and respect for one another across the whole community that used to exist.
- 3.29. The applicant has agreed to accept a very low level of committed rent of [REDACTED] per square foot [REDACTED] VAT per month), based on the Shop's business plan and cash flow projections of what it can will be able to afford to pay. If the Shop makes a profit greater than it currently projects, then any excess will be set against the yearly headline rent, agreed at [REDACTED] per square foot.
- 3.30. The applicant actively decided not to include the village Community Shop in its original major application (08/01099FULEXT) in an effort to avoid prejudicing or tainting the village's view of the shop. To have included the shop might have led people to think that the applicant was using the shop as a vehicle to obtain permission for other items in the application; or that people would have associated the shop more as the 'Betts' shop' rather than the village's shop. For this reason, planning permission was obtained for the shop separately (planning application 09/00744/FULD).
- 3.31. In November 2009 the applicant was awarded a grant contract from North Wessex Downs AONB LAG for £50,000 to go towards the construction of the new-build shop.
- 3.32. As a footnote, and for completeness, we should mention the original 2008 major application included 6 residential units; however this element of the application was withdrawn because of Environment Agency objections, based on their flood map of the area. For this reason the 6 residential houses are not shown in the site plan at **Appendix 4**. However, following consultation with the Environment Agency, those objections were overcome. As a protective measure against future unknown changes in planning policies, the applicant combined in one planning application (09/00744) the 6 residential units, the village community shop and the biomass boiler, for which permission was granted on 17<sup>th</sup> June 2009 (see **Appendix 6**). The position with the 6 new-build houses is complex. The applicant is part owner of the land for the 6 residential units and has undertaken not to build any residential units until the other 2



joint owners are in agreement. We would only consider this residential development at some future point if it did not overly impact on the self-catering business.

#### Woodchip boiler

3.33. We have researched a number of different forms of renewable energy systems and methods. We reached a stage where it became difficult to assess what would be most suitable for the development. With assistance from Pang, Kennet and Lambourn Valleys Countryside Projects ('FWAG') and [REDACTED], we appointed [REDACTED] to research the market on our behalf and produce a feasibility report. A copy is attached at **Appendix 7**. [REDACTED] conclusion is that a woodchip boiler heating system would be ideal and has identified a suitable local supplier, Oxfordshire Woodheat, as the most competitive tender. We may move the location of the boiler from behind the Stables to behind the Machinery Barn for ease of access. West Berkshire Council has approved this informally and we expect to have formal planning approval in due course.

### **4. Business Objectives**

4.1. In overview, the applicant takes a long term view of the development of the farmyard. The family is rooted in the community and wishes to remain so. Its objective is not to sell the assets but to preserve them and generate a sustainable income. Its business objectives for the self-catering business are as follows:

4.2. Short term objectives (6 months- 1 year)

- Seek Visit Britain Self-catering Accommodation Quality Assurance assessment to obtain star grading, aiming for 4 stars. This will enable properties to be advertised in the same places as the Bed and Breakfast: Visit England, Farm Stay UK and West Berks Tourist Information publications
- Seek accreditation from the Green Tourism Business Scheme
- Seek accreditation from the Disabled Access Scheme
- Achieve 45% unit occupancy

4.3. Medium term objectives (years 2-3)

- Review all routines and procedures to ensure maximum efficiency, including staffing and website
- Build increase in visitor numbers of 5% as advertising takes effect, to achieve 50% occupancy
- Plan for growing suitable trees on Manor Farm to produce own woodchip

4.4. Longer term objectives (years 4-5)

- Encourage member of staff to assist with booking, billing, welcoming and leaving procedures as part of staff development
- Achieve 60% occupancy
- Harvest own woodchip from coppicing in conjunction with continuing use of local supplier.

### **5. Collaborative nature of the project**

#### Hampstead Norreys Community Shop

- 5.1. We are working closely with the village Community Shop concerning the installation of under-floor heating and hot water supply from the woodchip boiler. Given the low running costs of woodchip, this should be of benefit to the sustainability of the Community Shop, as it will be able to avoid high fossil fuel and electricity costs.
- 5.2. We will also be working with the village Community Shop to provide tailored services to guests staying at the self-catering accommodation. Guests will be given a voucher use in the shop, and will receive a 'welcome hamper' of items from the shop on arrival.

*Chairman of Management Committee, Mr Peter Blackborow, Well Cottage,  
Hampstead Norreys, Thatcham, Berks*

#### The 'White Hart' Public House

- 5.3. We will be liaising with the 'White Hart' local pub, which offers 'gastro pub' meals, and will design offers for guests staying at the self-catering accommodation.

*Licensees, Ms Tracey Clemson & Mr James Stanley, The White Hart, Hampstead  
Norreys, Thatcham, Berks*

#### Claytons Cars

- 5.4. We are working with [REDACTED], a local taxi business owner, who is developing plans to offer packages, taking a number of guests from various accommodation providers to places of interest or special activity in his people carrier.

[REDACTED] *Thatcham, Berks*

#### Sports and Relaxation Massage Therapist

- 5.5. We will be working with a local Sports and Relaxation Massage Therapist, [REDACTED] who is able to offer massage either at the self-catering properties or at the clinic where she works. We have discussed advertising on each other's website.

[REDACTED] *Reading, Berks*

#### Steve Callaway, Guided Mountain Bike Rides / North Hants Bikes

- 5.6. We will offer guided mountain bike rides in the local area with [REDACTED] a local enthusiast. Initially we plan to offer cycle hire from North Hants Bikes to guests and their children; the bikes would be delivered and collected by the company. We plan to have reciprocal website links.

[REDACTED] *Reading, Berks*  
[REDACTED] *Whitchurch, Hants*

#### Pang, Kennet and Lambourn Valleys Countryside Project ('FWAG')

- 5.7. We are working with local expert, [REDACTED] who conducts walks through fields and woods and ancient woodlands in the immediate area to look at the wildlife, history

and geology of the surrounding countryside. Guests will be able to join the regular walks, or a walk could be specially organised for a group of people. [REDACTED] does this on a voluntary basis on behalf of the charity, FWAG, and we have agreed that payments made by guests will go to the charity.

- 5.8. By installing a woodchip boiler we will be working with local woodfuel suppliers to help support their businesses, and help local jobs. It will also help with improvement in local woodland management.

## 6. Market research and analysis

### Environmental analysis

<p><b><u>Political</u></b></p> <ul style="list-style-type: none"> <li>• Government support to maintain and enhance the countryside and rural economies</li> <li>• Government backed initiatives to support supply of biomass waste for renewable energy – Renewable Heat Incentive in its Renewable Energy Strategy pub,15.7.2009</li> </ul>	<p><b><u>Economic</u></b></p> <ul style="list-style-type: none"> <li>• Continuing economic downturn may affect visitor numbers</li> <li>• Large local firms may not revert to employing people on contract as they have done previously</li> <li>• Weakness of £ may attract more visitors from abroad and UK visitors to take breaks in this country</li> <li>• Volatile fossil fuel prices means woodchip more sustainable</li> <li>• Current high utility prices can be reduced by more efficient energy use – ‘the green advantage’</li> </ul>
<p><b><u>Social</u></b></p> <ul style="list-style-type: none"> <li>• Move to, and interest in, environmentally friendly ways of living</li> <li>• Expectation of high quality accommodation as standard</li> <li>• Consumers looking for experiences and for relaxation in an increasingly 24/7 lifestyle</li> <li>• Increasing consumer focus on healthcare and well-being</li> <li>• Proximity of local products in shop</li> </ul>	<p><b><u>Technological</u></b></p> <ul style="list-style-type: none"> <li>• Increasing importance and effectiveness of the internet, electronic and digital channels for communicating and marketing our product</li> </ul>
<p><b><u>Environment</u></b></p> <ul style="list-style-type: none"> <li>• Emphasis on sustainability and reduced carbon footprint and reduction of food miles increasingly important</li> <li>• A property where ‘Green’ and sustainability issues are being addressed will increasingly have the</li> </ul>	<p><b><u>Legal</u></b></p> <ul style="list-style-type: none"> <li>• Changes in UK or EU legislation which may have an impact on the self-catering accommodation</li> <li>• Changes in regulation for fire, access and health and safety issues</li> </ul>

market edge. Visitors can search Visit Britain website for 'Green Accommodation' listings.	
--	--

### Primary research

- 6.1. The applicant has gained useful experience and insight from running its current bed and breakfast business, which also offers a self-catering option.
- 6.2. Whilst it is true to say West Berkshire does not enjoy the reputation of being a holiday destination, it does offer a surprising amount of leisure facilities and interest through its location in the AONB. This is borne out by the experiences of guests who come to stay at Manor Farm – appreciating the unexpected beauty of the area, its ease of access and the amount of interesting things to do and see.
- 6.3. Reasons why guests have come to stay have included:
  - Visits to
    - Living Rainforest
    - Beale Park
    - Legoland
    - Didcot Railway Centre
    - Windsor Castle
    - National Trust properties: Basildon Park, Grey's Court, The Vyne
    - Thatcham Discovery Centre
  - Attending Concerts at Basildon Park, Highclere Castle, Douai Abbey; theatre visits to the Watermill
  - Attending TV Chef, Mike Robinson's Cookery School,
  - Visiting nearby gourmet restaurants:
    - The Bunk, Curridge
    - The Crab, Chieveley
    - The Pot Kiln, Frilsham
    - The Yew Tree, Highclere
  - Walking and cycling: in local area, along Thames Path and the Ridgeway National Trail
  - Hot air ballooning (Floating Sensations launch from Hampstead Norreys Dean Meadow [www.floatingsensations.co.uk](http://www.floatingsensations.co.uk))
  - Attending Shooting School, Upper Basildon
  - Attending Newbury Races, and visits to racing stables

➤ Shopping: Reading, Hungerford, Oxford

- 6.4. We receive requests for self-catering, which range from holiday breaks for UK and foreign tourists, craftsmen and tradesmen working on jobs locally, people needing temporary accommodation for personal reasons, to those wanting to stay near local relatives or friends.
- 6.5. Our membership of a guest accommodation forum affords opportunities to explore and discuss other people's experiences of offering accommodation, and to pick up tips and advice.
- 6.6. Research has been carried out by visiting several self-catering properties, discussing issues with current proprietors and by looking at many self-catering websites, especially in Berkshire and the neighbouring counties of Oxfordshire and Hampshire.

Advice from experts

- 6.7. We have met with [REDACTED] Tourism South East's Rural Programme manager, and discussed research carried out into visitor behaviour on behalf of Visit Britain. A copy of a letter from [REDACTED] is attached at **Appendix 8**.
- 6.8. We have also taken advice on the market conditions from [REDACTED] Newbury Tourist Information Centre at the time. [REDACTED] spoke of noticing a largely unmet demand for self-catering property that offered accommodation for families or friends in groups of ten or so. This could be offered here by the rental of the large self-catering unit and one or two others.
- 6.9. [REDACTED] participation in a key stakeholder's workshop, run by West Berkshire Culture and Tourism Department, to develop a Tourism Strategy for West Berkshire, gave valuable insights into the strengths, weaknesses, opportunities and threats to tourism in West Berkshire. Also included were the market segmentation research findings from Arkenford market modelling and research, commissioned by Tourism South East, identifying the most likely types of people that would be attracted to what West Berkshire offers.
- 6.10. [REDACTED] regularly attends Tourism South East Training Courses, which have included: 'Welcoming Walkers and Cyclists', 'Green Tourism Advantage' and 'Smarter Marketing'. These have provided invaluable insights towards matching, or exceeding, guests' requirements and expectations of their experience when they stay.
- 6.11. We have recently had discussions with [REDACTED] of Business Links, about the bed and breakfast business and proposed extension of the business with the Stables and Granary self-catering.

Secondary research

- 6.12. Visit Britain handbook on Self-Catering Quality Assurance standards for assessment and grading
- 6.13. Visit Britain materials on the National Accessible Scheme. Disability Rights Commission booklet on The DDA 1995 for guest accommodation owners

- 6.14. Materials on the Green Tourism Business Scheme and TSE's 'Sustainability for Dummies'
- 6.15. Tourism South East's strategy for tourism 'Tourism ExSEllence'
- 6.16. Tourism South East Annual Report 2006-07
- 6.17. TSE Ark Leisure Segmentation Report by Arkenford.
- 6.18. TSE 'Well Being Tourism' Winter 2005
- 6.19. Daily Telegraph quote on 14.11.2009: " 72 is the percentage of people planning to take a 'staycation' break within Britain next year, according to a TNS survey commissioned by Visit England"
- 6.20. Article from the Plunkett report 28.8.2009 quoting the Farmer's Weekly, showing that there is a desire amongst many consumers for quality fresh local produce, and a willingness to support local producers - part of the increasing market for sustainable living.

### Competition

- 6.21. We have identified some self-catering properties and one serviced apartment business, which can be regarded as competitors. Below is a summary of our enquiries with all properties offering self-catering within a 10 mile radius of Hampstead Norreys, showing their location, grading (if any), capacity and price. We have also shown their flexibility over letting lengths and change-over days.

Property/location	Distance from H.N.	VisitBritain * rating	Offering	Bed spaces	Price	Bookings
<b>Bracken Cottage Flat</b> Bucklebury No website	6.5 miles Rural	3	flat in house	2	£250-£300pw	flexible
<b>Brambly Thatch</b> Goring Heath, Pangbourne No website	8.5 miles isolated rural	3	cottage	5	£425-£525pw	inflexible Fri-Fri
<b>Frogmore Lodge</b> Bradfield	6.6 miles  isolated rural	not in scheme	barn conversion	2	£220.77-513.77 (incl £28.77 Late Rooms booking fee)	Fri-Fri  + short w.end
<b>Enborne Street Farm</b> Enborne, Newbury www.highstreetfarmbarn.co.uk	10 miles farmyard isolated rural	4  4	barn conversion  cottage	4  5	£430 inc vat  £430 excl vat	inflexible Sat-Sat
<b>Field Farm Cottage</b> Sulhamstead http://www.bandbwestberkshire.co.uk/	9 miles  Rural	not in scheme	(+B&B) self-contained unit	2	£350pw	flexible

Property/location	Distance from H.N.	VisitBritain * rating	Offering	Bed spaces	Price	Bookings
<b>Freedom Serviced Apartments</b> Newbury www.freedomservicedapartments.co.uk	7 miles 2 locations -town centre & on outskirts	4	3 x1bed  2x1bed units	3  2	£395pw	Flexible
<b>Heron's Farm</b> Pangbourne www.heronfarm.co.uk	4 miles farm/horse yard	not in scheme	+B&B 4x2 bed 1x3 bed units	8  3	£50 per night  £90 per night	Flexible Nightly rate
<b>Peregrine Cottage</b> Enborne Street, Newbury No website	10 miles  urban	5 + gold award	cottage	5	£450-£600pw	Sat-Sat
<b>Woodrows</b> Aldworth No website	3 miles isolated rural	not in scheme	cottage	7	£515-£1,103	Sat-Sat

6.22. Visitors to the area who use the 'Welcome to West Berkshire' publication will find a choice of 12 hotels, 10 Inns/Guesthouses, 19 Bed and Breakfasts and 7 Self-Catering properties. Assuming the wish of our potential guests to stay in self-catering accommodation, we do not consider hotels, guest houses or bed and breakfast establishments to be direct market competitors.

6.23. We have also reviewed self-catering accommodation slightly further away that would be similar to what we propose. Details are set out below:

Property/Location	Distance from H.N.	VisitBritain * rating	Offering	Bed spaces	Price	Bookings
<b>Brook Farm Cottages</b> Drayton Abingdon www.brookfarmcottages.com	16 miles  rural, but close to trading estate	4	3 units in milking parlour conversion	3x4beds  (diff size units diff prices)	no prices on website  winter £300 summer £430	Fri – Fri 3 nights =75% 4 nights = 85% min 3 nts
<b>Challow Hill Coach House</b> East Challow Wantage	Rural farmyard	4	Converted coach house	2	£250-365pw sofa bed + £40pw	F & M  Midweek & long w.end
<b>Chilton Apartments</b> Chilton Harwell Oxon  www.chiltonapartments.co.uk	11 miles  edge of village - on roadside	4	4 units in converted house   2 cottages	1x3beds  3x5beds  1x2beds  1x4beds	£525pw  £595pw  £525pw  £595pw	Flexible – (min 2 nights) 5 or more nights-85 4 or fewer nights-95   75 & 85pn for smaller units)

<b>Property/Location</b>	<b>Distance from H.N.</b>	<b>VisitBritain * rating</b>	<b>Offering</b>	<b>Bed spaces</b>	<b>Price</b>	<b>Bookings</b>
<b>Dorney Self-Catering Apartments</b> Dorney Windsor www.troppo.uk.com	41 miles  rural	not in scheme	House conversion to 3 units close to Thames	16 (incl 9 sofa chairs)	£60,70&75 p.nt for two + £12 for each extra	Flexible chngeover  1 night only- £10 extra
<b>Goodlake Barns</b> Shellingford Faringdon Oxon www.goodlakebarns.co.uk	23 miles  Rural farmyard	4 /not yet graded	3 units in barn conversion barn conversion	2 4 6 8	£210-£245pw £375-£460pw £535-£710pw  £720-£795pw	Mid-wk or w.end 75% full week



## SWOT Analysis

<u>Strengths</u>	<u>Weaknesses</u>
<ul style="list-style-type: none"> <li>• Located in rural village in North Wessex Downs AONB and Conservation area. Site is in the centre of a lively village, with amenities (a village shop adjacent, pub with restaurant and Living Rainforest attraction within walking distance).</li> <li>• Close proximity to a substantial potential market - residents from London and adjoining regions, and the near continent.</li> <li>• Strong transport links - 4.5 miles from junction of main road arteries M4 and A34 for – good positioning to Oxford, Windsor, Bath, Stonehenge, Cotswolds. Good rail links to London and West Country. Good location for arrivals/departures from airports: Heathrow, Gatwick, Southampton, Bristol; and sea ports: Southampton, Portsmouth.</li> <li>• Wide range of things to see and do (e.g. Legoland, Living Rainforest, Basildon Park, Highclere Castle, Newbury Racecourse, Royal County of Berkshire Showground, Pot Kiln restaurant run by celebrity chef, Mike Robinson and Marco Pierre White's Yew Tree restaurant).</li> <li>• Many walking and cycling opportunities, both in the immediate locality, along the Ridgeway (2.5 miles) and the Kennet and Avon Canal towpath (7 miles).</li> <li>• The variety of accommodation offered has flexibility to suit a wide target market.</li> <li>• Proximity of Shop for local products.</li> </ul>	<ul style="list-style-type: none"> <li>• Location of Hampstead Norreys village not a 'destination' in itself. West Berkshire is not known as a place to head for, compared with for example Devon or Snowdonia. The best it can be perceived is as a 'stepping stone' to the Cotswolds or the West Country.</li> <li>• A significant percentage increase of supply of accommodation to be launched at the same time, rather than a gradual build up.</li> <li>• Fluctuating broadband speed in the village. Limited mobile phone reception with some networks.</li> <li>• Accommodation units in the centre of a development, and adjacent to a village shop may not be perceived to be as desirable as an isolated farm cottage.</li> <li>• For some business users, perceived as being too far away from Thatcham or Newbury (15min drive) or Reading (30mindrive).</li> </ul>
<u>Opportunities</u>	<u>Threats</u>
<ul style="list-style-type: none"> <li>• Promotion to raise awareness of leisure possibilities in the area coinciding with Tourism S.E. initiatives, such as 'Family fun', 'Just the two of us' and 'A fine tradition'</li> <li>• Provision and promotion of disabled accommodation will provide the opportunity to enter a market which is generally not well-provided for</li> <li>• The demographic profile shows increasing numbers of older people, who remain active in their retirement, but would appreciate the more gentle slopes of West Berkshire as compared with hillier places, such as the Peak District</li> <li>• The current economic climate is likely to increase</li> </ul>	<ul style="list-style-type: none"> <li>• The 'business' sector market currently lower due to economic down-turn; difficult to predict future situation at launch of accommodation.</li> <li>• Need to find some more committed people to help service the self-catering accommodation and maintain the standards of the existing bed and breakfast business.</li> <li>• The buildings will fall into dilapidation exponentially over the coming years if nothing is done, meaning the barns and stables will turn from being potential assets to becoming a significant liability.</li> <li>• Carrying out the works on a phased basis means managing effectively the building works to</li> </ul>

<p>demand from UK visitors and conversely overseas visitors with the weak sterling.</p> <ul style="list-style-type: none"> <li>• Ability to offer a ‘farm’ experience, keeping animals suitable for children to visit in the adjoining field</li> <li>• Accommodation ready for 2012 Olympics, and suitable for visitors to water-based events at Dorney Lake.</li> </ul>	<p>minimise disruption to guests and avoid spoiling their experience.</p> <ul style="list-style-type: none"> <li>• Unsuccessful grant application</li> </ul>
---	--

## 7. Product/Service offering

- 7.1. The self-catering units form part of the village ‘hub’, centrally placed in Hampstead Norreys, adjacent to the Community shop, next door to the church and a two minute walk from the pub.

### Accommodation type

#### ➤ The Stables

- 7.2. The old stableblock forms an ‘L’ shape, effectively divided into two wings, one running east to west and the other north to south. The new-build shop with flat above will be built adjacent to the southern end of the north to south wing, to form a ‘C’ shaped courtyard. At **Appendix 9** is an artist’s impression of the Stables courtyard with the village Community Shop.
- 7.3. The Stables will each be slightly different in character and offering. Attached at **Appendix 10** is the approved building regulations floor plan and elevations for the Stables. The accommodation consists of:
- Unit 1 – ‘The Old Dairy’  
Ground floor, one bed accommodation with kitchen-diner area and shower room, with disabled access and facilities. (Sleeps up to 2)
  - Unit 2 – ‘The Stable’  
Ground floor, one bed accommodation with kitchen-diner area and shower room. (Sleeps up to 2)
  - Unit 3 – ‘The Hayloft’  
First floor, two bed accommodation above units 1 and 2 with kitchen and living room area. (Sleeps up to 4)
  - Unit 4 – ‘Horseshoe Cottage’  
Ground and first floor. Two bed accommodation with downstairs kitchen and living room. This has direct access through French doors to the walled garden area behind, to the east of the property. (Sleeps up to 4)
  - Unit 5 – ‘Wagon Cottage’  
Ground and first floor. Three bed accommodation. Kitchen and living room area, two bedrooms upstairs and one bedroom downstairs with disabled access facilities. This also has direct access through French doors to the walled garden area behind, to the east of the property. (Sleeps up to 6).

## ➤ The Granary

- 7.4. Described by many people as a very desirable, 'enchanted building', set on staddle-stones. This will be a one bedroom with ensuite on the first floor and kitchen/diner on the raised ground floor. It will also have its own garden area. (sleeps up to 2). A copy of the plans and elevations are attached at **Appendix 11**. We are currently preparing for building regulations approval.

### Quality of the accommodation

- 7.5. The traditional oak timber frame elements of the buildings will be preserved and promoted as a traditional and characterful feature of the accommodation.
- 7.6. We aim to pitch the self-catering accommodation at a similar level of standards and pricing to the existing bed and breakfast – good quality four star accommodation, with a high level of attention to detail and service. Each unit will have good quality furnishings and fittings. All the bedrooms will be ensuite. Visit Britain's Quality in Tourism inspectors have confirmed that this would make good business sense as it will attract people prepared to pay for a quality experience. It is important to note that increasing affluence has brought higher standards of furnishings, equipment and comfort to a great many homes and this is reflected in a rise in people's expectations when staying away from home.
- 7.7. Consideration has been given to trying to achieve the top rating of 5 stars, but, as with the bed and breakfast, it can be difficult to satisfy guests' expectations at that level. Sometimes promising less but delivering more, can work better, and being at the top end of one star band, rather than the lower end of the next above can be beneficial.

### Flexibility of offer

- 7.8. We will aim to provide for the needs of groups, families, couples, singles and for business people
- 7.9. We will offer flexibility in terms of length of stay, offering nightly, part-week and weekly rates.

### Points of difference

- 7.10. Manor Farm Self-Catering differs from all the other self-catering businesses in the area, in that it is located in the heart of a village community, with a shop and a pub at hand, rather than an isolated unit on farmland or in an urban area. These facilities reduce the need for the use of a car. The current business model of the White Hart pub is to offer 'gastro' type meals in a friendly atmosphere, in which children are welcomed and catered for. This complements the ethos of the self-catering business and the type of visitors it will attract. The pub is a 1-2 minute walk from Manor Farm.
- 7.11. We will be heating the self-catering accommodation by using a woodchip boiler. We will seek accreditation from the Green Tourism Business scheme. We will incorporate eco-friendly features into the design and equipping of the units, such as supplying ecover cleaning materials, multi-sort waste bins and low energy lighting. These features will be attractive to those who take reducing their carbon footprint seriously and are looking for an eco-friendly place to stay.

- 7.12. Our accommodation offers flexibility in size and price structure, which will provide just one or two bedroom units for the business and leisure market, thus avoiding the need to pay for a larger, more expensive property. This is only matched by the flat at Bracken Cottage and some of the accommodation at Heron's Farm.
- 7.13. We offer the option for groups of people to take a selection of units and use the largest one as a communal eating and recreation place; very few of the other establishments can offer this.
- 7.14. Disabled Access accreditation is not a feature of any of the other self-catering businesses advertising with Visit Britain or Country Cottages online in Berkshire, South Oxfordshire or North Hampshire

## **8. Marketing**

- 8.1. We consider the key to success will be to (i) understand the different requirements and expectations of each market (ii) to offer a relevant product/service to those markets that meets and exceeds their expectations.
- 8.2. West Berkshire is not generally well known as a place to holiday - although it does in fact offer many facilities that people would associate with more well-known holiday locations. We recognise that the holiday market is not an obvious one for Hampstead Norreys, but it is however well located for consumers looking for a short break.
- 8.3. Broadly speaking our focus is on offering a place for relaxation, with some welcome surprises - opportunities for people to have a go at or dabble in activities, rather than concentrate on one particular thing exclusively. We consider this is a largely unexploited market space in this area.
- 8.4. We recognise that it is hard to get across the warm and friendly ethos that our farming family achieves with the bed and breakfast in the self-catering scenario. We will therefore be focusing our efforts to make sure that this comes across in our marketing, i.e. by showing clearly what we offer and trying to start a good, friendly relationship with the potential guest on our website. This will be followed through in subsequent email or telephone communications.

### **Market segmentation**

- 8.5. Based on the indications from the TSE Ark Leisure Segmentation Report into visitor profiles and behaviours. (Source: UKTS Recontact Survey 2002/2003), as well as the Visit Britain 'Pink Book' Accommodation Know How, we have identified a number of target groups who would find the ethos and environment of Manor Farm Self-Catering attractive. We find that these markets are similar to the profile of our bed and breakfast guests and we will build on this platform, as we try to attract guests to the new self-catering accommodation.
- 8.6. Although there is degree of overlap with the segments identified below, broadly speaking, guests fall into one of two categories:
  - those away for leisure
  - those away for business and relocation

### Couples

- 8.7. Couples, or singles, may be working professionals who take regular breaks to 'recharge their batteries'. They may be used to high quality standards in their own home, and on holiday may be expecting a wide range of facilities and high levels of quality in both furnishings and equipment. In the off or shoulder seasons (early spring and late autumn) this market may be attracted to short breaks, whether midweek or weekend.
- 8.8. This group is well represented on our bed and breakfast guest list. In particular, young professionals visiting the Pot Kiln and the chef [REDACTED]

### Retired couples

- 8.9. The more mature market may be retired and may have more time and money for additional holidays within the year. They may also expect high standards and may appreciate some additional comforts, such as a walk-in shower, chairs that are easy to get in and out of, and additional heating. This market can also be attracted to short breaks in both the off and shoulder seasons.

### Overseas visitors

- 8.10. Overseas visitors have stayed at Manor Farm bed and breakfast for a variety of reasons: to visit local family or friends, to attend local weddings and parties, as a first or last port of call after or before returning home by air or sea and as a short break destination whilst visiting the UK.
- 8.11. Many overseas visitors, who have stayed at Manor Farm House Bed and Breakfast have been interested in places to visit and things to do, wanting to be near to visitor attractions, their children's schools, but also close to open countryside.

### Outdoor market

- 8.12. The outdoor activity market can include many types of visitors of any age, and will include walkers, cyclists, birdwatchers and guests on fishing and boat trips. Others may want to borrow our resident Labrador dogs to accompany them on a walk.
- 8.13. The outdoor market will tend to spend most of the day away from the property, pursuing their interest. They will need safe storage for any equipment, such as bicycles or fishing rods, and will appreciate good washing, drying and airing facilities for outdoor clothing. In addition, they may need comprehensive local information and maps.

### Business customers

- 8.14. West Berkshire offers good potential for business guests, especially when the economy picks up again. There are a large number of business enterprises in the Newbury/Thatcham area, and others more locally in the village of Compton, 3 miles away.

- 8.15. Our bed and breakfast experience shows that a number of business guests prefer the freedom and flexibility that self-catering offers, over hotels and bed and breakfast establishments. This applies to both short term and longer stays, particularly in terms of early starts and breakfast timings.
- 8.16. Many business guests also value the opportunity for relaxation and recreation in the local area, especially in the spring and summer months, sometimes going for cycle rides or walks after work and out for a run before work.
- 8.17. By staying in a self-catering property, the business market will have more privacy and usually be able to relax more. They will want home comforts, plenty of space to work in and plenty of socket points, Wi-Fi and good heating and lighting arrangements.

### Families and Groups

- 8.18. Families may have young children, but may also include grandparents. The market may also include family and friends and could contain two or three groups coming in separate cars and from different locations. Their expectations may be for plenty of space, a large kitchen and a dining area, more than one bathroom (with at least one fitted with a bath as opposed to a shower, for babies and younger children), cots, highchairs and stair gates. They may also want a secure garden, nearby child-friendly activities and games and close location to eateries.
- 8.19. Another section within this market will be staying for family celebrations - for birthdays, anniversaries or Christmas. They will require plenty of kitchen equipment and crockery, and could benefit from renting more than one unit.
- 8.20. Groups may comprise a number of couples together, a family or friends' reunion or people on some form of activity break. They will probably expect more than one bathroom and will appreciate enough comfortably furnished seating areas.
- 8.21. Some groups may be friends or relatives of local people, whose homes are too small to accommodate them all.
- 8.22. In the business market small groups of tradesmen or craftsmen may want to rent accommodation together, as a cheaper and more available option than bed and breakfast, which does not always offer enough rooms, especially in this locality.
- 8.23. Shooting parties to stay during the shooting season. Manor Farm sits between two large estates (Eling Estate and Yattendon Estate) which have a lot of shoots. In addition, the shoot on Manor Farm which currently hosts clients from London, will be able to offer overnight accommodation for shooting parties.

### Accessible market

- 8.24. Significantly the accessible market is a growth market and it does not only cover visitors who lack mobility, but can also apply to those who are visually impaired, hard of hearing, or have learning difficulties.
- 8.25. Visit Britain have provided the following statistics:

- There are nine million disabled people in this country - 1 in 6 of us. 2.7 million disabled people regularly travel in this country and they travel with friends, with family and with carers.
  - The entire market contains over 15 million people, a quarter of the population.
  - It is estimated that the market has a spending power of over £50 billion.
  - Half of all disabled people in the UK are over 65.
  - The over 50s possess 80% of the UK wealth.
  - The disabled market is a strong market and research shows that disabled travellers are loyal customers.
- 8.26. Much of the symbolism used to denote the disabled market uses the wheelchair symbol, but disabilities are varied and include learning disabilities, blindness, loss of hearing, arthritis, asthma and diabetes. Millions of people have a temporary disability, such as those with injuries.
- 8.27. National Accessible Scheme. Visit Britain's National Accessible Scheme (NAS) recognises and accredits self-catering properties which are deemed meet the various needs of guests with disabilities.
- 8.28. Standards. The scheme contains a standard for each type of disability and achieving a rating will help promote the business more readily to the disabled market. For mobility there are four ratings that can be achieved, for sight, two ratings and for hearing, also two ratings.

### Health and well-being market

- 8.29. TSE believes there is a growing interest in holidays and short breaks where relaxation, health and well-being are the focus. Today's ageing population is healthier, more active and more influential, and there is a higher disposable income amongst them. They are looking for products that will help them maintain their youth, feel better, preserve their looks and increase longevity. Research by Visit Britain for the 'Just Relax' promotional campaign identified the most affected potential markets are ABC1 couples and singles without kids, ABC1 families with children aged up to 15 and women who go away with friends.
- 8.30. The concept of a 'well-being' experience goes further than *"just bolting on a treatment room to a B&B"* – the philosophy of 'well-being' should be manifest throughout. Quality is paramount and attention to detail is key. Understanding visitor's needs and mood are a prerequisite. 'Going the extra mile' and 'attending to the little things', ensure the total experience delivers what the visitor is seeking. A friendly and personal approach is welcomed and visitors need to be made to feel special.
- 8.31. Smaller rural tourism businesses have the opportunity to capitalise on the rural and countryside assets afforded by their location, significantly adding value to well-being experiences. Their individuality, attention to detail, and personalised approach can also provide many benefits that larger establishments may struggle to deliver. This offer can be considerably enhanced by focusing on local and seasonal produce and activities, which also entrench a sense of place within the tranquility of the countryside.

- 8.32. Themed marketing and imaginative event staging can also particularly appeal to the well-being audience. Unique events staged infrequently, and ideally rooted in the community, have a definite cachet which can augment the visitor experience – activities that can only be discovered at particular times of the year and which represent something to look forward to, e.g. Hampstead Norreys has Spring in the woods with bluebells in April/May and carols, Christingles and Santa’s Landing Lights at Christmas time.
- 8.33. Manor Farm has the potential to offer a wide and distinctive range of ‘well-being’ experiences with the following features:
- A genuinely rural, ‘tranquil’ location with stunning scenery and landscapes – to enable the guest to reconnect themselves with nature, increasing emotional and mental well-being giving a sense of escapism from their 24/7 lifestyles.
  - Accommodation that is clean, luxurious and comfortable giving a sense of warmth and homeliness.
  - The availability of ‘me-time’ activities and treatments such as massage etc.
  - The availability of a variety of physical activities all within a rural outdoor context to achieve maximum synergy for well-being.
  - A large supply of high quality, locally produced food.
  - An experience that is located very conveniently for Londoners, residents within the South East and adjoining regions, and those on the near continent

#### People looking for a ‘farmhouse’ stay experience

- 8.34. The bed and breakfast business started advertising with Farm Stay UK in October 2008. We are currently the only property on their books in Berkshire. We have been very pleased with the amount of guests specifically looking for accommodation on a farm, and finding their way to us through the Farm Stay UK website. Those who particularly look for farmhouse accommodation, rather than any other type, can be either leisure or business guests. Recently Visit Britain have started promoting, and providing a link to, Farm Stay UK on their website, so we are confident that our self-catering offer will be found by people searching for accommodation for short breaks or longer holidays on a farm.
- 8.35. At Manor Farm, we can offer ‘hands on’ farmyard experience - guests can feed chickens and collect eggs. We have potential to expand on this, with different animals being kept in a field in close proximity to the accommodation.

#### Boarding schools market

- 8.36. Hampstead Norreys is surrounded by an unusually large number of private boarding schools. As we have already discovered there are parents who send their children to boarding school who need somewhere nearby to stay or to take their children out for a long weekend or half term, but do not wish to travel back to their home.
- 8.37. Those schools within a 10-15 minute drive from Hampstead Norreys:



- Bradfield College
- Brockhurst Preparatory School
- Downe House
- Mary Hare School for the Deaf
- Pangbourne College
- Moulsoford

8.38. Those schools within a 30 minute drive from Hampstead Norreys:

- Abingdon School
- Cheam
- Cothill
- Elstree
- Horris Hill
- Leighton Park School
- Queen Anne's School Caversham
- Shiplake
- St Edwards, Oxford

#### Friends/family of local residents

8.39. The existing bed and breakfast business experiences a strong demand from people coming to visit friends and family in Hampstead Norreys. The demand is particularly high at Christmas and Easter time, when we would be able to let the bed and breakfast rooms several times over.

#### Weddings

8.40. This year we were approached by a couple due to be married in the church next to the Manor House. They asked us to consider hosting a marquee reception on the lawn of the Manor House for their wedding. We agreed and the wedding was a great success. Members of the bride and groom's families stayed in the bed and breakfast. The married couple appreciated the scenic and convenient location next to the church. We consider this would be a good potential market to develop further when we have the self-catering accommodation available.

#### Arkenford research - relevant market segments

##### ➤ 'Cosmopolitans'

8.41. The average age of this group is 42, and it comprises 15% of the population. Typically members of the group live in London, enjoy a full and active life, whilst also appreciating the value of peace and relaxation. They value individual attention and are prepared to pay for it. They enjoy food and drink and shopping and spend 65% of their time on these. 28% are pre-family, 34 % are caring for children and 38% are post family.

8.42. This group is well represented on our bed and breakfast guest list.

➤ 'Functionals'

- 8.43. The average age of this group is 53, and it comprises 9% of the population. 25% are retired and 45% still working. This group is very traditional in its values, expecting good service, as a matter of course, without having to pay extra for it. Members of this group enjoy intellectual challenges, arts and culture. They enjoy short break holidays in the UK with children who are typically 11-15 years old. 6% are Pre-family, 25% are caring for children and 69% are post family.
- 8.44. This group is well represented on our bed and breakfast guest list.

➤ 'Traditionals'

- 8.45. The average age of this group is 56, and it comprises 12% of the population. 41% are retired and 36% still working. This is a main-stream market, which lives life at a relaxed pace, and enjoys intellectual challenges, arts and culture. Members of this group value quality, service, individual attention and good value, which they will pay for. They escape to slow down and relax. They enjoy exploring on foot. 8% are pre-family, 20% are caring for children and 72% are post-family.
- 8.46. This group is well represented on our bed and breakfast guest list.

### **Promotion/marketing initiatives**

#### On-line

- 8.47. The self-catering accommodation will have its own dedicated website. We have purchased the domain name **stayatmanorfarm.co.uk** and propose to use that as the website address.
- 8.48. Provide content on website to offer a package, or suggestions of what to do in a day, a few days, or a week, to inspire or give ideas of how they might spend their stay at Manor Farm e.g. on website offer examples of walks and their length/duration and opportunities for refreshment stops, with links to providers' services where appropriate.
- 8.49. Raising website profile by increasing links and improving search engine optimization. The applicant will take steps to increase traffic to the website, Web links to be used and meta-tags to be selected to raise profile of website, better search engine optimisation techniques.
- 8.50. Investigating agencies for self-catering accommodation, such as Hoseasons and Owners Direct. Consider advertising cheaply on sites such as Cottages4 you.
- 8.51. Using database of email addresses given by past bed and breakfast guests to inform them of the new accommodation, offering a discounted rate.

#### Off-line

- 8.52. Inform and continue to maintain close links with staff at the Newbury Tourist Information Centre and advertise in brochure.
- 8.53. Advertise accommodation in the Parish magazines of surrounding villages to encourage visits by friends and family of readers, who may be unable to accommodate

larger numbers of visitors in their own homes, especially for Christmas, for Summer holiday 'staycations', as well as for parties, weddings and christenings.

- 8.54. Update our current discounted rate bed and breakfast offer to Hampstead Norreys residents using the Hampstead Norreys website, [www.hampsteadnorreys.org.uk](http://www.hampsteadnorreys.org.uk) to include the self-catering accommodation. After Quality assessment, notify Visit Britain, Farm Stay UK, Smoothhound and Newbury TIC in order to advertise on their websites. In June 2011 prepare advertisements for 2012 brochures.
- 8.55. Create brochure to send to enquirers and nearby outlets willing to hold or do a leaflet swap. Consider promotional credit size 'pocket brochures'.
- 8.56. Guests will be made aware of the shop before coming to stay, either through the website, brochures or when making telephone bookings. We will look at ways of combining the Community Shop's services with the self-catering business. Guests may plan to purchase things from the shop before their stay, if a system of advance ordering is developed. A 'reverse credit' account with the Shop, in which guests' unspent credit would be reimbursed at the end of their stay, will be arranged. The ease of the 'reverse credit' scheme will encourage local spending.. A 'welcome hamper' comprising produce from the shop will be provided for guests, as well as a voucher towards goods from the shop. Guests are likely to make purchases from the shop because of (i) convenience and (ii) the quality of the shop's offering, which will include fresh local produce.
- 8.57. Promote the disabled access accommodation by joining the National Accessible Scheme for Self-Catering Accommodation
- 8.58. Promote the 'Green advantage' by joining the Green Tourism Business Scheme
- 8.59. Develop links with local boarding schools to offer accommodation to visiting parents, especially from overseas, and to other visitors to the school, such as specialist examiners.
- 8.60. Encourage prospective bed and breakfast guests to consider the self-catering option if we have no availability in the bed and breakfast accommodation.

#### Activities/Attractions

- 8.61. Link up with local operators of leisure facilities such as horse riding, golf, fishing, shooting to make up packages for guests. Concerning shooting, we will also be establishing links with the BASC. Work with taxi business where appropriate.
- 8.62. Offer casual cycle hire and provide suggested on and off-road routes.
- 8.63. Develop trails and walks in neighbouring woods and fields in collaboration with local history and geology expert. Indicate species of wildflowers and wildlife to be found seasonally on website.
- 8.64. Consider advertising in walking and cycling magazines. Investigate local transport links to enable walkers to explore different locations e.g. Thames Path. Consider advertising in Thames Alliance brochure.

- 8.65. Consider scheme to provide luggage transport to subsequent night's B&B for walkers or cyclists. Investigate links with other establishments on walking and cycling routes, especially the Ridgeway National Trail
- 8.66. Develop, and promote on website, history trails. Research into Civil War history and its links with places in Newbury e.g. Donnington Castle. Promote other local sites: Shaw House, Highclere Castle, Basildon Park, The Vyne, Grey's Court, as well as Stonehenge, Old Sarum Castle and Danebury Hill Fort.
- 8.67. Promote attractions in the area aimed at children and families: Beale Park, The Living Rainforest, Legoland, and Didcot Railway Centre.
- 8.68. Promote 'Gastro' eating places and those with well-known chefs in the area: The Pot Kiln, The Yew Tree Inn.
- 8.69. Offer home visits to self-catering and B&B accommodation from local Sports Massage provider. Alternatively visits can be made to the clinic where she works.
- 8.70. The Bed and Breakfast business has already registered an interest in 'Countryside 2010', an initiative of the Rural Ways Partnership, coordinated by Tourism South East. This involves 'putting new audiences in touch with the wide range of recreational activities and events which take place in the countryside of South East England' and takes place in May/June 2010 and 2011 [www.countryside2010.org.uk](http://www.countryside2010.org.uk)
- 8.71. In 2012 the Olympic Games water events will be held at Dorney Lake, near Henley – approx 35 minute drive away. Visit Britain say there will be a great demand for accommodation, and is organizing a marketing campaign to reach this market

### Price

- 8.72. As a member of Visit Britain and Tourism South East, the Bed and Breakfast business has access to research that indicates that visitors are looking above all for quality and value for their money. Visit Britain's Quality in Tourism inspectors have confirmed that this would make good business sense as it will attract people prepared to pay for a quality experience. The figures show that some types of guest highly value, and are prepared to pay more for, quality accommodation. The occupancy figures for higher star rated (4-5 star) accommodation are better than those of lower rated places (1-3 stars).
- 8.73. An analysis of prices charged by nearby self-catering accommodation is set out in the tables at paragraphs 6.21 and 6.23 above. In determining our prices, we take into account the prices of those competitors, the existing bed and breakfast prices. Also we wish to make sure our prices are competitive during the infancy of the business with the aim of generate a good occupancy rate and build up business goodwill with a good flow of visitors. The proposed prices are set out below.

Unit Name	No. Double rooms	£ Per week
The Old Diary	1	250
The Stable	1	250
The Granary	1	350
The Hayloft	2	325
Horseshoe Cottage	2	375
Wagon Cottage	3	425

## 9. Impact of Project

### Economic

- 9.1. Provision of self-catering accommodation will bring opportunities to support the local economy, in particular Hampstead Norreys village Community Shop, the White Hart pub, The Living Rainforest, as well as other businesses and attractions in the area.
- 9.2. Additional employment opportunities to manage and service the self-catering accommodation.
- 9.3. Giving local artists and photographers we know the opportunity to showcase their work by displaying their paintings and prints in the accommodation.
- 9.4. Benefits to businesses providing services to guests (e.g. Shop, pub, taxi, cycle hire, massage therapist, walking and cycling guides, as set out in section 5 above). Potentially: babysitting, shooting school, fishing and boat hire business.
- 9.5. We are considering networking with other accommodation providers to provide packages for walkers or cyclists planning journeys along the Ridgeway National Trail. Transport to a local access point could be provided if required, as well as transportation of luggage.
- 9.6. This additional accredited self-catering accommodation, advertised by Visit Britain on the Enjoy England website, will help raise the profile of West Berkshire as a tourist destination, particularly in the overseas market.

### Social

- 9.7. Opportunities for people to visit friends and family in the area, who can stay locally, at a reasonable price, for convenient lengths of time and in varying sized groups. This is of particular relevance at festival times of the year.
- 9.8. The provision of accredited Disabled Access accommodation will provide a facility that is in very short supply in the area, giving disabled tourists the opportunity to socialise more easily.
- 9.9. The location of Manor Farm Self-catering offers visitors the opportunity to feel part of a vibrant local community and to share village life as they use the shop, the pub, the church and the recreation ground.
- 9.10. Visitors can add life and interest to a community as they meet residents on walks or when using village facilities.
- 9.11. The self-catering accommodation will provide a sustainable use to buildings that are no longer suitable for modern agriculture, thus preserving heritage buildings.

### Environmental

- 9.12. Opportunities to stay on a farm offer environmental benefits as people learn more about the countryside and how it is cared for. Greater understanding leads to more

informed decisions on lifestyle choices e.g. supporting local/British food producers and consideration of 'food miles' when making purchases. The village Community Shop will be focusing on supplying local food, which will be available to guests staying at the self-catering accommodation.

- 9.13. Visitors will be able to observe the cycle of life in the natural world as they help feed the farmyard chickens and collect their eggs. Children will be able to learn more about the food chain as they eat the eggs they have collected.
- 9.14. Guided walks and cycle rides will enable visitors to gain a deeper understanding and more 'hands on' experience of the natural environment.
- 9.15. Accreditation with the Green Tourism Business scheme will help promote awareness of, and our responsibility to look after, the world we live in.
- 9.16. By organising group travel by taxi, rather than in separate cars, to attractions and events, fuel will be saved and fewer pollutants will be emitted into the atmosphere.
- 9.17. The Woodchip boiler heating system with a local supply of wood fuel has a number of benefits, the key ones being:
  - Provides renewable energy that helps mitigate climate change.
  - Provides jobs in the rural economy
  - Retains wealth within the local community (reducing 'fiscal leakage')
  - Increases the management of woodland which is beneficial for wildlife, amenity and access.
  - An educational tool (e.g. FWAG support for this purpose)

## 10. Operational Requirements

### Staffing

- 10.1. Housekeeping and cleaning will be done by current part-time employee, [REDACTED] who will be taken on full time. Additional casual staff will be taken on for busy periods, and family members in the Partnership business will be available to help if necessary. [REDACTED] is currently paid [REDACTED] an hour, rising to [REDACTED] next year. Casual staff would be paid a similar amount.
- 10.2. Office work - telephone and email enquiries, bookings and record-keeping, will be managed by [REDACTED] as an extension of her existing role in the bed and breakfast business. [REDACTED] Training for managing an on-line availability program will be required. Tourism South East organise such subsidised courses.
- 10.3. Groundsman duties will be carried out by [REDACTED] and [REDACTED] as part of their roles and responsibilities in the partnership business.
- 10.4. Marketing responsibilities will be assigned to [REDACTED] and [REDACTED]

### Quality and reliability

- 10.5. An excellent standard of presentation of all facilities – buildings, decor, furnishings, equipment and the environment surrounding the properties will be maintained.

- 10.6. Feedback forms will help with monitoring standards and enable guests to suggest improvements to their experience of Manor Farm.
- 10.7. We will aim to employ friendly and understanding staff, who will understand and care about guests' needs. Their personal appearance and presentation will be important. A simple uniform/ protective outfit will be provided.
- 10.8. It will be of key importance to have a well-delineated 'chain of command' to ensure the smooth running of the business. Guests will need to know who is available to them in case of difficulties; all staff must be aware of their role and responsibility in overseeing the day to day well-being of guests. Care over the processes of booking, welcoming and the departure of guests should be of a high standard and consistency.
- 10.9. The ethos of care for guests staying at Manor Farm bed and breakfast operation will extend to the self-catering to ensure guest satisfaction and repeat bookings. Attention to detail will be paramount.
- 10.10. A system to check the efficient working and availability of the website will be important, in order to ensure that potential guests can access and use the site readily and reliably.

## **11. Human Resources**

### Training and development

- 11.1. Existing staff to help management to develop cleaning routines in self-catering accommodation.
- 11.2. New staff will be trained by 'shadowing' a reliable person, either a member of the management team or an experienced staff member. Consider TSE 'Welcome Host', 'Welcome All', 'Welcome Walker and Cyclist' and 'Green Advantage' courses where appropriate
- 11.3. Training for the member of the management team, currently Pamela, dealing with internet bookings and website management will be required. Training in the use of social media to be undertaken. As the business moves forward, consideration will be given to using [REDACTED] the current housekeeper's, skills in administration, for which she will need some additional training. Business Links to help source such training

### Health and Safety

- 11.4. The health and safety of everyone on the site, guests, staff and visitors will be of paramount importance. All Health and Safety requirements will be complied with during the setting up phase and thereafter.
- 11.5. PAT testing of all electrical equipment in accommodation units to be carried out annually by a qualified person.
- 11.6. Compliance with all fire safety regulations will be essential. Clear instructions for procedures in the case of fire will be prominently displayed in each unit and pointed out to at least the head of each party of guests. Fire fighting equipment will be provided in each unit of accommodation.

- 11.7. Existing public liability insurance to be extended to cover the self-catering business.
- 11.8. There will be a smoking ban in all accommodation units, and smokers will be encouraged to smoke away from the buildings.
- 11.9. Accommodation unit 5, Wagon Cottage, will be designed to fully comply with DDA regulations for disabled use on the ground floor.

### Staffing requirements

- 11.10. Initially members of the management team/family will run the business, with the help of one full-time member of staff and a pool of three or four casual cleaners. Housekeeping staff will be encouraged to develop and improve their skills through discussion and training courses, such as those provided by TSE. All staff will be encouraged to be responsible, thinking members of the team, to take a pride in their work and to make contributions to discussions and decisions about the better running of the business.

## **12. Financial appraisal**

### Build costs

- 12.1. The applicant has obtained three costs quotes from builders based on a schedule of works for the Stables, Granary and Boiler house and store. These are attached at **Appendix 12**.
- 12.2. The applicant wishes to instruct local builder, [REDACTED] as principal contractor to carry out the work. His price is the most competitive. We have also appointed him as principal contractor for the building of the shop. This has the advantage of having the same principal contractor having overall responsibility for both projects on the one site. [REDACTED] and his team have a lot of building experience of working on listed buildings.

### Funding

- 12.3. Contribution from Manor Farm Partnership. Several of the partners have agreed to provide financial assistance by injecting a total capital contribution of [REDACTED]. Attached at **Appendix 13** are letters confirming the agreed arrangements. [REDACTED] who runs [REDACTED] own catering business, has also confirmed she is happy to provide any additional sums on an interest-free basis to bridge the gap in cash flow during the period between paying for the build works and receiving grant money.
- 12.4. The [REDACTED] is willing to provide financial assistance for this project. Given the applicant's accounts and the banks' ability to obtain security over the farm land (which is currently free of any charge); there is no difficulty in borrowing any sums required for this project. A copy of a letter from [REDACTED] confirming their approval to lend the sum of [REDACTED] is attached at **Appendix 14**.
- 12.5. Discussing likely paybacks with [REDACTED] at [REDACTED] we have agreed it would be sensible to budget for [REDACTED] interest. We have based the repayments on a loan



repayment of capital and interest over a period of [REDACTED] years. The cost of borrowing would be [REDACTED]. This equates to [REDACTED] per annum.

### Projected Cash flow, Profit and Loss and sensitivity analysis

- 12.6. Attached at **Appendix 15** is a projection and analysis of income and ongoing costs for running the self-catering business. We consider a projection of 45% occupancy in the first year to be reasonably cautious, rising to 50% in years 2 and 3 and then to 60% in years 4 to 5 as goodwill is built up in the business.
- 12.7. Based on enquiries with the local Valuation Office, a reasonable budget for business rates would be on the basis of the rateable value being 20-30% (we have assumed 25%) of the annual gross income (less VAT) to which 41% is applied. The Valuation Office noted small business exemptions are also likely to apply. However, we have not factored those into the calculation, erring on the side of caution.
- 12.8. In projecting the income stream and cash flow, we anticipate there being a reasonably constant demand for our self-catering accommodation, because of our wide target market and the variety of reasons for coming to stay, compared with a traditional holiday destination where peaks and troughs will be more acute.

### Projected 3 year cash flow

- 12.9. It will be noted in the 3 year projected cash flow that there is a significant shortage in the period April – August 2011. A combination of further funds from partners and short term borrowing will be required to bridge the gap. If we are successful in obtaining grant funding, then we would like to enquire whether it is possible to make more than two claims in order to mitigate against the cash flow shortage.

## **13. Risk analysis/management and exit strategy**

### Competitor action

- 13.1. It will be important to note competitors' prices and to remain an affordable, value for money option for guests. The viability of a network of local self-catering providers will be investigated during the build period before opening

### Commercial issues

- 13.2. If the self catering accommodation fails to generate sustainable income, we would apply for a change of use to either commercial office space or residential lets.

### Operations – IT failure

- 13.3. Prior to the opening of the business expert advice will be sought on the best way to mitigate against such failure, as the internet is the main avenue for potential guests to find and communicate with us; a prolonged outage of Broadband coverage must be avoided

### Staff – skills, availability and costs

- 13.4. We hope to employ staff from within walking or cycling distance, but in case of difficulty in finding these, we will advertise in local village shops and the local newspaper. If

there were not enough staff cover, due to sickness or holiday, family members of the Partnership business will be available to help out.

#### Acts of God – fire or flood

- 13.5. Insurance will be taken out to cover fire, flood and accidental damage. In the case of a fire or flood disaster, where some or all of the units become unusable for a time, attempts would be made to accommodate guests in our bed and breakfast rooms, where appropriate, or to find them alternative accommodation at other self-catering establishments in the area

### **14. How Project can help deliver the RDPE and SEEDA objectives**

#### **RDPE**

##### Axis 3 Rural quality of life and the diversification of the rural economy

- 14.1. The Development of the Self-catering scheme at Manor Farm addresses the South East and London budget breakdown under the headings of following Measures of RDPE Axis 3:
- 3.11 Diversification into non-agricultural activities
  - 3.13 Encouragement of Tourism - tourism infrastructure that leads directly to economic growth
  - 3.23 Conservation and upgrading of rural heritage

##### Axis 2: Enhancing the environment and countryside

- 14.2. The development of the self-catering scheme at Manor Farm addresses the following Measures of SEEDA Axis 2:

##### Priority 2-2: Measure 214

- Providing opportunities for educational access.

##### Axis 3 Quality of life in rural areas and diversification of the rural economy

- 14.3. The development of the self-catering scheme at Manor Farm addresses the following Measures of SEEDA Axis 3:

##### Priority 3-3 The development of rural tourism activities

- Sustainable use of the natural, heritage and cultural assets in the region to develop sustainable rural tourism activities. This will include normal commercial activities and social enterprises.

#### **The South East Regional Forestry Framework**

- 14.4. 'Seeing the Wood for the Trees' Forestry and Woodland Framework  
Priority topics:  
C. Renewable energy

At a time when government is setting challenging targets for renewable energy generation, regional planning policies (as set out in *Harnessing the Elements*<sup>16</sup>) recognise that biomass such as wood can make one of the greatest contributions in the short term. A range of regional and local government partners are already playing a role in supporting the development of wood as a fuel, while private sector entrepreneurs and wood suppliers in the forestry sector are the ones who can actually realise the opportunities. With the potential benefits to the forestry sector offered by the developing woodfuel market, it seems appropriate to focus on the generation of energy from wood as one of the early priorities for delivery.

### **Tourism South East - tourism strategy document 'Tourism ExSEllence'**

#### Key objectives:

- Promoting a 'must visit' region.
  
- Providing an unrivalled experience for the visitor.

14.5. We believe our vision is aligned to the vision of a region which:

- Competes with the best.
- Exceeds visitors' expectations.
- Invests in product and service quality.
- Welcomes visitors and embraces tourism