

Conversion of Equestrian Store to Meet & Greet, Ancillary Cafe and Playroom with Bespoke Lodges and Pods For A Tourism Park, Land at Former Abergarwed Service Station, Off B4242 Neath Road, Abergarwed, Neath SA11 4EA



BUSINESS PLAN

EXECUTIVE SUMMARY

The client although being of traveller origins has worked in the tourism industry on several tourist parks in England and rather than develop a traveller site at this location wishes to diversify and provide high quality holiday lodge /pod accommodation. Other such facilities are available within the catchment – Waterfall Country Pods, however, further need is identified.

The development of this land will witness the rejuvenation of the land use. This proposal will include a small tourism development comprising 13 luxury lodges, 7 glamping pods and accommodating facilities which shall be accessible by patrons. The offering shall include an ancillary shop, meet and greet area, children's indoor play area and toilet / shower block for customers. Whilst it is primarily for tourists use there is an opportunity to provide a small community hub, if there is demand. However, as it is quite small the main use if the new tourist site.

Commitment to supporting the local economy extends beyond the development itself. The majority of supplies and services will be from local suppliers, with an anticipated annual spending exceeding £50,000. By prioritising local procurement, we aim to bolster the economic vitality of the area while fostering mutually beneficial partnerships with local businesses.

The development will have a significant positive impact on the local economy, creating several new jobs across various roles within the development. These employment opportunities will provide valuable income streams for local residents and contribute to the overall prosperity and vitality of the area.

The financial model proposes a forecast of:

- Circa £300,000 capital development project aiming to use local suppliers and contracts where possible.
- Over 1200 tourists using the various shops and visitor attractions. A cost analysis is attached on outlays and returns as **Appendix H2**.

The application involves a modest tourism development, comprising a total of 20 holiday lodges together with some ancillary facilities. The lodges would be run for holiday letting and occupation all-year round by the applicant.

The site is close to Neath, midway between the Brecon Beacons and the Gower and is perfectly located for tourism accommodation and near many tourist attractions as well

as existing sports and outdoor pursuits, and will utilise local countryside for walks, bridleways and cycleways.

At the national level, the latest domestic tourism statistics (Great Britain Tourism Survey and Domestic Tourism Statistics, March 2024) outlined that Great Britain residents took 6.79 million overnight trips in Wales between January to September 2023, equating to 19.46 million nights during these trips, with there being an increase in overnight trips rising from 6.53 million in 2022, an increase of 4%.

Domestic and overseas travel intentions in 2024 are relatively positive, with intentions to take a spring (April to June) and summer (July to September) holiday or short break are higher than the equivalent period in 2023.

In terms of more localized demand statistics, Neath Port Talbot had a total of 1.51 million tourism visits in 2019 (pre-Covid levels/latest data publicly available) which equates to 10.3% of all tourism visits to South West Wales. Of the 1.51 million tourism visitors about 0.36 million were staying visitors with 1.15 million day-visitors. From 2010 to 2019 visitor days and visitor numbers (combining day trips and overnight stays) have both increased by more than 11% (Neath Port Talbot Destination Management Plan 2023 – 2028).

In terms of visitor profiles, the Neath Port Talbot Visitor Survey 2022 found that the main reason for visiting the area was to take part in outdoor and sporting activities (65%). The survey also found that 65% of visitors came from Wales, with 31% from England, 1% from Scotland and N Ireland and 3% from overseas.

Overall, from the statistics, including available accommodation, there is a large demand for tourism in Neath Port Talbot which appears to be on an upwards trajectory and that the Welsh tourism industry appears to have recovered from both Covid and cost of living effects on the industry.

Many Destination Management Plans by LPA's undertake a SWOT analysis of the tourism industry and find that there is a current lack of high-quality accommodation and limited private sector engagement. The proposal before the Council would represent a modest and high-quality tourism development that would contribute positively to the local tourism accommodation offer. Indeed, as part of its Action Plan, the document acknowledges that individually, each project has the potential to make a difference to the tourism sector in the County Borough area.

Finally, the site is within 500 yards of the Abergarwed Rheola Forest managed by Natural Resources Wales and offers recreation and walking / cycling areas.

BUSINESS OVERVIEW

The application site is irregular in shape and has an area of 0.88 ha for the proposed development. There is other land adjacent which is also within the ownership of the applicant, which includes an area of land to the south-west which is used for general vehicle storage.

The application site has a lawful use for equestrian purposes, which includes the presence of a storage barn used for stabling and fodder storage together with a tack/utility building to the south-west. There is some informal hardstand to the north-east with an area of grassland/paddock further to the north-east. In addition to the buildings there are various structures, including steel storage containers and caravans, scattered around the site. Recent activities are wood and log processing.

The application site is generally flat although there is a slight slope down from north-east to south-west. There is some low close boarded fencing along much of the site frontage with ranch style fencing enclosing the paddock land further to the north-east. There are trees and other vegetation along the north-east, south-east and south-west boundaries of the site.

The site benefits from two separate vehicular accesses off the B 4242. One access serves the main equestrian use of the site with another entrance further to the south-west serving the general storage use area.

The B 4242 Neath Road generally runs parallel to the north-west of the main A 465, with junctions to the north-east and south-west at Resolven and Tonna respectively. Just beyond Neath the A 465 joins the M4. The B 4242 outside the site is subject to the national speed limit although this reduces to 30 mph on entry to the nearby settlement of Abergarwed. There is a narrow pavement on the same side of the with cycle lanes closer to the nearby village.

The application site is situated in a semi-rural and attractive valley setting. The topography is varied with the higher ground of the Rheola Forest opposite to the north-west and the lower ground featuring the River Neath and surrounding pastureland to the south-west, with hills and heathland in the distance.

On lower ground to the south-west and just beyond the application site boundary is the Neath Canal and a towpath. In addition to some smaller settlements there are some farmsteads and isolated properties.

We are pleased to present a development plan which shall see the rejuvenation of the site for a tourism business. The development shall incorporate and invite both the local people to enjoy and utilise the site and encourage tourism to the area also.

AIMS & OBJECTIVES

Mission Statement

"Providing low impact, high quality accommodation and experiences for guests and the local people to enjoy on a rural Welsh landscape hidden in the Neath Valley"

Business Objectives

Business Objectives are statements of specific outcomes that are to be achieved. By establishing specific business objectives, the business presents a clear business case for the next five years, with set priorities that can be used to measure success.

The business will have a range of objectives to progress the business. These objectives will be used to assess the business' performance and growth in the short term (0 – 12 months), medium-term (12 – 36 months), and long term (36 – 60 months).

Short Term Objectives		Medium-Term Objectives		Long Term Objectives
Gain planning consent for the development.		Finalise the plans for development.		Achieve occupancy rates in line with regional averages for peak, shoulder, and off-peak season for lodge and pod accommodation
Secure the funds for the development.		To find an appropriate team of contractors who can carry out the work in the desired time frame.		Achieve a turnover and profit to exceed managed expectations
Complete the construction to the desired standard		Develop a marketing strategy and begin marketing The Gate prior to completion.		Achieve and maintain accreditations and accommodation standards.
Complete the build and development within the budget.		Create a website and social media pages for the new enterprise to support marketing activity.		

Critical Success Factors

Critical Success Factors (CSFs) are the essential areas of activity that must be performed well if the business is to achieve its objectives, as detailed above. The following factors are critical to the trading success of the business:

1. Site is already owned and mortgage free
2. Securing the planning permission for the development
3. Securing/drawing down the funds required for the development

4. Creating and implementing a supporting marketing campaign that develops an interest in the business's new developments
5. Producing a strategy which positively promotes and sells the lodges which are available for short-term tenancy
6. Attaining and maintaining good occupancy rates throughout the year, particularly in the shoulder and off-peak season
7. Creating the right pricing structure that generates quality custom whilst turning a good trading profit. All pricing has been based on similar providers within the locality
8. Managing the cash flow to allow for a steady and safe growth
9. Working in partnership, rather than competition, with other local businesses and activity providers to encourage visitors to the area
10. Establishing an environment with a friendly, local, ambience that encourages repeat and referral custom
11. Generating enough revenue to allow the business to expand and provide year-round employment

Key Performance Indicators

The business will use a series of key performance indicators with SMART (Specific, Measurable, Achievable, Realistic and Time bound) characteristics. Information to be captured and analysed weekly/monthly includes:

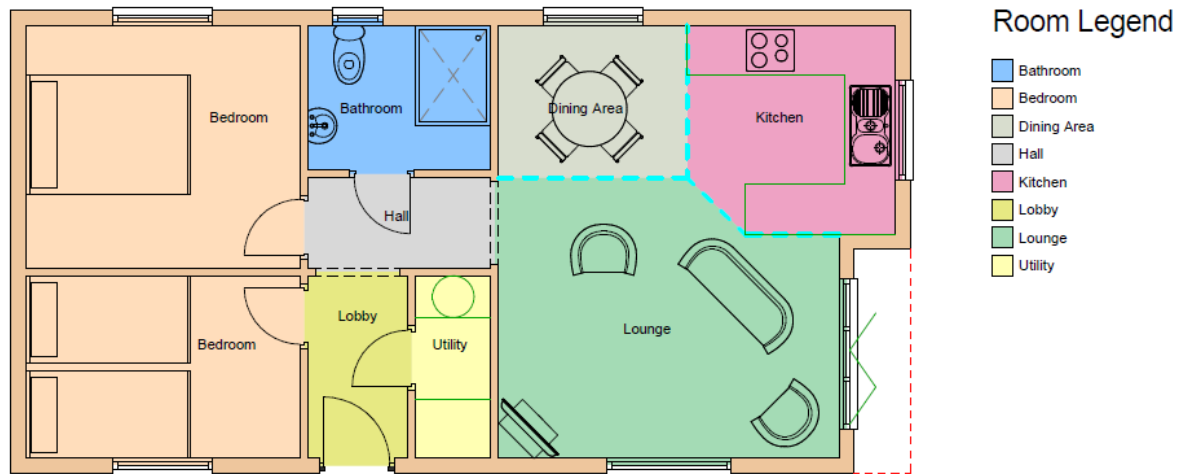
1. Monthly and annual turnover figures (for accommodation plus any other revenue streams)
2. Monthly and annual profit figures (for all revenue streams, and overall net profit for the business)
3. Average occupancy rates by peak, shoulder and off-peak.
4. The business mix between short breaks and full week bookings
5. Feedback from customers, measured by online websites (e.g., TripAdvisor)
6. Feedback from any partners and stakeholders
7. Informal benchmarking of pricing against other equivalent providers
8. Finally, the number of visitors for each tourism unit is attached as part of **Appendix H2.**

DELIVERY OF PRODUCTS & SERVICES

Products and/or Services

There shall be 13 lodges and 7 pods introduced to the site at Abergarwed. The lodges and pods shall have sufficient spacing between one another, ensuring that guest's privacy is maintained and there is an ample area for socialising outside of the lodges. Each lodge shall be a two bedroom facility, †There will be a kitchen and living area also. A large decking area shall surround the lodge, featuring a hot tub and BBQ area. The pods will combine a living / sleeping area for 1 bedroom with kitchenette facilities





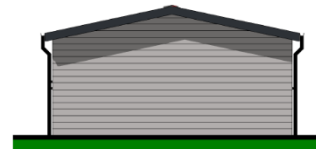
Left Side



Right Side

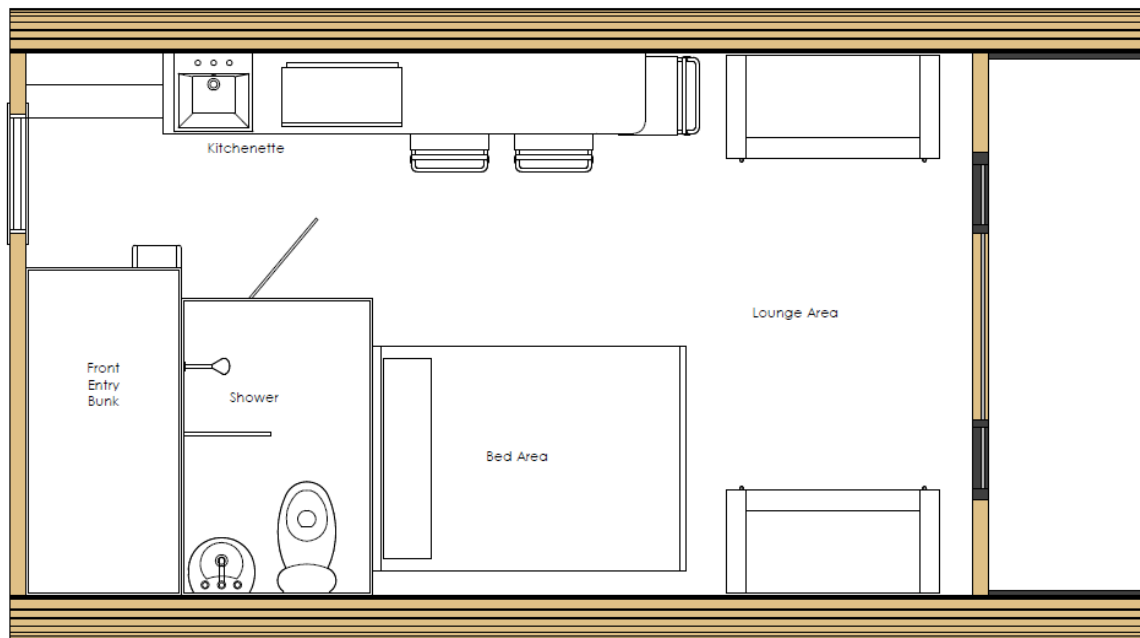


Rear

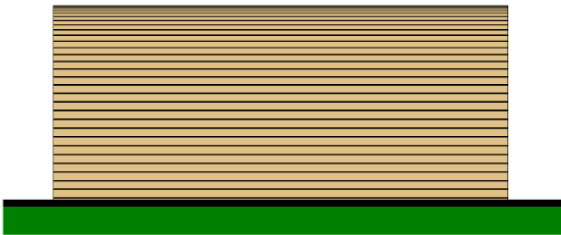


Front

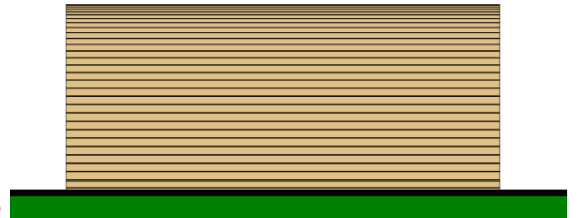
Lodge Details



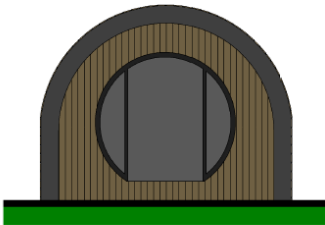
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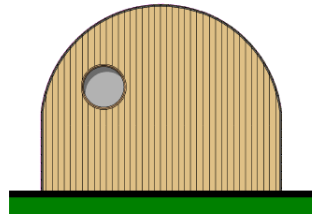
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Front



Rear



Pod Details

Whatever the size, type or style of a self-catering business, high-quality experience, and memorable visit are what guests are looking for. Visit Wales offers a grading system that allows businesses to have a competitive edge.

The assessment scheme is designed to ensure that guests can book self-catering accommodation with confidence, knowing that there will be a certain standard of quality and that all the basic amenities will be provided. The level of recognition is rated

between 1-5, it is the intention that the accommodation, once developed, be graded according to Visit Wales star grading for self-catering accommodation.

To achieve a five-star rating the lodge will need to score >90%, having been rated as being 'excellent to exceptional quality. The overall standard internally and externally will need to be very high, together with excellent standards of management'.

Customer Service

It is the company's aim to provide the highest standards of customer service consistently across the business. The following factors characterise the business' approach to providing great customer service:

- All advertisements print material and electronic publicity will describe the accommodation, facilities, and services provided accurately, with a clear breakdown of exactly what is included. Details of charges for additional services and facilities will need to be made clear when requested
- Full business Terms and Conditions will also be available on request
- All enquiries will be dealt with promptly and courteously, and a comprehensive complaint handling procedure will be put in place so that any complaints are investigated thoroughly
- Due consideration will be given to the requirements of guests with disabilities and/or additional needs, and suitable provisions will be made where applicable

Suppliers and Terms of Trade

The business will negotiate terms with any suppliers, but it expected that purchases will be paid for at the point of purchase.

Legislation

The business is aware of its legal obligations and works hard to comply with the following legislation in the provision of its services. This list is not exhaustive.

- Employment Right Act 1996 provides a range of contractual rights for employees, including National Minimum Wage legislation, arranging employer's liability insurance, and ensuring equality of treatment in recruitment
- Health and Safety legislation (1974 and 2002)
- The Disability Discrimination Act
- Fire Precautions (Workplace) Regulations 1997 (amended in 1999) and the Regulatory Reform (Fire Safety) Order 2005
- The Equality Act 2010 forms the basis of anti-discrimination law in Great Britain.
- Local planning and building regulations
- The Tourism (Sleeping Accommodation Price Display) order 1977
- The Sale of Goods Act 1979 (as amended) applies to all retailers and requires that goods sold must match their description
- Town and Country Planning Acts (1990, 1991, 2004 & 2008)

Insurances

The business will have insurance policies in place to ensure comprehensive cover for all aspects of the business. This includes Buildings and Contents, Public, Vehicle and Employers' Liability insurance.

Staff Requirements

The business will be managed and maintained by the owner with the assistance of an on-site manager. Overtime, once the business is established the business will seek additional staffing to support in the daily operations of the establishment. Management roles and responsibilities for the lodges/pods include:

- Administration; keeping an up-to-date calendar of bookings for all overnight stays and conference room bookings.
- Meet and greet; including welcoming, giving keys, and providing local knowledge to guests to help them enjoy their stay (i.e., best restaurants, walks, towns to visit, etc.).
- Marketing; while the business will benefit from an online marketing agency monitoring and maintaining the business's online presence across all online platforms are important. Additionally, any other chosen marketing channels will need to be managed.
- Point of Contact; being contactable and available to assist, in the event of emergencies occurring.
- Arranging regular maintenance, e.g., PAT Testing of electrical appliances, external maintenance, like painting windows, cleaning guttering, etc.
- Cleaning and Maintenance; both before and after each booking, bedding, and towels will need to be changed and washed, toiletries replenished and more. Organising the daily cleaning of the grounds and internally at The Gate Hub.
- Grounds maintenance; lawn maintenance, painting, power washing and general outdoor cleaning. Therefore, proposed staff numbers will be between 4-6 people initially and will fluctuate over the year.

MARKET ANALYSIS

Market Overview

In recent years, the UK holiday market has seen the rise of glamping, tree houses, and unique accommodation experiences. This trend has continued to grow with the promotion of 'Staycations' by both the Welsh and UK governments, which has led to a sharp rise in demand for such accommodation, often outweighing supply. This has been much more pronounced because of the impact of the Covid Pandemic, but post pandemic it is expected that a long-term staycation legacy will remain.

Websites such as Air BnB have opened many accommodation opportunities for staycations ranging from converted horse trailers, wooden timber structures in the middle of a forest, to glamorous family sized, exquisite yurts in the Cornwall countryside. Unique

lodges in the rural countryside, with rolling views of the Welsh countryside with their own hot tubs, fits perfectly into this buoyant marketplace.

With Wales boasting a rich and unique blend of culture, landscape, heritage, and world class tourist attractions, and with reports showing a continued rise in popularity, tourism in Wales is becoming an increasing destination of choice with both UK and European tourists.

In the 12 months ending June 2019, an estimated 4.8 million overnight trips to Wales were made equating to a 6% increase on the year before – outperforming the corresponding 2% GB average, with visitors spending approximately £1.9 billion in the Welsh economy.

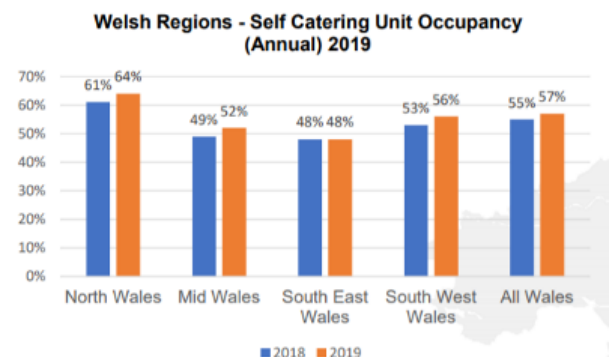
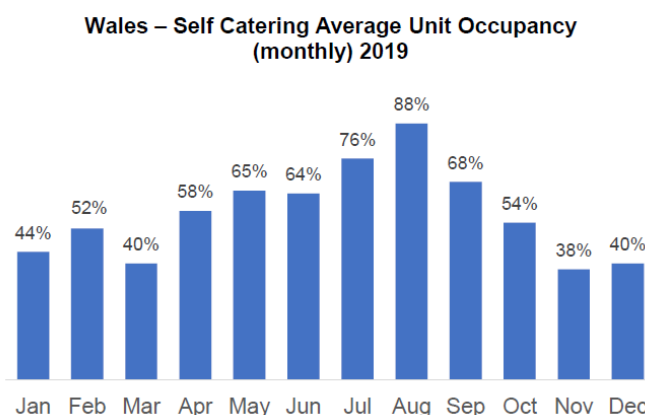
Visit Wales accommodation occupancy survey Annual report 2019

In 2019 the average occupancy for annual self-catering units pan Wales was 57% an increase of 2% compared with the 2018 report.

Peak occupancy rates were achieved in August when 88% occupancy was achieved across Wales, with November having the lowest occupancy rate of 38%.

Demand for luxury tourism accommodation priced £800 and over per week remained strong during 2019, achieving 56% occupancy throughout 2019.

COVID-19 is likely to continue to impact upon the domestic tourism market for the next 3-5 years as consumers' confidence to travel abroad is rebuilt. With the demand for high quality domestic tourism accommodation expected to increase significantly and remain high over this time frame. The peak season is likely to extend as consumers take more domestic short breaks in place of one extended exotic holiday.



Welcome to Wales: Priorities for the visitor economy 2020-2025

The Welcome to Wales, priorities for the visitor economy 2020-2025 sets the direction for tourism development for Wales over the next five years, "Our ambition is to grow tourism for the good of Wales. This means economic growth that delivers benefits for people and

places, including environmental sustainability, social and cultural enrichment, and health benefits".

The development of additional accommodation supports this vision for tourism in Wales. The business intends to develop in an environmentally responsible manner. The business will create employment within itself and support local businesses through recommendations of places to eat and drink, supplying bespoke holidays, places to visit and encourage local attractions and events. The development seeks to "elevate the status" of Wales and attract "high-value visitors from across Britain" by providing exceptional quality, "stand alone iconic", experiences in a distinctly Welsh location.

Visit Wales's Objectives

The business will create a Sense of Place and a warm welcome to Wales (Croeso Cynnes Cymraeg), in keeping with Visit Wales's objectives, by embracing the site's unique location and heritage as well as Nick being a Welsh speaker (second language) himself. Additionally, the business will reinforce the Welsh Brand:

"Elevating Wales's Status", located within Pembrokeshire, the business's location offers a chance for people to engage with one of Wales's undisturbed beautiful and iconic landscapes. By enabling the public to extend their time to spend in this area, the project will help to elevate Wales's status not only as a place of natural beauty but a place of adventure, activity, and history.

The project will seek to "Surprise and Inspire", by highlighting what Pembrokeshire, and the country of Wales has to offer, including quality venues, local business, activity providers and more.

Customer Profile

The development will attract a family orientated customer base that are looking for unique and high-end retreats to stay in the heart of the countryside with elements of seclusion. Such customers can also be described as "cash rich and time poor", where they are less price sensitive and will value unique, quality experiences.

The forecasted letting periods will be for week and weekend breaks or short supplementary breaks throughout the year. With the lodges and pods being operational all year round, this allows the business to continue trading outside of seasonal trends which is an added selling point within a tourist driven economy.

The main customers will accord to ABC1 socio-demographic groups (i.e., professional, HNW) but some of the lodges will cater for families who are looking for an alternative holiday experience with luxury and comfort. In addition, this could also be a welcome alternative for local people who are looking for a weekend break.

Most guests to the business are likely to be from outside Wales, but all will be greeted with Croeso Cynnes Cymraeg to help enhance the "sense of place".

Competitive Advantage

The development will gain competitive advantage from a combination of the following factors:

- The Welsh Valleys are becoming a thriving tourist hot spot, which has seen numbers of visitors grow year on year
- Providing attention to detail from the beginning to end, initial enquiry to the arrival, the trip and departure to help encourage repeat and referral custom
- Providing great standards of customer care and trying to meet the individual needs of all bookings
- Developing a strong and attractive brand and marketing campaign that generates sufficient enquiries from the target audience
- Creating a pricing structure that is well placed against competition and attains good occupancy levels

MARKETING AND SALES PLAN

Branding

While no official physical brand currently exists, a logo will be created to include the lodge and pods emphasis and will be based around the following brand values:

- Being very customer focused
- Offering quality services
- Being available
- Being fair and honest.

To achieve a consistent, classic, and recognisable brand the following principles will also be followed:

- Utilising the current brand and reputation within the tourism industry
- Colours befitting an upmarket brand
- Standard font and styling, consistent across all marketing.

Pricing

Pricing for facilities shall be determined closer to opening and individual to the lodges and pods. It is thought that most of the pricing shall be benchmarked against other similar establishments.

Marketing Methods

The business will aim to create an effective marketing plan from the start and develop this as the business grows. The short-term plan will use the following methods to continue to build a reputation for the business:

Website

The business will register a new domain for maximum online exposure.

The website is easy to navigate, mobile friendly and includes many keywords to maximise search engine optimization. Social media links will be added with information and links to local attractions and activity operators who may offer cross referrals.

A page with the business' booking portal is embedded to make the booking process for the end user as easy as possible.

Social Media

The business can create a new Facebook presence

Signage

On site signage shall be erected and situated at the entrance of the property just off the main road with clear visibility from the roadside to direct customers to the property.

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RTPI

mediation of space · making of place