Tomintoul and Glenlivet
Regeneration Strategy & Action Plan

Baseline Assessment
Headlines Summary

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Tomintoul & Glenlivet Baseline Assessment

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Headlines from the Baseline

Environment & Enterprise
Tomintoul shares its recession experience with many other communities –larger and smaller. It is not unique

Tomintoul and Glenlivet will need to *compete* for resources and attention against *other* communities. Resources are scarce and prioritised. The community will need to make a cogent business case for investment. It should draw up a *social balance sheet* weighing assets, liabilities, capital and develop a 'Community Prospectus'. It needs to define its 'offer' (which may be multiple) and sell itself.

To ensure a sustainable regeneration strategy and have a chance of accessing funding Tomintoul and Glenlivet will need to work to the Cairngorms National Park Authority (CNPA) strategic objective of growing and diversifying the National Park economy *by drawing on the Park's special qualities.* In particular the community must focus on the Scottish Government Economic Strategy to exploit Scotland's primary objective –a low carbon economy.

Sequestering carbon, flood management, and the development of sports and more active 'green tourism' provide opportunities locally to expand the role of the natural environment as an economic driver. Stronger direction and support should be given in recognising and developing *local* enterprise solutions.

The benefits of renewable energy should be enjoyed first and foremost by the local community. There is an opportunity to replace local dependency on an expensive depleting fuel with locally available renewable energy. This would have a transformative effect.

The Baseline documentation suggests that there is scope also to enhance upland biodiversity, supply more high-quality meat and specialist and distinctive foods, generate a *range* of renewables and provide small scale recreational and tourism services which safeguard the environment, contribute to the health and well-being of the local community and which attract visitors.

A future regeneration strategy for Tomintoul and Glenlivet will be shaped by local needs and aspirations; the availability and suitability of resources and partnership; closer engagement with the Crown Estate; access to economic and social capital; local, regional and national economic conditions; and the framework established by key reports and strategies.

Transforming a Community within a National Park
The Cairngorms National Park Authority has stated that it intends to support a *planned approach to the long term development of Tomintoul.*

It says it will take '*a rounded view of the future of the village*' setting out options for the short, medium and longer term. It will help to identify sites and opportunities for development for the future. In respect of a regeneration strategy it states that '*Should further options come from consultation with the community, via the masterplan exercise, these may be considered in the future.'* These assurances should be tested.

Some residents have mixed views about being part of a National Park. They are not clear on the benefits likely to 'cascade' or 'irradiate' to smaller rural communities as a consequence of being part of a National Park.
Some also see the Cairngorms National Park Authority as more inclined to the interests of larger settlements.
The CNPA and other partners in the National Park will need to allay the concern that the economic interests of smaller settlements not central to the grand plan could become rural backwaters…. pockets of disadvantage. A number of Glen residents feel that visitor needs are elevated above those of local communities.

Clarity is required on how the CNPA will fulfil its wish to enable communities '*to provide and secure long-term employment options which ensure they thrive in the future.*

Empowerment
The consultation process at Tomintoul reveals a recurring complaint of upland communities –lip service and lack of real influence. Policies, frameworks and forums for engagement are criticised as top down, intermittent and essentially superficial. Policy is not sufficiently *customised* or *drilled down*. It must be capable of 'flexing' to suit local conditions (deteriorating) and needs (increasing).

It is clear that the community will need to identify and support 'local champions' to drive interest and help transpose ideas into initiative. It may require a full time development manager to help achieve this.

Dialogue should move quickly to an *action stage* in which there are active initiatives designed to involve and challenge people in finding and creating solutions. These should have the support of the key agencies. This will test the community's capacity for '*can do'.*

The community as a whole will need to demonstrate an ability to accept change and to review/adapt behaviour. It will need to seek out partners such as the Social Enterprise Academy, Highlands and Islands Social Enterprise Zone (HISEZ) or the Scottish Social Enterprise Coalition to 'enable' it to establish relevant structures, objectives and bid for funding.

Punching its Weight

Historically Tomintoul may have actually 'punched *above* its weight'. Events and social change have overtaken it. The challenge ahead is to *manage its revival* not preside over its decline. There is no 'do nothing' option.

Most communities embracing regeneration take a *project centred* approach - focusing on a building, a site, a service. Tomintoul is better placed than some. It has potential 'projects' sitting on its village green. With support and guidance it has a significant opportunity to reinvent itself. The line between further decline and a lasting revival is a thin one.

Our assessment is that this community has the assets and has the self belief…..what it needs to identify is the vehicle and the leadership to get things moving.

Market edge will be achieved by rural communities with a capability to specialise and carve niches for their goods and services. Here the challenge is to turn its 'remote' upland location into an *asset* rather than a constraint. This ties with Scottish Government Economic Strategy, CNPA, Highlands and Islands Enterprise (HIE) and Moray Council objectives.

There are small scale 'remote rural' exemplars to learn from which have fostered enterprises majoring on fruit drinks, bottled water, preserves, confectionery, natural healthcare products, aquaculture, meat and 'home made' foods., delivery and logistics. Some could be developed relatively modestly as a 'cottage industry'.

Highlands and Islands Enterprise describes *fragile areas* as characterised by a number of factors which weaken communities, notably population loss, low incomes, limited employment base, lack of affordable housing supply, poor infrastructure and remoteness. This might read as Tomintoul and Glenlivet but these are *not* mapped as such. Nor are they designated as an *area of employment deficit*.

The community should seek an informal seminar with HIE account managers to explore how (not if) opportunities can be facilitated locally. A successful case needs to be made for Tomintoul & Glenlivet to become an '*Account Managed Community'*.

Coupled with Moray Council's Community Asset Transfer strategy there is the crux for a community initiative centred perhaps on either the High School site or the Richmond Arms Hotel. The Gordon Hotel, in our view, has a stronger chance of private sector reinstatement as a hotel.

Relationship with the Crown Estate

The Crown Estate has strong supply chain management skills and holds regular internal best practice forums-one question is whether could these be 'transferred' to local businesses? It could explore assisting local businesses by deploying its expertise in the Environmental

Performance Index process or by making its staff available to help local enterprises identify and apply for grant funding.

Its employee 'champion groups' could be a significant resource for the local community to draw on in developing their sustainability policies, mapping projects, performance measurement.

In housing, the Estate's ability to take a long-term view may be an area for exploration in the context of investment in affordable housing.

The Crown Estate has stated its wish to work with local communities and business partners to help develop rural areas through the SRDP. This needs to be tested in the wider community.

There is a degree of antipathy in some quarters of the community to the Crown Estate which is seen as either *disinterested* in the prospects of Tomintoul or *too preoccupied* with its own business interests.

The relocation of its' Glenlivet Estate Office into the centre of village would in the view of some members of the community provide a strong catalyst for recovery and a robust statement of confidence in Tomintoul's future. For some, the current location is 'semi-detached'.

There is room for more studied understanding of the interests of both parties if they are to make the best of each other. What is clear is that Tomintoul has on its doorstep an extraordinary resource and a world class potential partner. The Crown Estate's approach to communities is guided by a '*sustaining communities*' champions group. In what ways could Tomintoul meet the criteria of the Community Investment Guide?

A lead should be taken locally from the Glenlivet Estate. Every encouragement should be given to facilitate further initiative and new business creation in the communities of the Glen drawing on the Estate's experience and guidance. Nationally the Crown Estate has strong customer facing skills. It could hold workshops and mentoring for village enterprises and home workers. Over 95 per cent of Crown Estate employees have customer standards training.

We recommend that the Crown Estate and the local community come together to explore in practical terms if and how experience and expertise gained in start up and diversification locally and elsewhere can be mentored and transferred. The food and drink offer locally could be one focus. The area would benefit from new local food enterprise and supply chains. The Crown Estate should be approached to play a role as a mentor and enabler.

The tightening of credit and the call in of loans and repayments will create an institutional antipathy to 'bright new ideas' and to already hard pressed shops and service providers in rural backwaters. This places even historically resilient economies like Tomintoul at significant risk. Help is needed to unlock HIE funding.

Tomintoul should develop the Walking Festival and build a significant all year round offer around its role as the low level walking centre for the Cairngorms. It should look to support this with modest initiatives for caravan and camp sites. We understand that discussions *are* under way on the latter.

Competitiveness

The ageing population will impact directly on the rural workforce and on Tomintoul and Glenlivet's competitiveness. Outcomes may include higher employment costs to pay older workers; more early redundancy; reduced labour mobility; more health issues. Tomintoul faces a *cycle of decline* unless it can retain and increase its younger population.

Variable Broadband connectivity and poor mobile reception restricts the capacity of Tomintoul and Glenlivet to develop IT based business, home enterprise and some tourism activity. It hampers opportunities to exploit new forms of E-Care and Telecare (remote healthcare and home-based assistive technology) for older people, poised to develop quickly in rural communities.

Loss of young people needs to be addressed by a raft of measures –*accessible training and education; employment choices; affordable housing; leisure opportunities.* There is little confidence that the situation of young people in Tomintoul and Glenlivet is likely to improve in the foreseeable future.

Employers should be asked to experiment with '*smarter working'* in which employees living in the Glen could reduce car journeys, fuel costs and carbon emissions by working at home 1-2 days a week.

Around £48M of GVA in the Cairngorms National Park is created by self-employment. This must be a key area for targeting new activity and added value in Tomintoul. The enterprise base needs to be diversified – it cannot over rely on business connected to or generated by visitors and tourism.

Average earnings in 2008 at £18,370 were just 74% of the Scottish average

In contrast, house prices at the start of 2009 were 130% of the Scottish average. Housing affordability remains the most persistent high ranking concern of the community at Tomintoul and Glenlivet.

The designation of the former high school in Tomintoul as a 'community facility' in the Cairngorms National Park Local Plan provides a potential core opportunity for a social enterprise but may stifle private sector interest and investment.

New housing development should not be preoccupied with affordable housing –settlement, investment, enterprise and vitality will all be better served by a programme of mixed housing development creating 'mixed income communities'. The Cairngorms National Park Local Plan found no single reason why local people find it difficult to secure housing that meets their needs within their budget. It favours a range of housing and tenures.

Housing & Enterprise

Enterprise is stymied by limited employment and supply chain opportunities and by low wages and seasonal employment. A number of local people already combine two or more jobs to make ends meet. A significant factor affecting retention of young people and attraction of families is the cost of housing.

12 dwellings have been allocated within the settlement during the life of the Cairngorms National Park Local Plan. The aims of the CNPA and its local authority partners (Aberdeenshire, Angus, Highland and Moray) and the community at Tomintoul in providing housing and linking this with employment should be relatively convergent. In the short term, housing development in Tomintoul is likely to be largely 'infill'.

The majority of homes –both old and new-should have the capacity and flexibility to accommodate home working. Housing linked *with employment* is essential to sustainable villages. The essence of affordable home working is '*opportunity*' and *economic inclusion*. The concept of **'**Live Work' where people dwell and run their own businesses *within* the home is one essential tool for combining housing and employment solutions in rural settlements.

Where working from home has a significant role to play in the National Park is in reducing car travel and carbon emissions. The Cairngorms National Park has a high level of commuting. Currently 1500 people commute in to work and 1800 commute out.

Employment in Tomintoul & Glenlivet is focused primarily on traditional forms and skills. These are unlikely to sustain either community.

Glenlivet

Glenlivet is not *dependent* on the regeneration of Tomintoul for its own long term sustainability. However it would clearly *benefit* from the development of retail and accommodation facilities there and from increased visitor traffic and wider opportunities for employment.

Given the size, dispersal and ageing of its population Glenlivet is surprisingly enterprising. Characteristics which may be seen as *constraints* in some communities are held to be *positive catalysts* here

Local people emphasise that Tomintoul and Glenlivet and their outlying hamlets are part of a wider Glen community with many shared interests. Glenlivet is a small and ageing community. The level of economically inactive households will increase quickly unless a younger replacement population begins to settle here.

Glenlivet looks increasingly to Elgin and to the coast rather than to Tomintoul for its services and employment. This raises questions about whether Tomtintoul could serve as a viable hub for the wider Glen. Certainly there is a desire and a need that it should be so. However, there would need to be a reorientation in outlook led primarily by improved transport connections and by significantly improved shopping facilities.

In the immediate future the health and vitality of the Glenlivet community is more likely to be determined by successfully promoting itself as a self-determining and desirable place to live and raise children. Its key social objective must be to engage the interest of families with children to settle here. The development of a stronger economic hub at Tomintoul will serve this.

Tomintoul

The Glen is characterised by very small settlements. Some have looked historically to Tomintoul as the local service centre. In recent years its attraction and pull as a service hub has been eroded by poor public transport infrastructure; adverse weather, a dwindling and limited retail offer and the closure of two of its hotels.

Tomintoul has much more to offer in its history as a planned settlement. It could make far more of its 'gateway' role with well designed and better located signage. This would distinguish it from half a dozen other claimants to the gateway 'crown'.

Tomintoul's future may lie in *strengthening its gateway status* and its role as a *host* rather than as a provider of visitor attractions…which it largely lacks and cannot afford to develop. For some visitors it will be *a far more preferable place to base* themselves because it may be perceived as less expensive, more tranquil, less congested and more characteristic of the area/region they have come to see and spend money in.

Tomintoul's ageing population presents a looming challenge for health, housing and social care providers compounded by issues of access to services, transport and social isolation.

There are evident concerns about the affordability of housing for young people and families and 'homes for local people'. Perceptions of what constitutes 'affordability' are low. The particular needs of single parent families is singled out, with some young parents unable to secure full time work locally because of a lack of employment opportunities and flexible childcare.

Tomintoul may have to look outside the community for answers to some of the challenges it faces. The village would benefit from newcomers capable of 'adding value'.

A key question is whether food retail has a future in Tomintoul. This is one of the most urgent issues affecting the village in our view and may require intervention. Less than 10% purchase their full shop from local stores. Business here is increasingly unviable.

More businesses must take root here. A third of residents see this as necessary for the viability of the area. Yet 40% of existing businesses *need more custom* to achieve a reasonable profit. Lack of capital and credit is a growing issue for those considering start up or physical expansion. Tomintoul lacks effective branding.

Despite economic uncertainty the community here *is* enterprising and keen to find work. Nearly 20% of those in work are self-employed. The unemployment rate is around 2.2%. Only 4.2% of adults are unable to work because of disability or illness –less than half the Scotland average.

It is vital that *distance* and *virtual* learning and other forms of educational access are made available. Moray College UHI has undertaken to review the situation at Tomintoul.

The Community and Redundant Assets

Receivership of the two hotels has been a significant blow to Tomintoul's visitor and hospitality infrastructure. It is more than 2 years since the hotels ceased trading. They are examples of an inexorable and nationwide shift in markets and demand. Their continuing dereliction is affecting the confidence of the community in its ability to reverse wider economic decline.

Closure has resulted in the loss of 53 hotel rooms –most aimed at couples and families. The loss of 4 public bars and 2 restaurants means that there is little in the way of an evening economy. Younger people look to Elgin or Aviemore for part time work and for diversion. This takes spending, activity and vitality out of the village. It may be a factor in 'moving on'. A detailed market and development appraisal should be agreed with the receivers. This requires high level intervention.

It is clear that business closure is not going to end with the two hotels. There are question marks over the Post Office/Store and the future of the Glenavon Hotel. A'anside Studios is already advertised for sale.

Even so the community is determined to adapt. There may be scope for one hotel to be retained, repositioned and remarketed to attract a new niche market. The school may suit other forms of niche accommodation.

The school is the focus for emerging ideas for social enterprise. However, there are a number of significant difficulties and considerations associated with its physical condition.– including asbestos and its current use designation. The school is a *potential* but *compromised* asset for Tomintoul.

Wellbeing

Wellbeing' must be the ultimate aim of a regeneration strategy. Social, economic, cultural and environmental interests must be considered and treated holistically. 78% of people consulted about the effects of public service cuts thought that these would be severe in Tomintoul.

The lack of a *regular* bus service connecting Tomintoul and Glenlivet with main centres reduces employment, service and social options for both communities and amounts to 'relative deprivation'.

The volunteer base here is an ageing and reducing pool. The baton needs to be taken up by younger people. However, numbers are few and there are concerns about being able to retain and motivate the next generation.

Historically Tomintoul has enjoyed a strong sense of 'wellbeing'. This comprises environmental and social characteristics which up until recently have ensured resilience. These are now challenged –possibly threatened -by localised and national social, environmental and economic circumstances.

These events produce social and psychological responses which can undermine a community's sense of worth. This can blunt its optimism and challenge its confidence in the future.

TOMINTOUL & GLENLIVET BASELINE ASSESSMENT

Prepare an economic baseline assessment of the area to provide a clear picture of the current situation and the potential opportunities that are financially viable. The baseline should consider the issues raised through the community planning exercise including local housing need.

Introduction

1. Purpose of the Baseline Assessment

1.1 This assessment identifies the key economic, investment, social and labour market challenges facing the Tomintoul and Glenlivet communities. It draws on and places in local context national, regional, CNPA, local authority, Crown Estate and independent strategies for rural regeneration and sustainable communities. It sets out the assets and deficits which already do or could shape the future economic performance and social sustainability of both. It provides a preliminary 'audit' of the tasks and initiatives necessary to strengthen and diversify the local economy. It captures and applies the main outcomes from community consultations. And it examines the funding climate in which the local Tomintoul and Glenlivet economy must compete. We have taken the view that 'wellbeing' must be the ultimate aim of a regeneration strategy and that social, economic, cultural and environmental interests must be considered and treated holistically.

1.2 Tomintoul is a community deeply concerned by empty buildings and a declining service base but also bristling with ideas and aspirations to address this. It is also settlement of less than 400 people. One of our aims in this report is to establish whether it punches above or below its weight.

Themes covered in the baseline include:

- An overview of recent key economic trends at local, sub-regional, regional and national level
- The structure and performance of the local business base
- Employment and demographic characteristics
- Opportunties for change and partnership
- Summary of Tomintoul's offer - key infrastructure and cultural assets

1.3 A future regeneration strategy for Tomintoul and Glenlivet will be shaped by

1. The needs and aspirations of the community –expressed in recent consultations
2. The availability, quality and suitability of resources and assets necessary to deliver change
3. Effective access to and use of available social, economic and community capital
4. The support of the Glenlivet Estate
5. Interventions and investment from public agencies including educational institutions
6. The availability and suitability of investment and enterprise start-up opportunities
7. The framework established by key reports and strategies
8. Economic conditions at national, regional, local authority, national park, local community level

We summarise below the local framework within which a regeneration strategy must be developed.

Vision

Make Tomintoul/Glenlivet an effective place to invest in and do business Create a *sense of place* and *identity* within the Park Ensure that the community understands it must *compete* and is equipped to do so Identify and realise its' economic potential Deploy Tomintoul/Glenlivet as a *brand* that needs to be differentiated and promoted Develop a 'Renaissance Prospectus' Enable a better educated, more skilled workforce Ensure that the community can live better, healthier, longer and **here** Address inequalities and isolation – economic and social Create an environment in which local entrepreneurs and enterprises can develop Enable businesses to embrace the low carbon economy Conserve and develop well designed, sustainable places Improve access to amenities and facilities –social, economic, cultural Better and more responsive services Work towards an inclusive community with focus on the old, young people, deprived groups Reduce the community's impact on the environment Engage and empower the community

1.4 Recession in Rural Context

We start with some of the rural recession headlines emerging over the last 2 quarters which affect rural communities at large. Tomintoul and Glenlivet share many of these experiences with other settlements:

- Increasingly difficult to raise institutional investment for rural businesses
- Rural retail and small construction businesses are hardest hit
- Problems with business and consumer credit
- Start-ups are moving out of incubator units to home-working to save costs
- Rural businesses are struggling to secure loans/raise cash for physical expansion
- Increased pressure for farm diversification
- Higher supply chain costs for rural businesses have deepened sense of 'rurality'
- Increased incidence in remoter communities of multi-jobbing to earn a living wage
- Micro-businesses are reporting cash flow problems
- People unwilling to start up new businesses/products until recession eases
- Lack of scale in rural areas poses risks to innovation and entrepreneurship
- Land and property transactions stalling and falling through
- Key sites and buildings remaining empty and undeveloped for longer periods
- Unable to attract staff because of lack of affordable homes/commuting costs
- Speculative building and development has almost ceased
- Farms coming on to market; still being bought but often sold on in lots
- Young people moving out to seek opportunity and housing elsewhere
- Rural communities still unable to secure effective rural proofing

2. Framework for Regeneration: Headlines from Key Reports

2.1 This assessment starts with a summary/commentary on the key reports which provide a framework for opportunity and regeneration. We work downwards from national to local. In doing so we aim to place the needs/aspirations and challenges/opportunities at Tomintoul and Glenlivet in their wider context. These are essentially summaries and overview. The content of the reports is also deployed throughout the paper to inform and provide illustration for the Baseline Assessment. The primary sources referred to here are:

Rural Scotland in Focus 2010 Local Authority Areas
Scotland's Land Based Colleges; Skills Requirement Forecasting May 2011
HIE Operating Plan 2010/13
The Economic and Social Health of the Cairngorms National Park 2010 CNPA
CNP Local Development Plan Main Issues Report
Strategy Action Plan for Sustainable Tourism 2011-2016 Jan 2011 (The Tourism Company)
The Moray Food & Health Project (2004-05)
Moray Economic Strategy Final Draft Report June 2011-2015
Moray Economic Baseline Study: Report for HIE Jan 2010
Development and Local Plan: Land & Deposit Local Plan-Tomintoul
Consultation on the Cairngorms National Park Plan 2012-2017

Rural Scotland in Focus 2010 Local Authority Areas

2.2 A Changing Rural Population
The population of rural Scotland at large is ageing rapidly. This is a combination of natural ageing, in-migration of retirees and youth depopulation. The working age population of Scotland is expected to reduce by 6.5% by 2033. Farming households are among those which are ageing fastest. More targeted measures will have to be placed on meeting the service needs of ageing rural communities. There will be changes in healthcare provision and different lifestyle needs. An ageing population will impact directly on the rural workforce. Outcomes may include higher employment costs to pay older workers; more early redundancy; reduced labour mobility; more health issues. Conversely an ageing population may contribute more to the community through volunteering, loyalty to local shops and services, child care.

2.3 Migrants
Overseas migrants remain a very small proportion of Scotland's rural population compared to in-migration from Scotland's urban centres and from the rest of the UK. Although overseas migrants have been attracted to remote communities in Orkney, Shetland, Dumfries and Galloway, Highland and the Scottish Borders their distribution in Moray has centred on the main settlements such as Elgin and the locations of the larger employers. A notable attraction of overseas migrants in these areas is that they tend to be younger than the resident population. Two thirds of overseas migrants are aged between 16-34; 47% of those from the rest of the UK; compared to just 24% aged 16-34 in the resident population.

2.4 Structure of Scotland's Farm Population
Agricultural households still make an important contribution to the rural population in remote communities. They are a key dynamic in housing and land tenure. Figures for 2007 show that 27% of all farm holders were over 65 years of age; 29 % aged 55-64. In Highlands & Islands nearly 30% of farms were held by those over 65. One in three farms here were held by someone over 55 years. Between 2000-07 the proportion of farm holders under 35 fell by 53%. Holdings by those aged 35-44 fell by nearly a quarter. However, we are told that the farming population on the Glenlivet Estate is, atypically, among the youngest in the country.

2.5 Cycle of Decline

With a rapidly ageing population and a declining number of young people many rural areas in Scotland face a cycle of decline. For some communities it will become increasingly difficult to sustain and remain viable. This dichotomy is likely to see businesses relocate to places with more custom, vitality, labour. Entrepreneurs will look elsewhere.

2.6 Employment Opportunities

Employment is a primary driver of population change in Scotland's rural communities. There remains a limited range of training and education opportunities for young people in remoter communities. Many young people leave for lack of opportunity and peer contact. This impacts directly on the economic capacity of communities and their ability to attract investment. Unable to replace staff and re-energise local businesses may 'fade out' with the ageing of their workforce.

2.7 Resilience

The economies of rural and urban areas are becoming increasingly similar. Service industries are the dominant feature of both, although there are distinct differences in the *localised* importance of sectors such as agriculture, hospitality, food and drink. Until recently rural areas appear to have been more resilient than urban areas during the recession. There may be more flexibility and loyalty in local employer/employee relationships. However, looming cuts in public services and expenditure and further reform of CAP are likely to impact hard. In the last 2 years the largest fall in rural employment base has been in agriculture and forestry. The influence of agriculture as a driver of the rural economy has declined. Its historic role as a *characteristic feature* of the rural economy *at large* is also failing fast. However its value and role are relative and it remains a key feature of remote and upland areas.

2.8 Access to Finance

Like all businesses in Scotland rural firms have experienced considerable difficulty in securing finance. The Scottish Government SME Access to Finance Survey 2009 reveals that the proportion of all firms applying for credit increased from 39% of all firms in 2007 to 53% in 2009. There was increased demand for finance in the hotel/hospitality sector, hotels and restaurants, transport and communications, health and social work and in construction. Demand for finance in agriculture has declined.

2.9 Climbing out of Recession

Rural areas are less likely to have export-focused businesses and sit uneasily with the popular mantra that exports are the way out of recession. To benefit from this route they need to develop goods and services that are *used* by exporters. In this way they can integrate in and benefit from international trade. The development of IT based services is one option for small remote communities like Tomintoul.

2.10 Rural Housing: Energy Efficiency

In 2010 the median NHER (energy efficiency) rating for rural housing was 5 compared to 7 for urban areas. Many rural properties in Scotland lack mains gas –Tomintoul and Glenlivet are examples. Dwellings off the mains gas grid are nearly 5 times less likely to have a good NHER rating. Rural housing also fares less well because of its construction and lack of insulation. This results in high levels of fuel poverty in many rural settlements. 37% of households in rural areas experience fuel poverty compared to 20% in urban areas.

2.11 Connectivity

In Focus notes that while there is approximately 97% Broadband coverage in Scotland remoter rural areas experience variable connectivity and slower speeds. The basic speed in many rural villages is way behind that of the 16MB a second available in most of the large urban centres. This has opened up a problem familiar in most European countries – a 'digital divide' between rural and urban areas. The low population density of rural areas, and particularly upland settlements, militates against investment in upgrade and faster connectivity. This compromises the ability of rural areas to champion enterprise based around use of the internet despite the evidence that over one third of people in rural areas –around 20% in Tomintoul and Glenlivet –work from home and invariably require connectivity to do so. Lack of effective Broadband services also restricts the capacity of rural settlements to integrate with new forms of Telecare for older people which will increasingly replace direct face to face contact with health and social service providers.

2.12 Transport

This is a central issue for remote rural areas and certain to be exacerbated by expenditure cuts affecting public services and infrastructure. A lower percentage of adults living in rural areas find access to public transport convenient than their urban counterparts. The infrequency of timetables, connections to shopping centres and services such as hospitals and the rising cost of fares are 'universal' issues for many rural communities in Scotland. The lack of a *regular* bus service connecting Tomintoul and Glenlivet with main centres reduces employment, service and social options for both communities and amounts to 'relative deprivation'.

2.13 Health

Delivery of healthcare services in rural areas is set to change. This results from a rising cost base for delivery of healthcare ; issues of transport and access; changes in the structure of the NHS and centralising of GP and community healthcare services; and the emergence of new systems and technology such as E-Care and Telecare which 'break down distance'.

2.14 Taking Ownership of the Future

In Focus reports that Scotland's rural communities are tackling their future in the following ways:
Finance-finding new ways to attract financial capital to energise the rural economy
Built Environment-reassessing and redeploying fixed assets which facilitate community wellbeing
Social Capital-developing networks, partnerships and community empowerment
Human Resources-enhancing human capital through education and training
Natural Environment-utilising the environment wisely for energy, materials, goods and services
Culture-shaping and valuing how the community sees and connects with the world outside
Political Capital-enhancing the community's ability to influence distribution and use of resources

Scotland's Land Based Colleges; Skills Requirement Forecasting May 2011

2.15 This report by Oxford Economics was the subject of a symposium for Scotland's land based colleges including UHI Moray College on October 3rd. It concludes that land based educational provision has fallen behind the forecast requirements for both growth and choice. It recommends an expansion in land based education provision.

2.16 According to the IDBR, in 2008 (latest data), there were approximately 17,500 land-based businesses in Scotland. The sector is dominated by micro businesses. *Lantra Scotland Factsheet* (2010-11) reports that 86% of Scotland's land based businesses have a workforce of 10 staff or less. This compares with 79% for all business sectors. In 2008 employment in the land-based sector was dominated by land management & production (57,000 jobs), with 3,000 jobs in animal health & welfare and fewer than1000 in relevant environmental activities. Occupations are typically correlated against their skill requirements. The land-based sector has a higher share of employment in mid-tier skilled trade and low-tier elementary roles, and a much lower share of service and associate professional & technical roles. Roles and occupations classified as skilled trades in the sector include farmers, green keepers, florists and ground staff. Lantra reports that behind this there has been a rise in the share of high-skilled occupations within the sector and fall in share of low-skilled occupations. This is not evident in the evidence we have to hand for the communities in general at Tomintoul and Glenlivet but there is an expanding skills base on the Glenlivet Estate.

2.17 Oxford Economics report that the 'new normal' economy is no longer being fuelled by increasing levels of consumer or government debt, and nor will it be in future. Rural Communities are already coming to terms with this. The absolute and relative importance of agriculture and of some characteristic rural activities is declining. This means that other sectors and activities need to 'step up' and drive the growth of the rural economy. There is already a strongly developing focus on increased security around 'core needs' notably energy and food. But 'standing in the way' is the issue of cost. **Rural communities in Scotland will not only need to compete with each other for markets and investment but also with overseas competitors with much lower labour and capital costs who are encroaching on food markets in particular**. On the other hand shifting out of food production because *traditional* methods make it expensive will de-skill rural areas further and reduce security of a core asset. This is an area where national or regional intervention may be required to effectively support and 'rural proof' skills, communities and output.

2.18 Oxford Economics suggest that comparative advantages will be achieved by rural communities with a capability to specialise and carve niches for their output. This will be a function of who can produce what the most cost effectively. Remoter communities like Tomintoul and Glenlivet may lose out in areas like arable production but could seek ways of extracting added value from already successful grouse and pheasant industry or by exploring new means of deriving employment and wealth from innovative land use **effectively turning their upland location into an asset rather than a constraint.**

2.19 What is clear is that the land based sector in Scotland as a whole will increasingly be impacted by international as well as localised factors beyond its control. Tomintoul and Glenlivet will share this experience with hundreds of other smaller communities. Notwithstanding that Oxford Economics conclude that the long term future of the land based sector is positive with the accent primarily on stronger branding of Scottish products (the brand has 'currency'); more focus on food products; renewables; sporting activity especially golf; and more imaginative use of the environment.

HIE Operating Plan 2010/13

2.20 The HIE Operating Plan is guided by the *Scottish Government Economic Strategy* (GES) and the *Scottish Economic Recovery Plan.* The vision focuses on Ideas, Investment, People.
Priorities
A world leading **diversified renewable energy sector**
High speed, universal digital connectivity and its exploitation
A successful growing universities sector
Renowned life sciences sector
Growth of tourism, food and drink, creative industries and business services
Increased internationalisation
A strong and expanding **social enterprise sector**
A low carbon economy - the primary objective

Tomintoul and Glenlivet must synchronise with these. Those highlighted offer the most suitable options.

2.21 The Plan notes that '*demand for our resources is likely to exceed the availability of public funding for some time to come*'. The aim therefore is to develop funding and delivery partnerships between the public, private and independent sectors. It notes that the GES provides the essential framework for increasing sustainable economic growth across Scotland. The Plan reports that expected reduction in public expenditure in forthcoming years '*is likely to impact disproportionately on the Highlands and Islands'.* To compensate HIE will focus on '*those sectors showing greatest growth potential'*

2.22 HIE states that a '*key part of our work in strengthening communities will be implementing Growth at the Edge of Fragile Areas'.* It aims to work with 500 businesses to grow value in the regional economy and expand community ownership by working with around 100 social enterprises. In rural communities it sees market failure, limited commercial routes and restricted provision of local services as a *challenge* to entrepreneurs and a *spur* to innovation. It is pledged to support new ideas and new enterprise. This should be tested directly. Our view is that the community at Tomintoul and Glenlivet should seek an informal evening seminar with HIE account managers to explore how opportunities can be facilitated locally. Enabling social enterprise is a central objective for HIE. Coupled with Moray Council's Community Asset Transfer strategy there is the crux for a community initiative centred perhaps on either the High School or Richmond Hotel.

2.23 HIE underscores the imperative of establishing partnerships and sharing expertise and resources. In tourism, for example, it will work with VisitScotland, Scottish Enterprise and SDI in the delivery of sectoral plans to boost the volume and value of visits. On the education and training front the expanding role of universities as an economic driver is deemed crucial. Research will be a notable growth area particularly in life sciences, land use, marine economy, renewable energy and E- health care**. Its priorities in the life sciences will focus on three areas –remote healthcare and digital health; natural products and well being;** and preventative medicine. It wishes to '*explore growth prospects in ….remote and rural health products and services.'*

2.24 Similar aspirations hold for food and drink. The Highlands currently employs over 7,000 employees in 1900 businesses in a sector that generates £1Billion annually. **For Tomintoul and Glenlivet there are small scale exemplars to learn from in rural enterprises majoring on fruit drinks, bottled water, preserves, confectionery, natural healthcare products, meat and 'home made' foods.** A significant and highly enterprising layer of the Highlands food and drink sector is centred on 'cottage industry'. Again we suggest that a seminar or workshop should be organised at Tomintoul to learn from local exemplars on 'what to make' and 'how to sell it'.

2.25 Weaker Areas

HIE will continue to support projects in the less prosperous parts of the area. Our approach to cohesion recognises greater difficulties encountered in bringing forward projects in remote areas and the additional costs which living and operating in remote locations involve. Area targeting aids the process of resource allocation….'

HIE describes *fragile areas* as characterised by a number of factors which weaken communities, notably population loss, low incomes, limited employment base, lack of affordable housing supply, poor infrastructure and remoteness. This might read as Tomintoul and Glenlivet but these are *not* mapped as such. Nor are they designated as an *area of employment deficit*. 13% of the population live in the region's 'fragile areas' and all are competing in some way for attention and resources. They compete with each other but are also competing with communities which do not have benefit of this definition but which still display these characteristics.

2.26 Increasingly all rural communities will need to be organised and articulate to compete successfully. We are already into the age of the 'community business case' and we recommend in this Baseline Assessment that Tomintoul & Glenlivet develop a formal investment prospectus which establishes why people would wish to invest or reside or set up a business here. Our concluding comment here is that a case needs to be made for Tomintoul & Glenlivet to become an 'Account Managed Community'. We explore this further in the Opportunities paper.

The Economic and Social Health of the Cairngorms National Park 2010 CNPA

2.27 Demography

The population in the Park is ageing. The mean age of males is now 42.4years; females 45.0 years. This ageing trend is compounded by the loss of young people in search of employment, housing and diversion elsewhere. Depopulation of the young in small rural communities is frequently a barrier to investment and to enterprise. Significant migration can deprive the community of vitality, labour, skills, social balance and long term sustainability. The prime net annual migration is in the 16-19 cohort. Loss of young people needs to be addressed by a raft of measures –*accessible training and education; employment choices; affordable housing; leisure opportunities.* There is little confidence that the situation of young people in Tomintoul and Glenlivet is likely to improve in the foreseeable future. The Park does attract young adults back earlier than the Scottish norm. However, we have no evidence of this to hand for Tomintoul.

2.28 In contrast, Tomintoul has a high proportion of older people –above 50 years. It has a sheltered housing scheme at Tomatoul Court and a number of bungalows in the village are occupied by retirees. Public expenditure cuts expected by the Scottish Government from 2012 will almost certainly result in a general reduction in public sector health and social care services in Moray. However, it is likely that in making economies in expenditure, services and staff a *reshaped* public sector will centralise its operations to achieve economies of scale and delivery. This pattern of recalibration will almost certainly affect remoter communities like those at Tomintoul, Glenlivet and in their outlying settlements more directly. The outcome is likely to be less direct engagement with the community. However, this also offers opportunities for the development of E-Care, Telecare and home based Assistive Technology. We explore this in the Opportunities Paper.

2.29 Business Activity

Total GVA in the National Park by cluster in 2007 was just under £400M (£398.8M)
The chief industries by value were
£115.3M Tourism
£70.3M Housing and Construction
£62.4M Private Services
£60.1M Public Services
£40M Food Chain
£18.8M Whisky & Other Drinks
£15.9M Other Products
£10.8M Forest Products
£4.3M Information &Media

2.30 Employment 2008

In 2008 the working age population aged 16-65 years was 11,089.
8,950 people were employed in the Park in 2008
Of these an estimated 2,000 were self employed. Home working is a rising feature of the Park's (and must be for Tomintoul and Glenlivet) employment base.
The contribution of land-based enterprise was worth around £70M. Food and agriculture account for about £40M of this and provide a living for an estimated 900 people.
There were 1,496 in-commuters/ 1789 out-commuters. One of the recommendations we make in the Opportunities Paper is to explore ways of encouraging employers both within but especially outside of the Park to experiment with '*smarter working'* in which employees could reduce car journeys, fuel costs and carbon emissions by working at home 1-2 days a week.

2.31 Household Incomes 2007

These were valued at approximately £435M
Of this £208M was wages & salaries inc NI.
Dividends, private pensions accounted for £50M but their value since have been volatile and declining

Capital gain from housing was valued at £96M. However, the housing market has been characterised since by fewer transactions, reducing values, lower gains.
Self employment represents £48M. This must be a key area for targeting new activity and added value
Receipt of state benefits/pensions was valued at £33M. Again this is an area where spending power has declined as a result of the removal of some benefits, reduction in others and deferred pension entitlement.
Average earnings in 2008 at £18,370 were just 74% of the Scottish average
In contrast, house prices at the start of 2009 were 130% of the Scottish average. Housing affordability remains the most persistent high ranking concern of the community at Tomintoul and Glenlivet.

CNP Local Development Plan Main Issues Report

2.32 Strategic Objectives for the Cairngorms National Park

- Ensure the Cairngorms National Park is a special place where the natural and cultural heritage is conserved and enhanced.
- Develop a sustainable economy that supports thriving and resilient business and communities
- Ensure the Cairngorms National Park delivers an outstanding visitor experience and is an international benchmark for sustainable tourism

2.33 Among the chief considerations and challenges for the CNPA and its communities in delivering these objectives are:

The special qualities of the Park
Resources/reducing consumption
Supporting communities
Availability of Affordable housing
Spatial strategy
Support for rural communities
Connectivity and communications

The management and use of land in the Cairngorms National Park should deliver multiple benefits – delivering the best possible combination of the National Park Plan's long-term outcomes, always ensuring that the special qualities are conserved and where possible, enhanced.' Main Issues Report

2.34 Special Qualities of the Park
This means paying regard to the special landscape qualities of the CNP and providing opportunities for leisure, recreation and enterprise derived from and appropriate to the landscape. It also involves supporting local culture and promoting and safeguarding the area's history and heritage. Each of these is an important consideration for Tomintoul and Glenlivet, not least in sustaining *distinctive planned towns*; conserving *vernacular stone buildings;* focusing on *cultural landmarks of castles, distilleries and bridges;* valuing and safeguarding in the hinterland *the wistfulness of abandoned settlements;* and making the most of *dramatic historical routes.* The project to safeguard the heritage of the Scalan Seminary is one local example but further opportunities should be identified to focus and sustain construction and traditional crafts skills in the Park.

2.35 The Main Issues Report emphasises the importance of developers and communities '*thinking about the long-term future of the Park* ..(and).. *how development will achieve this*.' Attention to the special landscape, to history and heritage, to sense of place, to sustainable development and thriving rural communities are the parameters for Tomintoul and Glenlivet. A singular ambition is to reduce the carbon footprint of the Park and to reduce and recycle waste.

'Scotland is moving towards a low carbon economy, driven by both climate change and escalating fuel costs. The need to reduce carbon emissions, mainly from the burning of fossil fuels, means that Scotland needs to become more energy efficient, to find lower carbon sources of energy, and to adapt to different ways of living that this may bring'

2.36 Any development or renewal proposals locally will therefore have regard to Scottish Government targets in the use of resources. Delivering zero waste as part of the delivery of the Government's Zero Waste Plan 11 is pivotal to the direction taken in the Local Development Plan. This can be progressed by the identification of sites to handle waste, through prevention, reuse, recycling and recovery of waste from reuse, recycling and recovery of waste from all types of development. Seeing waste as a valuable resource is fundamental to the approach taken in policy development and in site identification. **The community has repeatedly sought improved facilities for recycling general household waste. It should also explore with a local landowner, the CNPA and with HIE and SRDP (funding routes) opportunities for establishing a small anaerobic facility to digest food waste and generate a modest level of energy.**

2.37 Resources

The CNPA's 'preferred approach' is to broaden understanding of the limitations and opportunities in using the resources of the Park particularly where these are the subject of development proposals. All proposals therefore are likely to be tested on their sensitivity to environmental and land use objectives. Part of this evaluation may involve the CNPA directing developers to locations '*where greater opportunities lie'.* The designation of the former high school in Tomintoul as a 'community site' provides a potential core opportunity for a social enterprise but may stifle private sector interest and investment.

2.38 Support for Communities

The fourth aim of the Park is focused on promoting the sustainable economic and social development of communities. This is one of the two primary areas in which a regeneration strategy for Tomintoul and Glenlivet is most likely to engage with the Park Authority. **The aims of both parties in providing housing and linking this with employment should be relatively convergent. More so because in the short term housing development in Tomintoul is likely to be largely 'infill'.** The Main Issues Report states... '*We must ensure that we plan not just for housing, but also for the facilities and services that those communities need. We must therefore go beyond the housing debate to ensure we plan appropriately for their futures*.' The Report also makes clear that it wishes to enable communities '*to provide and secure long-term employment options which ensure they thrive in the future.'* Overall the chief aim here is to determine how and where can the CNPA can make sure communities have what they need – jobs, tourism options, facilities.

2.39 Business

The development of new enterprise and the reinstatement and re-use of failed commercial assets are the chief concern for Tomintoul. The Main Issues Report found little empirical information on which to base major speculative investment in the provision of facilities for the business sector. It adds that this does not mean that the business sector does not need help. '*There clearly is a need to provide a framework to encourage appropriate growth and investment to meet the needs of both the business sector and local communities.'* It goes on to state that in the next five years the draft National Park Plan is seeking an outcome whereby '*The economy of the Park will have grown and diversified, drawing on the Park's special qualities*'.

2.40 Development Land

The challenge for the Local Development Plan is to provide sufficient encouragement to promote sustainable growth and development to meet the needs of communities and identify the right amount of land for economic development in the right place, while accepting that there is hidden demand which is hard to quantify. It must also help identify what communities need for their long-term prosperity and guide investment.

2.41 Housing

'The dominance of (these) low paid sectors means that many of the people working in the Park are relatively worse off to people in other parts of Scotland. This has straightforward implications for the amount of money spent in the local economy by them, and for their ability to pay for necessities such as housing ,transport and energy. It is exacerbated by the attractiveness of the Park as a place to move to by those who have generated wealth elsewhere.'

In terms of delivering new housing, current market conditions, together with other factors, not least reductions in the funding available to the traditional providers of affordable units, is compounding the problem. The Report also affirms the need for a *choice* of housing and tenures in the Park.
'*Discussions with communities and others also indicate the need for more housing to meet local need which is not necessarily 'affordable' as defined by the Scottish Government.*' However, the Report finds that there is no single reason why local people find it difficult to find housing that meets their needs within their budget.

What are the growth options for Tomintoul?

Use **land with existing permissions** together with the land identified in the current Local Plan to provide opportunities for housing and economic growth. For the long term include an additional site for housing.

2.42 The CNPA has some sympathy with calls for 100 per cent affordable provision on certain sites within particular communities but concludes that this will not, in light of the current market and funding constraints, provide any new housing.

'Our housing delivery partners are clear that we should retain as much flexibility as possible to allow them to develop projects of mixed tenure in appropriate locations when funding streams become available. We therefore think that our approach should not rule out any reasonable option which helps those in need find the right type of accommodation. We therefore propose to include allocations for development of **all forms of housing** in all the main and other settlements in the Park.

How will this affect Tomintoul? The CNPA aim to support the needs of communities by ensuring all main and *other settlements* have some options for future development. It wishes to focus new housing on those sites already in adopted Local Plans. These sites currently require a benchmark of 25 per cent affordable development. The preferred approach to new housing development will therefore be to:
• Develop sites that have planning permission already
• Ensure continuity to the allocation of sites in existing plans which are *yet* to gain permission
• Provide flexibility to make sure all communities have options for new development
• In this way ensure a reasonable number of affordable units within all new developments

2.43 It aims to recognise that within rural settlements there are opportunities for limited growth which help to consolidate the settlement. New facilities which support the community will be encouraged. It will be of interest to households and potential developers in the outlying areas of the Glen that a flexible approach is in place to *allow* well-designed schemes which have a *particular* locational need and which support sustainability in local dispersed communities.

2.44 Tomintoul Regeneration

The Report states that as part of the implementation of the existing Local Plan73 a review of the options for growth and development has commenced. This will take '*a rounded view of the future of the village*' setting out options for the short, medium and longer term. It will help in the process of identifying sites and opportunities for development for the future. In respect of a regeneration strategy it states that '*Should further options come from consultation with the community, via the masterplan exercise, these may be considered in the future.'*

Meanwhile, we must consider the current position in the village. With eight dwellings with permission, and three sites in the current Local Plan as yet undeveloped, we propose to use these as the basis for future housing development opportunities in the short to medium-term. However, we must identify options for the longer-term and one additional site is proposed. Support for the existing economic development sites is also important to protect options for inward investment, and growth and expansion of existing businesses. A number of sites identified in the current Plan have some remaining capacity for growth and it is proposed to retain these as the basis for future development opportunities in the village.

2.45 Support for Rural Areas

- Promote development linked to tourism and farm diversification
- Development plans to support more opportunities for small-scale housing development in all rural areas, including clusters and groups, replacement houses and plots, as well as other forms of housing
- Allow small-scale development which supports diversification and other opportunities for sustainable economic growth

There is recognition that small-scale development is needed to support local communities and retain young people. Diversification of the economy is seen as essential for long-term prosperity. The adopted Local Plan recognises the need to create opportunities of investment and diversification across the Park……There is however no spatial element to this framework. As a result it is a reactive, rather than proactive approach, relying on individual applications for development coming forward in an ad hoc way. It does not therefore set development within the rural parts of the Park in any context.

2.46 The Park Authority will support rural communities by providing for growth *which matches historic growth patterns*. It will use the landscape character assessment to protect important rural areas from inappropriate development.

• Allows different approaches in different communities.
• Communities and developers understand how new growth builds on existing development.
• Restricts unacceptable development in the open countryside.
•Allows development in areas where previously dispersed development has determined the character

2.47 Connectivity and Communications

The CNPA is pledged to support and promote ITC improvements to homes and businesses. It regards good connectivity as essential to the efficiency of the Park economy. It views improved connectivity as a potential antidote to escalating fuel costs and carbon emissions through support for home working. It shares the view expressed in the consultations that connectivity can have a transformative impact on rural communities like Tomintoul and Glenlivet whose lifestyle is significantly car led. It intends, where it can, '*to make sure that development is as accessible as possible, and in doing so we can find ways to reduce our need to travel, and alternative ways to improve our connectivity.'* It will support businesses seeking to use IT to build capacity and growth. What this means in practical terms is not clear.

Strategy Action Plan for Sustainable Tourism 2011-2016 Jan 2011 (The Tourism Company)

2.48 Business Opportunities Around CNP Policy Aims

Conserve and enhance the natural and cultural heritage of the area
Promote sustainable use of natural resources
Promote understanding and enjoyment of special qualities of area
Promote sustainable economic and social development of CNP communities
Deliver and maintain a source of livelihood and economic prosperity for communities
Contribute to the health and wellbeing of visitors
Enrich natural and cultural heritage

2.49 Proposed Solutions

Grow AYR tourism…reduce seasonality
More visits in Autumn and Spring
Increase lengths of stay…must be linked to food/drink/accommodation/culture
More tour services
Increase spend per head
Support the work of local tour operators in providing and packing their 'offers'
Strengthen the range of leading wildlife tourism experiences
Support a wider programme of events throughout the Park –facilitate new events
Help with publishing, coordinating, enquiries, resources, promotion
Make, use, sell more Cairngorms Produce… link with the *Food for Life* project
Support local crafts
Integrate more sport into the broader tourism offer
Coordinate delivery of business advice, training & support services
Help local people acquire relevant skills
Encourage improvement in the range and quality of accommodation and catering

2.50 Chief Trends

Average length of stay in serviced accommodation has risen from 1.7 in 2003 to 2.1 days 2008
Surveyed in 2010 44% of enterprises said their business had grown
Increase in numbers to visitor attractions in the National Park was higher than the Scotland average
The domestic market predominates accounting for over 80% of business
43% of longer holidays are taken by overseas visitors.
Overseas visitors account for around 20 % of business markets in the Park
The domestic market is vital in off-season months…this is key area for development
Couples account for 46% of visits; families 32%
Main activity is sight-seeing -over 50% say this is their main reason for visiting
Over 40% of those on longer holidays go for low level walks .**A growth opportunity for Tomintoul**
A third visit attractions as the main aim of the holiday/visit
June-Sept is the prime visitor season…August the peak month
Nearly four fifths use a car to access the area
The only experiences people rate as poor / average are retailing and service in pubs & restaurants

2.51 Enterprise Needs/Aspirations (sustainable tourism action plan)

There is a clear need for more businesses –*Tomintoul illustrates this*
A third see this as necessary for the viability of the area-*Failing hotel/retail base in Tomintoul*
40% businesses need more custom to achieve a reasonable profit-*lack of critical mass locally*
Most businesses need more custom out of season –*develop seasonal attractions /events*
March is the main month when more custom is needed..but also for whole period Nov-March
Even in the high peak month of August one fifth of all businesses need more custom to sustain
In 2010 around a third of all businesses made some investment to improve their enterprise

This excludes staff training which is generally seen as either too costly or not worthwhile
But few businesses encounter difficulty recruiting staff –this is affirmed in Tomintoul
Lack of capital and credit is a growing issue for those considering start up or physical expansion
Around a third of businesses still view branding and marketing of the Park as poor
Responses in the community consultation felt Tomintoul lacked branding also

2.52 Main External Factors

Recession and domestic holidaymaking –there are opportunities for domestic growth in holidays as a result of recession but there is uncertainty over cuts to public expenditure necessary to establish or maintain infrastructure. Even though domestic growth is evident it is based on low spend/low value.
New tourism proposals will increasingly feature sport and activity eg Glenlivet Estate's Cycling Hub
Tomintoul will need to differentiate its offer –development as a Walking Centre is an option here

National Park SWOT- Implications for Tomintoul

Strengths	**Weaknesses**
Strong identity Leading UK ski destination Robust business partnerships Iconic landscape DMO is promoting actively Likely to radiate benefits to smaller settlements	Quality & quantity of accommodation Inadequate catering, weak on hospitality/service Topography & access -institutional/historical divisions Limited cultural offer Few large enterprises/employment centres Weak public transport infrastructure
Opportunities	**Threats**
Developing public awareness of the CNP Growing economic significance of tourism Potential growth/diversity of domestic market New overseas markets emerging Search for authenticity Focus on sustainable development Better service and food & drink offer	Continuing recession Loss of fragile enterprises Public expenditure cuts Reliability on snow/threat of snow Impact of development and tourism on landscape and biodiversity Dependency on private car

Moray Economic Strategy Final Draft Report June 2011-2015

2.53 The Report is notably short on the rural dimension to its strategy. It centres largely on recovery from recession and on a sustainable renaissance built around the growth of Elgin; a step change in research and development of renewable; new areas of marine exploration and engineering; an expansion of the role and influence of the newly established UHI (via Moray College); further value from Moray's food and drink industry; and a significant improvement in the region's tourism offer and revenue. Nonetheless there are messages here for Tomintoul, Glenlivet and the Glen economy. We summarise below the areas of relevance to rural communities only.

Vision
Strong, clear, sustainable leadership A clear focus on existing strengths and opportunities Effective prioritisation of the programme of activity Strong communication links between public partners, communities, private sector Widely owned actions with clear accountability

The strategy acknowledges sub regional challenges in the rural economy including:

2.54 Economy & Employment

The effects of over concentration in the food and drink sectors and low pay

The relatively low proportion of graduates in the Moray economy **(few in Tomintoul and Glenlivet**)

Need for diversification into higher value economic sectors

Matching high employment with higher remuneration/increased capacity to spend

Ensuring the availability of labour and appropriate skills critical to business expansion

Increasing the very limited supply of employment land to attract new enterprise

2.55 Community

Creation of strong and confident communities

The need to address high levels of outmigration and depopulation

Finding ways to keep expenditure by Moray residents in Moray

The imperative of building and improving broadband infrastructure

2.56 Developing the Social Economy

One in ten of Moray's workforce is employed in the Third Sector in a combination of full and part time positions.

One in six of the 958 social enterprises in Moray are involved in activity related to one or more of the Action Plan areas, and particularly well represented in the Arts and Culture sector. **This is an area we draw attention to as a focus for community enterprise in Tomintoul**

These sectors are considered to be broadly sustainable. They contribute to the Moray Strategy.

The potential expansion of the sector in support of Strategy objectives in rural Moray should be a priority.

The social economy is heavily under-represented in Speyside in particular.

The Strategy will encourage the development of social economy enterprises, particularly those which provide goods or services in the key sectors.

Resourcing *a proposition to build social economy capacity in the area will be considered.*

Moray is keen to explore where and how communities can take over areas of public service

Community Benefit clauses have the potential to retain public authority contract-related expenditure locally; they are already in use; and their use will be extended

2.57 Tourism

Main objectives are:

Extending the visibility and value of Moray's tourism offer *beyond* whisky

Addressing the underperformance of the area's landscape tourism

Significant improvement of visitor infrastructure, accommodation, food, drink, retail, interpretation

Elevating Moray's visitor profile –Moray needs to 'raise its game'

Tackling remoteness relative to the strategic road and rail network and key markets

2.58 Health & Innovation

Fully realise Moray's research skills and commercial expertise in E-Health

Cluster service and commercial activity around Moray's demographic characteristics

Encourage Moray's development as a centre for digital healthcare and related research

Develop commercial applications for new healthcare products within Moray

2.59 Creative Industries

Develop a supportive business environment for creative industries-recognise their mobility

Grow a creative industries sector in Moray –ensure high quality connectivity infrastructure

Support the sector through related curriculum & resources at UHI Moray College and elsewhere

Assist the development of appropriate sites and premises, *preferably in central locations*

2.60 Tourism

Many aspects of Moray's tourism offer contain significant growth opportunities

Targeted inward investment propositions and enhanced productivity are central to this

Moray needs to capitalise on its unique location and environment

Adopting a Destination Marketing approach to tourism is fundamental

It should create a strong tourism experience, especially for food and drink and outdoor tourism

Priorities in this key sector are to:

• Attract more relatively high spending visitors to high quality facilities, at the upper end of market provision, accompanied by *place-marketing* initiatives. **Tomintoul has an opportunity here**

• Provide a broad range of higher value-added spending opportunities

• Create new tourism packages with themed offerings, such as golfing, archaeology, history, adventure, food and drink

• Develop the Moray brand with targeted campaigns

• Develop an *all-year round* tourism industry

2.61 Key Enabling Action: Business Support
New industries will demand new skills
SkillsDevelopmentScotland will be a strategic partner in creating '*an investor –ready region'*
The business strategy will focus on expansion and on facilitating *new* high value enterprise
Help will be provided to assist businesses adapt to economic change and new market conditions
Business Gateway and HIE's Account Management system will be key support mechanisms
Financial support through the Strategy will include appraisals for the Scottish Loan Fund.
Other support mechanisms will include help to:
• Increase business start-ups in Moray.
• Re-orientate, grow and diversify small businesses.
• Increase the number of businesses in Moray and bolster community confidence
• Retain as many skilled workers in Moray as possible
• Promote and support connectivity
• Deliver high quality Higher Ed facilities to promote growth in Moray's key sectors

2.62 Community
Community empowerment is viewed as critical in re-shaping the Moray economy
This requires a well resourced and focused support structure for *selected communities*
There is scope for new and existing social enterprises to play a significant role
Maintaining capacity and flexibility within the business community is a critical consideration
Key elements of this approach include:
• Community capacity measures in place to meet needs and demands as the economy develops
• Clear and sustainable leadership to guide implementation of the Moray Economic Strategy
• Strengthening the role of the social economy and community sector to provide outsourced services for public organisations.

2.63 Summary: Five linked themes will frame objectives and supporting projects:

Innovation in business and technology
High profile, high value tourism
Broaden/deepen the economic contribution of Moray's education and healthcare sectors
Develop cultural, arts, heritage assets
Invigorate retail, leisure, civic sectors

Moray Economic Baseline Study (Jan 2010)

2.64 Key Points
The economy is relatively self-contained
It is also relatively specialised with a strong dependence on food and drink
Food and Drink accounts for nearly a fifth of Moray's GVA compared to 3% for Scotland
Combined Food, Drink, Agriculture accounted for 22.5% GVA in 2005
Business services are less developed than in Scotland as a whole
There is considerable dependence on the public sector –at risk during recession
Moray has a higher economic activity rate than Highlands and Islands and Scotland
Business start-ups have been lower than in Highlands and Islands -3.5 new start ups per 1000 of population in 2008
Lower earnings are a characteristic feature of the Moray economy. In 2009 the median gross weekly wage/salary paid by Moray employers was 14% below the Scotland average (16.7% below GB average)

The current primary threat to the Moray regional economy is the economic fallout from the closure of RAF Kinloss and potential further job and investment losses at Lossiemouth

The proportion of the population in Moray achieving NVQ level 4 is lower than the Scotland average

Life expectancy at birth (2006-08) in Moray is higher for males (76.4 yrs v 75.0 yrs) and females (80.4 v 79.9 yrs) than for Scotland

Development and Local Plan: Land & Deposit Local Plan-Tomintoul

2.65 This sets out the CNPA response to the objections raised to the Deposit Local Plan as modified in respect of the Intermediate Settlement: Tomintoul and supplements the response made to those objections by the Cairngorms National Park Authority in its reports to Committee. It suggests no further change be made to the proposal for the settlement.

2.66 Summary of Objection(s)

One objection raising three issues was lodged by the Glenlivet Estate to this proposal .It sought to have these objections considered by written representation. These centred on the need for flexibility to accommodate enterprise and expansion. They were:

- The phasing of land in Tomintoul should allow for greater flexibility.
- The settlement boundary should be redrawn to allow for additional business and tourism development.
- Land identified in the consultative draft plan B2 should be reinstated.

2.67 Summary of Cairngorms National Park Authority Response

- The approach to phasing of housing land allocated is set out in the section relating to housing land supply which states that *figures are indicative* and *development may occur at different speeds dependent on market conditions, demand and developer aspirations.* At this time however no further change is considered necessary.
- The CNPA states that additional land *has* been identified within an expanded settlement boundary to allow for additional business and tourism development. The objection is therefore considered to have been addressed.
- The land requested previously known as B2 has been included at 1st modifications.

The CNPA advised the Estate that no issues have been raised that could lead the CNPA to consider that the proposals relating to Tomintoul are deficient.

2.68 Housing

CNPA have made clear that they wish to support a *planned approach to the long term development of Tomintoul,* and have agreed that the best way to achieve this is for a partnership approach with the Glenlivet Estate to undertake a (this) masterplan exercise for the village. First modifications to this included a reference to the current piece of work to support a medium and long term approach to growth. The need for a planned approach to growth and a strategic view of the medium and long term was therefore considered to have been addressed.

2.69 In terms of the need for additional flexibility, 12 dwellings have been allocated within the settlement during the life of the plan. The supporting text to housing land supply states that the development of sites may occur at different speeds, dependent on market conditions, demand and developer aspirations. The plan is therefore considered to provide adequate flexibility to meet the requirements of the Glenlivet Estate. Coupled with (the present and) future work on the masterplan this flexibility is deemed flexible enough to respond to local demand in the short, medium and long term.

2.70 The Crown Estate has also indicated that it seeks additional land to be allocated for business and economic growth. Within the 1st modifications land, previously known as B2 in the consultative draft plan, has been included. The settlement boundary has been amended to take account of these changes. The CNPA state that the policy framework within the plan supports business, retail and tourism development outwith settlement boundaries. This is now considered to have addressed the objections regarding economic development opportunities. We return to these issues in the regeneration and masterplan strategy

Consultation on the Cairngorms National Park Plan 2012-2017- Moray Area (Tomintoul and Glenlivet) Autumn 2010

2.71 Finally, in this section we set out below the chief responses to the consultations on the CNP Plan. For ease of reference we have transposed these into SWOT diagrams for both Tomintoul and Glenlivet. We have incorporated additional findings from our telephone interviews with local representatives and business leaders. We develop these further in the body of the Baseline Assessment.

2.72 Some residents have mixed views about being part of the Cairngorms National Park

- Some see the CNP as geared to larger settlements (and that plans and strategies affirm this)
- They are not clear on the benefits likely to 'cascade' or 'irradiate' to smaller rural settlements
- There is concern that the economic interests of smaller settlements not central to the grand plan and will become pockets of disadvantage…..rural backwaters
- A number feel that visitor needs are elevated above those of local communities
- There remains a sense of a *lack of* empowerment to affect change- consultation doesn't equate with lasting influence
- Feedback from Glenlivet is more positive. The community here sees itself as more self sufficient; at the margin of events/developments in the National Park; and less likely to affect or to be affected by them

2.73 The consultation underscores the importance of Tomintoul as the main settlement suppporting a range of services including library, ambulance station, fire station, primary school, post office and shop, hotels & cafes, a gallery, 2 whisky/gift shops, museum, village hall, sheltered housing complex, churches. Beyond the village there are small populations at Tomnavoulin (with a post office/shop), Auchnarrow, Chapeltown of Glenlivet and other small clusters of houses, and farms and isolated houses, with a number of community halls and a primary school. There is a petrol station at Ballindalloch; people use shops at Aberlour, Dufftown, Grantown and the supermarkets at Elgin. Young people in the area attend Glenlivet or Tomintoul Primary Schools and Speyside High School in Aberlour. The area has no Community Councils, but there are two active Community Associations (CA) at Kirkmichael and Tomnitoul and Glenlivet and Inveravon. Both areas have their own community newsletters. Land ownership includes the Crown Estates managed by Smiths Gore. Main employment is provided by the public sector (Elgin/Grantown); distilleries; agriculture: forestry; tourism and services.

2.74 The consultation reports results on infrastructure, facilities, employment & training and housing. We have listed these below and absorbed them in the main body of the Assessment.

Tomintoul Consultation & SWOT

STRENGTHS

Location-Gateway to National Park

Natural beauty

Sense of community

Wellbeing

Rurality

Services good in relation to population

Community awareness (of issues)

Beneficial planning climate

Moray needs exemplars for recovery

Thriving National Park & spin offs

WEAKNESSES

Rural isolation

Location may be seen as remote – requires effective counter-marketing strategy

Lacking a sense of arrival/identity

Needs definitive branding/promotion

Dated tourism offer

Access to wider services

Cost of rurality/limited ‘rural proofing’

Travel distances/limited transport

Rising cost of fuel

High level of out-commuting

Few job opportunities

Little new enterprise, no investors

Lack of engagement with Crown Estate

Retail frailty-few shops, limited choice

Little for young people

Affordability-housing, travel, shopping, fuel

No gas infrastructure

Traditionalism may be a constraint

Little high quality visitor accommodation

Weak service infrastructure

OPPORTUNITIES

Rebrand & replan as a ‘Rural Hub’

Open up potential assets in hinterland

Explore and exploit ‘Gateway’ theme

Define and position its investment offer

Make rurality an asset

Environment/setting/clean air/wellbeing

Shift to high value Lifestyle breaks

Corporate markets-training, seminars

Space to diversify visitor accommodation

All year corporate promotion/use

Create enterprise from bad weather

Viable uses for redundant buildings

Step-up in home enterprise/Live-Work

Invest in technology & innovation

Create a ‘Tele-community’

Engage with Crown Estate skills/resources

Exploit CNPA/Moray strategies

Some grant funding may be available

Develop services/products for ageing

Develop a new ‘settlers’ strategy

Education-Work with UHI Moray College to put in place distance/easy access learning

THREATS

Failure to rural proof

Erosion/ loss of public sector services

Failure to resolve derelict assets

Diversion of tourism/investment elsewhere

Depopulation –loss of young people

Reduces investment opportunities

No new employment

Ageing population –costs, services,

Mechanisation of traditional employment

Weather –disruption to trade/services/cost

Continuing recession

Decline of Moray economy

Lacking critical mass for investors

Failure to diversify and regenerate

Stagnation….simply doing nothing

Glenlivet Consultation & SWOT

Strengths

Sees itself as a thriving small community with spiritccccccccc

High level of self sufficiency

Identity –unlike Tomintoul –it feels well known

Trades on a 'low level intro to Cairngorms'

Valued lifestyle

Self perceives as 'committed' 'energetic'

Rurality, Location, Natural Environment,

Views remoteness as a *quality* a 'special enclave'

Proud of its community assets/services

Good local health service

Healthy climate, clean air

History

Very little we need

'Can do' attitude

Weaknesses

Jobs, Jobs, Jobs

Dispersed community

Poor transport links inc into the CNP

No shops –Looks to Elgin, Aberlour

Costs of living/travel

Isolated –no bus to Grantown

Limited connectivity & IT

Poor mobile reception

Lack of obvious new sources of employment

High cost of living

Lacks empty building assets

Needs more young families

Decline of its once flourishing B&B sector

Farmer's wives now having to take on outside jobs

Attempts to divert traffic from A9 meeting with little success

Opportunities

More home working

Favours development of rural skills

Association with Crown Estate

Promote village as a brand

Attract others keen on self sufficiency

Develop its caravan/camping offer

Opportunities for high quality 1-2 night B&B

Commutable to Elgin

Crown Estate engagement

Threats

Weather

Isolation

Scale of community –some feel it is below the radar

Development/investment elsewhere in CNP

Mechanisation of traditional employment

Loss of young people/lack of replacement families

Ageing community –impact on services & volunteers

Uncertainty of public services in an age of austerity

Integrating 'outsiders'

Primary School at risk

3. The Circumstances of Upland Communities

Rather than viewing upland communities as areas of significant disadvantage – *which in turn influences public policy and private investment* – they should be treated as areas of significant environmental, cultural and social value and opportunity.

3.1 Upland areas like the Glen have the potential to generate a range of valuable public goods and services which support a low carbon future and green economy. Vibrant, secure upland communities hold the key to realising this potential. Investment strategies for new enterprise must acknowledge the potential of the uplands to provide green and low carbon solutions to environmental issues. These must lead the way in developing green businesses. **Stronger direction should be given in identifying and exploiting responsibly the benefits of upland assets.** The release of carbon stored in the woodland and in peat; flood management in the lower fields; and the development of sports and more active 'green tourism' have been cited locally as opportunities to expand the role of the natural environment as an economic driver . These are aspirations supported variously by the CNPA, Moray Council, the Glenlivet Estate and the communities at Tomintoul and Glenlivet.

3.2 Local people, with local knowledge, are the catalyst and the custodians for such initiatives. The strong dynamic connection between land and communities is essential in realising the potential of the uplands. People are connected economically, socially and culturally to the land and to those who manage the land. It is imperative in any assessment of the land use choices available to Tomintoul and the wider Glen that initiatives and opportunities are put in place to prevent the loss of those with a knowledge and understanding of the uplands. They are essential to the identity of the land and to its sustainable future.

3.3 A number of local farming businesses and households have successfully diversified, including into non-farming enterprises and off-farm employment. This culture of enterprise is demonstrated primarily by long-standing tenants on the Glenlivet Estate. **Every encouragement should be given to facilitate further initiative and new business creation. This should extend to actively attracting in-migrants to the area who wish to explore full time opportunities derived from innovative land use** and those who wish to develop a work-life balance which includes, for example, land use for food sufficiency. This particular focus for in migration may seem heretical to some but it is an appropriate response to the needs and context of the Tomintoul economy and to its diversity needs as part of a vibrant National Park.

3.4 Enterprise is stymied by limited employment and supply chain opportunities and by low wages and seasonal employment. A number of local people already combine two or more jobs to make ends meet. A significant factor affecting retention of young people and attraction of families is the cost of housing. In common with many other rural areas, high demand from incomers to areas of landscape beauty, coupled with low supply, relatively lower local wages and restrictive planning arrangements mean that little housing is available for young people and those on low wages. **Conversion of the redundant high school as a rural foyer for young people in Tomintoul (managed by an RSL) might offer one solution in addressing affordability and in engaging young people in work.** We suggest in the Opportunities Paper that this could be the focus of a *Rural Youthbuild* social enterprise. The community consultations in Tomintoul suggest that, in common with many other rural areas, high demand from incomers to areas of landscape beauty, coupled with low supply, relatively lower local wages and restrictive planning arrangements mean that little housing is available for young people and those on low wages.

Common Problems

Tomintoul is not alone in experiencing other disadvantages associated with upland communities.

3.5 Exclusion from mobile telecommunications and broadband services has a significant impact on the viability of businesses and may affect investment and location decisions. We note above the emphasis placed by HIE, Moray Council and CNPA on building supply and confidence here. It is clear that the community believes that efficient delivery enabling it to compete is still lacking.

3.6 Uplands like Tomintoul and Glenlivet generate valuable market products and services: *food; woodland products; fuel and energy; and tourism and recreation, including walking, outdoor adventure and shooting game.* The Baseline documentation suggests that there is scope here to enhance upland biodiversity, sequester more carbon, supply more high-quality meat and specialist and distinctive foods, generate renewable energy, and provide recreational and tourism services that contribute to the health and well-being of the local community and attract visitors. The food and drink offer locally is limited and locals are voting with their feet –or cars to be precise. It would benefit from new food enterprise and new supply chains locally. **We would like to see the Glenlivet Estate take an instrumental role as a mentor and enabler here and link with HIE initiatives.** We suggest that one of a series of 'enterprise workshops' we propose in the Opportunities Paper should focus on Food and Retail. A central theme should be food security.

Empowerment

3.7 The consultation process at Tomintoul reveals a recurring complaint of upland communities –lip service, lack of real influence, proscribed empowerment. Policies, frameworks and forums for engagement are criticised as top down, intermittent and essentially superficial. Despite the fact that the planning and engagement process has focused on the medium and long term there remains a community perception that past experience points to short-term interventions once everything is done and dusted. This is not helped by a strong sense –among policy drivers also –that recession is the joker that no one can keep in the pack. **What is clear to us is that the community will need to identify and support 'local champions' to drive interest and help transpose ideas into initiative. It may require a full time development manager.**

3.8 Responses to the policy and consultation framework may be broadly summarised thus:
• **Durable Engagement**- *strategy is still imposed from above* – some local people feel disempowered and remote from decisions; policy outcomes are not seen as taking account of local knowledge.(*despite the obvious fact of the current paper being commissioned to do this).* Our chief observation here is that first stage consultation and engagement centred on challenges and opportunities (*which we assess as having been meaningful*) should move quickly to a second *action stage* in which there are active initiatives to involve and challenge people in finding and creating solutions albeit with the support of the key agencies. This will separate *reflex* from *interest* and test the community's capacity for '*can do'.*
•**One Size Fits All**.-too much emphasis on 'fitting in '– policy and resources are too centralised and are not sensitised to the particularity of upland areas and communities. Policy is not sufficiently *customised* or *tailored* to a specific context. Or simply cannot 'flex' to suit local conditions and needs.
• **Fragmentation and Bureaucracy**– policy, resources and responsibility are divided between a number of agencies, designations and political boundaries. This can be difficult for communities to navigate. It can deter and frustrate enterprise. A number of responses highlighted his
• **Local Knowledge** –policy is often inadequately informed by local knowledge and by 'evidence on the ground'.

3.9 A number of studies of upland communities have suggested that there are four overriding guidelines to observe in promoting change:

- Acquire and *be seen to deploy* local knowledge
- Extend participation –keep local people involved from *concept to completion*
- Find ways to *incentivise* those providing 'public goods'
- Stay *investment-focused* in building a diversified rural economy

We would add to these

- Identify and unlock the value of underused/underperforming land and buildings
- Discount values and 'endow' individual and community enterprises to get lift off
- Attract pioneers willing and capable of taking a lead

3.10 The *challenges* of climate change and food, energy and water security are certain to provide *opportunities* for economic activities in the uplands. This is particularly so if opportunities are encouraged through more targeted business support. **And if the benefits accrued from green businesses and the use of renewable energy schemes could be enjoyed first and foremost by the communities themselves.** Cheaper domestic energy, a major concern of Tomintoul and Glenlivet households, must be one of the primary and urgent ambitions for regeneration. There is an opportunity to make use of a local renewable source and, subject to community or third party capital investment, to deploy this efficiently in what is a relatively compact residential structure through a combined heat and power system.

3.11 We suggest that early consideration be given to the role of the woodland and upland in climate stabilisation, delivery of the UK's binding renewable energy targets, cheaper domestic energy, flood control and to reassessing the value of 'eco systems services' and 'public goods' to the Tomintoul local economy and the Moray sub-regional economy. These are areas where, cited above, agencies like HIE, research centres like UHI and local special interests like the Glenlivet Estate have specialised knowledge and expertise. This brings us to the chief source of land ownership locally.

4. The Glenlivet Estate

4.1 Key Economic Driver
The Estate is the primary land owner in the Glen and a key driver in the local economy. Its aim historically has been '*to encourage, initiate and assist activities which directly and indirectly create employment and enhance the income of tenants of the Crown and the local community.'* This aim was captured in the development of the Glenlivet Estate Development Project established in 1988. This has provided the context and momentum for initiatives since. The Estate's philosophy is that ***'local farmers, residents and business people are a principal driving force within the Estate.'*** A central objective since 1988 has been ***'to create the conditions to allow business ventures the best possible chance of success'.***

4.2 In the two decades since this has involved the creation of formal and informal partnerships with a range of people and interests including those likely to be among the chief contributors to a future regeneration strategy for Tomintoul and Glenvlivet –HIE, Moray Council, Forestry Commission, Historic Scotland, Leader, Local Enterprise Companies, tourism agencies, SEPA and housing providers. One notable outcome of this strategy – of acute relevance for the wider community and the local economy – is the experience gained by the Estate in enabling farm diversification and in facilitating development of new micro-enterprises**. We recommend in the Opportunities Paper that the Estate and the local community come together to explore in practical terms if and how this experience and expertise can be transferred.**

4.3 There is a valuable mentoring role to be explored here. It would be foolish to disregard it. There is a degree of antipathy in some quarters of the community to the Estate which is seen as either disinterested in the fortunes of Tomintoul or too preoccupied with its own business interests. The proposed Mountain Bike Trail for example is seen *both* as a threat and a potential benefit to Tomintoul's recovery. A perceived ambivalence towards the future of the closed hotels was cited as another example. **There are others who believe that the relocation of the Glenlivet Estate Office into the centre of village would provide a strong catalyst for recovery and a statement of intent in Tomintoul's regeneration.** It is difficult not to reach the conclusion that there is room for more studied understanding of the interests of both parties if they are to make the best of each other. What is clear is that Tomintoul has on its doorstep an extraordinary resource and a world class potential partner.

4.4 Examples of Estate-supported 'start –ups' include *B&Bs, a Smokery, a Trout Farm, development of a small museum and visitor centre at Drumin Castle, a sawmill, a spring water bottling plant, a real ale brewery, a marketing association and activity based ventures.* In 2009 the Estate won the Green Award category in the Highlands and Islands Tourism Awards for its promotional, environmental and business management work. Other examples of Estate-supported enterprise include Tomintoul Harvesting Ltd and Euroforest. Elsewhere it is supporting proposals to safeguard the future of Scalan Seminary and recently supported Tomintoul in its successful application to achieve '**Walkers are Welcome'** status.

4.5 Historically, the chief criterion for these proposals is that they are appropriate and must integrate within a traditional working estate. Their role is to add value and support a sustainable economy and community. The Crown Estate has stated its wish to work with local communities and business partners to help develop rural areas through the Scottish Government's Scottish Rural Development Programme (SRDP). It is the policy of The Crown Estate, as well as a requirement of UKWAS, to use local businesses whenever possible in order to support sustained local employment. It is worth noting here the 'informal economy' that the Estate supports and draws on. A Schools Programme Ranger, for example, organises and oversees a programme of volunteering and schools group carrying out practical work on the Estate.

The Estate Economy in 2011

4.6 Approximately three quarters of the Estate is within the Cairngorms National Park. Overall the Glenlivet Estate extends to 23,350 hectares (57,700 acres). Within its demise are 6 Sites of Special Scientific Interest -3 woodland, 1 mire community, 1 site extending across the Ladder Hills and the River Spey and its tributaries. There are 31 principal farms and a number of small holdings and residential lets. All farms are leased and some have diversified into secondary enterprise such as B&B. Activity is centred on stock rearing and production of suckler calves and lambs. There is little arable cropping and no dairying. The Estate has 3,500 hectares of commercial plantations. **Its main objectives are timber production, shelter, recreation, conservation, amenity and 'maximising employment'**.

4.7 The Sporting Tenancy extends to 24,000 hectares and embraces 2 shooting lodges, 2 principal grouse moors. Management functions include predator control. Pheasant shoots operate on the low ground and in woodlands; Roe Deer are stalked Spring/Summer; limited Red Deer stalking takes place during Autumn. There is an extensive fishing operation on the Avon (salmon and trout) and the Livet (trout). Fishing rights are leased to a local hotel, community fishing associations and the sporting tenant.

The Grouse Economy-

The future of the grouse shooting industry and grouse moors generally are held to be under threat. This could be hastened by Scottish Forestry Commission targets to increase forest cover from 17% currently to 25% by 2050, some of which could be across areas of unprotected moorland. The importance of the Glenlivet Estate's grouse shooting industry is amplified by the lack of economic opportunity elsewhere. Tomintoul was singled out in the CMS report as a prime example of the need to retain and develop the industry. A significant number of people and trades depend upon it. These include those involved in game management, local sheep farmers, the Glen's hospitality and tourism sector, garages repairing Estate vehicles. The Gordon and Richmond Arms Hotels were both favoured venues for shooting parties until their demise. The results of the CMS survey in Tomintoul and Strathdon indicate that shooting parties are a valued source of revenue to pubs, hotels, shops, services. The gamekeepers working on local estates were seen as a even more important factor in local business revenue. The report concludes that the industry *'clearly makes a very significant contribution to the area's economy in terms of employment and benefits for local businesses'*….but the findings indicate that the

…the presence of gamekeepers and their families in the community is the most significant community level social and economic benefit of the grouse shooting industry' (*Benefits and Impacts of the Grouse Shooting Industry etc A case study of Strathdon and Tomintoul communities in the CNP* Centre for Mountain Studies)

4.8 The Estate is a primary resource locally for tourism, recreation and education. A 100 mile waymarked network of walking and cycling routes extends across its land. This includes the Tomintoul Spur of the Speyside Way. The Estate provides a range of facilities and amenities including wildlife hides, car parks, picnic areas and viewing points. Education is centred on the Estate Information Centre in Tomintoul. This is a valuable community resource providing information and advice, literature, interpretive displays. Environmental education services are provided for primary schools. Educational resources are also made available to secondary schools, colleges, universities, researchers and interest groups. For visitors to the area the Estate provides 26 information boards at picnic sites and roadside locations. **The Estate would be a vital partner and have a material interest in any future proposal to establish a Walking Centre at Tomintoul. There is a shared interest here. It should be investigated formally.**

Looking Forward

4.9 The Crown Estate states that it has set a standard for itself as 'an innovator'. It works with a range of organisations and individuals, public and private. During 2010/11 its capital investment programme in Scotland rose by 76 per cent to £7.4 million. Revenue to the income account fell from £13.1 M in 2010 to £11.9M in 2011. The gross surplus reduced from £11M to £9.9M. Most funding goes to marine projects. It doubled capital investment in its marine estate, to £4.4 million, and plans to invest £20 million over the next five years in offshore renewable energy. Elsewhere it has woodland, farm renewal and residential upgrade projects. It has also been investing in sustainable tourism.

4.10 In its 2011 report *Building Strong Partnerships Scotland* the Crown Estate emphasises that its responsibilities are to maintain and enhance the value of the estate and its income over the long term, using management principles that create added value for everyone – the people, businesses and communities who deal with it, and the nation. **This involves supporting business and sustainable development.** It affirms that rural and coastal communities have been and will continue to be a focus. Over the past year, it reports that its' team has been working to develop tourist facilities, promote excellence in enterprise, and support the development of affordable housing. The latter includes a recent proposal to develop 59 houses at Fochabers - 25% affordable-with landscaping and walking and cycling trails **which may have lessons for master planning proposals at Tomintoul.**

4.11 In the Cairngorms National Park it has continued to refine proposals to make a remote part of Moray a leading mountain biking destination. It has completed the pre-application consultation for a planning application for a 19km network and expects to commence development Spring 2011. This is a joint funding venture in which it expects to contribute £242,000, with Moray Council and CNPA also expected to finance the project. The Estate successfully secured£178,467 from the European Regional Development Fund (Highland & Islands Partnership Programme). **This will have a café, bike hire and a small retail facility and is likely to have some impact on opportunities previously cited by the community for greater choice of cafes and potentially for a bicycle store in the village. We understand that there are also concerns about emergency services accessing the trail area. We recommend that discussions are revived with Estate to explore if and how Tomintoul can help to facilitate and accrue benefits from the project.** One area for consideration is the use of part of the high school for low cost cyclist accommodation –Bunk Room style.

Community Investment

4.12 In recent years it has developed a new business/customer agreement –*The Business Deal* –intended for taking forward partnerships and adding value but also for governing its work with tenants and customers. The Estate is currently implementing a community investment strategy across its business developed by its *'sustaining* *communities'* employee champions. Community investment is driven by a *Community Investment Policy* published 2010. The Policy gives priority to the Estate's investment activity in the communities on, or contiguous with its core holdings.

4.13 The Estate supports social enterprise, reaches long-term strategic agreements and provides a Marine Communities Fund. It provides grants, in-kind donations, use of its facilities and its employees also give their time. It aims to work in partnership with other organisations in order to benefit from their skills and funds in delivering community projects. The Glenlivet Estate won an award for its focus on innovation, and drawing in partners and resources to contribute to, and benefit from, the Estate. Its overarching aim is to promote positive community relations and community investment in each of three 'Triple E' focus areas:

- **Education** - supporting appropriate educational initiatives
- **Enterprise development** - helping to create lasting jobs
- **Estate access and experience** - enhancing the experience of visiting, living and working on our estate

It would be a valuable educational and public relations exercise for the Estate to put together an event for the communities in the Glen setting out the detail of its rural enterprise and community proposals and outlining where and how it can play a part in regeneration outside of the Estate's boundaries.

Community Investment Guide

4.14 The Crown Estate has committed to apply its new community investment strategy to 80% (by value) of its community investment activities by the end of its 2011/12 financial year (with the remaining 20% to allow transitional period for other activities). To help achieve this it has developed an internal community investment guide. The approach to communities is guided by a '*sustaining communities'* champions group but is delivered by each business. To help its businesses make decisions about and manage community investment, it has developed an internal community investment guide. This covers:

- Identifying and selecting projects – based on community needs and the business case
- Identifying and working with partners and others on the projects
- Internal approval and project management processes
- Measuring the success of the projects

The guide also incorporates an analysis of the community needs on and near its core holdings to help employees to develop programmes that meet real local needs. The analysis is based on economic, social and wellbeing facts and data collected by local authorities and Government departments.

Energy and Fuel

4.15 The Crown Estate reports that it is continuing to seek sites for new energy projects and is currently working with its farm tenants '**to explore viable opportunities for anaerobic digesters or biomass plants providing sound solutions for waste disposal.'** It is also 'very keen' to encourage and support small scale renewable energy initiatives. A number of tenants are interested in pursuing micro generation schemes on their properties.(*Rural Bulletin* The Crown Estate Autumn 2010). We go on to show in the Opportunities Paper that these are key areas for new enterprise capable of benefitting Tomintoul and Glenlivet.

4.16 Employment Space

The Crown has developed workshop/ office space at the 'employment zone' near the junction of Conglass Lane and the B9008. The buildings vary in type and include a group of lock-ups. The site is close to housing and is screened to the south east by a tall conifer belt which also (either side of the B9008) provides one of the two key arrival points into Tomintoul. We understand that part of this site is a council depot. It is an area we believe a caravan facility could be sited. A second employment site (ownership unconfirmed at this stage) is located at the opposite end of Conglass Lane –again close to housing –and comprises 2-3 industrial units in use as car salvage/vehicle repair bays. To the rear of this site (junction Stuart Place/Conglass Lane) there is a community recycling facility. There is no signage from Main Street identifying its location here. The junction of Stuart Place with Main Street also marks an entry point to the Tomintoul Circular Walk to Campdalmore car park and the Speyside Way. It is not particularly well signed.

5. Glenlivet: Amenity & Economy

We shall never forget our ride of twenty miles to Glenlivet on a bright spring day. We proceeded by the Spey side, one of the most rapid and beautiful rivers in Scotland, through the plantations and copses of Ballindalloch, up mountain roads, across highland moors, and past old Benrinnes, standing out like a mighty giant against the clear sky, the scene changing at every turn of the road like a bit of fairyland, until at last we came in sight of - Glenlivet…… The parish of Glenlivet extends to a distance of nine miles, and the entire population does not exceed a thousand persons….. It is a wildly highland region, with mountains on all sides, that are intersected here and there with rills and burns. The Livet runs for a course of nine miles through the district to the river Aven. *(The Whisky Distilleries of the United Kingdom* by Alfred Barnard)

Location and Access

5.1 Glenlivet is located at the joint of the B9008 (to Aberlour) and B9009 (to Dufftown) roads and the B9316 Tomintoul road. Its closest outlying settlements are Drumin and Tomnavoulin. It sits north of Strath Avon. It is bordered to the west by the Hills of Cromdale and to the east by The Braes of Glenlivet. The chief visitor traffic is centred on walking and on visits to the nearby Glenlivet Distillery. It has little in the way of a public transport infrastructure (a single bus service) and is not connected directly to Grantown on Spey –the largest town in the area. It relies overwhelmingly on the use of private cars for employment, shopping, excursions and for accessing key social and healthcare services.

Independent Outlook

5.2 Despite its apparent isolation Glenlivet asserts a high level of self sufficiency and is not *dependent* on the regeneration of Tomintoul for its own long term sustainability. However it would clearly *benefit* from the development of retail and accommodation facilities there and from increased visitor traffic and wider opportunities for employment. Local people have been keen to assert that Tomintoul and Glenlivet and their outlying hamlets are part of a wider Glen community with many shared interests. In the immediate future the health and vitality of the Glenlivet community is more likely to be determined by successfully promoting itself as a self-determining and desirable place to live and raise children.

5.3 Its key social objective must be to engage the interest of families with children to settle here and the development of a stronger economic hub at Tomintoul will serve this. Glenlivet Primary School currently has a school roll of 21 children but any further depletion would place a question mark over its future. It serves the parishes of Glenlivet and Glenrinnes. The neighbouring school at Inveravon is a small rural primary serving the local area around Ballindalloch and currently has a roll of around 15 children. There has been a school in the parish at Inveravon since 1633 but there is a growing concern that falling rural school rolls combined with public expenditure cuts will resurrect question marks about its future.

5.4 The two communities share the Glenlivet and Inveravon Community Association and publish a quarterly newsletter *THISTLEdown.* This serves and draws on news from the communities in Marypark, Cragganmore, The Braes of Glenlivet, Ballindalloch and Glenrinnes. It is also distributed at outlets in Dufftown, Aberlour and Tomnavoulin as well as Tomintoul. There are well developed social and employment connections with these settlements and the newsletter is a means of supporting these.

Community Focal Point

5.5 This notion of self sufficiency was expressed in a number of the consultation responses and is exemplified in the social life of the community and in its enterprising use of the Glenlivet Public Hall. The hall has its own website www.glenlivethall.org.uk which also provides an imaginative web-based fund raising facility *spendandraise* linked to internet shopping. Social life is reflected in the extensive use of the hall which acts as a 'village centre' to an otherwise scattered and ill defined settlement. Clubs include darts, indoor and outdoor archery and bowls, football, and badminton. There is a lively book club and a well subscribed choral group which provides a strong community focus during the winter months. Glenlivet's evening economy is boosted once a month when around 100 musicians and followers congregate at the Hall for a lively music evening with bar. Some visit regularly from a radius of 30 miles or more. It also hosts seasonal shindigs and attracts established acts from the folk circuit to paid concerts.

5.6 The Hall is also the location for a small but valued caravan site. With just 5 spaces it has not justified the provision of electricity connections but at £5 a pitch tourers can locate for the night and use the shower and toilet facilities at the Hall. We recommend that the Hall Committee explore securing a grant to assess the costs/benefits of an uplift in the number of spaces and the provision of electricity as a means to increasing the Hall's income. The Glenlivet and Inveravon Community Association (GICA) has its own website www.glenlivetandinveravon.com and meets quarterly by rotation at venues in the outlying settlements. It currently has five 'project based' sub committees – *Best Kept Village, Fishing, Marypark Playpark, Tea in the Park*, and *Dornell Windfarm*. Each have their own members from the community. GICA's own representatives attend a range of forums including The Speyside Forum, Tomintoul & Kirkmichael Community Association and the Association of Cairngorm Community Councils.

Orientation and Relationship to Tomintoul

5.7 Glenlivet looks increasingly to Elgin and to the coast rather than to Tomintoul for its services and employment and this raises questions about whether Tomtintoul could serve and be seen as a viable hub for Glenlivet residents. Certainly there is a desire and a need that it should be so. **However, there would need to be a reorientation in outlook led primarily by improved transport connections and by significantly improved shopping facilities.** There is no public transport connection to Tomintoul except for a bus on Tuesdays. A sponsored pilot bus service linking Glenlivet, Tomintoul and Grantown was tested during the summer but failed to justify viability. A stronger economic relationship with Tomintoul was described to us as a *desirable aspiration* but in practical terms as '*marginal'* to the current day to day needs of people in Glenlivet until new infrastructure is in place . This is reinforced in some of the views expressed in the consultation process.

5.8 Presently Tomintoul is said to exert little interest or 'pull' for Glenlivet and outlying hamlets. The primary reason for visiting would be for shopping but the general consensus is that Tomintoul lacks the butcher, the bakery, the greengrocer and a good all round general store to make this worthwhile. **The Glenlivet community orientates more to Elgin for shopping.** The lack of a local petrol station (something Glenlivet residents *would* visit Tomintoul for if it had one) makes a combined fuel and supermarket journey to Elgin inevitable. More so as the supermarket offers cut price fuel which helps offset the cost of the visit. Residents also point to the relative ease, compared to Tomintoul, of accessing Elgin and the coast during the winter months. Some residents also look to Aberlour and Dufftown. This, too, reinforces orientation.

5.9 Others see Glenlivet *itself* (the Hall essentially) as a (social) focus for people in outlying settlements such as Drumin and Tomnavoulin. Overall, despite being scattered and with no developed village centre, the community has a strong sense of identity which will sustain. It also enjoys a strong degree of awareness because of its affinity with a world renowned whisky brand. It sits close to an exceptional visitor centre that draws over 50, 000 people annually. However, its lack of facilities means that it is unable to capitalise on this in any significant way. This should be explored further.

Enterprise

5.10 Given the size, dispersal and ageing of its population Glenlivet is surprisingly enterprising. Characteristics which may be seen as constraints in some communities are held to be positive catalysts here. **Dispersal is a positive factor in bringing people together and forging a sense of community.** This is demonstrated in the community consultations captured in the SWOT summary below. A few initiatives stand out. The annual *Tea in the Park* event held each August is an effective means of making the most of the high tide for visitors to the National Park. Last year over 2,000 people visited the event which features around 20 stalls (all run by enterprises/hobbyists from within a fixed 35 mile radius) selling ceramics, preserves, soaps, candles, cards & stationery, knitwear, woodcraft, gifts. £8,000 was raised on refreshments and £8,000 of sales was achieved by stall holders. Two stall holders –one an independent bookseller- achieved over £1,000 sales. The event is an important means of raising funds for community projects. **We suggest in the Opportunities Paper that the creation of a bookshop, possibly with music sales and a small coffee area, should be a strong consideration for Tomintoul**. This event now attracts a regular following of visitors from North East Scotland and specific groups such as over-50s clubs and a carers group seeking a focal point for a rural excursion.

5.11 An interesting initiative for focusing the attention of the community is regular entry into 'best kept village' competitions. Glenlivet has won 2 Calor Gas awards in recent years. **It is the *process* of entry (completing the application forms and meeting entry criteria) as much as organising the displays that makes this a valuable device for self-assessment of 'village health'.** The entry requirements provide a discipline that encourages communities to take pride in the built and natural environment. It challenges communities to look at their environment and bring it up to scratch. **This is a useful tool for testing civic pride and developing community capital and is capable of adaptation as a 'performance audit' for visitor engagement within the National Park**. The Keystone Awards run by SCVO offer a similar rubric.

Glenlivet Economy & Workforce Characteristics

5.12 Glenlivet is a small and ageing community. The level of economically inactive households will increase quickly unless a younger replacement population begins to settle here. Up to date detailed employment data at this neighbourhood level is not available. However, we can gain some insight from the 2001 Moray .Census. This showed that 65% of the Inveravon and Glenlivet population (then 619) was economically active. Nearly 20% were aged 65 or over. Just over a quarter of the population in the ward reported their health as 'not good' or had a long term illness. A third of the population was employed full time; 11.57% part time; and a fifth of the economically active were self-employed. The most revealing characteristics of the workforce are the percentages in routine/semi routine work (over a quarter) and those at higher professional/higher managerial levels (3.5%). The chief employment sectors were Agriculture/Forestry/Hunting 20.27% (61); Manufacturing 18.6% (56); Construction 7.31% (22); Wholesale/Retail 8% (24); Hotels and Catering 7.31% (22); Property, Renting, Business 8.64% (26); Health & Social Work 7.31% (22); and Transport, Communication, Storage 4.65% (14). No one was employed in Fishing or in Electricity, Gas/Water Supply. Just under 13% worked from home (80); 31% were not working/studying. 100 people (16.32%) relied on a bus, minibus, coach to get them to work. 158 used a car (26%) and 7.43% walked (46).

5.13 What is clear from the little evidence to hand and from anecdotal reportage is that today local people are employed (in the main) in the following:

- **Whisky Sector**-in the distilleries at Glenlivet, Tomintoul, Tamnavulin and The Balvenie
- **Land Sector**-the estates at Delnabo, Glenavon and the Shooting Tenancy at Glenlivet
- **Environmental Sector**-the Water Plant in The Braes
- **Ski Centres**-Lecht 2090 (seasonal)
- **Other Local Employers**-at Aberlour, Dufftown, Grantown on Spey
- **Self-Employed**-robust and increasing level of home-workers
- **Main Centre**-Significant out commuting to larger employers at Elgin

5.14 Others are employed in visitor attractions in the area and Glenlivet has a small number of B&B and self catering businesses. There is recognition that home working and 'live-work' will grow but that Broadband capacity and speed need to be improved. Some outlying householders in The Braes are using satellite installations to improve performance but the consensus that this still falls short of optimum efficiency. Mobile telephone signals locally are poor.

6. Tomintoul: Arrival

Tomintoul owes it origins to the creation by William Caulfield in the 1750s of the military road (A939). The village was laid out on a grid pattern by the 4th Duke of Gordon in 1776 but the flax and linen industry intended to sustain it never succeeded. Tomintoul is the highest village in the Scottish Highlands, at 345 m (1,132 ft). It lies in farming country principally sheep and beef cattle, but the area is best known for whisky distilling. The Tomintoul, Glenlivet and Tamnavulin distilleries are close by. The secluded hills secreted the production of illicit spirit. Lonely tracks provided routes out of the Glen for meeting demand. When distilling was legalised in 1823, George Smith a local farmer, obtained the first licence to set up a distillery on his farm near Minmore. Today the successor of his original distillery has the sole right to call its product 'The Glenlivet'

Location and Amenity

6.1 Tomintoul is the highest village in the Highlands at over 1000' above sea level. In winter it is one of the first communities to be blocked by snow. It is the main population centre in the Glen with circa 400 people resident in the village. The area between Glenlivet and Tomintoul is characterised by very small settlements some of which have looked historically to Tomintoul as the local service centre. In recent years its attraction and pull as a service hub has been eroded by poor public transport infrastructure; adverse weather conditions, a dwindling retail offer and the closure of two of its hotels. Most of the population travel by private car. There is a limited bus service to Keith and Elgin, but no scheduled link with Grantown. There is no local taxi service currently. The village describes itself as the 'northern gateway' to the National Park and this is an obvious focus for developing its visitor base. Tomintoul is situated close to the junction of the B9008 to Tomnavoulin and Glenlivet and the A939 'Lecht Road' The Glenlivet Estate Office and Information Centre is located close to the A939 at the south east end of Tomintoul's main street.

Signage and Sense of Arrival

6.2 Tomintoul's strengths and weaknesses are in some ways captured by conflicting views over the location and type of signage. In a number of instances signage is poorly sited, congested, haphazard and under sells the village as a visitor destination. The village is poorly served by lack of Conservation status and will benefit from a design appraisal. **Above all it does not provide a *sense of arrival*, does not create and sustain a *sense of place* and it fails to promote important visitor messages such as *history and heritage*.** For a place intent on attracting visitors and seeking to establish a niche role in the National Park market place there is little evident response to the need for other forms of signage related to the village's history and heritage. Its heritage assets and marketing potential are in some instances not advertised and in others almost disregarded. The exception is a small careworn information legend at the Church of Scotland on Main Street which proclaims rather too modestly its worth as one of a handful of 'Parliamentarian Churches' influenced by Thomas Telford.

6.3 Yet Tomintoul has much more to offer in its history as a planned settlement, its origins alongside an historic military route, its connections with the Duke of Gordon, its agricultural history, its cottage industry and the persons associated with the village. It has made a useful start with the Museum but if it wishes to achieve a step change in its impact on visitor numbers it will have to look closely at the points of entry to the village. A heritage trail was cited by a number of residents as a worthy venture and we agree with this. The development of its own 'blue plaque' style heritage signage which could identify the village's original houses together with a lectern situated in a prominent location on the village green, describing its unique layout and directing visitors along a discovery path, would be good start. **It would consolidate and add value to the investment already made in the redevelopment of the museum.** A further option would be to explore the demolition of the poor quality 'bunkhouse' adjoining The Gordon Hotel (subject to a nominal acquisition) and replan this space as the centre of the Heritage Trail.

6.4 There are a number of other relatively simple measures Tomintoul could take to enhance the sense of arrival and 'place-making'. Whilst recognising that there are planning, conservation, tenure, horticultural and climate issues **the lack of planting to the main residential sections of Main Street under sells the village. Many rural centres are now 'greening' their streets and particularly their entry routes to enhance their setting and make them more attractive to residents and visitors alike. This type of project also lends itself to community action** and to 'donations' of shrubs and semi-mature trees from local landowners and plantations. Where planning or practicality precludes this an alternative is to procure timber from a local saw mill, design a series of stylish shrub containers and invite the skills of volunteers to assemble and plant them. Old photographs of village show mature trees 'avenue style' along part of Main St and older residents have fond memories of how entry to the village presented more impressively then. They recall the planning/highway authority removing the trees because they were a danger to traffic.

6.5 Tomintoul is described in promotional literature as '*The Gateway*' and sometimes the '*Northern Gateway*' to the Cairngorms National Park. **It could make far more of this with well designed and well located signage.** This would distinguish it from other claimants to the 'Gateway' crown –notably Braemar, Dinnet, Ballater, Blair Atholl, Craithie and Aviemore. The smaller settlements tend to describe themselves as the eastern, southern, northern gateway while Aviemore is clear that *it* is simply '*the* gateway'.

6.6 The projection of a place as the gateway to somewhere else has various benefits and requisites

- The notion of gateway has positive overtones…it is the *starting point for a larger journey*…it has its own intrinsic merits
- As an entrance point it is also *a stopping place* and is likely to have certain trappings and a valued level of visitor infrastructure. Visitors and promotional agencies need to be aware of these
- Typically these include shops, restaurants, accommodation, fuel, cafes, food & drink, toilets, services
- For some visitors it will be *a more preferable place to base* themselves because it may be perceived as less expensive, more tranquil, less congested, more characteristic of the area/region they have come to see and spend in

Tomintoul has a good level of services. They include the following

Services	Amenities
Tomintoul Primary School -50 pupils/12 in Nursery	Richmond Hall (social club) not licensed
Library with wifi	Adventure Playground(s)
GP/Health Centre	Tennis Court
Post Office/Store	Outdoor Bowling Club
Church of Scotland	Highland Games venue
Roman Catholic Chapel	Shops
Qtrly community newspaper –*The Touler*	Gallery/Studio
Mobile Bank (RBS)	Cafes, Restaurant

Museum and Information Point Glenlivet Estate Visitor Centre Village Centre Coach Park Public Conveniences	Hotel B&B and Self Catering Accommodation 20 Bed Youth Hostel (converted schoolhouse) Basic Camp Site Direct Access to Established Low Level Walks

Roads

6.7 VisitScotland reported in February on the current status of signage initiatives. These centre on links to and from the Highland Tourist Route (HTR) -one of Scotland's 12 National Tourist Routes which are designed to divert visitors from fast trunk roads into the more scenic rural hinterland. This re-routing of visitors is intended to support the rural economy and communities by guiding them to sites, heritage trails, attractions, accommodation and facilities. The aim is to encourage visitors to stay longer and spend more. The National Tourist Routes are seen as having the potential to increase activity and revenue in the rural interior. They should provide a spur to investment and enterprise. At Tomintoul there are two signs, each beyond the village gateway, marked '*For Highland Tourist Route follow A939'*. For visitors entering the village from either direction, the signs are located close to the Tomintoul village signs.

Deriving Value from the Highland Tourist Route

6.8 VisitScotland estimates that in due course the new signage will divert at least 5% of tourist traffic from the A96. This would generate additional revenue of around £750,000 for all settlements on the HTR. With improved signposting on the outskirts of Inverness and Aberdeen it is estimated that up to 10% of tourist traffic could be diverted in a short time from the A96. This could generate additional revenue for settlements and businesses on the HTR of around £2M per year. As Tomintoul is featured on the new signs, VisitScotland expects that a proportion of the increased revenue will benefit businesses in the village. The only other settlements shown on destination signs are Cawdor, Grantown-on-Spey, Strathdon and Alford all of which can be expected to co-benefit in proportion to the number of businesses within the settlements themselves. Of these Grantown would be the chief 'competitor' locally.

6.9 Awareness of Tomintoul

Tomintoul features in a range of published literature including specific trails such *Scotland's Food & Drink Trail (Grampian)* and *Moray Heritage Trail* (which promotes its status as the highest village in the Highlands) and is extensively referred in Glenlivet Estate literature and in numerous hand outs and brochures for things to do and see in the Cairngorms and on Speyside. **What is missing is a high quality leaflet dedicated solely to Tomintoul itself which might also embrace Glenlivet.** This is an oversight and it provides the community with an opportunity to produce and distribute this itself. Community 'ownership' is essential to its success and would be empowering. It is also likely to identify useful skills and 'champions' which will be required for other ventures proposed in the Opportunities Paper. Tomintoul is also reasonably well served by web based promotion and has its own website .

6.10Websites

www.visittomintoul.co.uk

This is a useful and accessible public information website designed for residents and for visitors alike. It is simple, concise and easy to navigate. It provides core information on accommodation, shops, food & drink, facilities and amenities and contact details for key services. It uses a number of village and outlying images to capture the appeal of the location.

Other Web-Based Routes (examples)
Heritage
www.moray.gov.uk/downloads/file981.pdf
www.pagemost.com/Tomintoul-Museum-Moray

www.visitscotland.org
www.glenlivetestate.co.uk/tomintoul-museum.html
www.morayconnections.com/heritage-moray/tomintoul-museum.php
www.discoverroyaldeeside.com
www.visitaviemore.co.uk/visitors
www.visitcairngorms.com.history.html
www.museumsgalleriesscotland.org.uk/.../tomintoul-visitor-centre
www.morayconnections.com.heritage
www.scotland247.co.uk/ballater-balmoral12-htm

General/Attractions
http://en.wikipedia.org/wiki/tomintoul
www.undiscoveredscotland.co.uk/tomintoul/index/html
www.glenlivet-cairngorms.co.uk/vt_tomintoul.php
www.tomintouldistillery.co.uk
www.tomintoulgallery.co.uk
www.scotchwhisky.net/malt/tomintoul.htm
www.syha.org.uk/hostels/highlands/tomintoul.aspx
www.highlandhooves.co.uk
www.saintmikes.co.uk
www.whiskycastle.com/whiskycastle/About%20Tomintoul.htm
www.misterwhat.co.uk/Scotland/moray1639_tomintoul
www.greaterspeyside.com/searchbtext.cfm?env=at&category
www.glenlivetestate.co.uk/accommodation.html
www.glenlivet-cairngorms.co.uk
www.highland-holiday-home.co.uk/tomintoul.htm

7. Population & Housing

7.1 The 2001 Census records a population of 322. Just over 7% (23) were aged 16-24yrs. Just under a fifth were 65 or over. 54% of the population was aged between 25-64 –evenly split 25-44 and 45-64. At this time around 23% of the population had a long term illness or were not in good health. There were no non-whites in the community. Tomintoul had 150 households in 2001. **Nearly two fifths were single person households**. **Half were pensioners living alone.** (19.33%)**.** Another fifth were households with no children. There were no student households. 53% of properties were detached (80); 29 semi-detached (43); 15 % terraced (23). 36% of households owned their property outright (54) and a further 21% were mortgagees (32). One sixth of all homes were publicly-owned (25). A further 28 homes were private for rent (19% of stock). There were 186 cars or vans in the community. **But one in six households (25) had no vehicle.**

7.2 Today the population of the village is estimated at between 350-400 people. Just under a third of Tomintoul households are economically inactive. In part, this reflects the high proportion of older people in the community. One in seven households are now occupied by a lone pensioner. In Tomintoul there are an estimated 120 people aged 60 or over-between 30-33% of the population. **This presents a looming challenge for health, housing and social care providers compounded by issues of access to services, transport and social isolation.** People here are generally healthier than the national average. Those with a long term limiting illness form 15.1% of the adult population compared to 20% for Scotland. And the proportion which self assess their health as ‘not good’ is, at 6.9%, also significantly below the national average. But in a small community it means that 22% of the community are relatively ‘unwell’. The four most prevalent conditions for hospital admissions are cancer, external causes, heart disease, diabetes.

7.3 Tomintoul has a significant number of single storey dwellings and many are occupied by retirees. It also has at Tomnabat Court -managed by Castle Hill Housing Association-a purpose-built development of housing with support for older people comprising 14 bungalows. These offer 1 and 2 bed mobility standard options. The scheme has a resident manager and a community alarm service. There is a residents lounge, laundry, guest facilities, garden, community centre. New residents are accepted from 60 years of age. Properties are rented and a separate charge is made for support services. There are no other housing with care schemes within 15km. Within Moray at large there are 44 housing schemes dedicated to older people located chiefly at Elgin and Forres but also at Aberlour, Buckie, Cullen, Fochabers, Hopeman, Keith, Lossiemouth and Portgordon.

Young People

7.4 In the consultation there were evident concerns about the affordability of housing for young people and families and a desire to see the council points system for housing allocation adapted to ensure targeting of homes for local people. It is suggested by some consultees that instead of *new* affordable housing the community should focus instead on increasing supply from development of in-fill and brownfield sites and the re-use of derelict buildings. Any new housing should be in keeping with traditional styles. We were made aware of the particular needs of single parent families, with some young parents unable to secure full time work locally because of a lack of employment opportunities and flexible childcare.

7.5 Consultation Responses on Housing

The primary need is *housing for families*

Over half of Tomintoul's respondents are focused on *homes for local people*

27% people want *affordable housing to buy*

Only 7% want affordable for rent

Despite the ageing of the community no one thinks that Tomintoul requires housing to meet *older age/special needs*

Housing for the over 60s is deemed as *adequate*

One in seven don't want *any* new housing

A prevailing view is that there are *too many empty properties*…so '*sort these first'*

Another is that there are *too many outsiders housed here*

No response views new settlers as productive and as likely to *'add value'* to the community

New development should be *small, infill, and for locals*

Stop housing being bought as *holiday accommodation*

Values –definition of affordability to buy …

67% see as affordable to buy pitched under £100K; 33% £100-150K; 0% above this

Renting affordability –under £60 week = 46%; £60-90 week= 46%

In Migration

7.6 Given its ageing demographic, need for new energy and aspiration for new enterprise Tomintoul may have to look outside the community for answers to some of these challenges. The responses that called for local homes for local people are not thought to be directed at settlers who are in or can create employment or those intending to *purchase* property. A number of people we spoke to believe that the village would benefit from newcomers capable of 'adding value'. Migrants can be a valuable source of energy, enterprise and diversity in smaller communities. They frequently bring skills and a willingness to start businesses that may be absent locally. We are not aware of any enterprises operated by migrants in Tomintoul and Glenlivet and while these are long established traditional highland communities the absorption of a modest number of young self starters with distinct skill sets is likely to enrich rather than disrupt the community.

7.7 The Tomintoul consultation reveals a mixed view on in migration. This ranges from objections to the resettlement of people from urban centres such as Aberdeen in affordable accommodation which should be allocated to locals to positive encouragement for Asian takeaways and exotic food businesses. Migrants likely to be most familiar with the weather conditions at Tomintoul and Glenlivet are sparsely represented within Moray. Within the local authority area there are estimated to be approximately 100-120 Eastern Europeans (Poles, Latvians, Estonians, Russians) often with fully developed skills, some graduates and others keen to start their own enterprises. The success of young Poles and Latvians in food, grocery and hospitality ventures in many smaller towns is notable. Canadians and Americans in Moray number around 300. Western Europeans are the largest in migrant group in Moray –some 1300. A survey of the migrant population in Moray in 2008 (*Social Cohesion in Moray D Black GREC 2008)* found that the experience of migrants in the Moray workplace and in integration was generally positive – both ways.

7.8 In smaller remote communities the capacity and confidence of the indigenous population to secure and sustain work locally is a fundamental of social cohesion. Displacement of opportunity and jobs by migrants is to be avoided. The aim here however would be to attract people for the specific purpose of creating new enterprise, new products and services that locals desire but have been unable or chosen not to develop themselves. Running one of the two hotels is a case in point. **But this means addressing accommodation sensitivities first. T**he most frequent concern encountered in the Moray survey was the perception that migrants receive preferential treatment in the social housing market. If such a venture was to have the support of the local community it would need to avoid this pitfall.

7.9 Housing featured strongly as an issue in the community consultation and most comments centred on affordability. As we show elsewhere the village is a mixed income and mixed tenure community. Perceptions of affordable housing are particularly low and have more to say about the very low level of earnings in the area than the 'real' costs of homes. Certainly the construction costs of new open market housing here will be significantly ahead of the affordability thresholds of most people seeking 'affordable accommodation' *to buy*. Even with shared equity there will need to be a high degree of public (or developer) subsidy.

7.10 This presents a paradox for the village in that the marginal cost of construction (and therefore prices/rents) can only really reduce by *two means* –(i) either the cost of land is free or very heavily discounted and/or (ii) the volume of units is of a level where the developer can achieve economies in the supply chain and labour. The paradox is that Tomintoul has a number of infill and backland sites and some empty properties requiring renovation that arguably should be tackled *before* any new build programme. A number of residents made this point in their feedback. There is another consideration –the *population* is **not growing** although the number of **households are.** The chief source of demand (other than for open market retirement properties) is the fragmentation of households as more people –primarily lone pensioners and single parents-seek alternative accommodation. It is also almost certainly the case that some properties occupied by older people here are now 'under-occupied'.

7.11 The options for new build and longer term spatial planning are dealt with in later papers but it is worth recording here that we found a number of sites off Conglass Lane, Lecht Drive, Cults Lane and in the back land adjoining the short service roads that link Main Street and Conglass Lane /Lecht Drive where there appears to be scope for individual and small paired new build. On Cults Lane there are potential housing plots close to the rear of the Museum, next to the school and close to Richmond Hall. There are other small sites currently being used as informal car parks –though development of these might compromise amenity. It is clear that the village has some sites available though perhaps not enough to deliver the 12 or so dwellings identified as a first stage objective in the Local Plan. What is not clear is the ownership of the sites and whether they could be brought forward for development and whether there is active demand currently.

8. Economy & Employment

8.1 Investing Here

Strengths	Weaknesses
Cheap housing Competitive business premises Location Edge of a thriving National Park set to expand Good local visitor traffic Positive policy climate, willing agency partners Agencies and community primed to act Flexible environment for new ideas	Car dependent Poor transport infrastructure Weak retail/service base Seasonal economy/Limited FT employment opps Broadband quality uneven –mobile connectivity poor Need for multi-jobbing to earn a living wage Speculative development has reduced sharply Low skilled workforce Increasingly difficult to retain young people Limited evening economy Higher costs of products/services –deepens 'rurality' Unable to attract staff because of lack of affordable homes/commuting costs Needs determined champions with vision/stamina *Perceived* decline of the village
Opportunities	**Threats**
Redundant assets available at low cost Others (retail) emerging Development sites Redundancy payments/reinvestment Early retirement to fund new work-live balance Rural pull – positive economic in-migration Urban push-new pastures/ energy release Trading down- releasing cash Life-work balance decisions	Weather Lack of recent investment base Failure to secure a viable future for the Hotels Loss of 3rd hotel and Post Office/store Investment/credit in rural businesses has reduced '*Banks not lending to businesses in Tomintoul'* Rise in fuel costs Mechanisation of traditional employment Investment elsewhere in the CNP Effect of public expenditure cuts Loss of school Loss of GP at Tomintoul Actual decline of village

Employment

8.2 In 2001 70 people were employed full time and 28 part time –a number of each at the closed hotels and high school. 40 people (17%) were self employed. Just 7 were unemployed and the village had just 2 students. 50 people were retired. The main employers were Agriculture, Hunting, Forestry 10.71% (15); Manufacturing 14.3% (20); Wholesale/Retail/Motor Repair 9.3% (13); Hotels & Catering 13.6% (19); Health & Social Work 9.3% (13); Real Estate/Renting/Business 7.9% (11); and Transport , Communications & Storage 6.4% (9). 7 people were employed in education and just 4 in Construction. In 2001 only 24 people worked from home. Getting to work took a number of forms- 19 used a bus/minibus/coach; 66 drove car or van; and the proximity of employment was illustrated by the fact that 62 went to work on foot. No one cycled.

8.3 Today Tomintoul still has a mixed economy but with a narrower employment base. Closures have sharply reduced options for some people –especially young part timers. This is compounded further by its seasonality; the effects (positive and negative) of the weather on trade; by specific workforce characteristics including age structure (older workers predominate) and limited skill sets and access to training; by its dependency on a handful of traditional and local employers; and an over reliance on access to private vehicles to get to work. Wages are among the lowest in the Moray sub region. Outside of the village the main employer is the

Tomintoul Distillery (we are advised that 23 people work here –*not verified*-and are among the oldest workers in the village workforce). A few people commute to outlying towns for work including Grantown and Elgin though travel can be severely disrupted by long periods of snow and this must compromise their reliability. There is some employment at the peat site and a small number of men are available for hire as digger drivers.

8.4 Lecht Ski Centre is a regular employer of younger people during the winter months. In the village the main employers are the Clock House Restaurant and the Glenavon Hotel. The closure of the Richmond Arms and Gordon Hotels have been a severe blow to both full and part time employment. As in Glenlivet and elsewhere there are a few B&B and self catering enterprises but these are essentially run by their owners with little call on additional staff. Some of these are flourishing. The Youth Hostel opened in May and closed for the season on September 30th. We understand that it does not employ anyone from the village. There are a number of self employed retailers in the village but only one business stands out as truly thriving –The Highland Whisky Castle – which attracts between 25,000-30,000 visitors annually mostly from Germany, Sweden, France and Italy but who otherwise rarely stay or spend in the village. This holds true also for the coach parties which call in here.

8.5 It is clear that closure is not going to end with the two hotels. The future of other businesses is now actively discussed. There are fears that the Post Office/Store will close as the owners reach retirement and there is a question mark over the future of the Glenavon Hotel. A'anside Studios is already advertised for sale on the internet. The evening economy could be confined to the Clock House and this closes over the winter months. Ideas for new initiatives still come forward. The development of a caravan park –a subject of study by the Glenlivet Estate 20 years ago –was raised during the consultation and is back on the local agenda. A favoured suggestion is that this should be located on Estate land to the rear of the council yard off Conglass Lane. This would keep it close to the village centre and it would be clearly visible from the B9008.

Consumers

8.6 With around 400 residents Tomintoul is the principal settlement in the Glen. **These are also vital *customers* and must be encouraged and attracted to spend locally if the village is to arrest further decline of its hospitality and retail base. But first the village retail sector must raise its game**. Some residents are second home owners and are absent for periods. Their contribution to the community economically and socially therefore is uneven and undocumented. The village also has a disproportionate number of older people and retirees who are not economically active. Their principal economic role therefore is as *consumers* and *service users.* Typically older residents of remote rural settlements are strong users of local shops and services. However this is not an accurate portrayal of Tomintoul.

Shopping

8.7 The results of the community surveys are ambiguous about the extent of local custom. **What *is* clear is that a significant number of local people do *not* make their 'big shop' in Tomintoul. Some judge that the lack of choice no longer makes this possible. Many now travel to supermarkets at Elgin and to shops at Grantown.** This wish to support local shops, but choosing not to do so because of choice, price or freshness of goods, is a classic Catch-22 for many struggling communities. On two visits we observed a Tesco internet delivery van in the village. It is likely to have been making more than one house call and we are advised that the service is widely subscribed. Local retailers may not be able to support the range and depth of stock necessary to change this (growing) behaviour. This will compound the operational and investment difficulties already experienced by Tomintoul's few local traders.

Food & Choice

8.8 Does food retail have a future in Tomintoul? This is one of the most urgent issues affecting the village in our view and may require intervention, initially through a focused discussion with the community unclouded by any other issues. There are structures, initiatives and expertise which can be brought to bear to work through the issues confronting the village before it loses another staple asset. Accessing the *Cairngorms Food for Life Development Programme*, the strategic food and drink plan for the National Park, should be a starting point. Its chief aims are to increase local food production and its use and consumption ***in the National Park***. **Two immediate benefits are envisaged –improve the local food economy (quality and choice) and reduce the areas's carbon footprint by cutting food miles.** Even more important access to food is also an essential factor in health and wellbeing. Where better to start than Tomintoul.

8.9 Some historical context may be useful here. Tomintoul and Glenlivet formed part of the Speyside target community examined by *The Moray Food & Health Project (2004-05)* with a view to improving individual and community health and well being. The A95 is the main access route to all GP practice areas within Speyside. *(Note that the future of a resident GP service at Tomintoul is currently in doubt with the recent retirement of the local GP and is now being covered by a locum service from Dufftown*).This found that adverse weather is a factor in determining accessibility of services to both communities. Roads are regularly blocked by snow; power failures are common; flooding is an increasing concern; communities can be cut off. **MFHP concluded that social isolation could be an endemic issue in rural Speyside.**

8.10 In 2005 findings for the Tomintoul & Glenlivet area included:
Quality of produce in the more remote areas of Speyside was average to poor
Bread was consistently more expensive overall by comparison with Elgin
Pulses and cereals were more expensive in rural Speyside
Shops in the Tomintoul area had more limited opening hours than other outlets surveyed
A basket of everyday staples was considerably more expensive in Speyside than Elgin
The travel costs to Elgin from Speyside communities outweighed the savings from shopping there
The bus fare from Tomintoul to Elgin was more than double that from Lhanbryde
The use of a car cost double that from Tomintoul compared with Aberlour; nine times more than from Lhanbryde
Taxi fares were simply prohibitive –a single fare costing double the value of the actual 'shop'
For supper-only 20% had one portion of fruit and none of these were children in Tomintoul

8.11 As part of the CNP consultation Tomintoul retailers were asked *what additional services* **they** thought they provided to their community.
Responses included
A flexible approach to delivery-almost a 'meals on wheels' service
Providing social contact for isolated people including the elderly
Deliveries by hand in the village and by post in outlying settlements
Using the shop as a meeting place for social interaction-no one is hurried
Also perform a function as an unofficial tourist information service –promoting the area
Some provide toilet facilities for visitors and locals
Flexible working hours – which locals and visitors alike can sometimes take advantage of
A flexible approach to payment -people can shop *on account* and pay later
Tomintoul retailers saw their niche as providers of a good service

8.12 Some locals understand the difficulties associated with rural retailing and want to support local shops
However, others have elected to shop elsewhere and see these small shops essentially as *backstops* when they run out of staples. 27% purchase 'emergency' supplies from the local shops
A number shop elsewhere because they feel the product range is too limited.
Around a quarter use local shops to purchase milk, bread, fruit and vegetables and non food items
28% bought fruit and vegetables locally

Just over half went to the supermarket every week –nearly 9 out of 10 used cars to do so

Less than 10% purchase their full shop from local businesses
Tomintoul retailers can only make a living by having other income streams
Reduced staffing levels have resulted in longer hours –overheads are rising
Business is increasingly unviable

8.13 Main Issues for Tomintoul/Glenlivet Shoppers

satisfaction –most accept that small shops are limited in their offer
transport-this is a minority issue. But travel costs do encourage big shops at the supermarket
cost-locally produced and sold food is more expensive
choice and availability-fruit, veg, baby foods, fish and meat are held to be limited
quality-strong views that local food (except) meat is not sufficiently fresh and/or of lesser quality
delivery-a number favour Internet delivery and are happy to pay the charge as a quid pro quo for choice .Some would support local investment in a mobile shop that can tour the rural area
take away food-strong support for a take-away, fast food outlet, more cheap evening alternatives

What people also want is locally produced food-more locally grown affordable food; develop community food growing/buying initiatives; more farm gate and PYO sales; review regulations which constrain fresh food sales

8.14 The Wider Policy Framework
Scotland Food and Drink is seeking to increase food and drink sales from £7.5Billion in 2007 to £12.5Billion by 2017. Moray is viewed as a 'food and drink larder' that must be promoted. The development of new food and drink based enterprises is seen as a catalyst for job creation. *Moray 2020* found that young people are leaving Moray in increasing numbers; that remuneration and productivity are significantly below the Scottish average. **It affirms food and drink as the main economic focus of Moray; tourism is a 'distinctive economic cluster'.** Promoting local produce, healthy eating, preventative healthcare and community wellbeing is exemplified by initiatives such as the *Curriculum for Excellence;* an SFDF 2 year national education programme announced in May 2010; and the work of *ImproveSkills* and the National Skills Academy to elevate and promote careers in the food and drink sectors among school children and young people.

8.15 Responding to the Need for Food Enterprise: Some Basics

- **New food and hospitality enterprises are absolutely essential to the Moray and national economies**. In 2007 the Scottish Funding Council estimated that around half of the Scottish food and drink workforce will have retired by 2017.
- Just 8% of businesses in Moray are hospitality related. 11% in Highland; 6% Aberdeenshire.
- **SCC surveys regularly reveal skills shortages in both cooks and management in the tourism sector.** **'***Businesses and skills providers need to get the message across that tourism and hospitality is an exciting industry to work in, with great potential career prospects.' (SCC Consultation Response: Scottish Parliament Economy, Energy and Tourism Committee Inquiry into Tourism Dec 2007)*
- **Food and drink is identified as a key sector for development under the *Strategic Priority of Supportive Business Environment* in *The Government Economic Strategy* (2007)**
- Scottish Enterprise has placed support for Scotland's rural businesses at the heart of its Business Plan 2010-13 by supporting the rural energy, food & drink and tourism sectors.

- In May 2010 the Scottish Food and Drink Federation (SFDF) was awarded £30,000 by Skills Development Scotland (SDS) '*to help promote a two year national programme to educate more school pupils about the food and drink industry and encourage them to consider it as a career destination of choice.'*
- '*Food and drink will be seen as an aspirational, intellectually stimulating career choice. We'll be investing heavily in skills at all levels, from factory floor to boardroom.'* (*Fresh Thinking* Scotland Food and Drink March 2010)

8.16 Moray has so far failed to find the structure, the entrepreneurs and the sustained vision and drive to make a concerted breakthrough in attracting ventures of this sort. There is a relative scarcity of good food outlets, fine restaurants and high quality modern accommodation locally. Food ventures are an absolute necessity if the region is to transform its tourism base and compete for investment. Grampian is said to have a more *'can do'* attitude. Ayrshire and Deeside are both currently promoting a food and tourism investment strategy. **The Glen has few outstanding food and drink outlets.**

8.17 Education and Food
MFHP reported that **food skills courses are most effective when tailored to local need.** It called for a systematic mapping of facilities and venues available for facilitating food skills work in Speyside. This work would take into account the changing roles of health professional such as health visitors and practice nurses. It advocated local sponsorship of initiatives and developing practical responses to local food and retailing issues eg setting up a mobile/dedicated community kitchen facility. Among the recommendations of the Moray Food Health Programme were

Further development and marketing of food and related skills
Effective networks to make the service more widely known and available within local communities
Explore possibilities for local sponsorship of initiatives and links to local food and retailing issues

Accommodation
8.18 Historically Tomintoul has depended on its visitor trade to help sustain its economic and social wellbeing. The closure and continuing dereliction of its two largest hotels are particularly shocking. But regardless of the specific circumstances of their failure they are simply examples of an inexorable shift in demand away from the type of traditional Highland hotel that successfully anchored communities like Tomintoul until 10-15 years ago. Since then the preferences and behaviour of visitors have transformed. **These demand quite distinct and flexible hospitality responses.**

8.19 The 1 and 2 week *all-inclusive* family holiday has been swept aside by staycations, day trips, coach tours, destination-hopping, self-catering, farm-based holidays and short breaks. High spend has shifted to small upmarket boutique hotels which also trade on fine dining and 'wellbeing' facilities. We were told by a number of experienced providers that if Tomintoul is to attract a sustainable holiday and overnight trade it must:

(1) Increase the number of quality B&B facilities available. There is robust demand in the wider area for higher level B & Bs offering 1-3 night accommodation which give foreign and short stay visitors the freedom to tour
(2) Create a facility which can accommodate parties of 20 or more. Foreign tours and club-based trade is passing by Tomintoul
(3) Provide low cost but good quality family accommodation with family and interconnected rooms
(4) Assess the case for redeveloping one or other of the hotels as a 'boutique destination'

8.20 Securing investment for the upgrade or wholesale re-planning of traditionally built mid range hotels is acutely difficult even in a benign economic climate. For a small rural community with a limited visitor throughput and squeezed by clamorous competition from busy holiday centres like Aviemore or well appointed Grantown the climb is distinctly uphill. **The future of both hotels was almost certainly proscribed by the structural changes redefining the Scottish hospitality sector well before their final demise.**

8.21 One example of the market shift is illustrated by Lecht 2090. This is the nearest ski and snowboard centre and provides other activities out of season including corporate conferencing-an activity now lost from Tomintoul through closure of The Gordon Hotel. While development of the centre has increased interest generally in the area, attracting over 120,000 skiers and snowboarders annually, the resulting spin off trade has largely by-passed Tomintoul. Of the two principal web sites signposting local accommodation one lists 30 venues of which Tomintoul and Glenlivet provide 4 each; the other lists 27 venues none of which are located in Tomintoul or Glenlivet. The majority of Lecht's visitors/users come from Aberdeen and North East Scotland.

A site survey of what these and other visitors to the area require and how Tomintoul could provide it should be undertaken. This could be undertaken easily by volunteers over a 2-3 day period.

8.22 There appears to have been very little investment in any significant scale accommodation offer. This may yet be a solution for one (though unlikely both) of the closed hotels provided it can be re-planned, repositioned and remarketed (particularly through social networking sites) to attract either a very specific constituency such as young active people 18-30; or perhaps as a smaller boutique hotel with ground floor space hived off to other commercial activity (ie a free standing brasserie) or adapted to provide an attractive shell for a Travelodge/Hilton –*style* venture which provides good quality formulaic accommodation aimed at the no frills family market and **which leaves existing and new businesses in Tomintoul to provide food, restaurants, bars, entertainment.**

8.23 Could a Hotel succeed? In the late 1980s the development of a new purpose-built hotel at Tomintoul to capture the burgeoning ski market was actively considered by the Glenlivet Estate. This would have offered a range of facilities not then, and still not, available in the community such as a swimming pool and indoor recreation. Before commissioning a formal study by PKF the Estate and other parties concluded that '*The sites occupied by the two main hotels in the village, and their traditional construction, limited their scope for expansion.'* A new hotel, fit for new purpose, *'could significantly raise the profile of Tomintoul as a tourist centre as well as creating additional local employment.'*

8.24 PKF subsequently concluded that

'***the financial viability of the hotel would not be sufficient to attract outside investment. Existing occupancy rates were already low…other potential markets were unlikely to offer sufficiently high prices or numbers to justify the project****.'*(*Putting Glenlivet on the Map Report* of the Glenlivet Estate Development Project).

We explore new use options for both hotels in the Opportunities Paper.

Evening Economy
8.25 This brings us to one of the mainstays of a thriving high street –the evening economy.

- Centres of any size are more attractive and vibrant if people live where they can also work, shop and participate in leisure activities.
- Evening and night time activity also attracts tourist and visitor trade
- It generates demand for local procurement and creates or sustains supply chains
- The vitality of an evening economy can persuade young people to remain in rural communities
- In many instances they wish to or will be the entrepreneurs to develop this economy

- Because young people are key users of the evening economy it performs a valuable inclusion function
- In smaller communities it can be easier –not harder- to balance residential amenity with a lively night out

8.26 Tomintoul has a number of built and cultural assets that comprise part of or have the potential for an evening economy. There is semi-regular evening use of buildings like the School, Library and the Bowling Club. Richmond Hall is a 'multispace' and is available for dances, discos, social events, wedding hire, keep fit and meetings of local clubs and societies. **But is does not have a licensed bar**. There are a small number of restaurants and cafes in the town which contribute to the evening economy. But in the words of some residents we spoke to the village hasn't had 'a buzz' since the hotels closed and even before then the choices available for young people were very limited. The Gordon Hotel closed over the winter months. Younger people in Tomintoul look to Elgin or Aviemore for diversion. This takes spending, activity and vitality out of the village. It may be a factor in 'moving on'. **While education, training, affordable housing and jobs are the critical drivers for young people remaining in the community they also need a social fabric which addresses their interests. This is not evident.**

8.27 Competitiveness

Tomintoul's Competitiveness is Hampered by
Its location at some distance from arterial routes
By the weather, which can make the village inaccessible for periods
A limited employment and production base
The scale and skill sets of a relatively small labour supply
Choice and affordability of housing
Quality of Broadband and mobile telephone connectivity
The ageing of its population – older workers cost more
Just under a third of Tomintoul (& Glenlivet) households are economically inactive.
Few young people –investors may think twice about establishing businesses here
Lack of bus services, no fuel point for businesses dependent on vehicles, long travel times
Few learning opportunities for young mothers wishing to train and hold part time jobs
Bureaucracy affecting small enterprises
Lack of clarity/uncertainty in the village itself about why people would wish to invest here and what should be done to get things moving
No definitive branding, no clear view about what Tomintoul *could* do
Evidence of civic decline
The costs of 'rurality' force supply chains to factor in location/delivery on-costs
Fatigue-will, drive, stamina to see new projects through in a time of recession
Few enterprise exemplars to replicate or learn from locally

8.28 Future competitiveness will depend partly on addressing the above and partly on capitalising on the skill sets, resources and funding available from potential partners such as HIE, UHI Moray College and locally the Glenlivet Estate. HIE notes that one of the key areas of concern for the competitiveness of micro economies like Tomintoul is the '*provision of ubiquitous and affordable high quality telecommunications '.*Yet this is '*an essential element of creating a competitive region.'* It states also that it will be important to work with businesses and social enterprises alike '*to maximise the economic benefit that is derived from its use.'*

8.29 Although just over a third (34.3%) of adults has no qualifications the community here is enterprising and keen to find work. Nearly 20% of those in work are self-employed. The unemployment rate is around 2.2%. Only 4.2% of adults are unable to work because of disability or illness –less than half the Scotland average. The average age of first time mothers is 25.8 years. In the community consultation a number expressed frustration at the lack of child care facilities which prevents them from *travelling* to college to undertake training and education or to part time employment outside the village. These deficits can be addressed by distance learning, web-based training and by the establishment of a flexible crèche or, subject to registration, by older people in the village offering their services.

Using Housing for Enterprise and Employment -Live-Work

8.30 A third or more of rural businesses nationally are now run from home and many of them are knowledge-based. This has been achieved almost *despite* public policy which, historically, has been largely based on *separating* work from the home. Planning, taxation and investment constraints and a general local authority and development agency disinterest in home working have been the main areas of deficit and disregard. Working from home ticks a range of boxes –new start-ups; job creation; innovation; use of technology; efficient land and energy use (dual use of a single property); work-life balance and well-being; enabling local spend and procurement and helping to sustain local services and businesses. It can also help to reduce the cost of rurality and greater and more efficient digital inclusion can reduce social isolation –an increasingly visible priority of government.

For rural communities, the general consensus is that Live Work can

- Reduce traffic/congestion and cut carbon emissions
- Enable more and better work/life balance and improved working arrangements
- Boost productivity (because of the drive and energy of self employed people working in an environment of their choosing) enabling more people to work
- Elevate Scotland's reputation as a digital economy – posing a key challenge to ensure full digital coverage in rural areas
- Build a strong case for shifting investment into homes, services and infrastructure in to rural areas where the most significant expansion of live work has taken place
- Enable working people to stay or return to remote areas and villages to help their local economies – a particular advantage to smaller settlements and to sparse and upland areas

8.31 In remote rural areas in order to encourage diversification, stimulate new micro-enterprise and underpin the sustainability of fragile economies there is a pressing need to respond *practically* to the changing spatial working patterns that advances in information and communication technologies allow, **such as the development of live-work units or the use of residential properties for home working.** This development strategy needs to be informed and underpinned by investment, business and education and training support for home workers. Failure to create a supported home working/Live Work strategy is likely to compound the efficiency deficit and to blunt innovation and opportunity.

8.32 The lack of affordable rural Live Work housing is a primary deficit in housing supply and function nationally but also within remote rural communities such as Tomintoul/Glenlivet. Currently, only a tiny proportion of new affordable dwellings in Scotland have the space and functionality to enable people on low incomes or without employment to reshape their economic circumstances by working from home. This should be a fundamental aim of both housing refurbishment and new build development here. Householders should also be afforded the opportunity to 'retrofit' their homes with the relatively modest infrastructure, equipment and connectivity required to establish home-based enterprise. **The majority of homes –both old and new-should have the capacity and flexibility to accommodate home working. Housing linked *with employment* is essential to sustainable villages.**

8.33 Developing *new* homes at Tomintoul/Glenvlivet as Live Work homes would go some way in forging this link. .**The essence of affordable home working is '*opportunity*' and *economic inclusion***. Live Work is an essential tool for combining housing and employment solutions in rural settlements. Moray Council will need to establish where it can provide resources or enabling for affordable rural Live Work to grow at Tomintoul/Glenlivet. A start should be made by undertaking a survey of home-working in the community (type of business, numbers involved, longevity, turnover, current viability, room for growth, support needs). It is important to build evidence for investment, support, resources. **This will also provide the local community with an accurate guide (and forewarning) of business strength and of opportunities for intervention and expansion.**

8.34 Affordable rural Live Work is a cost effective use of scarce rural development land and a practical response to housing inequalities. It reduces travel to work journeys and CO2 emissions in one of Moray's most travel to work dependent wards. It fosters social cohesion and sustainable communities. **Live Work is the most affordable form of accommodation for the 'rural entrepreneur'.** We recommend that an approach is made to the Glenlivet Estate to explore its future housing interests and if and how Live Work could fit with these.

8.35 Creative Industry, Leisure and Tourism, Business Services and ICT feature strongly in Live Work enterprise and there is some evidence that these are represented in the Tomintoul/Glenlivet home working community. The recalibration of health and social care services over the next few years and the implementation of remote healthcare and telecare strategies in Moray is almost certain to ensure that another emerging priority **'care for an ageing population'** is likely to feature prominently in rural Live Work activity as rural health and care workers are encouraged to work from home.

8.36 Farms, estates and rural communities will continue to be a focal point for new business creation. Some of this will gravitate to farm and rural workspace conversions. Where suitable redundant farm buildings are *not* available new rural entrepreneurs may become Live Workers. There is a need for new business solutions and support to be available locally for start-ups, micro-businesses and SMEs –**this includes having a Workspace strategy for Tomintoul**. Attention should be focused also on improving the availability and affordability of commercial premises; encouraging village commerce; and a better understanding of community and business skills needs

Commuting

8.37 Where working from home has a significant role to play in the National Park is in reducing car travel and carbon emissions. The CNP has a high level of commuting. Currently 1500 people commute in to work and 1800 commute out. In developing an affordable Live Work (housing) strategy Moray Council and CNPA will also need to anticipate the need for Live Workers to expand and to be retained within the rural community. This requires imaginative spatial planning that anticipates the need for other *forms* of rural workspace including local micro centres serving a 'cluster' of dispersed settlements in the area. This type of strategy and thinking may seem premature for Tomintoul but one glance at the SWOT chart will demonstrate why the consideration and planning should be given now.

9. Education & Training

9.1 Workforce characteristics

Employment in Tomintoul & Glenlivet is focused primarily on traditional forms and skills
These are unlikely to sustain either community
The communities have historically low levels of unemployment –relatively settled *core* employment
However this masks seasonal unemployment particularly in Tomintoul
Agricultural base is declining –new skills required for mechanisation
Land based work now also IT driven –workers require internet skills
'Navigation' skills are required to understand processes/language
Workers need to be retrained and *enabled* into the low carbon economy
Needs to be an education and training audit to assess skills gaps, opportunities, delivery
No economic incentives for young people to stay in Tomintoul
Business and enterprise skills required via HIE and Business Gateway
Ageing workforce –support to prepare them for redundancy/early retirement/PT work
Out commuting –Focus on home working skills to reduce car journeys
Work with larger out of area employers to prepare staff for *smarter working*

9.2 Education & Training Needs (Consultation Responses)

Moray College perceived as not providing a service tailored to local needs
In the consultations '*Local* education' is viewed as a '*pipe dream'*
Education/training models need to anticipate mechanisation impact
People raised need for practical skills eg tractor driving
Lack of IT skills needs addressing
Self sufficiency skills could be useful here …repair & maintenance
Overriding view is - *no car, no education*
No child care support is available to release younger women for education –distance learning needed
No enterprise training here
Support and mentoring required to help start up tourism ventures
Evening classes centred on Aberlour –we need them in Tomintoul
Education is now a rising cost because of fuel, transport –increases social and economic disadvantage
It should be *creating* advantage
Crown Estate perceived as doing little to help on education front

SRDP-Skills Gaps

9.3 The Crown Estate has stated its wish to work with local communities and business partners to help develop rural areas through the Scottish Government's Scottish Rural Development Programme. The SRDP investment programme covers farming, forestry, rural tourism and business. The Estate views the programme as a *'real opportunity consider collaborative or business focused projects'*. **This needs to be tested outwith the Estate in the wider community and not simply with tenants.** So far the funding secured has been for farming, land and water course management and replacement of farm buildings for tenant farmers. There is a significant opportunity however to explore how the SRDP programme could be used to unlock land and buildings assets for new non-farming enterprises and also to address some of the skills gaps identified by SRDP for which funding might be available. These include:

Biodiversity Skills to Reverse Losses in Biodiversity Conservation and Management of Water Courses Conservation and Management of Land and Woodland Increasing and Protection of Natural Habitats Management of Local Biodiversity Plans Management of Public Access Education	**Safeguarding and Enhancing the Landscape** Landscape Management Site Management Creation and Maintenance of Hedgerows Woodland Creation and Management Establishing/Developing Micro Enterprises Management of Grassland Habitat Management
Built & Cultural Heritage Enhancement/Conservation of Significant Rural Buildings, Historic Sites and Landscapes Preservation and Development Skills Increasing Public Awareness and Appreciation of Historic Sites and Heritage Improving Viability of Existing Rural Buildings Stock Promoting Conservation Skills	**Water & Soil** Reduction of Risk of Pollution Improvement of Water Quality Management of River Corridors and Basins Development of Soils and Water Plans Sustainable Flood Management
Development & Restructuring of Agriculture Setting up Young Farmers Renewable Energy from Agriculture Renewable Energy from Forestry Short Rotation Coppicing Crops Management & Repair of Vernacular Buildings Conversion to Organic Farming Skills Development	**Development & Restructuring Forestry Businesses** Investment in Production of High Quality Timber Appropriate Silviculture Timber Marketing Sustainable Forest Management
Diversification of Rural Enterprise Encouragement of Rural Innovation and New Product Development Better Marketing and Retailing of Rural Products/Services Implementation & Management of Scottish Food & Drink Strategy Development of Better Links Between Producers and Consumers	**Diversification of Rural Enterprise** Shortening of Links Between Producers and Consumers Development of Higher Value Rural Goods and Services Improvement of Interpretation and Access to Visitor Facilities Enhancement of Rural Career Development Opportunities Improvement of Rural Tourism

9.4 We contacted the Principal of UHI Moray College to explore if and how these needs above which may be routes to new enterprise or alternative routes for employment can be addressed locally. We discussed also the specific points raised about education in the consultations notably '*no car, no education'* and the need for skills to keep pace with mechanisation and IT. We are satisfied that UHI Moray College is not only alert to these issues but is concerned to act upon them *locally.* We explore potential responses in the Opportunities Paper. What has been made clear to us is that the College wants to understand more fully the issues and needs *in situ*.

10. Community & Social Enterprise

10.1 Building a Sustainable Community in the Glen

Our assessment of what is required to build a sustainable community at Tomintoul & Glenlivet encompasses the following

- Valuing and retaining people of all ages –*Inclusion* (*social, financial, digital)*
- Meeting their current and *future* needs
- Best and sustainable use of resources for the community as a whole
- Unlocking the *potential* of built, natural, human assets
- Maintaining character and environment of the settlements –ensuring effective *place-making* and sustaining a *sense of place* with which residents and visitors identify
- Ability to accept change and to review/adapt behaviour –*the status quo is not sustainable*
- Engagement and empowerment of the community in the decisions that affect it
- A more open and meaningful relationship is required with the Crown Estate
- It should see its relationship with Tomintoul especially as more 'symbiotic'
- Placing the local *community* at the centre of housing debate and development
- Creating a *mixed income community* with housing *choice* fit for purpose
- Housing must anticipate '*future selves' –new housing should utilise assistive technology and IT infrastructure to reduce isolation, anticipate needs in older age, and facilitate home enterprise*
- Looking ahead consideration should be given to 'downsizing' and to 'under-occupation'
- Affordable, energy efficient homes with flexibility for change
- Put in place an alternative (CHP)renewable source of domestic energy for the whole community
- An *integrative* approach to housing and employment and services
- Capacity to create employment that suits the settlement
- Policies to support SMEs are essential to rural economic success
- An efficient and accessible transport service connecting the settlement to main centres
- Facilitating social enterprise and community-owned/managed assets to drive wellbeing
- Promoting *volunteering* and *champions* as critical to revival
- Building on the CNP consultation to increase pluralism and meaningful engagement
- A diverse, vibrant, inclusive culture with young people at the centre which contributes to social cohesion
- A robust range and defence of local services including education, training, healthcare
- Proactive 'badgering' of agencies, service providers and potential partners to stay on their radar
- **Draw up A *social balance sheet* - weighing assets/liabilities/capital**
- **Develop a Community '*Prospectus*' –promoting strengths, identifying assets, attracting economic and social capital**

10.2 Social Capital

The Quirk Report provides a useful framework to scope risk and assess the ability of a community to develop successful social enterprise vehicles:

- Does the (community) organisation have the capacity to take on and manage the asset (eg building, enterprise)
- Is the asset being used in the full community interest –ie not being run in the interest of an unrepresentative or unaccountable minority
- Is the community organisation equipped and resourced in the long term to maintain and sustain its activity

- Does it have adequate professional staff/leadership. Is it over reliant on volunteers
- Does it compete with other organisations with interests in the asset around which it is formed

10.3 Key Partners & Potential Funders/Enablers
We set out above in section 2 the policy and funding framework with which the local community will have to engage and in which it must compete for limited resources. These include:

Cairngorms National Park Authority	Highlands & Islands Enterprise
Cairngorms Business Partnership & DMO	UHI Moray College
SkillsDevelopmentScotland	VisitScotland
Scotland Food & Drink	Crown Estate/Glenlivet Estate
The Moray Council	Private Sector
Business Gateway	Local Social Enterprises

Punching its Weight
10.4 Much of the focus on Tomintoul is whether it can revive its hospitality service and expand its retail sector to make its employment base and visitor offer more sustainable. But we should not discount the fact that historically Tomintoul – a small relatively remote upland community, not served directly by an arterial route and 'locked in' by weather for some weeks each year –may have 'punched above its weight'. Events and social change have overtaken it. **The challenge ahead is to manage its revival not preside over its decline. There is no 'do nothing' option. The form and extent of this revival will be shaped partly by Tomintoul's success in (i) selling itself (ii) arresting decline. and (iii) attracting new investment.** Not easy when as one business leader puts it 'the banks aren't lending in Tomintoul'.

10.5 But this is why the community itself must take the lead and show what *it* can do influence change. It can play a part in addressing all three of the challenges above without a significant injection of first stage resources. It will need to make the absolute most of the scarce resources available and this requires leadership and stamina from its own ranks. If it fails to sell itself then others are unlikely to support it. It must 'self help' and 'self determine'. In this way it will move beyond the next stage of The Cairngorms National Park Plan 2007 which described community planning as '*process which helps public bodies work with communities to plan and deliver better services…it is a means for people to become involved in the planning and services for their area and have a say in its future.'* In setting out its Strategic Objectives for Sustainable Communities the CNP Plan provides a few useful tips for a community action 'tool kit'.

- Encourage ***a population level and mix*** in the Park that meets the current and future needs of its communities
- ***Plan for growth*** to meet community needs in other (not main) settlements
- Provide local services that meet the needs of local communities through Community Planning and ***other community development initiatives***
- Strengthen the capacity of local communities and ***encourage community development building on existing networks, expertise and experience***
- ***Encourage entrepreneurship especially in young people*** and in sectors which complement the special qualities of the Park
- Address barriers to employment uptake…***including childcare***
- ***Raise the excellence and profile of local produce***
- ***Promote access to education and vocational training*** at all levels across the Park
- ***National Parks are excellent grounds for developing and testing innovative solutions to rural issues***

10.6 The second part of the equation is the recognition that resources are '*competed*' for and are *'prioritised'*. As we illustrate below communities have to make a *business case* (which may be economic, social, cultural, environmental or all) to attract attention and resources. Most take a *project centred* approach focusing on a building, a site, a service. Tomintoul is better placed than some in that it has potential 'projects' sitting on or close to its village green. But *purpose* and *vision* will be substantially down to the community's drive and purpose in making these happen…even if it falls to third parties to actually deliver or manage them.

10.7 Much depends then on the *community's* own sense of purpose, its drive and its confidence in its own strengths. Below is our interpretation of how the community saw itself in the CNP consultation. The community's own diagnosis illustrates classic conditions for self help. Evidence elsewhere suggests that the ***process*** of mobilising a community and galvanising its ***own*** programme of action can be as empowering and rewarding as the outcomes themselves. It is all about 'can do' and self belief. **Our assessment is that this community has the assets and has the self belief…..what it needs to identify is the vehicle and the leadership to get things moving**. It was reassuring to hear many people we talked to tell us that once the present Opportunities and Regeneration study was complete they *would* swing into action. Nearly all emphasised that leadership and 'availability' were the big initial challenges. Most feel that once a purpose is clarified and a vehicle/project is underway differing interests will be set aside and the community will pull as one. The table suggests a productive mix of concern and a will to do something about it.

Positive Self Images	Worry, Concern, Frustration
Palpable sense of community	Isolated
Pride in their outlying environment	Low priority for CNP and Estate
Strong *but eroding* sense of place	Fear of continuing decline
A good perception of wellbeing	Anger and helplessness re the hotels
Rurality valued highly	Deep concern about the future of the village
Good community awareness (of issues)	Worried about the future…families, children
Active representative structures inc TGHH, TCA, GCA	Anxious about services and public cuts
Some good organisational skills	
Good variety of clubs/societies given scale of village	
Strong social infrastructure for size of population	
Decent visitor flow on which to build	
Willingness to volunteer and give some time	

10.8 One starting point will be to find out more about Moray Council's Community Asset Transfer strategy and how Tomintoul and Glenlivet can exploit this. We explore this elsewhere but it is useful to note that the Council recognises the multiple benefits of this type of initiative in more remote communities and especially those which have an identifiable asset or service to manage. It intends to be proactive in using asset transfer as a tool to support resilient and empowered communities and to help meet the strategic objectives of the Council; particularly in terms of service transformation and realising efficiencies. The asset in its ownership at Tomintoul –the high school- provides an obvious focus for community coalescence.

10.9 Below are some examples of the communities (with population) that Tomintoul has to compete against. Alongisde each we have marked an existing ambition or project under way for which they are likely to be competing for resources. It also provides an insight into the vitality of some very small communities.

Competing-For Attention, Resources, Visitors, Revenue

Aberlour 965
5 star caravan site
Swimming Pool
shops

Dufftown 1450
Whisky capital
GP, 2 supermarkets
2 small hotels
Butcher, Baker Grocer

Craigellachie 422
4 star caravan site
Salmon fishing
Speyside Cooperage
2 hotels

Duffus 384
Frequent Best Kept Village
Norman history/Castle
Nr Gordonstoun

Findhorn 885
New Age centre
eco village
learning holidays
visitor centre

Forres 9000
HIE community action area
hotels, supermarkets
Ancient burgh
Distilleries, Museum

Portgordon 771
founded 4th Duke of Gordon
Fishing village
seals, dolphin watching

Aviemore 2400
Scotlands ski capital
Hotels, shops, resort
Rothiemercus estate
Activities unlimited

Glenlivet Area 620
Distillery 50,000 visitors
Tea in the Park/Public Hall
Small caravan site

Ballater 1520
Community self build group now established
New tourist interpretation centre at Pannanich Woods

Boat of Garten 700
Station Sq Heritage Project
Campaign to develop affordable family housing
Community Company

Braemar 840
Development of Castle as cultural and Natural heritage centre
Community micro-hydro project

Carr Bridge 708
Exploring meeting /activity place for young people
local community housing scheme

Kingussie 1400
Am Fasgadh project to create high quality tourist attraction on old museum site

Newtonmore 980
Refurb of village hall
Highland Folk Museum

Strathdon 240
Local hotels
tea rooms
Lonach Highland Gathering
4 local castles

Grantown 2240
13 hotels
Caravan Park
Golf course
Supermarket, shops

Nethy Bridge 350
90 member tourism assoc
2 small hotels
shops

11. Tourism Economy

Sustainable Tourism

11.1 VisitScotland is actively encouraging tour operators and visitor destinations to develop sustainable tourism. It now has a team dedicated specifically to support tourism businesses by providing information on sustainable business practices and promoting how these practices can benefit businesses. Its' vision is to make Scotland the most economically, environmentally and socially sustainable destination in Europe.

It defines 'Sustainable Tourism' as '*tourism committed to generating a low impact on the surrounding environment and community by acting responsibly while generating income and employment for the local economy and aiding social cohesion.'*

11.2 Moray Tourism: Vision& Strategy March 2008

This report for HIE Moray identifies Moray as a destination with unique potential and iconic brands **but also in need of transformative change**. The central conclusion is that '*tourism in Moray is at a crossroads.'* The key findings and observations from the report which bear relevance here include:

- Tourism in Moray suffers from *low levels of investment in products that meet the needs of the modern tourist.* The local 'offer' is dated and lacks appeal to current and future markets
- Recognition is low -*people are 'not aware' of Moray*
- The visitor attraction base is limited and/or underdeveloped
- Around two fifths of visitors are from Scotland; and similar from the rest of the UK
- Nearly a quarter are 'international' attracted by the international (largely whisky) brands
- Tourism is characteristically seasonal -2/3 of visitor spend occurs between April-Sept
- 55% of all visitors are over 45yrs – a high percentage are 55+
- Visitor spend in all sectors lags behind the Highland and Scotland averages
- International visitors spend double that of Scotland visitors
- Branding is ill defined, marketing and positioning are weak, impact lags potential
- **Moray has failed to capture the '*cash rich-time poor*' lifestyle visitor/tourist market** which seeks high quality destinations/facilities matched by high quality products including 'destinations' and high quality food and drink
- **Moray fails to live up to its potential -only about 8% of its' businesses are in tourism.**
- The market is characterised by 230 or so low priced, 2-3 star hotels and B&Bs
- T**here is an acute lack of higher quality accommodation majoring on good food**

Moray Targets for High Value Tourism 2011

11.3 Tourism sustains over 3,700 jobs in Moray and is worth circa £106Million to the local economy. Moray has recently announced new '*high value tourism'* targets. Its key delivery partners will be Moray Tourism Development Ltd, Moray Council, Moray College, Highlands & Islands Enterprise and the private sector. The intention is to *firmly establish Moray as one of Scotland's top visitor destinations.* The chief indicators of progress will be

Progress in achieving a high profile tourism offer will be considered against:
Increase in output from accommodation and food and drink sectors
Increase in visitor numbers: total; Speyside; Central Moray; Moray Coast

Increase in average visitor spend
Increase in average visitor length of stay
Number of tourism businesses and employees
Improvements in the accommodation base: no of rooms; quality standards

11.4 Cairngorms National Park Visitor Survey 2009-10

This provides a useful reference framework for what visitors like, do and see and where visit and stay. It sets the context for any assessment of Tomintoul's tourism role –not least as an entry point to the National Park.

Key findings

Origin-**22 %** visitors are Park residents; **41%** visitors from other areas Scotland; **19 %** UK; **18%** overseas
Who-**36%** are couples; **23%** with family; **19%** with friends; **15%** alone; **1%** organised group
Economic status-**66%** are employed FT/PT; **22%** retired; **5 %** in FT education
Age-**20%** aged 45-54; **19%** 35-44; **18%** 55-64; **16%** over 65; **9%** 16-24; **13%** are aged 25-34

Nights away from home -1-4 **37%**; 5-7 **34%**; 8-14 **28%;** 8-14 **28%;** 15+ **12%**
Visiting for 1st time -42% -2-3 times previous 5 years **25%**
Main Reason-Skiing **12%**; Visit people **10%**; hol/day trip **9%**; Sightseeing **9%**; like area/scenery **14%**
Driver-advice of friends **23%;** travel agent **9%**; Media **5%**; web **4%**; Ads **3%;** TV **3%**; TICs **3%**

Accommodation-Hotel/Motel **33%**; Self-C **25%**; B&B/Guest H **18%**; Camp/Caravan **16%**
Average Accommodation Spend-per head per visit**=£263** –per head per day**=£26.48**
Daily Breakdown-Food & Drink **£11.14;** Tourist Shops **£4.10;** Entertainment **£5.48;** Transport **£3.86**
Activities-Sightseeing **76%;** Attractions **30%;** Low Walks **29%;** Photography **26%;** Eating Out **19%**
Ratings %-Attractions **95;** Activities **94;** Accomm **93;** TICs **90;** Pubs/Restaurants **63;** Retail **54**

11.5 New Market Trends

Overseas Visitors: International Passenger Survey figures for the first quarter of 2011 show that the number of overseas visitor trips to Scotland fell by just over 5% compared to the same period in 2010, while spend fell by 6%. In contrast, Great Britain as a whole saw trips from overseas rise by 4% and spend rise by just over 5%.

Singles Market: Mintel estimates that 16.4 million domestic trips were taken by single adults in 2010. The sector still outperformed the overall holiday market. Demographic trends suggest the solo travel market is set for significant growth. Between 2008 and 2033 the singles population is expected to grow by 27% (22.8 million adults). The good news for the communities of the National Park is that singles are more interested in active styles of holiday, leading to a great opportunity to promote the Cairngorms/Highlands as one of the leading adventure travel destinations for this growing market.

Overseas Visitors: Figures for 2010 show that the overall number of tourist trips to Scotland fell by 2% when compared with 2009, with spend falling by 0.8%. International Passenger Survey figures indicate that whilst trips by overseas visitors fell by 8%, spend rose by 6% to £1.4 billion. The USA, Germany, France, Ireland and Australia remained Scotland's top overseas markets –**evidenced locally in the Tomintoul and Glenlivet area-** representing some 45% of all inbound trips, although an actual decline in trips was recorded from the US, France and Germany. India and China are growing markets.

Domestic Tourism: UKTS figures show that trips taken by UK residents to Scotland fell by 0.8% in 2010 when compared with 2009, with spend down by 4% to £2.6 billion. The Scottish resident market was the largest domestic market for Scotland, with trips rising by 9% over 2009 figures. However, 2010 saw a significant decline of 8% in the number of English residents taking trips in Scotland. The North West and Yorkshire were Scotland's largest English markets, **with short trips of 1-3 nights proving particularly buoyant**. While trips from the South of England declined overall, the number of longer stays from this market increased, suggesting that greater transport costs may have had a direct correlation on the length of stay

New Markets: Baby boomers will join affluent Chinese and Indian tourists in providing important new markets for the UK in coming years, according to Deloitte. In the west, affluent baby boomers are retiring and are hungry for travel experiences – notably in the US, where this group will account for 60% of the nation's wealth and 40% of spending by 2015. Deloitte predict that the UK is likely to see a huge influx of high-spending Chinese and Indian tourists. Currently 90,000 Chinese visit the UK each year. They stay an average 13 nights and spend £1,300 during their stay, compared to the average for all visitors of just £550.

Extended Families: A survey by Netmums reveals three quarters of families with young children intend to go on holiday this year with the grandparents in tow. **The concept of holidaying with three generations has taken off with an increasing number of families, not only as way of saving on childcare costs but also as a way of keeping disparate family members in touch.** The survey of over 1,000 families with young children found that 75% were planning a summer holiday with grandparents this year. The survey is supported further by booking figures from Eurocamp, which has seen bookings (Brits abroad) from extended family groups increase by 325% over the past two years

Mountain Bikers: Cycle Highlands reports strong upward trends in the mountain bike market. More 'less experienced' cyclists are taking up the activity and looking for suitable venues and more comfortable bikes. Powered bikes are increasingly popular with multi-generational groups which include grandparents. David Urquhart Coach Holidays take over a couple of large coaching hotels in the area to meet a growing visitor need. They report that older guests are looking for more active holiday breaks and are a far more adventurous than previously. They are trying to develop partnerships with activity operators in order to offer optional activities to their guests.

Tomintoul: Visitor Attractions & Tourism

11.6 The Museum and Information Point received over 12,000 recorded visitors in 2010. The Museum is signposted in *Moray's Heritage-Places to Visit* -one of just 17 destinations and the only one in a 15 mile radius. Tomintoul is also signposted though not listed on the ubiquitous leaflet for Scotland's Food Trail (Grampian). **A short term ambition might be to create a food outlet worthy of listing**.

11.7 Numbers stopping in the village to visit destinations like the Highland Whisky Castle (which attracted 25,000-30,000 visitors in 2010) or to visit galleries, halt for lunch or drop in to the Glenlivet Estate Visitor Centre will boost this figure. **Tomintoul is also a meeting point for numbers of low level walkers** (29 % of CNP visits are focused on this activity) and the site of an annual Highland Games each July. Its camping offer however ispoor and lacks facilities. **There is no caravan site –a recurring aspiration in the consultation process.**

The Tomintoul and Glenlivet Walking Festival is based in Tomintoul, the highest village in the Highlands. Over a the five days of the Festival 10 guided hill walks are on offer, including several Munros as well as lower hills, plus easier, lower level walks. There are social events in the evenings and the whole festival is an excellent introduction to this part of the Cairngorms and a good chance to meet other walkers..

11.8 Other visitors including overseas tourists from Germany, Sweden, France, Italy and Holland regularly return to B&B and self catering venues outlying the village. The role of the village was described to us as providing a *base* or *stop-over* for outward exploration or onward travel rather than as a destination in its own right. **It was suggested that Tomintoul is right to define and sell itself as '*the gateway to*' rather than as a 'competitor' for better equipped visitor attractions. But it should develop this role further.** It could market itself as convenient, tranquil, uncongested but with the National Park literally on its doorstep. Its USP would be as an *en route* service hub providing accommodation, good shops and restaurants and entertainment for people visiting other parts of the National Park.

Gateway -Tomintoul's Doorstep (examples)

Golf: Ballindalloch, Grantown, Dufftown, Ballater,	**Sport**: Clay Pigeon Shooting; Cycle Trails; Grouse and Pheasant Shoots Glenlivet Estate;60 miles of local Mountain Bike circuits; Canoeing on River Avon; Wayfaring/Orienteering at Glenmulliach
Walking:Tomintoul & Glenlivet Walking Festival; Speyside Way-Tomintoul Spur; Tomintoul-Nethy Bridge; Bridge of Brown-Tomintoul; Tomintoul-Invercauld (Braemar); Tomintoul-Cock Bridge; The Braes of Glenlivet; Tomintoul-Knockando & Elgin; Lecht Mine, Chapeltown, Scalan: Braes Heritage Trail; The Livet Path; Tom Dubh Walk; Smugglers Walk; Carn Daimh Viewpoint	**Skiing:** Aviemore, Lecht 2090; Cross Country ate Glenmulliach Forest nr Tomintoul
Wildlife thru Seasons (Glenlivet Estate, Moray Firth, Cairngorms): Land Rover tours and guided walks; Waders, Divers, Grouse, Golden Plover, Harriers, Osprey, Capercaillie, Gannets, Puffins, Roe Deer, Whales, Dolphins, Red Deer, Spawning Salmon, Mountain Hare, Redwing, Fieldfare, Snow Bunting, Sea Duck	**Castles & Heritage:** Drummin, Balmoral, Blairfindy; Scalan Seminary; Lecht Mine; Packhores Bridge; Bridge of Avon; Battle of Glenlivet Walk; Victor Gaffney Viewpoint; Knock Earth House; :
Fishing Beats River Avon, Livet, Spey, Tomintoul Angling Association Water, Kylnadrochit Water, Farmers Water, Balllindalloch Upper/Lower Beat, Glenlivet & Inveravon CFA	**Riding:** Tomintoul Riding Centre; Carr-Bridge RC; Glen Tannar, Dinnet; Balmoral Riding Centre
Active Holidays: Rothiemercus, Craggan Outdoors'' Wild Farm Safari	**Arts & Crafts**; Tomintoul Art Gallery; A'Avonside Studios; Glass Engraving; Batik Art; Glenlivet Crafts
Information: Ranger Base; Museum and Info Centre	**Whisky Trail;** Glenlivet; Tomintoul; Tamnavulin; Chivas; Highland Whisky Castle; Glenfiddich; The Balvenie; Aberlour; Cardhu; Glenfarclas; The Speyside Cooperage; The Macallan; Glen Grant

Whisky Tourism

11.9 Tomintoul is close to Glenlivet Distillery (50,000 visitors annually) and Tamnavulin Distillery (30,000). It needs to make more of its proximity to both and to ensure that promotional literature is available if accepted. We were unable to visit the Tomintoul Distillery not least because it has restricted opening hours. This is unfortunate and we are advised that the distillery's restricted access is because it is essentially a busy industrial site with no visitor centre and is focused on production rather than tourism. It also sells on the overwhelming part of its production for blending elsewhere. Even so the resonance of the 'village' with the distillery should be explored to establish if there is a useful synergy between the two. There is also a Chivas Distillery at Chapeltown.

11.10 The chief means by which Tomintoul engages with the Whisky Trail is through the well subscribed Highland Whisky Castle emporium on Main Street. We are advised that the distilleries do not encourage or direct people to the shop. The extent to which local distilleries do or could be encouraged to direct visitors to Tomintoul is not known. The view expressed to us was that there is no social interest or commercial reason to direct distillery visitors to the village. The success of the Highland Whisky Castle whose business has grown exponentially over the last 6 years stands out as an exemplar for Tomintoul. **It would be useful to explore if any of its marketing and retail skills could be transferable in promoting the village itself**. The clustering and tourism effects of connecting strongly with the whisky sector are well documented. They also apply to golf and to wildlife –both areas in which Tomintoul could register more strongly.

11.11 A report provided to Scottish Enterprise (*SQW, January 2011*) indicated that 'golf tourism' in Scotland as a whole may support £213 million in output across the Scottish economy during 2011. The economic value of wildlife tourism was recently valued at £65 million and is estimated to support nearly 2,800 (FTE) jobs (*Scottish Government, June 2010*). But it is the clustering effect of Scotch Whisky, sustaining 6,750 jobs, which outperforms the other two clusters.

11.12 A continuing aim of the Glenlivet Estate has been to promote the area as a place to visit which has involved publishing leaflets, talks, events and the establishment of a local tourism marketing association – Tomintoul and Glenlivet Highland Holidays**:** an association of owners of holiday businesses based on the Glenlivet Estate. It provides good quality self catering cottages, hotels and farmhouse bed and breakfasts. The Estate provides a plethora of material, publicity and practical guidance for a bewildering range of sports and activity –far too much to document here. It plays the instrumental role in encouraging and guiding visitor access across the huge tract of its demise, three quarters of which is located within the National Park. Its grouse shoot is a significant feature of the visitor economy. Until a few years ago the hotels at Tomintoul were regular venues for shooting and fishing visitors.

Tomintoul & Glenlivet Highland Holidays

11.13 TGHH was created in 1988 by the Crown Estate, to help promote the Glenlivet Estate to visitors and to work with local tourism businesses to maximise the benefit of visits to the Estate by directing visitors to local accommodation. Membership was widened to include local attractions, activities and retail outlets. The organisation is dependent on the financial and practical support of the Crown Estate. Its chief aim was to improve the profitability of tourism enterprises in the area through joint marketing and initiative. TGHH has evolved further and is accessed through www.glenlivetestate.co.uk/accommodation. In 2006 TGHH produced a Report & Review of its own development but which also identified issues and aspirations for the area's tourism sector. These are notable for capturing the views and experiences of businesses directly providing services to visitors and tourists.

11.14 Challenges/Opportunities

- Its 33 members agreed that there is **capacity for more visitors** –especially Spring and Autumn and also during Winter if there is little snow
- Increasing visitor traffic however needs to be balanced by its impact on the fragile environment
- The area's scenery, tranquillity, slower pace of life and wildlife are **major marketing strengths**
- The Speyside Way-Tomintoul Spur and the Glenlivet Estate's **network of way marked trails are crucial**
- More needs to be made of the (overseas especially) market for **'meeting authentic locals'**
- **The Tomintoul area lacks a golf course**. The nearest facilities are at Grantown, Dufftown, Ballindalloch Castle and Deeside. This would draw people to the village
- **There are no young people starting B&B**…when current providers retire there is no follow on generation (a fact very much in evidence in our dialogue with local people)
- The quality of accommodation may no longer be available to meet this demand. **The area may lose its niche and struggle to recover it** –again this was emphasised to us by local providers
- There are **no (and this is still the case 5 years later in 2011) caravan and camping sites around Tomintoul** (there is a 5 pitch caravan site at Glenlivet). Provision is still under discussion. The nearest

sites otherwise are at Aberlour and Craigellachie. The Crown Estate '*is keen to see the development of a campsite in the Tomintoul area'.*

- **Lack of a flexible bus service** is a key problem in ferrying tourists around the area
- The **poor mobile signal prevents some activities** –tour providers can't keep in touch
- Both the above are compounded further by **the lack of a fuel station**
- There are **few dedicated all weather facilities** around Tomintoul. There is strong support for an indoor sports and gymnasium
- **Village shops need support** –Moray Council, CNPA and HIE should explore initiating schemes like the Rural Shop Support Scheme in Aberdeenshire
- The area could **make far more of 'Ancestral Tourism'**
- **Green tourism is the looming growth area** –we need to connect with it
- Visitors completing the CNP survey want **more businesses open and more activity available** Jan-April and Oct-Nov
- The 'sub area' comprising Tomintoul and Glenlivet **may require its own DMO** or certainly a much sharper focus on its needs/aspirations and its potential.

We go on to explore these and other suggestions for developing visitor interest and for growing the local hospitality and service offer in the Opportunities Paper.

12. Unlocking Value: Development Assets

Property: The Investment Climate

12.1 Small rural settlements frequently exhibit property and investment characteristics distinct from market towns and larger urban centres. Property is often traded *off market* and investment and enterprise may develop out of necessity than simple choice or aspiration. Sometimes these interests collide. The diversification of farms on the Glenlivet Estate into activities such as B&B to sustain the farm income is one example; the holding down of part-time jobs by Tomintoul retailers to supplement their shop income is another.

12.2 The property market in the smaller settlements within the National Park has operated in this localised way. **Local knowledge and contacts are the key to off-market transactions which serve a function of keeping assets and opportunities 'within the community.'** These transactions include commercial premises, redundant buildings, development plots and agricultural land. **However, the lack of available bank finance is constraining the ability of local investors to purchase commercial property or land or to expand**. In general, cash rich businesses are seeing opportunities to take advantages of lower capital values if they have sufficient funds available. A danger for here for Tomintoul would be unwelcome predatory interest in a knock down price for both hotels and inappropriate investment/use thereafter. **Virtually everyone we spoke to were concerned that a 'paired' sale of the hotels should avoided at all costs.**

12.3 It is reported that interviews with key public sector agencies have failed to confirm any active requirements during the last few months for commercial and industrial land within the National Park. Providing affordable housing to retain young people, attract people with required skills and to generally enhance the labour supply must be a central platform for regeneration at Tomintoul especially but within the Park at large. It is useful to note research undertaken for the Rothiemercus Estate in the master planning of An Camas More. It reports that the current Park economy is based on low wages, low education and there is a lack of retention of higher value jobs with many local people leaving to complete higher education and not returning. In says that in order to improve the local area it will be important to attract graduates and high quality jobs back into the area. A key element of this would be providing affordable housing

Only 28% of companies surveyed by Barclays Corporate believe that Britain will achieve a budget surplus by 2021, while 64% say the nation will still be in the red. Overwhelmingly companies anticipate higher taxes and more red tape in 10 years time. Larger companies are much more hopeful than their smaller counterparts. (*The Times Sept 11the 2011*)

12.4 Companies specialising in activity where remote communities look frequently to attract or establish enterprise are among those finding it particularly difficult at present to secure loans for expansion or funding for start-ups. The private equity company ECI reports that 65% of software and IT businesses expect to find it difficult/very difficult to secure loan finance in the next 12 months (to Sept 2012); 80% of media and creative businesses report the same; support services report 65%. In contrast 50% of healthcare businesses (in part driven by 'privatisation' and hiving off of NHS services and by the rapid development of telecare and e-care – and likely to be growth areas in the rural economy) say they expect to find funding easy or very easy to come by. An even higher proportion of consumer and leisure businesses -55%-think the same. (*ECI survey reported in Times Business Briefing 12 September 2011)*

12.5 The recession and public expenditure cut backs which have already seen the effective loss locally of RAF Kinloss and which place uncertainty over the future of RAF Lossiemouth are now radiating outwards into the towns and tourism centres of Moray. **Investing in *sustainable* enterprise at whatever level has therefore never been so imperative.** There is more on the way. Although we do not have current data on local insolvencies we can draw from the UK picture an idea of what is yet to come. The Insolvency Service reports that small businesses and those with cash flow problems are now an 'easy target' for '*increasingly nervous creditors including the taxman*'. **Bankruptcies among small owner operated businesses such as builders and shopkeepers have risen particularly sharply.** Trade related bankruptcies rose by 13% in the first quarter of 2011 and will almost certainly have deepened in Qtrs 2 and 3.

12.6 This tightening of credit and the call in of loans and repayments will in due course create an institutional antipathy to 'bright new ideas' and to already hard pressed shops and service providers in rural backwaters. This places even historically resilient economies like Tomintoul at significant risk. Smaller businesses often do not have the luxury afforded to larger enterprises of limited liability. Much rural enterprise is based squarely on 'personal risk'. We comment elsewhere in this report on the need in Tomintoul for a thriving evening economy not least to replace that lost with the closure of the Gordon and Richmond Hotels but also to retain and attract younger people. **Yet nationally the number of bar, pub and nightclub enterprises going bust rose by almost 10% in the second qtr 2011.**

The Buildings

Tomintoul High School

12.7 The school is owned by The Moray Council and its sale is being managed by Moray Council Estates. The building is single storey and extends to 826M2 gross external. It occupies a site of 0.84 acres with a significant hard standing area for parking or outside events. The building comprises 3 classrooms, a gym/hall, dining room, kitchen, shower rooms, offices and toilets. It has a (now redundant) mixed wet and blown central heating system. The use of the building is governed currently by Class 10 of the Town & Country Planning (Scotland) Order 1997 which requires it to be used for educational purposes and related use such as a residential day centre, crèche, museum. However, the Council has indicated that it would consider other uses consistent with the building and the needs of the community.

12.8 While from the outside the school appears in relatively good order and internally has fared better than expected there are a number of significant difficulties and considerations to take on board ahead of any proposals for its re-use

- The school has been closed since 1996
- Its future was 'held in abeyance' for 10 years after that
- It has not been maintained for nearly 3 years and has been empty and unheated for some years
- The building was described to us as 'riddled with asbestos' –a major challenge for re-furb and re-use
- The flat roof is nearing the end of its viable life
- The heating system is defunct
- Very limited developer interest so far has centred development of the site for residential use
- This would involve demolition
- On the plus side the CNPA has designated the school as a 'community development site'.
- However, this designation is said to be ill-defined and is deterring interest from private developers
- There would be considerable time and cost involved in challenging the designation
- And significant cost in either refurbishment or in demolition which, given the asbestos content of the buildings, would need to be undertaken by specialist contractors
- The general impression is that the site is not going anywhere soon

12.09 The current guide price is *offers over £250,000* but '*the Council is not obliged to accept the highest offer*'. Its' 'community site' designation already places this in question. But even if the site is eventually disposed of to a private developer it is almost certain to go for far less to offset environmental requirements. Alternatively, assuming a social enterprise could secure the building cheaply or at nominal cost under Moray's Community Asset Transfer strategy and could viably and safely refurbish the building, it could address a number of issues and aspirations raised by the Tomintoul community. These include opportunities related to young people, education and training, workspace, bunk house holiday accommodation, or a visitor facility. Other suggestions have included developing the school as an arts centre. These are explored in the Opportunities Paper. **What is clear is that the school is a *potential* but *compromised* asset for Tomintoul. Ownership by The Moray Council offers an opportunity to propose:**

- **A test of the Council's Community Asset Transfer strategy**
- **the establishment and transfer at a nominal sum of the asset to a Tomintoul 'social enterprise'**
- **or a significantly discounted purchase price to a private sector buyer which may involve demolition**

Richmond Arms Hotel

The Richmond Arms Hotel
12.10 The Hotel is currently in receivership and its freehold disposal is being managed by Creevy LLH part of Jones Lang LaSalle (Glasgow). Until recently the guide price was *offers above £245,000*. **This has now been reduced to *offers above £150,000*.** The likelihood is that the hotel will sell for much less. **One option mooted by the community is disposal for a nominal £1 to a community enterprise established for the purpose of regenerating and redeploying it.**

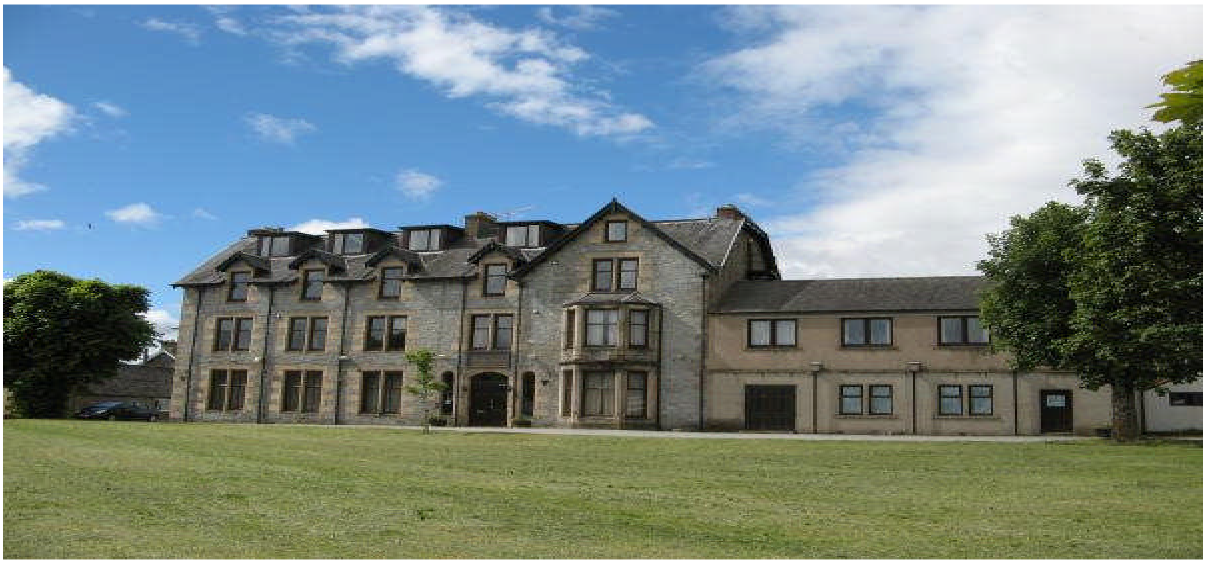
12.11 The hotel is formed within a semi-detached part three storey, part two storey and attic stone building with pitched, slate clad roofs. The building also incorporates various single storey extensions which are in use as stores. The hotel suffered a serious flood in January 2009 caused by burst pipes. The Richmond is leased out to a private individual and the tenant is responsible for the maintenance & repair of the building. The building features stained glass windows, ornate timber wall panelling and cornicing. There are reports in the community that the building has been stripped of many of its fittings and fixtures. The hotel originally had 24 guest rooms but at least 10 of these have been compromised by flood damage. The public bar and lounge were both refurbished following the flood.

12.12 At ground level the hotel has a reception area, dining room, public bar, snug bar and service rooms and storage. There is a small service yard to the rear but it does not have a dedicated car park. Guests/visitors must park on the surrounding streets. All mains services except gas are connected. The ground floor is heated by LPG from 3 underground storage tanks. The property is not listed and while the planning authority takes the formal view that every effort should be made to sustain its use as a hotel, informally the lack of an investor/end user for this purpose is likely to invite a more flexible use provided that it conserves the building form and external appearance and setting.

12.13 In the community there are mixed views about The Richmond. A small minority believe both hotels should be restored as such if the village is to once more attract visitors and rebuild its tourism base. Most accept that recovery of the two buildings to their former use is unlikely. Most would prioritise The Gordon Hotel. Everyone we spoke to opposed the notion of a 'paired sale' to a single purchaser. Opinions are divided on a suitable end use for The Richmond but there is a concern that the building should not be 'broken up' into a series of flimsy passing enterprises. The building requires a 'game plan'. There has been some expression of interest by local business people in acquiring the hotel effectively for 'free' with the quid pro quo that they would use their capital to restore and develop it. But our assessment is that this is well meant but fanciful given the likely costs involved and the singular focus required to make a go of it.

12.14 One barrier to investment is that there is no reasonable guide to what it might cost to bring the building back to a good level of order (without furnishings/adaptations for a specific use). At a cost of 2-3 days work by an experienced quantity surveyor (for each building) we suggest that **it would be very helpful to provide a basic refurbishment/repair schedule for both hotels and the school.** Funding this is another matter. But if the community, the local authority, HIE and the CNPA are serious about retaining important assets at the gateway to the National Park then a way must be found. This must be done quickly before the buildings deteriorate or *are abused* further and pressure to sell at any cost allows them to fall to a speculator or an inappropriate use.

The Gordon Hotel



The Gordon Hotel

12.15 The Gordon Hotel is also currently in receivership and its freehold disposal is also being managed by Jones Lang LaSalle (Glasgow). Until recently the guide price was offers above £275,000. **This has now been reduced to offers above £200,000.** Again our view is that this is likely this will sell for much less even though it is regarded as the superior and better located of the two hotels.

12.16 The hotel is formed within a detached three storey and attic stone building with pitched, slate clad roofs. The majority of windows are of modern UPVC double glazed design. The building has been extended to the side and rear by a series of single, two and three storey extensions. There is a detached single story 'bunkhouse' which sits between the hotel and the Museum. The hotel has 29 guest rooms. All guest rooms have en suite bathrooms. The agents describe the hotel as appearing to have undergone major refurbishment in recent years and '*as such the guest rooms and majority of the trade areas are very well presented.'*

12.17 Accommodation at ground floor level comprises a large reception area with office to the rear, lounge bar, restaurant for 30 covers, function suite for up to 200 persons, drawing/meeting room, public bar, service accommodation and ancillary areas including a large well equipped kitchen and toilets. At first floor the hotel has a board room, 16 guest rooms (9 double/twin, 4 triple/family and 3 single). 7 double/twin rooms are located on the second floor and a further 2 double/twin and 4 singles on the third floor. On our visit it was clear that the security of the Bunkhouse has recently been breached and is now derelict and likely to deteriorate very quickly. It did not appear that anyone was taking much interest. **Arguably this could be made use of by parties other than a future hotel operator. It could, for example, be a useful addition to the Museum and Information Centre. Alternatively it could be demolished to free up a small valuable site which overlooks the village green.** The hotel is heated by LPG but the tanks are situated on a separate plot of land which is *not included for sale* with the subjects. Separate negotiations are being undertaken to reinstate the previous lease for the plot which was held by way of a nominal rent. The hotel is not listed or within a designated conservation area. It does not have dedicated parking.

Loss of Amenity and Economic Base

12.18 The community has voiced strong concerns about the impact that the closure of the 2 hotels has had on the village. Closure has been a significant blow to Tomintoul's visitor and hospitality infrastructure. It is more than 2 years since the hotels ceased trading. A lack of interest from investors and a failure to upkeep the fabric has resulted in the continuing degradation of Tomintoul's two largest buildings. This impact is compounded by their location at the heart of the village square close to the Museum and Information Point and overlooking other businesses which need footfall to survive.

Closure of the Hotels has resulted in

- the erosion of the village's economic base
- loss of employment
- a declining tourism and visitor offer
- the loss of 53 hotel rooms –most aimed at couples and families
- the loss of 4 public bars and 2 restaurants
- the loss of corporate meeting facilities
- loss of activity and vitality and erosion of the evening economy
- a deleterious impact on the village centre and the undermining of its 'sense of place'
- an evident and much expressed blow to the confidence of the community
- a negative environment for new investors
- uncertainty about the future of existing businesses
- reduced footfall

12.19 Our assessment is that it is highly unlikely that Tomintoul could attract investors for and support two competing hotels of this size and type. There is a reducing demand for traditional style hotels in smaller settlements. The market has shifted to new forms of accommodation including high quality B&B and hotel space has concentrated geographically in and around the main tourism honey pots. This is a national trend and not confined to the Cairngorms or Highlands. Tomintoul would have to compete in this increasingly combative and high cost, low return market place. **It is not equipped to do so.**

12.20 The way forward is more likely to lie in dismissing the reinstatement of *both* buildings as *hotels* and settling instead on a plan to *revive the better of the two* –The Gordon Hotel. If funding could be secured we suggest that a detailed market and development appraisal should be undertaken very quickly and agreed in liaison with the receivers. It is important that at high level approach is made to them to hold the property pending a short term study centred on adapting the hotel to provide the type of accommodation now and likely to remain in demand and enable investors to come forward at a further reduced price.

13. Wellbeing

13.1 Tomintoul values greatly its services. The doctor's surgery, library, primary school, emergency services, Dial-a-Bus, village shop and museum are each cited in the consultation as essential to the fabric of the community. There is a strong fear that '*proposed council cuts'* could impact directly on these services. 78% of people consulted about the effects of public service cuts thought that these would be severe in Tomintoul. There is great concern about the effects that closure of the library, museum and car share scheme would have on the village. The many comments about the minimal bus service available raise concerns about how local people could get to hospital appointments, how children and those unable to drive or with limited access to a car could access remote services.

13.2 Some expressed a clear wish for the community to work with agencies such as the Crown Estate, Moray Council and the CNPA to improve things. The closure of more shops and the Glenavon Hotel would further undermine wellbeing. There is evident concern that the village surgery may not be able to attract a Tomintoul based GP and that the locum service from Dufftown may reduce. The spiritual wellbeing of the community is also held to be at risk. Our attention was drawn to the fact that St Michael's no longer has an incumbent – it now shares its priest with 7 other parishes. The Kirk has temporary arrangements in place currently to cover its services to the community. Like elsewhere the congregations of both are shrinking and ageing.

13.3 Most volunteers at both Tomintoul and Glenlivet are older, often over 60. This reflects the demographic and the nature of social activity. According to some it is an ageing and declining pool and the baton needs to picked up by younger people. However, numbers of younger people are few. **About half the current population of Tomtinoul is aged 16-60**. The 2001 Census for **Inveravon & Glenlivet** portrayed a population (619) in which only 51 people were aged 16-24 while nearly half were aged 45+. 37% of the population (231) were Church of Scotland; just over 14% (88) Roman Catholic. There was virtually no (just 3) other religions represented. Just over 1 in 5 of the population was either not in good health or had a long term illness (132). The extent of community support was demonstrated in the number of people providing unpaid care -54. At this time only one resident was non-white (Chinese).

Measuring Wellbeing

13.4 Economic wellbeing can be described as an aggregated or 'holistic' picture of the various contributions made by people as individuals, households, groups and businesses to the community. They have quantifiable functions as investors, creators of wealth, employers, employees, consumers, and as service users and providers but also make 'informal' qualitative contributions to the wellbeing of their community as volunteers, carers, campaigners, mentors and as 'citizens'.

13.5 Measurement of economic wellbeing centres, in particular, on outputs such as wages, productivity, investment, profit, business formations and activity, consumption. But in its wider sense wellbeing also embraces less tangible indicators such as the environment, the quality of the place people call home, their community and social values and, at the basic level, what they hold as important as individuals and families.

13.6 Each of these considerations and indicators are evident, as we have shown, in recent economic studies and community consultations and surveys in the National Park and locally at Tomintoul and Glenlivet. Any Baseline Assessment therefore is shaped by (i) the framework and feedback produced by these exercises; (ii) by evidence *locally* of economic and social outputs; and (iii) by *wider* trends affecting the circumstances of communities at the margins of a National Park determined to build enterprise and value but short on the resources to do so.

13.7 Tomintoul and Glenlivet have traditionally enjoyed a strong sense of 'wellbeing'. It expresses here as an ***experience*** and as a desirable ***value*.** This reflects a number of environmental and social characteristics which up until relatively recently have been sufficiently powerful to offset economic regression. These are now challenged and possibly threatened by social, environmental and economic circumstances. They include

location and sense of place *quality and beauty of the natural environment* *rurality and tranquillity* *self-sufficiency*	*strong regard for community* *close and enduring ties to friends and neighbours* *tradition and conformity* *custodianship*

13.8 Wellbeing is eroded or displaced typically by economic decline and by social change. These produce evident outcomes such as reduced investment, loss of jobs, declining prosperity, higher costs of living, cut backs in services and infrastructure and migration of younger people in search of work. Less evidently these outcomes also produce social and psychological responses which can undermine a community's sense of worth. This can blunt its optimism and challenge its confidence in the future. The issues exercising residents have been summarised throughout this report. The strength of community here but also the sense of embattlement is reflected in anxieties that are both **(i) domestic** ie individual/family centred but also, **(ii)**, **civic** ie associated with concerns for sustainability of the settlements and their built environment at large.

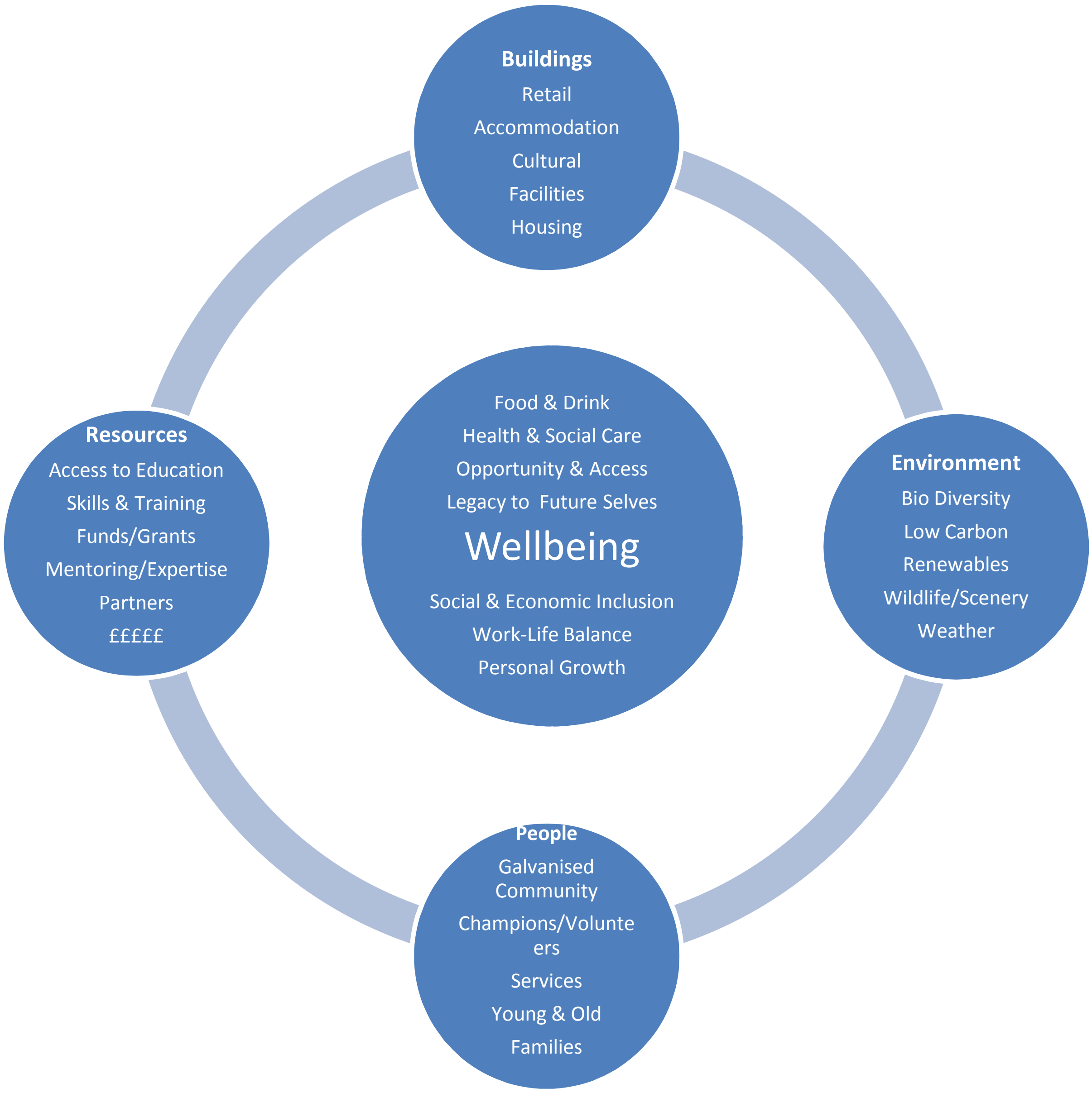
The two are inextricable. Size matters.

Economic solutions must have a strong social context.

Threats to Wellbeing

Individual/Family	Community
Impact of reduced public spending	Frailty/closure of shops
Rising cost of transport	Negative image of empty buildings
Bad weather, climate change	Impact on visitor economy
Lack of gas infrastructure	Effect on local community
Ageing and fears for isolation in older age	Reduced civic confidence
Worries about personal healthcare	Lack of ‘real’ consultation/empowerment
Threat of mechanisation to rural jobs/skills	Untidy house fronts, poor drainage
Less and less to do/excite people	Lack of recycling facilities
Outsiders will take housing, jobs	Displacement created by Aviemore
Increasing energy costs	Loss of young people
Fuel poverty	Access to Spiritual support dissipating

In smaller places people really do understand the bigger picture.



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