

Committee(s):	Date(s):
Epping Forest and Commons	15 01 2018
Subject: 'Glamping' Proposal for Epping Forest (SEF 06/18)	Non Public
Report of: Director of Open Spaces and Heritage	For Decision
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Summary

To help address future continuing efficiency savings requirements, this report proposes a feasibility study to consider the introduction of holiday accommodation on Epping Forest 'Buffer Land', in the form of tents, shepherds huts and/or demountable buildings. While the accommodation will be of a temporary nature, supporting infrastructure will need to be installed both below ground such as mains water and sewerage and to provide pedestrian and vehicle access.

A detailed business plan will need to be presented through the Gateway process and a tender process will be necessary. An initial forecast based on the market knowledge of one of the leading 'glamping' operator shows a return on investment within the second year of operation with the potential to produce a surplus for reinvestment in to the management of the Forest estimated as £67,000 net per annum.

Recommendation(s)

Members are asked to:

- Agree to the proposals to further explore the introduction of holiday accommodation on Epping Forest buffer land through the City of London Gateway process and to bid for an allocation from the City Cash 2018/19 provision for new schemes, which is subject to the approval of the Resource Allocation Sub and Policy and Resources Committee.
- Agree to potentially apply for match funding of 40% from the Rural Development Programme for England (RDPE) Eastern Plateau European fund to contribute to the purchase costs of the accommodation and its installation.

Main Report

Background

1. Glamping is a term now in common usage to refer to luxury camping. Often in yurts or large canvas tents glamping also offers creature comforts such as ensuite bathroom facilities, a kitchen area and proper bed and often further luxuries such as a hot tub.
2. Over 17 million camping holidays were taken in the UK last year. Glamping has seen exponential growth over the last 8 years and is popular with those for whom traditional camping has not appealed. Key elements that appeal to these visitors is the affordability, short travel times and 'green' credentials such as low carbon footprint and provenance of food.ⁱ
3. South west Essex is recognised in by Visit England and the Epping Forest Local Plan as being deficient in overnight accommodation. There are also very few glamping sites within close proximity to London. The nearest site (Lee Valley) is fully booked in high season.
4. The Epping Forest Act 1878 provides for deer 'to be preserved as objects of ornament to the Forest.' In an extension of this duty a deer sanctuary was established at Birch Hall Park, Theydon Bois 'Buffer Land' for Epping Forest and to support the preservation of the melanistic or dark strain of fallow deer thought to be unique to Epping Forest. This initial acquisition by the City of London Corporation in 1959 laid the foundation for the development of the Epping Forest Buffer Land concept.
5. This decision to create a deer sanctuary was made at a time when it was feared that increased urban development and levels of road traffic would lead to the terminal decline of deer populations. This prediction has not been realised and deer numbers in the Forest are now at record levels.
6. The deer sanctuary has no public access or clear viewing area, apart from occasional tours led by Forest Keepers. These walks are very popular and oversubscribed. The sanctuary offers the potential to provide considerable visitor attraction in its own right.

Current Position

7. The Corporation of London owns 734 hectares of 'buffer land' which is not subject to the obligations of the Epping Forest Acts 1878 & 1880.
8. Reflecting the fenced character of much of the farmed estate and the limited public access, the Epping Forest Buffer Land offers the potential to set aside an area dedicated to glamping.
9. 2018/19 represents the final year of the Service Based Review (SBR) Local Risk efficiency savings totalling 10%, which followed an earlier round of 12.5% savings made between 2011/12 and 2013/14. A further efficiency savings requirement of 2% for future years starting in 2018/19 will oblige your Committee to make potentially difficult decisions regarding future areas of expenditure. The ongoing cost of maintenance of the deer sanctuary will

need to be challenged alongside other areas of expenditure, or increased income to offset the cost will need to be raised.

10. To help address future continuing efficiency savings requirements, a feasibility study is proposed to consider the introduction of holiday accommodation on Buffer Land' either in the form of tents, shepherds huts and/or demountable buildings. While the accommodation will be of a temporary nature supporting infrastructure will need to be installed both below ground such as mains water and sewerage and to provide pedestrian and vehicle access.

Options

11. Your Committee can consider three broad options:

- 11.1 Option 1 – To provide further business planning for a glamping site either directly provided or through a third party operator through the Corporation of London Gateway process. To also bid for an allocation from the City Cash 2018/19 provision for new schemes, which are subject to the approval of the Resource Allocation Sub and Policy and Resources Committee. **This is recommended**
- 11.2 Option 2 – Only to pursue options where a third party in effect 'rents' a space within the buffer land to provide glamping. This option would be tendered and selected on a basis of quality of product, suitability and financial offer. There are a limited number of companies who operate in this way and initial financial offers received are not sufficient to warrant the investment. **This is not recommended**
- 11.3 Option 3 - Not to pursue glamping within the buffer lands either as an in house operation or via a third party. The projected surplus of £67,000 per year raised through glamping will not be achieved. **This is not recommended**

Proposals

Delivery

12. A leading provider of 'glamping' in the UK with 34 sites and ten years' experience has provided free consultancy advice on the potential for glamping at Epping Forest. The operator assessed a number of potential locations for glamping in the buffer land and drawing on their extensive European-wide knowledge of the market, recommended the deer sanctuary as the most appropriate and attractive site and therefore potentially most profitable.
13. The business models offered by most major operators will offer three options for delivery;
 - 13.1 A partnership arrangement: based on the operator investing in five tents, fixtures, fittings, repair and all marketing and booking. Epping Forest would pay for the infrastructure installation and additional sanitary facilities and undertake the day-to-day management in return for a

portion of the booking fees. This option results in a surplus of up to £13,000 each year to Epping Forest and would not see a return on investment until year 6 and so is not considered worthwhile.

- 13.2 A franchising offer based on the operator investing in 3 tents and Epping Forest in 2 cabins. Epping Forest would pay infrastructure installation costs and operating costs. This option results in a net income of £40,000 pa
- 13.3 A further franchising option where Epping Forest purchases two cabins and three tents with interior furnishing from Featherdown. Epping Forest pay for installation and running costs and Featherdown undertake marketing and booking for 30% of income. This option results in a net income of £67,000 pa.
- 14. There are a number of smaller glamping franchise options, offering a similar suite of partnership arrangements at a similar rate. There is the option to purchase less expensive tents and reduce the initial outlay. All of these options can be tested further as part of the project development.
- 15. A further option would be for Epping Forest to purchase all equipment independently and employ a holiday booking company to undertake booking and marketing of the site. Products vary and more upfront costs would be necessary to undertake market research. An independent marketing and booking company for holiday accommodation would need to be engaged. Most booking companies charge 25 % commission on bookings taken.

Location

- 16. Gaunt's Wood which abuts the deer sanctuary in Theydon Bois offers an ideal location for glamping. It has excellent transport connections and a tranquil landscape to look out on. The deer herd provides a 'safari' style holiday option which is popular with this type of holiday offer. Deer are held in similar parks with public access and quickly become habituated to the presence of people.
- 17. Although electricity and sewerage can be provided with septic tank and generators it is usual for glamping sites to have running water. A car park away from the tents is also required. Installation costs for the water and provision of a new gate off Loughton Lane and car park area for 5 cars next to the gate has been costed in to the proposals outlined in section 13.
- 18. Gaunt's Wood was planted through a Forestry Commission Woodland Grant Scheme. The terms of this grant are being investigated to ensure the proposals can be accommodated. Should the terms prevent any clearing works at present, an alternative location for glamping would be further explored elsewhere on buffer land.
- 19. Many areas of the buffer land are however, subject to high road noise from the M25 or are at too great a distance from the main road to be feasible options. There would also be a desire to fence in a glamping site for additional

security. This is already undertaken in areas for the benefit of cattle grazing and does not raise too much adverse publicity.

20. A further ideal location that could be explored would be in the Warren House grounds which has the advantage of all the infrastructure already installed. In this case a much lower initial outlay would be required and could be met within local risk budget. For example a bell tent and equipment would cost around £4000.
21. The location and provision can be further explored in detail and presented through the Gateway process where the threshold applies.

Investment

22. Initial investment required for a Featherdown Farm option at Gaunt's Wood would require an upfront investment in the region of £150,000. This could be met in part by 40% match funding from European 'Eastern Plateau' funding but the remainder would be sought from City's Cash on a spend-to-save initiative.
23. The return on investment from this projected over 5 years is 451%
24. A much lower cost investment in simpler bell tents on a site with existing infrastructure could be around £25,000.

Corporate & Strategic Implications

Financial

25. The procurement of infrastructure and services will be subject to City of London procurement guidance.
26. Match funding of a minimum of 40% for the capital investment may be available through the Rural Development Programme for England (RDPE) 'Eastern Plateau' European funding scheme.

Planning

27. The scheme will be subject to planning permission from Epping Forest District Council but is in accordance with the draft local plan. Any scheme involving the Sanctuary's woodland will need to address the National Planning Policy Framework guidance on the protection of ancient woodland.

Legal

28. The conveyance for Birch Hall Park is subject to a restrictive covenant regarding buildings which is designed to prevent permanent development of the site. Advice will need to be sought on the precise terms of the covenant and the view of the previous owners on enforcement for temporary buildings.

Environmental

29. Natural England and the Forestry Commission provide guidance known as 'standing advice' on planning applications that involve ancient woodland and veteran trees.
30. The Deer Sanctuary is currently subject to grant support through the Countryside Stewardship programme. The scheme would need to be varied to accommodate any accommodation requirements.

Reputational

31. The proposed infrastructure works at Gaunt's Wood may attract negative media coverage.

Conclusion

32. The City Corporation Epping Forest is seeking ways to find additional income to be reinvested in to the maintenance of the Forest to improve services. The high-quality camping proposals potentially offer a good return on investment, make no long-term material impact on the land, encourage a high quality public relations message and an improved visitor offer.

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ⁱ Pragma Consulting Ltd