



STÒRAS UIBHIST

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Business Review for Sealladh na Beinne Moire AGM

Askernish Golf Course

The pre-buyout owners authorised Askernish Golf Club to begin the restoration of the Old Tom Morris course and Sealladh na Beinne Moire inherited this situation with the completion of the buyout. Sealladh na Beinne Moire believes that a golf course can be located on Askernish machair at the discretion of the company and that the previous owners were legally able to give the authorisation to the Golf Club.

Significant investment of time and money has been made in the project, which employs two local greenkeepers and in time will employ more staff.

Sealladh na Beinne Moire has held a long series of meetings with Askernish Grazings committee, other representatives of the township, as well as with individual shareholders. However, no agreement could be reached on the location of the course on the machair and the Grazings Committee demanded that the restoration be abandoned.

Sealladh na Beinne Moire would like to see the restored golf course in the dune system where the original Old Tom Morris course was believed to be as it will attract a much greater numbers of golfers than if the course is located on the flatter land behind the dunes.

The restored course will require less grass to be cut than was previously and it will be managed under the terms of the Habitat Action Plan drawn up by SNH and other environmental experts to protect the machair flora and fauna.

With the course restored in the dune systems there will be significant economic benefit to local economy, which will generate substantial income for local businesses and create new employment.

An estimate of the income for the community, based on VisitScotland guidelines is below:

YEAR	AGENCY VISITORS	CASUAL VISITORS	GREEN FEES	COMMUNITY INCOME	TOTAL INCOME
2009	300	500	£80,000	£640,000	£720,000
2010	400	600	£100,000	£800,000	£900,000
2011	450	650	£110,000	£880,000	£990,000
2012	500	700	£120,000	£960,000	£1,080,000

Quarries

Sealladh na Beinne Moire has reviewed all the quarrying activity and surveyed every facility to ensure they are being run correctly and all operators paying the correct royalty to the company for the rock extracted.

New leases for three quarries have been signed where there was no lease in place or the previous lease had expired. Negotiations are ongoing with other operators to ensure that all quarries operate on similar terms and fulfil their contractual obligations, whilst providing an affordable service for the community and providing rock for coastal protection and infrastructure projects.

Revenue from quarry rental and rock royalty provides significant revenue that contributes to the overall financial viability of the company.

Grogarry Lodge & Sporting

Grogarry Lodge operated as a fully commercial operation for the first time during 2007 and now has its own website (www.grogarrylodge.com). The traditional weeks utilised for sporting activity were fully booked, though summer weeks previously used by the previous owners remained vacant. Bookings for 2008 are 10% up on 2007.

Grogarry Lodge employs one full-time staff member and up to five seasonal workers. As the occupancy of the Lodge increase it is hoped to increase this number, particularly full-time staff numbers.

To increase the marketing potential of the Lodge and expand the number of paying guests, Sealladh na Beinne Moire is working with local businesses to offer a greater range of activities to guests and increase revenue for other local tourism-related businesses.

Sporting Activity

Strong bookings during the sporting weeks from September to December generated significant income and made an important contribution to the finances of Sealladh na Beinne Moire.

Guests at Grogarry Lodge also worked with the Gamekeeping staff to control geese numbers as part of the lethal scaring programme to protect crofts.

The quality of the sport offered by the Estate attracts significant revenue to the company and is an integral part of running the core business of Sealladh na Beinne Moire and supporting crofting on the Estate through pest control and other activities carried out by the Gamekeepers.

Fishing

Direct fishing revenue from the Estate managed lochs was reduced during 2007 from 2006, though revenue from the SUAC managed lochs increased. Specific action has been taken to increase awareness and marketing of the fishing to anglers outside the islands and develop overall revenue generated from fishing activity by visitors.

In-direct revenue received by accommodation providers and other businesses is significantly higher than that received directly by Sealladh na Beinne Moire and provides an important revenue stream for the tourism sector.

An inter-island fishing competition is being organised, editorial in fishing magazines has been secured, a new website created (www.southuistfishing.co.uk) and a higher profile on the www.FishHebrides.co.uk and other websites arranged.

Visiting anglers bring in significant revenue and create employment in the accommodation sector. However, the fishing opportunities on South Uist and Benbecula are under-utilised and Sealladh na Beinne Moire plans to increase marketing of the fishing to use it as a tool to assist in the development of the tourism sector.

As part of the marketing programme Sealladh na Beinne Moire plans to market the fishing as a premium destination offering a range of fishing opportunities from the machair to the hill, during one visit, on one fishing permit.

As part of this exercise Sealladh na Beinne Moire plans to increase prices for visitor permits to ensure that the fishing is perceived as desirable and the community earns a reasonable revenue from this valuable resource to re-invest in maintaining it. Season ticket prices for local residents will be kept at affordable levels, significantly lower than for visitors.

In addition, an increased number of outlets (primarily accommodation providers) will be able to sell visitors fishing permits for the lochs allocated to SUAC to increase the ease of access to permits and allow accommodation providers to sell fully-inclusive fishing packages for brown trout fishing on South Uist and Benbecula.

Tourism Marketing

A marketing campaign has been implemented to raise the profile of the islands of Benbecula, Eriskay and South Uist in general as well as promote the whole of the tourism sector. Journalists have been invited and hosted by Sealladh na Beinne Moire and other tourism businesses to compliment targeted advertising and new websites for Grogarry Lodge (www.grogarrylodge.com) and fishing (www.southuistfishing.com).

Crofting

Extensive work has been carried out to computerise the crofting records and integrate croft rents into the upgraded accounts package for Sealladh na Beinne Moire. This should lead to improved efficiency over time.

Additionally, a lot of outstanding administration from before the buyout has needed to be addressed and resolved. A significant number of disputes and other issues are still being worked on and discussions with the Crofters Commission, township clerks and individual crofters are ongoing.

Internal forms and paperwork are also being reviewed and amended to reflect the changed status of the company to a community owned business and the recent changes introduced by the Crofters Commission and others. This has led to a slight slowdown in processing some documentation recently. However, overall documentation is being processed more quickly than pre-buyout due to increased staff levels.

Crofting management incurs costs significantly above that received in revenue and is supported by other areas of the business, including Grogarry Lodge, Sporting, Commercial Rents.

Main Drains

The main drains taking rainwater to the sea, as well as the floodgates, are monitored by Sealladh na Beinne Moire staff (Gamekeepers and Fishery) on a regular basis and maintenance is carried out in conjunction with SEERAD.

Repair work has been carried out at Skipport floodgate and the Kildonnan outlet and is planned for the Strome floodgate. The Smercleit outlet will be repaired this summer and clearance work carried out in the main drain network as required.

The smaller drains running through crofts are the responsibility of croft tenants

Housing

The Board of Directors in conjunction with the Chief Executive are developing a number of housing initiatives to bring low-cost house sites and affordable housing to the market. Township Clerks have been asked if they can identify any land available for joint projects.

Draft proposals are currently being reviewed to ensure they are applicable, suitable and equitable whilst benefitting the wider community and ensuring affordable housing for local residents.

Funding will soon become available for community landowners to build housing for rental and Sealladh na Beinne Moire is actively planning to apply to SRPBA, who are managing the grant, for funds.

Lochboisdale Port of Entry

The Lochboisdale Port of Entry development group, consisting of Sealladh na Beinne Moire, CnES and an independent technical advisor (Murdo Murray Consulting) is continuing discussion with CnES, HIE, Scottish Government and other agencies and partners to progress this project.

Initial vision development and refinement has taken place to create a potential schematic layout for the project and a public consultation exercise will take place during 2008, once the lead partners have signed up to the project, to communicate the project plan to community members.

At the request of HIE, Sealladh na Beinne Moire is completing a report that will highlight how the planned project will match against previous community need studies, tourism target areas and other economic development targets. This report will be used to bring public agencies and outside partners into the project and provide the necessary financing to take it forward. It will be presented at the public consultation.

Renewable Energy Projects

Preliminary work is progressing to establish whether the preferred Loch Carnan site can be developed.

Bird study, wind measurement and discussions with township Clerks and Chairs in the Loch Carnan area will be carried out to establish the viability of the project, with a view to submitting a planning application and opening discussions with the banks on financing the project.

Fish Farms

Marine Harvest continue to reduce their operations in the Western Isles, though West Minch Salmon Ltd. and Loch Duart Ltd. are currently expanding and Loch Duart Ltd. is now operating out of Loch Carnan. West Minch Salmon and Loch Duart have both recently recruited former Marine Harvest personnel.

As fish farms are important local employers Sealladh na Beinne Moire will continue to work with companies operating in the area to develop employment opportunities where possible.

Political and Economic Lobbying

- **Lochboisdale–Mallaig Ferry:** The Chairman and Chief Executive have met with Stewart Stevenson (Minister for Transport and Infrastructure) to press for an improved ferry service for South Uist. Further meetings have been held with CalMac and officers of CnES to develop plans for the implementation of a Lochboisdale to Mallaig ferry service. These discussions are ongoing and Sealladh na Beinne Moire will continue to press for improved transport links for community members.
- **Education Provision:** Since CnES announced plans to close the S1/S2 section of Daliburgh School, Sealladh na Beinne Moire has worked with local councillors and the Parent Action Group to urge CnES to maintain education provision in the South End, and indeed throughout the Uists. The company is also lobbying for the improvement of vocational and continuing education opportunities for local residents.
- **Shucksmith Enquiry into Crofting:** The Board of Directors submitted evidence to the Shucksmith Inquiry into Crofting calling for greater powers to be given to community landowners, to implement local developments and croft diversification programmes where there was broad community support, without having to ask the Crofters Commission or Scottish Ministers for permission. The submission also stated that the powers should only be an option where there was broad support in the community for a project and that there should always be an appeals process in place outwith the community to ensure accountability.
- **Inward Investment:** Sealladh na Beinne Moire recognises the need to improve local employment prospects and will endeavour to bring in new employers as well as support local companies. Loch Duart Ltd. have recently taken over the Loch Carnan fish farm site and Sealladh na Beinne Moire anticipates they will add to the established presence of such companies and help the sector expand again.
- **Promotion and Marketing:** Where possible Sealladh na Beinne Moire will promote and market Eriskay, South Uist and Benbecula to highlight the islands as a tourist destination and potential business location. The company will involve other local businesses where possible and practical if it will support the local economy.