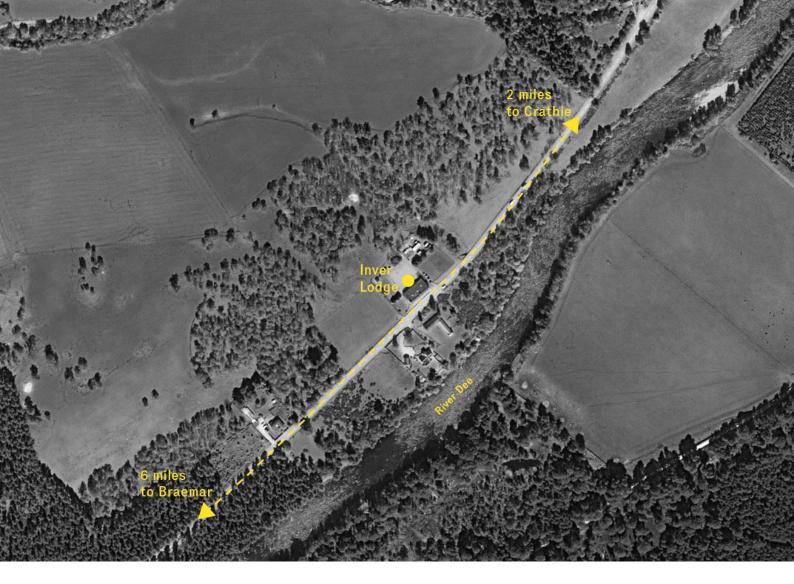


INVER LODGE

Application for Change of Use
Statement of Support
Moxon Architects Ltd
06 July 2020

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1.0 Introduction

Further to Artfarm's acquisition of the Invercauld Arms and ongoing refurbishment works, the aim is to launch a high quality, family friendly hotel within the coming years. This addition to Braemar, a complementary offering to the award winning Fife Arms, requires further staff to join the Artfarm team to ensure efficient operation of both hotels.

The proposal is to change the use of Inver Lodge from Class 7 Hotels and Hostels to Class 9 Sui Generis Staff Accommodation. This document outlines Artfarm's vision for the Invercauld Arms, staff accommodation strategy and provides justification for the use of Inver Lodge as staff accommodation.

Moxon Architects have been appointed by Artfarm to act as agent for the planning application for Change of Use for Inver Lodge, Crathie, Ballater, AB35 5XN.

INVER LODGE



2.0 Introduction to Artfarm

Artfarm is an independent hospitality company originating from the international art gallery business, Hauser & Wirth.

Artfarm is an unique business which brings cultural development to the centre, it weaves together art, community, education, people and place.

While the two businesses are separate, they share the united passions and ambitions of their founders, Iwan and Manuela Wirth.

In 2014, Artfarm opened its first restaurant at the Hauser & Wirth site in Bruton, Somerset.

In 2016, Artfarm opened Manuela in LA which fast became a key player in regenerating Downtown LA as a destination.

In 2018, Artfarm opened The Fife Arms in Braemar, Scotland, a former Victorian coaching inn that underwent extensive restoration to return the building to its former glory. It was recently named The Sunday Times Hotel of the Year 2019.

Other Artfarm properties include Durslade Farmhouse in Bruton, Somerset.

2.1 Core Values

Artfarm believes in art, community and sustainability. In adapting and reinventing unique sites that come with great stories, weaving together design with local history, nature and community.

Art

Art is the heart of the business. Artfarm believes the power of art can inspire and transform individuals and communities. Art informs the design of all the properties and drives the community programmes. Artists are invited to Artfarm sites to celebrate the stories of the place with specific site commissions. Each Artfarm property hosts a dynamic learning programme focussed on art. These range from lectures and masterclasses to projects with local primary schools and community groups.

Community

Artfarm's commitment to community is unique. Working in both rural and urban communities, the company hosts diverse audiences in sites which range from a Victorian coaching inn in the Scottish Highlands to a former flour mill in Downtown LA.

Each site offers creative learning programmes, world leading art and a commitment to environmental innovation throughout its design, architecture and community projects.

Sustainability

Artfarm believes in economic, environmental and social sustainability.

Artfarm protects the environment, invests in people and infrastructure, and supports communities by sharing ways to connect heritage and the future through the natural landscape, art and community conservation.

2.2 Vision Statement

Building on the success of the refurbishment of the Fife Arms Hotel, which in 2019 won The Sunday Times 'Hotel of the Year', Artfarm is undertaking a similar approach for the Grade C Listed Invercauld Arms Hotel to continue to celebrate local culture, history and community. The natural beauty of the Cairngorms Natural Park, Royal Deeside and Aberdeenshire will continue to be marketed and promoted by the Artfarm team, to a local, national and international audience.

The attraction and retention of healthy, dedicated, engaged and motivated staff is central to the success of the hotels. Artfarm takes this very seriously as one of the major employers within the Upper Deeside area and Artfarm will soon have a larger workforce once the Invercauld Arms is reopened. In addition to the existing 4 properties in the local area owned by Artfarm, which are purposed as staff accommodation, further staff accommodation is required to support the successful operation of the two hotels. With this in mind, Artfarm has developed an initial staff accommodation strategy for the two hotels, which includes submitting a change of use application for Inver Lodge to provide 11 bed spaces.



2.3 Invercauld Arms

The ambition for the reopening of the Invercauld Arms, is to create a hotel that celebrates and encourages visitors to explore the exceptional natural environment that surrounds it. The interiors will feature a series of museum quality artwork and installations, inspired by the surrounding landscape.

The hotel will provide a greater variety of guest accommodation available within the local area, with 63 new guest rooms, including family rooms. In addition to the increased amount of guest accommodation, Artfarm proposes that the Invercauld Arms will also offer a pizzeria, bar and coffee bar within the refurbished, characterful hotel building. Artfarm's aspiration is to respectfully refurbish the existing buildings to the rear of the hotel and remodel the site to provide a selection of diverse spaces for activity. These will offer a unique programme of learning and activities for both guests and the local community to enjoy. As well as having a positive and far-reaching impact on the local tourist economy, bringing further visitors to Braemar and the surrounding area, Artfarm's proposal for the Invercauld Arms offers a variety of amenities to benefit the local community.

The development of the proposals for the wider site is still at a very early concept stage. Initial pre-application enquiries have been submitted to Aberdeenshire Council, and conversations are ongoing with the planning officer. Further information will be shared during the future planning consultation period.

INVER LODGE



2.4 Inver Lodge

Current Owner's statement:

'The current owners after 8 ½ years of running the Inver Hotel as a full and functioning Hotel providing accommodation, restaurant, public bar and bar snacks for both residents and the general public, made the decision in October 2013 that like so many other country Inns/hotels it was no longer an economically viable business. The Inver was transformed into a large exclusive use self-catering holiday home but sadly, was a victim of storm Frank and was closed for 12 months renovation in 2016. It was decided in the Autumn of 2019 the present owners would retire. Their intention is to retain the part of the property which has planning permission to build a 3-bedroom house and this will be their primary residence... The current owners, who will also be future neighbours of the Inver, are reassured that it will be in the safe and sympathetic hands of Artfarm.'

Inver Lodge is currently a self-catering holiday cottage located within a small cluster of roadside buildings, 2 miles from Balmoral Castle. Built in 1760, the lodge was formerly a coaching inn before becoming a hotel.

The current owners closed Inver Lodge as a trading hotel in 2013 due to the lack of economic viability. The owners found that the increase of non VAT registered B&Bs and Air BnBs were too much competition to their summer rate, coupled with the overheads of operating a full restaurant and bar. Inver Lodge then began trading as a self-catering holiday cottage for large parties, offering 11 en-suite bedrooms and 3 spacious reception spaces.

With falling visitor numbers to the local area, coupled with the owners reaching retirement age, the property was put up for sale in late 2019. The property was marketed as a large family home with potential to provide accommodation for events. Artfarm submitted an offer on the property in early 2020 which has subsequently been accepted.

The application for Change of Use for Inver Lodge forms part of the first phase of Artfarm's new staff accommodation strategy for Invercauld Arms and Fife Arms Hotels. The former hotel has a high standard of finish and lends itself for use as staff accommodation. Artfarm's aspiration is to make minor adjustments, where required, to meet the standards required for House of Multiple Occupancy (HMO) consent.



3.0 Staff Accommodation Strategy

The successful operation of the Invercauld Arms and the Fife Arms can only be achieved and maintained through a significant number of loyal and enthusiastic staff; availability and quality of accommodation for the staff will be essential in attracting and retaining them.

There are currently 110 staff employed by the Fife Arms, with 29 vacancies, meaning a full complement of 139 people. It is predicted that an additional 50 staff are required for the re-launching of the Invercauld Arms.

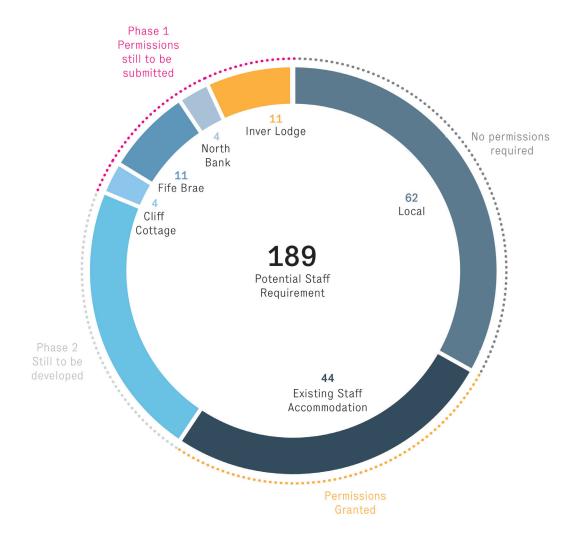
Artfarm has estimated that it can potentially recruit around one third of the total staff from the local area. This means there is a potential need to provide accommodation for the remaining two thirds; 127 members of the staff.

Artfarm currently operates 4 HMO properties as staff accommodation; Mayfield, Schiehallion, Moorside and Cliff Cottage.

The first phase of the new staff accommodation strategy is outlined below:

1. Change of Use application from Guest Accommodation to HMO for Inver Lodge.

Artfarm believes the acquisition of Inver Lodge on the open market and submission of change of use application is key to securely consolidating the tourist accommodation offered in the Fife Arms and future-opening Invercauld Arms. This property has the potential to provide accommodation for 11 members of staff. HMO application required.



3.0 Staff Accommodation Strategy Cont.

2. Acquisition of North Bank, Braemar.

Artfarm is currently seeking to purchase this existing residential property with the aim of utilising it as a staff accommodation house. The proposal is to house 4 members of staff and therefore no planning application is required for a change of use. HMO application required.

3. Construction of reduced Fife Brae Proposal.

The current proposal for Fife Brae has planning and building warrant approvals for a 15 space staff accommodation block within Braemar. The proposal is currently being redeveloped to take the number of bed spaces available down to 11 in order to reduce the massing and make it more cost effective and efficient to construct. New planning and building warrant submissions will be required.

4. Construction of Cliff Cottage Annex.

The site to the rear of Cliff Cottage currently has planning permission for a new 4-bedroom dwelling. It is Artfarm's intension to build the approved dwelling once all relevant statutory approvals have been received. This annex would provide accommodation for an additional 4 members of staff.

5. Further planning and development of the next phase of the staff accommodation strategy is to be carried out by Artfarm. This will be shared as part of future statutory applications where required, once agreed by Artfarm.

3.1 Staff Charter

Following the public consultation in 2018 for the Fife Arms, a Staff Charter was developed between Artfarm and the local community councils. This charter continues to be updated by Artfarm, and every new member of staff is asked to sign the charter before they commence in their employment. This charter will also be applicable to the new employees of Invercauld Arms.

As ongoing with the staff of the Fife Arms, Artfarm will continue to encourage their staff in being valued as a positive addition to Upper Deeside and to contribute to their local communities.

The document on the following pages is the current Staff Charter for Artfarm employees.

Artfarm

STAFF ACCOMMODATION - OUR CHARTER

THE FIFE ARMS TEAM COMMITMENT

Every member of the team is a role model and ambassador for The Fife Arms. You will be respectful towards each other, our guests, visitors and the local people, and endeavour to make a positive impact within the local community and environment.

You will behave responsibly both when at work, within staff accommodation, and when out and about in the village. You will be mindful of the effect your behaviour can have on your colleagues, your neighbours and the wider community.

Obviously, it is important that you feel relaxed and comfortable in your staff accommodation, while you are working with us. We all have different perspectives and expectations of what it means to 'feel comfortable', so to help guide you on what is expected our requirements are set out below. This Charter must be read in conjunction with the Accommodation Policy (to be issued at a later date) and the Accommodation (Tenancy) Agreement.

ALLOCATION OF ROOMS

- ☐ The People Team will allocate all rooms.
- ☐ Junior staff may be required to share accommodation.
- ☐ The staff accommodation will only be occupied by employees.
- □ Staff accommodation may be shared by partners provided they are both employed by the Hotel.
- □ Any other individuals may only be permitted to stay overnight with the direct agreement of the People Manager or the General Manager.
- ☐ It is imperative to advise of overnight visitors on Health and Safety Grounds.
- □ Visitors are permitted only by agreement with staff colleagues sharing thehouse.
- □ No parties are permitted within the accommodation.

WHAT IS PROVIDED

- □ Staff allocated to Staff Houses will benefit from being able to use a shared kitchen and a shared bathroom. You are provided with one meal during working hours and should not use the staff canteen outside these hours.
- ☐ You are encouraged to form a 'kitty' to share common expenses and reduce individual living costs.
- □ Staff Houses will be cleaned by occupants who are encouraged to agree a rota.
- ☐ All houses have kitchen and lounge facilities.
- □ All properties have wifi.

OUR RESPONSIBILITIES

- □ Providing the appropriate Accommodation (Occupancy or Tenancy) Agreement.
- ☐ Ensuring that the accommodation meets our minimum requirements for our staff.
- □ Ensuring the accommodation buildings, décor, facilities and gardens are maintained to a good standard.
- Conducting weekly inspections (which may be announced or unannounced), of staff accommodation, checking the fabric of the building and the condition of the shared facilities. This may on occasion include your bedroom.
- □ Responding promptly to any issues arising from an inspection or a report from a fellow tenant/employee, neighbour or member of the Braemar or Ballater Community.
- □ Managing any breach of our accommodation standards through the appropriate policies and procedures.
- ☐ Ensuring that emergency contacts are made available.

YOUR RESPONSIBILITIES

- ☐ Ensure that your bedroom door is kept locked whilst you are out.
- ☐ Keep your room tidy and clean at all times
- □ Secure your personal valuables the Hotel does not accept responsibility or liability for personal items in the staff accommodation that are stolen or damaged.
- Ensure that all communal spaces that you use, including the kitchen, living room, bathroom and toilet, are left neat and tidy after use.

BE RESPECTFUL TO EACH OTHER IN YOUR ACCOMMODATION AND IN YOUR COMMUNITY

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Artfarm

The Fife Arms Braemar

- □ Ensure that gardens and other outside areas of the staff accommodation are kept neat and tidy at all times.
- □ Carry out day to day household chores, including the cleaning of the kitchen(s), bathroom(s), toilet(s) and other communal areas by agreeing a house rota with fellow tenants.
- □ Ensure that all windows are kept free of laundry, flags and other materials other than blinds and/or curtains. Small personal items such as photo frames on the window sills are permitted.
- ☐ Ensure that all existing décor and furnishings are left in situ and that no pictures or other materials are attached to the walls which may causedamage.
- ☐ Ensure that you support the House Warden to adhere to our respective responsibilities.

YOUR BEHAVIOUR

- ☐ Ensure your behaviours comply with our Dignity, Diversity and Inclusion Policies.
- □ Ensure that you are always dressed appropriately in communal areas, respecting personal and cultural differences.
- □ Ensure that you keep noise at a level acceptable and amenable to all, including playing music, watching TV/tablet, etc.
- □ Ensure that you do not smoke in any area of the house or at entrances or common areas to the house or hotel. If you do smoke, smoke away from the immediate entrances and common areas and discard cigarette butts responsibly and safely to ensure no fire or litter hazards.
- ☐ Ensure that you do not use any flammable substances or have naked flames such as candles or matches.
- □ Ensure that any alcohol consumed is done so in moderation and does not negatively impact on any other person. The use, abuse, sale or supply of drugs is strictly prohibited.

YOUR HEALTH & SAFETY AND ENVIRONMENT RESPONSIBILITIES

- □ Familiarize yourself with the Fire Evacuation and Emergency Procedures, including the out of hours On Call Duty Manager.
- ☐ Comply with the law at all times.
- □ No candles or incense are permitted to be burned.
- □ Ensure that the bins provided are placed outside on the relevant collection days. A council calendar outlining the dates must be placed on the wall in the kitchen and adhered to.
- ☐ Ensure that the bins are taken in from the street after they have been emptied.
- ☐ Ensure staff cars are parked neatly in the designated parking spaces allocated to staff members.
- □ Report any breakage, damage or Health & Safety issues to the Maintenance Manager immediately.
- □ Staff may be liable for cost of repairs resulting from staff carelessness or negligence or unprofessional behaviours.

DISCIPLINE

We have high expectations of our staff and any breach of this Charter or Service Occupancy Agreement/Tenancy Agreement may constitute Gross Misconduct which may lead to disciplinary proceedings and summary dismissal.

HELP & SUPPORT

Feel free to ask for help and support on any matter. Each staff accommodation property will be assigned a House Warden, and this person will always be on hand to help with any problems or concerns you may have, and escalate to the Duty Manager as required.

SIGNATURE

I have read and understood everything contained within the Staff Accommodation Charter and I agree to conduct myself accordingly.

Employee Name:

Signature:

Date:

BE RESPECTFUL TO EACH OTHER IN YOUR ACCOMMODATION AND IN YOUR COMMUNITY

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4.0 Justification Statement

Braemar and Ballater is served by a range of tourist accommodation typologies; caravan parks, private guest houses and the Fife Arms. The relaunch of the Invercauld Arms, in the next few years, will significantly diversify the offering, with Artfarm's aim of becoming a family friendly outdoor activity hotel.

The Invercauld Arms building is a key heritage asset for the village of Braemar, and its restoration will ensure the quality of the Conservation Area is maintained. The same spirit of care and attention to the character of the built environment extends to Artfarm's ambitions for their staff accommodation, including Inver Lodge.

On the following pages are notes alongside the relevant policies of the CNP LDP 2015 for this Change of Use application.

1.3 Other Housing in the countryside

'Proposals will be supported where they reinforce the existing pattern of development, and: a) are necessary for or improves the operational and economic viability of an active business when has a locational requirement directly linked to the countryside;..'

The Invercauld Arms and The Fife Arms offer an unique visitor experience within Royal Deeside and are located close to areas of natural significance and beauty. The successful operation of these hotels is based on a loyal staff base situated within the local community. The lack of a rental market within the local area and the remote location of the hotels results in Artfarm having to offer staff accommodation as a benefit when recruiting new staff for the hotels. Inver Lodge would become a key building in providing an additional 11 bed spaces for staff, and will support the economic viability of the Invercauld Arms.

1.7 Alterations to existing houses

'Proposals will be supported where: a) the appearance and the character of the dwelling / or surrounding area is protected and enhanced; and b) appropriate and proportionate provision of garden is maintained; and c) adequate off street parking and / or vehicular access to property is maintained.'

Artfarm takes pride in providing high quality accommodation for their staff, which successfully integrates within the local communities. Inver Lodge will be included within their ongoing maintenance programme, to ensure that the character, grounds and facilities are maintained. Artfarm understands the local significance of the property and proposes a light touch approach internally to bring the existing high quality rooms up to HMO standard.

1.8 Conversions

'Conversions of existing traditional vernacular buildings will be supported where: a) it is demonstrated that the building is capable of the proposed conversion works; and b) it maintains the style and character of the original building in terms of form, scale, materials and detailing, where they contribute positively to the context and setting of the area.'

As noted in point 1.7, Artfarms's aim is to maintain the character of the existing building and its surroundings. Minor adjustments to the building internally will be undertaken to meet HMO standards, and Inver Lodge will become part of Artfarm's maintenance programme for their properties. There are no structural or external works proposed for the property, as the staff accommodation can be easily housed within the existing property.

2.2 Tourism and leisure development

Development which enhances formal and informal recreation and leisure facilities; tourism and leisure based business activities and attractions; tourism and leisure related infrastructure including accommodation; improved opportunities for responsible outdoor access and through improved levels of open space; will be supported where: a) it has no adverse environmental impacts on the site or neighbouring areas; and b) it makes a positive contribution to the experience of visitors; c) it adds to or extends the core tourist season.'

The conversion of Inver Lodge to staff accommodation would greatly benefit the local tourism industry as it would secure the successful operation of the newly refurbished and redeveloped Invercauld Arms Hotel. The hotel previously had 14 rooms set aside for staff use however the purchase of Inver Lodge allows Artfarm to return these to guest rooms. This provides 63 hotel rooms, offsetting and diversifying the range of guest accommodation offered within the local area and the loss guest accommodation historically offered at Inver Lodge. The new Invercauld Arms proposal also aspires to provide visitor activity spaces and augment the visitor experience offered by Braemar all year round.

2.3 Other economic development

Proposals which support or extend the economy or which enhance the range and quality of economic opportunities or facilities, will be considered favourably where: a) it is compatible/complimentary with existing business activity in the area; and b) it supports the vitality and viability of the local economy and the broader economy of the Park.'

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As noted within point 2.2 above.



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2.4 Protecting existing sustainable economic activity

Proposals for the alternative use of sites or buildings currently in, or last used for, economic and employment purposes will only be supported where this promotes the sustainable use of land in accordance with SPP and NPPP and other LDP policies, and where: a) it is satisfactorily demonstrated that it is not practical for financial or other reasons to continue with the existing or last economic development or employment use; or...'

The current owners are selling Inver Lodge as they have reached retirement age and it is being sold as a private family home / venue property. Artfarm requires to recruit staff and offer staff accommodation to ensure the successful operation of the Invercauld Arms and visitor attractions being offered. The change of use of Inver Lodge to staff accommodation will ensure the building and local character is maintained, but also provide a potential 11 additional bed spaces for staff from outwith the local area. The aim is to ensure that the Invercauld Arms Hotel is viable all year round.

3.3 Converting existing building stock

Converting existing stock will be considered favourably where: a) the building is redundant for its original use, and is unlikely to have a commercial or economic future in its current for; and b) the conversion works maintain the style and character if the original building in terms of form, scale, materials and detailing, where they contribute positively to the context and setting of the area.

As point 2.2 and 2.3 above, the conversion to staff accommodation will support the operation of Invercauld Arms, and will be maintained as part of Artfarm's ongoing maintenance regime.

3.4 Alterations to the existing building stock

Alterations to the existing building stock will be considered favourably where they: a) respect the design, massing, proportions, materials and general visual appearance of the area; and b) maintain an appropriate level of private ground, including parking space for off-street parking.

Artfarm does not propose to alter the mass of the existing building. As noted above, the externals of the property, including car park and associated gardens, will be maintained as part of Artfarm's maintenance programme. The works to the internals will be respectfully refurbished meet the standards required by HMO guidance.



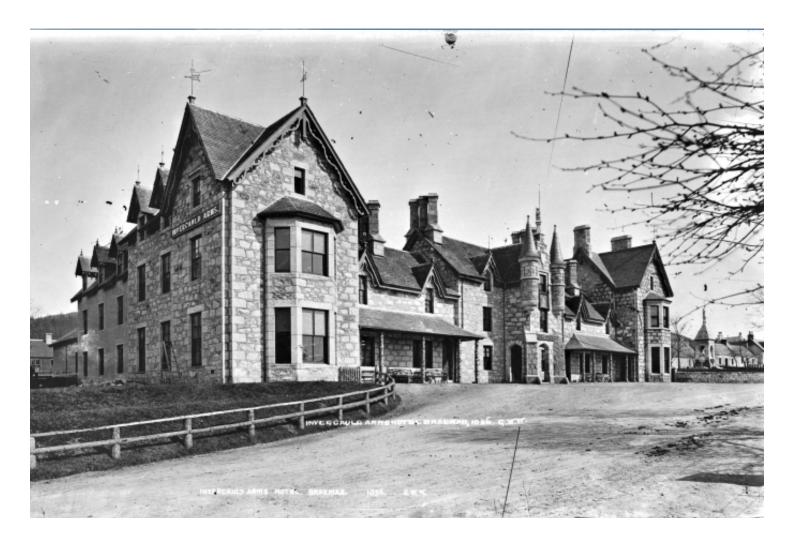


4.1 Community Consultation

Further to discussions with the local planning team, it was advised that Artfarm provided information in relation to the application for change of use of Inver Lodge to the local community council.

On 24 June 2020, Moxon Architects issued a digital information document of the proposal for Inver Lodge in relation to the refurbishment of Invercauld Arms to the Ballater and Crathie Community Council. Due to the nature of the restrictions as a result of Covid-19, this digital document included contact information for the community council to return feedback and informed them of the intended planning application date.

Prior to submission of the planning application there has been no response from the community council, however the document noted that comments can be submitted online as part of the formal planning process.



5.0 Conclusion

The restoration of the Invercauld Arms and resulting diversification of the hospitality offering in Royal Deeside, will be transformative for the physical, economic and social wellbeing of the village and wider area.

The success of this enterprise hinges on good quality staff, made up of a mix of local and live in employees in order meet the different skill sets required within the various hotel departments.

Availability of good quality accommodation is a critical part of the sourcing and attracting of talent but also to their retention in the long term. A stable, comfortable living environment will also encourage the staff to become valued members of the community rather than simply transient workers.

This document is in support of the Change of Use application for Inver Lodge. The conversion to staff accommodation will provide an additional 11 staff bedrooms, as the first part of Artfarm's ongoing accommodation strategy. The provision of local staff accommodation is essential to the successful operation of the newly refurbished Invercauld Arms, and continued success of the Fife Arms, and attracting further visitors to Braemar, Royal Deeside and Aberdeenshire.