

Agenda Item	9
Report No	SR/13/22

## HIGHLAND COUNCIL

**Committee:** Isle of Skye and Raasay Area Committee

**Date:** 31 October 2022

**Report Title:** The Storr – Progress Update

**Report By:** Executive Chief Officer, Communities & Place

### 1. Purpose/Executive Summary

1.1 The purpose of this report is to update local Members on the progress of developments at the Storr, and on the ambitious project approved by this Committee on 29 November 2021.

### 2. Recommendations

2.1 Members are asked to:

- i. Note the achievements and progress made as detailed in this report such as:
  - a. Established governance via a Project Board
  - b. Continual local Member involvement
  - c. Creation and appointment of 2 full time equivalent (FTE) posts at the Storr for improved visitor experience and improved site management
  - d. Installation of welfare facilities for the on-site staff
  - e. Ongoing development of digital solution including logo, website, and social media, with prominent Gaelic
  - f. Successful funding application of £440k to the Islands Infrastructure Fund for the installation of a retail unit and electric vehicle (EV) chargers on site.
- ii. Confirm £60k investment from disaggregated Ward funds, as agreed in principle, pending the funding grant from the Islands Programme, towards the delivery of on-site management and income generation at the Storr, through this report to the Isle of Skye and Raasay Area Committee.
- iii. Consider and approve the updated parking charges for the Storr.

### 3. Implications

3.1 Resource – implications are discussed in more detail in sections 6.1 and 11.2. Funding has been received from both the Coastal Communities Fund and the Place Based

Investment Fund to support 2 x FTE local positions at the Storr for a period of 2 years.

- 3.2 Legal – subject to Member approval, the project will consider all legal implications related to the options to be progressed and will manage any implications as part of the ongoing Project Management overseen by the Project Board.
- 3.3 Community (Equality, Poverty and Rural) – options set out in this report at section 11 provide opportunity to further enhance the site, the visitor experience, and income, with further benefits to the local community and economy.
- 3.4 Climate Change / Carbon Clever - a critical aspect informing the study was assessing how the Storr can both prepare itself and support the community for the future. Modern projects with the kind of potential seen at the Storr must consider and include as high a degree of sustainability, and low environmental impact, as possible. Indeed, being carbon conscious is vital in order to adhere to the Council's Carbon Clever Declaration. The Storr presents Highland Council with an opportunity to put into practice policies that commit to reducing environmental impact and safeguarding natural habitats for future generations.
- 3.5 Risk – ongoing risk management will continue to be governed by the Project Board. Due diligence is carried out when relevant, most notably, with regards to the development of retail, liaising with other local authorities and organisations.
- 3.6 Gaelic – a theme of the Future Highland: Health and Prosperity Partnership Plan is finding ways to support Gaelic culture and identity. The Storr has a particular opportunity to support this via effective promotion of Gaelic culture to visitors via initiatives such as effective bilingual signage, site interpretation, and the development of high-quality materials via partnership initiatives such as the Skye Iconic Sites project and engagement with local community trusts.

#### **4. Background & Context**

- 4.1 On behalf of the Isle of Skye and Raasay Area Committee, the Transformation Service were requested to investigate the potential income generation opportunities at the Storr. An outline Business Case was produced, setting out the business options and potential benefits, and recommending the engagement of external expertise to develop and to deliver a detailed Business Case. The Isle of Skye & Raasay Ward Business Meeting of 17 May 2021 supported the proposal to engage external expertise. The key requirement was to produce a Business Case to provide the justification for increased on-site resourcing, digitisation, and installation of a retail outlet at the Storr site.
- 4.2 The Isle of Skye and Raasay Area Committee of 29 November 2021 supported findings detailing the estimated costs of development, implementation, and incremental ongoing operations and maintenance costs at the Storr, as well as the anticipated benefits (including financial and local employment benefits), and the associated risks.
- 4.3 The Council project commenced, with project resource in place from January 2022, operating to a Project Governance Board, chaired by the Executive Chief Officer for Communities and Place, and jointly led by the Transformation Team Manager and the local Ward Manager. Regular updates continue to be provided to Area Business Meetings, and the project progresses in line with the stated Business Requirements.
- 4.4 The report in November 2021 and the options set out therein, are aligned to and

deliver against the strategic aspirations and objectives set out in the place-based investment framework for the area known as Skye & Raasay Future (SARF), adopted by this Committee on 30 August 2021.

- 4.5 Similarly, the ongoing development of the Storr is an excellent example in supporting the key Council's aims in the Future Highlands – Health and Prosperity Strategic Partnership Plan approved by Council on 9 September 2021.

## **5. Funding**

- 5.1 The Storr and associated path network is a major tourist draw on the Isle of Skye and is estimated to attract some 200,000 visitors per year. Over recent years, £2m has been committed, with improvements to parking, path networks, and new toilet and motorhome facilities, transforming the area for the benefit of local residents and visitors.
- 5.2 The Council has committed £887k of investment at the Storr through a combination of Service Budgets and capital borrowing, based on income generation covering the repayment loans. The remainder of the investment to date has come through funding from the Rural Tourism & Infrastructure Fund (RTIF), LEADER, the Scottish Government Rural Payment & Inspection Directorate (SGRPID) and the Natural Cultural & Heritage Fund (NCHF).
- 5.3 To deliver the agreed the resource investment of 2 x FTE for 2 years, funding was secured from the Coastal Communities Fund for year 1 resource, amounting to £57k and from the Place Based Investment Fund to cover year 2 resource, which amounted to £57k. An additional £20k was granted by the Coastal Communities Fund to provide a welfare cabin for our staff.
- 5.4 To support the provision of a retail unit, a detailed application was submitted to the Islands Infrastructure Fund. The bid of £440k has recently been confirmed as successful for developments at the Storr. The bid was in 2 component parts, £420k was granted to establish the retail unit and therefore progress economic development, and £20k was approved for the addition of EV charging points within the car park to improve local transport links and infrastructure, as well as to support the Scottish Government's NetZero Ambition.
- 5.5 Pending the outcome of the Islands Infrastructure Fund bid, it was agreed in principle that local Members would also commit £60k of investment from disaggregated Ward funds, towards the delivery of on-site management and income generation at the Storr, through this report to the Isle of Skye and Raasay Area Committee. This funding of £500,000 is a significant investment for the Storr.

## **6. Increased On-Site Resourcing**

- 6.1 Previously, the site was attended by Council Parking and Amenities teams to uplift parking monies and to maintain the W/C facilities. These visits were part of a wider route around the island and did not offer a presence at the Storr for any length of time.

Member support was given to establish dedicated posts, based at the Storr. The Countryside Rangers provide a contact for visitors and are able to educate and spread awareness of the site such as path conditions, geology, history etc. and also help to maintain and upkeep the site, including litter picking and car park monitoring.

As a result, 1 x FTE started as a Countryside Ranger in June 2022 and 1 x FTE started as a Countryside Ranger in October 2022, both positions are dedicated to the Storr. This has been supported by funding from both the Coastal Communities Fund and the Place Based Investment Fund which are covering resource costs. This aligns with Council agendas which support the creation of local employment opportunities and skills development in Skye & Raasay.

It is expected that the visitor experience will be improved as a result of Ranger presence. The introduction of dedicated resource supports improved protection of the site; any degradation could be immediately addressed.

- 6.2 Due to the exposed nature of the site, a cabin has been installed as a shelter for our staff in adverse weather conditions to support their welfare. This offers a space to work on a laptop, delivers welfare facilities, and also provides storage for tools that are required for site maintenance.
- 6.3 The Storr is a remote location, dependent on transport infrastructure for access. Further development at the Storr therefore presents the perfect opportunity to align the site with the wider Council remit to expand sustainable travel provision via EV support. Given the nature of an average visit to the Storr generally involving an approximately 2 hours walk, the site is particularly well suited to offering EV charging. Funding has been granted from the Islands Programme to install 2 x EV connections at the site, this will allow 4 cars to charge at any one time. Further work is required to install charging stations and an update will be provided at a future Area Committee.

## 7. Site Management

- 7.1 The Storr is an iconic and internationally recognised site, it is imperative that all areas of the site are to as high a standard as possible. This generally applies to the three main areas of: parking, paths, and toilet and motor home waste disposal facilities. These areas all have recurring annual costs and will require ongoing development and investment. In order to continue to improve the service provided to visitors and to ensure that the site is self-sustaining for the future, it is proposed that the current parking charges are reviewed and implemented with effect from April 2023.

There are no changes recommended to the £10 monthly charge for the local parking season ticket for Skye car parks.

The income generated from the off-street parking at the Storr (after all costs have been deducted) is split between the THC and the Area.

- 7.2 The current charges for the Storr are as follows:

<b>Length of Stay</b>	<b>Charge (Current)</b>
Up to 3 hours	£3.00
Up to 6 hours	£5.00
Up to 12 hours	£7.00

- 7.3 The proposed charges for the Storr are detailed below:

<b>Length of Stay</b>	<b>Charge (Proposed)</b>
Up to 6 hours	£5.00
Up to 12 hours	£7.00

7.4 This change in pricing strategy is estimated to provide additional income of between £50k - £90k.

## **8. Digitisation**

8.1 A website and social media site are under development for the Storr and will go-live shortly. These aim to spread awareness of the site, enable visitors to better plan their trip with access to key information such as path conditions or weather forecasts, and promote education specifically around local history, geology, culture, and Gaelic.

8.2 Branding and a logo will feature on social media, the website, and potentially retail merchandise. It provides an identity for the site and therefore, an image that visitors associate with the Storr.

## **9. Digital Parking Booking**

9.1 The intention is to develop a digital booking and parking management system. Pressures on existing parking provision may be eased with the introduction of being able to digitally book a parking space in advance.

9.2 Collaboration with Skye-wide parking initiatives are planned to enhance the offering further. SkyeConnect are developing a digital management system in collaboration with THC. The system plans to offer real-time tracking of sites, providing accurate data regarding how busy a given area of the island is. This allows visitors to plan their excursions with more certainty and according to capacity around the island. This should in turn ease congestion at peak times and offer a more sustainable approach to managing visitor flow. The Storr website may have capability to support this online parking booking system.

## **10. Retail Module Install**

10.1 THC has been successful in securing funding of £420k from the Islands Infrastructure Fund to install a retail unit at the Storr.

10.2 There are many benefits that can arise from this investment. The installation of a retail unit at the Storr would generate income for; the site to ensure that it has a sustainable future; for the Area; and for The Highland Council (THC). A retail unit would contribute to economic development both of the Area and THC, enhance the visitor experience in Skye, and support recovery from the pandemic. A retail unit would create local employment opportunities in the community and support the learning of new skills.

10.3 The retail space is planned to include high-quality lifestyle products from local artisans, at various price points to accommodate all visitor needs and budgets. The retail offering will showcase and raise awareness of local suppliers. The site plans to promote sustainability by stocking eco products and using eco packaging as well as consciously considering how the unit is designed and run. The building would be fully accessible.

10.4 The unit is planned to include a sales space, stock room, and a multipurpose space which would be available for use for art installations, and small wedding ceremonies.

10.5 Registrars are busy with weddings on Skye. The Storr site provides an iconic destination (e.g. photo shoots), and a sheltered space within the unit would enhance a

wedding experience at the Storr.

10.6 As reported at 5.5, Members for Skye & Raasay agreed in principle to provide £60k on a successful outcome to the Islands infrastructure Fund.

10.7 At the time of writing, colleagues from the Property & Housing Service advise that construction of the retail unit is expected to be completed in autumn 2023.

## **11. Community Wealth Building**

11.1 Whilst the Storr is a draw for many international visitors to the Isle of Skye each year, the site holds great importance for the community.

11.2 The community will benefit from economic development as a result of the project, as the retail unit creates employment opportunities directly via staff required in the shop, indirectly via the partnership with local suppliers for items stocked in the shop, and via local contractors involved in the process for construction of the unit itself. This also ensures a shorter and fairer supply chain.

11.3 Items sold in the retail unit will be sourced from Skye & Raasay where possible, but where items are not available, they will be sourced from the Highlands or Scotland. This benefits artisans in the wider community as a result.

11.4 The project mainly benefits the Isle of Skye & Raasay, but the wider area will also benefit from tourism spend as visitors are likely to go elsewhere in Scotland during their trip. The developments aim to increase the length of time that visitors spend on the island as there has been a rise in short stay tourism (Visitor Flow Modelling and Management on the Isle of Skye Report by SkyeConnect) which translates to economic benefits.

11.5 The project also benefits the community as it encourages improved tourism behaviours which reduces damage to the environment, for example, spreads an educational message through signs displayed and the Storr website, about keeping to paths in order to reduce erosion or damage to the environment.

11.6 The income received can support ongoing development and investment.

11.7 The crisis facing the environment is clear and The Highland Council have a duty of care to ensure that any development at the site is more than environmentally neutral. The physical unit will be net-zero and will promote sustainable goods for sale as well as using eco-packaging within the retail unit. LED lights and sustainable building materials will be used and sourced locally where possible. In order to try to reverse the negative impact on the environment, the retail unit will commit to:

- ✓ partnering with sustainable suppliers
- ✓ reducing waste in processes (think LEAN)
- ✓ introducing recycle/upcycle incentives for visitors
- ✓ exploring potential refillery & deposit return scheme option
- ✓ reducing paper consumption (receipts to be emailed if required)
- ✓ reducing plastic consumption (recycled, reusable and/or biodegradable packaging to be used if necessary)

## **12. Ecommerce**

- 12.1 Taking the Storr retail experience online offers significant opportunity for income diversification. Social media management and virtual signposting present highly effective methods of digital marketing that can increase online sales of the Storr products. Whilst increasing passive revenue, an online shop would augment the Storr website offer, further enhance site marketing, and present opportunity for retail partner collaboration. This aspect of the retail offering also helps to encourage continued revenue throughout the off-season, when visitor numbers are traditionally reduced. With effective marketing, the online shop can maintain visitor engagement, even when not on-site in person.
- 12.2 The impact of Covid-19 drove a marked increase in online shopping habits. Whilst it is hoped that such a global crisis will not be seen to the same scale again, adopting a digital/Ecommerce presence offers flexibility of service and is responsive to consumer trends.
- 12.3 Establishing an online shop also offers a digital 'shop window' for local craftspeople. This supports existing Council policy to support projects that offer increased community benefit. This aspect will be of particular benefit to start-up businesses, who require the additional reach that increased marketing and exposure can offer.

### **13. Other Site Developments**

- 13.1 In addition to the developments at the Storr being carried out by THC, there is further work at the site supported by various local partners. Further details are as below.
- Installation of a touchscreen VDU (Visual Display Unit) with SkyeConnect
    - Up to date traffic information for visitors to Skye
  - Habitat restoration and installation of interpretation Panels with Skye Iconic Sites Project (SISP)
    - 3 additional boards on path network
    - 2 boards in car park replaced
    - 1 map board (TBC)
  - Site Management Plan with NatureScot
    - Collaborative plan for site sustainability and maintenance
- 13.2 Officers across THC and partners have been working collaboratively in order to ensure a joined-up approach has been undertaken by all for the ultimate benefit of the Storr.

### **14. Looking to the Future**

- 14.1 As part of the ongoing development of the Storr, and in support of the Isle of Skye & Raasay Future Plan and the Council's Future Highlands as reported at sections 4.4 and 4.5, there is commitment to identify further developments and initiatives to continue to enhance the: iconic site; visitor experience; and increased income delivering benefits to the local community and economy. This may include retail packages for tourists, click and collect etc. Further reports will be taken to this Committee in due course.
- 14.2 Looking beyond the Storr, the study has also presented options and an approach to site development that could be applied across other suitable sites across Highland. It will be beneficial to take the learning from this study, in particular with regard to site management and income generation, and work across Areas to identify further

opportunities.

Designation: Executive Chief Officer, Communities & Place

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