### RECEIVED

By Lisa Walton at 11:29 am, Feb 27, 2023

Response to Council letter of 23 February 2023 Planning Ref: P/23/006/COU

27 February 2023

Dear Lisa

Thank you for the opportunity to respond to the concerns you have raised in your letter dated 23<sup>rd</sup> February and for the opportunity to provide further evidence and justification for the proposal to address the points raised.

I understand your enquiry is based on the size and location of the proposed shop and storage building, and the existing business activity and scale. I have included information under headings relating to these areas.

If you have any further questions, I'd be grateful if we could have the opportunity to discuss this face to face? I am overseas at the moment, supporting in the care of my mother, but am available for a video call.

An enabling factor for this application is the opportunity the business has to access grant funding through the Cornwall and Isles of Scilly Good Growth Fund.

As you may know, the Isles of Scilly Council is a partner in The Good Growth Fund, along with Cornwall Council and HM Government as part of its Levelling Up agenda. It's fantastic that the Isles of Scilly Council is one of the partners driving this new Good Growth initiative that can have real benefits for creating a more competitive, sustainable, modern and resilient tourism economy for the islands. This is a unique opportunity for local businesses to grow, especially ones such as Scilly Billy which have not been eligible for previous EU funding.

1. The current shop's size and location do not meet the growing business's operational needs.

**Stock storage** is a vital necessity for the business's operational needs. Currently there is only space for approximately 20% of stock to be kept in the shop premises. Due to a lack of any other available space, the majority of stock is in our house's hallway, lounge, and kitchen, which is an unsustainable situation – please see photos.





The current shop is tiny, as it was built when the business was still in an exploratory start-up phase, with just a few experimental garments and designs to "test the market", and extremely limited space for stock storage. Storage and the necessitated growth of storage space was not factored in as it was an unknown.

A larger retail/storage unit would allow the processing of stock – counting, folding and labelling garments. This has taken over the kitchen and living areas of the house as the business has grown – this is not sustainable and doesn't allow the business to operate efficiently.

Having no official space to store stock is detrimental to business operations. The business needs a stock storage facility that is easily accessible from the shop floor in order for it to function.

#### **Screen Printing & Diversification**

We stretch the opening of the shop to as late into the year as possible, but there comes a time when the tourist season ends – usually October – and it is no longer economically viable to open the doors. Like most island businesses (including the the hotel, pub, bakery, fish & chip shop) the shop has to close during the winter months due to a lack of visitors out of season. There are no boats bringing visitors to the island, just one boat a week from St Martin's to St Mary's, weather permitting, to allow St Martin's residents to pick up supplies from the main island.

The proposed plan with a 40m2 shop floor area, would open up more possibilities of economic activity for the business outside of the tourist season, when the shop is closed and we can utilise the space. The extra space would allow us to begin screen printing our own garments over the Winter months, providing further employment options for island residents. This is currently not possible due to a lack of space.

Currently, employment during Winter months is mainly processing online sales – picking, wrapping, packing and posting. Most online sales currently happen in the Winter. As the business grows, so too we expect online sales to increase and this will provide further employment of island residents during the winter months, when there is less opportunity for employment generally as the island is closed down due to lack of visitors and transport connections.

This possibility of diversifying is an exciting prospect for the business. In the future there could even be some contract manufacturing opportunities to support other Scillonian businesses through this facility, as well as providing an off-season income stream. The premises could also possibly lend themselves to being used for community creative workshops.

#### Shop size needs to adequately accommodate customers and display goods

Being able to display all goods is necessary for the business to function. In the current tiny shop, there is not enough space to display all available products, so we are losing sales because customers can't see what they can buy.

Having space for changing rooms is necessary for the business to operate at an adequate customer service level and meet customer expectations.

While six people can stand in the current tiny shop, they cannot move around or get past each other. The shop often becomes full during the summer season and customers are turning away when they see they will have to wait in a queue to even enter the premises. This is detrimental to business operations.

You are welcome to St Martin's and see the reality of the situation in the current shop.



View of almost the entire shop as you come in the door



Turning left coming in the door, showing floor space available for customers – approx. 1 metre wide.



Floor space at back of shop



 ${\it View of shop floor from standing behind the counter}$ 



Customers waiting to get inside.

## 2. Location and why it is necessary to keep business and home on separate leases

#### The Location and the Duchy of Cornwall

We did originally want to build on Moo Green and develop derelict sheds there between the island bakery and shoe maker. We had a site meeting last October with Duchy of Cornwall officials Natalie Geen and Nathan Dean to discuss possibilities. The Moo Green site is unfortunately not able to be developed as there is no drainage available. The derelict shed next to the bakery is also on a cottage lease.

Other locations nearby, including the old sail loft behind Rose Villa and the disused chalets in Highertown were also explored. All were found to have serious impediments to being repurposed.

Following on from this meeting in October, we have had further discussions with the Duchy of Cornwall, brainstorming other possibilities. We considered the garden of Trethagan, but it was found to be unsuitable as it would not leave adequate green space between the house and the business to prevent the site from appearing over-developed; plus there were serious insurance and lease impediments, detailed below.

Land opposite the island's General Stores and Post Office was also considered, but this is on another farm's lease and is valuable fertile land – unlike the poor quality, sandy land on the proposed new shop site.

Twiga Drewett, the Duchy of Cornwall's Rural Estate Surveyor, visited the premises on St Martin's in November and looked at the proposed location of the new shop in the top section of the field next door.

The Duchy of Cornwall is supportive of Scilly Billy growing and making use of the opportunity offered by the Good Growth Fund. After extensive consideration, the Duchy of Cornwall has now approved the proposed shop plans, including the building's size, design, and the location.

The Duchy of Cornwall has stipulated that the business needs to be on its own commercial lease. They have written to me and asked me to go ahead with the Good Growth grant funding application and they will then be able to sort out the new commercial lease for the proposed top section of the field.

A purpose-built shop, as designed in the proposed plans, will allow us to meet the Good Growth Principles of Clean and Green. The building is necessary because we have no other commercial space to support our business.

#### **Commercial lease**

The business cannot be expanded into the residential garden for a number of reasons. The main one being the conditions of the lease with the land owner. The land owner feels that the shop should be built in the top section of the field next door on a separate commercial lease. They are happy with this site as per the plans.

Placing the business premises on a separate commercial lease, as required by the Duchy of Cornwall, would avoid the business being tied to a residential property, thereby future-proofing the business.

There would be significant issues with having members of the public wandering around Trethagan's driveway and garden, as it's a residential lease, and this could interfere with both the business public liability and house insurance. The increase of customers that the bigger shop will accommodate would make this even harder to control if the business was

sharing Trethagan's driveway, especially with the proposed collaboration programmes outlined further in this document, which could result in substantial numbers of members of the public coming in and out, and spending more time on site.

This new business premises really needs its own access and there are multiple issues if it were to share the same access as Trethagan. Also, Trethagan's gateway is on a slight curve in the road and does not allow clear lines of vision both ways, so is less than ideal for pedestrians, dogs, prams, mobility scooters or wheelchairs coming in and out. Having the entranceway on a straight bit of road would be safer.

The Duchy has allowed the micro scale of the current shop due to its start-up experimental phase of what started as a creative project. Therefore, the proposed purpose-built shop/storage facility needs to be built off site from Trethagan. At this stage, the application represents the only viable way forward for the business to grow.

#### Proposed Shop Size/Location and the Good Growth Fund

#### CloS Good Growth Programme I Towlen Devyans Da CloS

Economy and Skills Service I Gonis Erbysiedh ha Sleynethow Sustainable Growth and Development I Tevyans ha Displegyans Sostenadow https://ciosgoodgrowth.com/



Delivered by









The Isles of Scilly Council is one of the partners of the Good Growth Fund.

Scilly Billy's expression of interest has been accepted and the business has been invited to apply for funding by the Cornwall and Isles of Scilly Good Growth Fund.

The aim is to develop retail in Cornwall and the Isles of Scilly. However, the funding is currently extremely skewed towards helping businesses in Cornwall, as to date Scilly Billy is the only business from the Isles of Scilly that is applying.

The business has not met the eligibility criteria for any other funding that has been enjoyed by other island businesses, so it has been at a disadvantage.

This is a one-off opportunity that would be life-changing for the business, its employees, as well as having a positive effect on the island economy as a whole, as a visitor attraction and spin-off for other businesses on the island as tourists bring their money to spend.

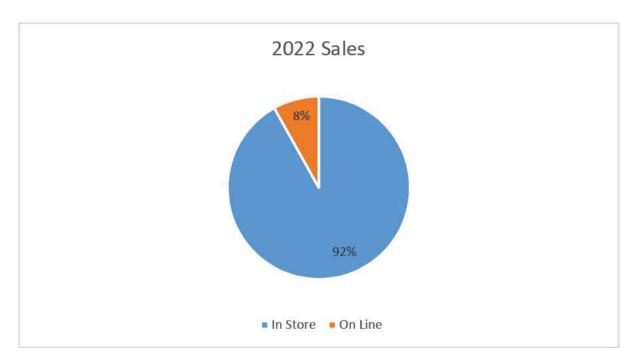
Without the support from this funding and the adequate retail and storage space, the business will be put in jeopardy as we cannot continue with the current set up. It is unsustainable for the functionality and operational needs of the business; put plainly, we desperately need to expand the available space in order to continue trading.

#### 3. Business activity and scale - online compared to on St Martin's

Most of the business's sales happen on St Martin's. During 2022, 92% of sales took place in store with visitors to St Martin's, with only 8% of sales taking place online.

This is why a fit-for-purpose, large enough shop premises on St Martin's (that will house stock storage and a shop floor area that allows customers to come into the shop, move around and view the goods for sale, and allows shop staff to access stock and serve customers) is so important. It would allow the business to scale up to meet customer demand and support its growth potential, and that of the island's economy. It would also meet the aims of the Cornwall and Isles of Scilly Good Growth Fund to improve the productivity of retail businesses in the area.

Please see diagram evidence below from the business's Point of Sale software showing the split between online and in-store sales on-island.



By constructing a purpose-designed and purpose-built shop with in-house stock storage, as per the proposed plan, with an increased capacity for display of goods and the number of customers that can fit in the shop, plus the increased visibility, we expect on-site sales to increase by at least 50%. This is a conservative estimate based on the shop floor area being increased by approximately 2.5 times the size of the current tiny shop, allowing a larger number of customers to come into the shop, plus a larger number of ranges of designs and garments to be displayed for sale.

We also plan on opening for longer hours and increasing opening to seven days a week instead of five, as we will be employing the FTE of 2 members of staff. We would have one member of staff behind the counter processing sales, and another member of staff on the shop floor assisting customers, dipping in and out of the stock room to replenish hangers and shelves as stock is sold throughout the day, assisting customers trying on clothes and fetching garments in different sizes and colours from the shop floor and stock room.

The business's operational requirements would be vastly improved with an adequately sized shop floor area that has access to a stock room. Neither of which it currently has, and this is having a significant detrimental impact on the functionality of the business in terms of customer service and sales; and also on the number of staff we can employ, and their welfare – the ability to take comfort breaks, get refreshments and toilet breaks etc.

The new proposed shop would also have the benefit of having a shop window that can be seen from the road through the access way, which will add to its attraction to visitors. The current tiny shop is hidden away behind a hedge which limits its visibility, and it does get missed by some visitors as it cannot be seen from the road.

The building's access would only require us to move a small number of pittosporum shrubs, but any disturbance will be more than mitigated by planting more than we move. We would open up an old access in the wall between the two tooth stones shown in the photo below. We would also plant more pittosporum along the eastern boundary hedge where there are currently gaps. These would be reinstated with saplings which we are growing from seed.



#### 4. Concern the development may be at the detriment of agricultural land

There is concern about using a section of land in the field that is currently on an agricultural lease. Please see Connemara Farm map and specification of the quality of the land in Appendix A.

The special features and notes section describes in detail that there is little inherent quality land. Chris Gregory, former Duchy Land Steward, inspected the land.

The section of land on this proposal consists of blown sand and is of no agricultural or horticulture use, as has been proven in the past by unsuccessful farming activity. The land in question is barren. Changing this non-profitable agricultural land to business use would surely be far more economically beneficial to the island.

The Duchy of Cornwall's Rural Estate Surveyor has inspected the area proposed for this new shop/storage building and looked at the quality of the land. It has been acknowledged that even though it is classified as agricultural, it is worthless for growing anything profitable and provides very poor grazing. The land is wind-blown sand for several feet deep.

The picture below, taken when Trethagan was being built, shows the soil profile of the area.



Please note: this new proposed shop/storage building will not need foundations like this! The proposed shop is a timber structure, its foundations will just need minimal concrete on the ground and will therefore sit lightly on the site.

Scilly Billy's application is for a single 70m2 building to contain the entire business - including storage.

With a shop floor area open to the public of 40m2, this is still conservative as far as shops go, but it's the minimum required for the business to be able to operate smoothly. It is only approx. two and half times bigger than the current tiny shop, so not a massive shop floor, but big enough to allow the display of the growing range of designs, for customers to see what they can buy – in much the same way as art is displayed at North Farm Gallery - and to be able to move freely around the shop (which they cannot do at present), also for customers to be able to try on clothing in the privacy of proper changing rooms.

#### 5. Other Benefits for the Islands

St Martin's attracts visitors from all the islands to come to the island's shops, galleries, food and drink premises and activity service providers. Scilly Billy forms part of this attraction and customers have told us that they have come to the island specifically to shop at Scilly Billy.

With increased boat services from St Mary's, there are more visitors – and potential paying customers coming to St Martin's. Also people come over from Tresco Mondays, Wednesdays and Fridays and there are also boats at least once a week from St Agnes and Bryher.

Having more space will allow Scilly Billy to progress planned collaborative projects and programmes with other Scillonian businesses and organisations, such as the Isles of Scilly Wildlife Trust.

Scilly Billy already supports the Isles of Scilly Wildlife Trust with donations from sales of its Bee Scilly design, and has been in discussions with Lucy McRobert and Lydia Bunn, the Trust's Nextdoor Nature Officer, to optimise this new build opportunity (given planning and grant funding are given) to collaborate more. This would be a public/community education programme to raise awareness and help fund raise, including a nature trail for the public in the wildflower meadow, kids competitions and educational nature information boards dotted around the site. The Trust has also proposed a nature treasure hunt around St Martin's with the Scilly Billy shop being at the start and end. The staff at the Isles of Scilly Wildlife Trust are very excited about this potential collaborative programme and are very keen to help it succeed.

Scilly Billy is also working to champion local young entrepreneurs and artists. We have already commissioned work from young artist Maxine Bryher on St Mary's, for printing on our garments. We have also already been trying to display local art, but space is an issue.

More space is needed to be able to implement these collaborations, all of which will help to meet the economic and long-term sustainable needs of St Martin's and the Isles of Scilly as a whole.

Scilly Billy as a business is growing, but the current premises cannot support the growth as the current premises are nowhere near fit for purpose. The business provides employment for island residents, including new incomers to the islands. The plan was to share staff with

Connemara Farm where they will be housed in its new shepherd's hut. The new shop is going to be important for extra employment outside of staff requirements on the farm. The shop will also continue to provide employments options for young adults who have grown up on the island, as well as other residents, including newcomers to the island.

Meeting Good Growth principles for business and the economy, we will also commit to pay at least the real living wage.

The business provides an attraction to the tourist trade for both St Martin's and wider Scilly as a whole.

As far as we're aware, nobody has objected to this proposal and people on the island are happy with it. Some islanders have also worked part time in the current shop.

The proposed plans have gone through a vigorous internal approval process with The Duchy of Cornwall. The Duchy has approved the proposed plans for this new shop/stock storage building, they are happy with the size and design of the building and they have approved its location on this section of field, where the sandy soil quality has no agricultural or horticultural value.

In conclusion, we think it's a justifiable development that will support the existing business and the local economy far more than the barren bare land that currently sits there. The Duchy of Cornwall is supportive of growing the business, and has approved every aspect of the plans submitted.

The proposal has been approved for application to the Good Growth Fund, of which the Isles of Scilly Council is a partner. Currently no other Scilly business has applied for this Fund, which is for Cornwall AND the Isles of Scilly.

The Good Growth scheme is partial funding of at least 50% of the total project cost, and I am willing to make a significant investment into the island's economy.

I hope that this additional information has filled in the gaps outlined in your letter and explained why this purpose-built retail/stock storage facility is now crucial in enabling the business to continue sustainably, to grow and contribute to the island's economy and community.

If you require any further information, please let me know.

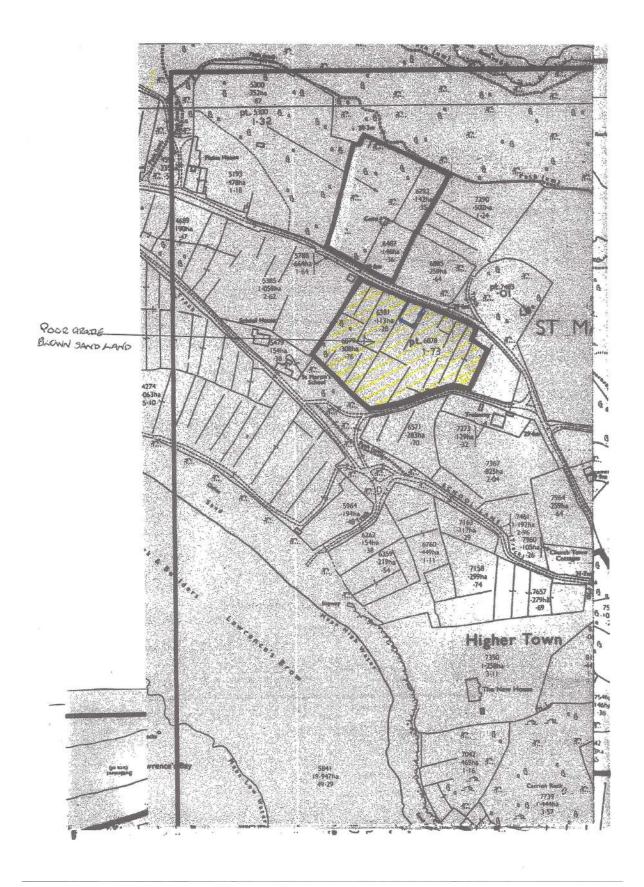
Yours sincerely

#### **Stephanie Perkins**

## Appendix A

# Isles of Scilly Farm Tenancy Inspection Template

DETAIL	DESCRIPTION			
Holding description	Connemara Farm St Martins 11			
ECS ref number	10/0132/01			
Tenant	Terry Perkins			
Date of Inspection	12/08/2010			
Review effective date	29/09/2010			
Tenure	AHA 1986			
Repairing Obligation	FRI			
Total Area	1.75.000,000	uding lar	d for dwellings	at Dive
	Centre and Little A			
Land Classification	Grade	Area	Rate(£/ac)	Value
		ac		
	Pasture 3	3.57		
	Pasture 4	6.59		
	Rough Pasture	5.77		
	Arable 2	0.76		
	Arable 3	1.18		
	Arable 4	5.00		
	Waste/Buildings	1.11		
	TOTAL			
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## **Appendix B**

#### For context:

Another island business has recently built a large barn purely as a storage facility for that business. Change of use of agricultural land was granted to build this storage facility for use in connection with the applicant's business.

The building is large scale and on the main track/road behind Par beach. This new storage building alone has a 75m2 floor space.

