

Expression of Interest to The Forestry Commission

DeveloTrove

Cycle Hire and Catering
Business Opportunity.
Dalby Forest, North
Yorkshire, YO18 7LT

January 2012

Submitted by Alan Hodges, Aislaby, Grewelthorpe, North Yorkshire. HG4 3DD.

Expression of Interest from DeveloTrove - Cycle Hire and Catering business opportunity at Dalby Forest, North Yorkshire.

1 The Applicant

The applicant is a new charity called DeveloTrove “social enterprise and resources for wellbeing”. We are submitting an integrated bid, as we are very keen to manage both the bike retailing and café ventures. It is submitted by Alan Hodges, Chairman, on behalf of the charity.

As this tendering process unfolds, and in line with advice from the Charity Commission, the charity will register with the Commission, particularly as it will have soon passed the minimum income threshold of £5000 (up to this point a new charity is not required to register). In the meantime the charity has been established using the Charity Commission model constitution for new/small charities, and we have applied for HMRC registration. If DeveloTrove is included in the next phase of the process it will establish a trading company subsidiary, wholly owned by the charity, to take on the day to day operation of both the cycle centre and catering outlet within the courtyard complex at Dalby. This trading company will be registered with Companies House. For the time being our name for the trading entity will be VeloTrove.

In accordance with both the values of the charity and charity regulations, all profit from VeloTrove will be covenanted to the charity and then applied in line with the charity’s purposes, for public benefit.

Full details of the structure, including staff and director roles will be provided if the charity is invited into the next phase.

Advantages of this model include:

- Staff goodwill towards the venture and commitment to the charity’s values will mean that top of the range commercial salaries will not be needed to recruit highly skilled personnel. The current economic climate is likely to reinforce this position.
- The charitable nature of the activity will mean that more local people will be willing to volunteer to help out if they know their efforts are likely to help other people who lack opportunity and resources.

- The 'profit' on the operation of the businesses will be transparent and put back into the business for local community benefit.
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- It is tax efficient.

Appendix 1 gives short biographies of the Trustees and the prospective Directors of the trading company.

2 The Offer

Main elements

Dalby VeloTrove will provide a full range of competitive and high quality products, services and activities for people of all ages and abilities. The main income streams for this side of the business will come from:

- bike hire,
- bike and bike related retailing,
- bike repair, servicing and maintenance
- trail guiding,
- provision of events and competitions
- biking and adventure-activity related training, tuition and skills development.

VeloTrove will use the catering outlet to serve a wide range of hot and cold beverages and generous portions of delicious, fresh and wholesome meals and snacks. We are committed to making extensive use of locally sourced produce. Every effort will be made to cater for particular requirements and special diets. The food and drinks will be aimed squarely at customers of all ages and will be complementary to - but significantly differentiated from - the Visitors Centre's offering. The catering outfit will also have the capacity to cater for external events.

Similar to the bike retail unit, the café environment and atmosphere will be modern, comfortable, interesting and practical. Service will be timely and friendly. If DeveloTrove reaches the next phase, and following more detailed discussion, we will agree proposals to refurbish both the café and the bike shop.

The headline financials for the offer are given in the table below

Velotrove - Gross income Figures	
Café Sales	£ 12,500
Bike Hire	£ 1,500
Bike tuition and guiding	£ 2,000
Bike shop Sales	£ 1,500
Bike Shop: maintenance and repair	£ 1,500
Hire bike sales	£ 1,000

Gross total income	£ 19,500

The Offer to the Forestry Commission has two parts and can be summed up as follows:-

10% of turnover of both ventures as a contribution to Forestry Commission	£ 1,950 the first year
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Annual Rent to Forestry Commission for use of Dalby Courtyard properties	
Bike Shop and Repair	£ 1,500
Office	£ 1,000
Cafe	£ 1,500
Total	£ 4,000

Projected audience

Research indicates that 9 million visitor trips are made into the North York Moors National Park. Information from Dalby indicates that about 450,000 visits (5%) are made to Dalby Forest of which about 30% are bikers. Therefore approximately 135,000 people form the main market for our biking offer. Informal soundings from Sherwood Pines suggest that between 10 and 15% of this group are in the market for bike hire and some form of expert help for riding the trails. A similar proportion will be inclined to use the café, along with some other visitors who will prefer the atmosphere and food choice of the biker café over the Visitor Centre. We would expect the overall visitor figures to increase, particularly as people may choose to take their holidays at home during this time of economic stress. Similarly we would expect some increased interest in cycling due to the London Olympics and the high quality of the GB cyclists.

The bulk of visitors travel to Dalby from within a radius described by a two hour car journey (100 – 140 miles) The major conurbations within easy reach of Dalby therefore include York, Hull, Leeds; Darlington and Middlesbrough.

The far eastern side of North Yorkshire obviously includes the Whitby/Scarborough coastline. This continues to be an attractive destination for UK holiday makers and retired people.

We would be open to one and all (on the assumption that they would use the facilities with care and with respect for other users). There are, however, several distinct and overlapping categories of customers, and potential customers, who are more likely to want to come and buy products and services from us:-

- Families/parents with young children under 13 – looking mainly for weekend or holiday activities; a good proportion of this group will buy tuition for their children or places on freeride sessions; they may also join guided groups tackling green and blue trails. A good portion of them will hire a bike or the means to carry the children with them.
- The majority of people using the red and black trails will be Males aged 13 – 55 looking for rigorous and challenging activity. This group will be the main customers for tuition, skills development services, challenges – eg night rides - and competitions. In reality the bulk of this group will be concentrated in the middle of this age range. A lot will have their own bikes but a significant minority will need to hire bikes. A significant portion of these riders will buy accessories from the cycle shop.
- Young to middle aged couples without children looking for shared outdoor interests and experiences; many will want to simply hire bikes and work things out for themselves; some will join the guided rides for their structure and the social interaction.

- Young to middle aged women aiming to keep fit – most of them will have their own bikes; some will be tackling the hard trails but they will be a minority.
- Retired/older people looking to get or keep fit – many will have their own bike.
- Wide range of mixed or homogenous social, work based or community groups eg groups for stag weekends, college or school reunions, groups tackling a fundraising challenge etc. In the main they will be looking for guided rides – obviously the degree of difficulty tackled on these will vary depending on experience and abilities. Many will need to hire a bike.
- Educational groups; mainly guided rides with hired bikes

Many of those living locally, who have sustained an interest in biking, will probably have their own bikes. They will, however need accessories for immediate use, or a bike upgrade in preparation for - or following - skills development activity at Dalby.

Bike hire is an occasional purchase for other categories of people. We would aim to make bike hire attractive and easy for them too. These include:-

- Tourists who have opted to go on holiday without a bike; they want to travel relatively light, or are worried that travelling with bikes will be too much like hard work.
- People staying in hotels or bed and breakfast are more likely than people staying in self catering accommodation to hire bikes. Holiday makers staying on campsites are generally self-sufficient, outdoors-orientated and seeking an inexpensive holiday. If they are interested in cycling then they will probably bring bikes with them even though their bike storage arrangements may be less secure, but they will be keen to use the trails.
- People visiting friends or family in the area where the latter are recreational cyclists with their own bikes.
- People inspired by the success of British cyclists or are experimenting with becoming fit by cycling; they are wondering if they will like cycling or if they can persist with it before making a major bike purchase.
- Visitors to this country on an extended stay but who have bikes back at home.

Links

In addition to the income streams generated by the activities summarised above, the charity will also raise funds from other sources. These funds will significantly enhance the effectiveness of the reciprocal efforts that will exist between the charity and the local community; they will enable the local community to become more involved with, and benefit from, the activity of the charity and vice versa.

There is a wide range of ways in which the charity would create public benefit:

It would provide resources and services to promote fitness and health eg it could meet prescriptions for exercise which might be created by the health service to help with reducing obesity, alleviating depression or improving cancer survival rates.

It would contribute to social cohesion by supporting team building activities organised by charities and community groups. Recruiting and supporting volunteers would have a similar impact.

It would provide training and development opportunities for unemployed people, particularly young people not in education, employment or training. There may also be scope for some prisoners to take on work as part of their rehabilitation. Such activity could be done by people taking on at least one of several roles within the businesses – employee, apprentice/trainee, work based learner, volunteer. The areas that they would have a chance of becoming involved with include

- Bike guiding and instruction
- Bike mechanics and mechanical engineering
- Leisure and tourism
- Retail, sales and customer service
- Catering; food preparation and service
- Event management
- Marketing & promotions (including internet based activity)
- Business management, administration and finance
- Managing the environment and sustainability
- Community development & youth work
- Sport and recreation
- Survival and orienteering skills
- Coaching, mentoring, training and skills development
- First Aid
- Buildings maintenance

It would contribute to the education of young people in the region; there are a number of ways in which the work of the charity would help children and young adults follow the curriculum, most obviously in respect of PE, PHSE.

The work of the charity could also provide people with material and experience to address selected topics within curriculum areas or cross curriculum topics.

We would raise funds and channel trading company profits into these areas. We are confident that in 18 months time we would have spent at least £70,000 in these areas.

The Government says that The Big Society (TBS) is about helping people to come together to improve their own lives. It's about putting more power in people's hands – a transfer of power from Whitehall to local communities. We will use the ideas and resources within the TBS to boost the progression and support of those people who join our business for learning and development. For example, if they want, we will help them set up their own business or community initiative. The Localism agenda helps here as its provisions are intended to allow the community to have the chance to preserve or take on services that have been run by local authorities. If we are successful then we will be in a position to put funds and energy into taking opportunities that will fit well with our social enterprise ethos and the thrust of TBS. For example there may be underused local authority properties in the area that we could bid for to expand cycle repair and maintenance training operation.

In respect of Links with health, education and climate change, these are covered in other sections of this document.

Maximise benefits for the local community

We note the Forestry Commissions role in delivering the Government's forestry policies, and also its strategic goals. By running a successful, well regarded business in one of the UK's most impressive forests, we would be directly supporting the Forestry with funds to fulfil its role and achieve its strategic goals. We would be co-operative and supportive partners, helping the Forestry to maintain good relations with cyclists. We would support our own cycling club, providing a great means of consulting and working with the Forestry. We would use our contact with cyclists, mainly via the internet, to communicate relevant information from the Forestry Commission and to recruit their support for Forestry initiatives eg tree planting, trail modification, clearance work.

Our costings include provision for giving local people and businesses favourable terms when using our services in the hope that we would like to see a lot of them. Also wherever possible we would prefer to use local suppliers.

As a group of people firmly and passionately committed to social enterprise we will constantly be on the lookout for setting up additional trading companies in the locale. These will boost the local economy and provide valued services to local people. We would expect the Governments Big Society and Localism agenda's to be useful with this ambition.

Similarly we would be keen to work with the Forestry Commission on the full range of initiatives that will benefit our charity, the Commission and the local economy; eg we would be keen to do what we can to enhance the value and success of the Forestry's live summer music events. We notice that there is a group called Friends of Dalby Forest, and we would expect to support and work alongside. Once the charity is established, we would anticipate providing small grants to community groups and we would set the policy for this activity in conjunction with local partners.

We note that twice in the last 3 years Dalby has hosted UCI World Cup events, which seemed to have been very successful and extremely well attended. These will have brought a lot of people into the area, giving the whole local economy a boost. We would work with local partners to ensure that wherever possible similar events would happen at least once a year.

3 Inclusivity

That the regular mountain biker in the UK is white, male, in his twenties and working in IT with an above average income, is an urban myth. Like a lot of myths this may have seemed to have a large grain of truth at one time. Quite a few mountain bikers do fit this description but a lot don't. It's even less relevant when applied to cyclists generally. Similarly it would be wrong to assume that Dalby is only really suitable for mountain bikers. After going into significant decline following the 2nd World War, the numbers of cyclists in this country is on the increase again. The 80's saw a significant increase in the number of mountain bikes sold, but this sort of increase is now being matched by people buying other types of bike, normally used on roads and cycle paths.

The provider of services at Dalby needs to be able to offer this group a big place in its heart too (without diluting the experience for the mountain biker). In particular there does not seem to be an intrinsic reason that explains why fewer women, older people and disabled people and people from ethnic minorities, use bicycles. Once on a bike most people enjoy themselves. We would like to extend this opportunity and enjoyment to those groups too. We would design services specifically for these groups, and aim their promotion carefully at the intended audience, creating comfortable, relevant and enjoyable cycling experiences for them. We would for example make sure that we included the sort of bikes that might make cycling easier for some of these groups. We would time and devise rides so they are less busy. We would take care in selecting the best sort of guide for a particular group, and we would also make concessions on some bike hire for particular groups eg people over 65, unemployed people, disabled people, and students.

We have a marketing strategy which entails segmenting the market and using the most effective channels to put our offer before potential customers. We would be happy to provide further details if we move into the next phase. We recognise that we would need to spend significant sums quickly and smartly on marketing in order to swiftly identify, attract and increase new and repeat customers. We would want to do this anyway, but if we did not commit to this, the present contract holder would be able to lay claim to a unique asset, namely their current customer database.

Minimise environmental impacts

Moving to the next phase, we would obtain enough detail to carry out an environmental strategic review using the WRAP model, which would help us set up an environmental management system (EMS). We would aim to get this certified to an appropriate standard eg ISO 14001

We would take advice from four key agencies/sources:-

- Energy Saving Trust
- Community Recycling Network
- WRAP
- Charity Commission; Going Green; charities and environmental responsibility

In the meantime there are some easy wins that we would tackle from the beginning:-

- We would aim to make sure our procurement activity is as green as possible; eg deciding finally on the bike fleet provider would involve checking out their green credentials.
- We would take advice from the Forestry Commission and Rydedale District Council to ensure our responsibilities for recycling were clarified and put into action.
- We would decide on the best way of disposing of rubber tyres and inner tubes
- We would ensure that we bought environmentally friendly detergent, but where possible we would set up practices to ensure it was not needed.
- We would insure energy efficiency by getting the most effective equipment and light bulbs and clarifying with the FC what other energy saving changes could be implemented eg heat regulation valves on any radiators.
- We would use technology to reduce paper work to a minimum both for general administration and marketing purposes eg one large poster that people could photograph with their phones could negate the need

to publish hundreds of leaflets; similarly an up to date and fully loaded website can help to avoid putting into circulation lots of flyers.

- Advice to bikers on how to ride the trails properly will be helpful in preserving the environment of the Forest
- We would discuss with the FC how best to conserve water particularly in respect of bike wash, toilets and café
- We would run a version of the “bike to work” scheme for our employees and other cyclists whose employers are interested or willing to offer it.
- We would discuss with the Forestry Commission the extent to which it is desirable and feasible to reduce motor vehicle traffic into the forest in favour of bike traffic, and how we might contribute to any behaviour change in this respect eg by actively supporting the car share schemes
- We would have clear guidance on carrying out effective bike wash, that protects the bike and uses minimum water/detergent
- Our bike cleaning fluids would be fully bio-degradable
- We would be careful to try and collect all non applied bike oil and hydraulic fluid
- We would recycle bike parts where possible

- **At all times when offering our service we want to deepen the customers affection for, and interest in cycling; we want to do what we can to help people cycle more and drive less.**

5 Health and Safety and Risk Assessments

As the charity is brand new and has no income and no employees, it does not yet have the full range of policies and procedures it will most surely need in the not too distant future. We do not underestimate however the importance and relevance of these and have the expertise to compose them very quickly. The main areas that will need to be covered are suggested in the paragraph title. The other related areas are:-

A safeguarding policy, giving detailed requirements of how to take care of young people and vulnerable adults. This will be needed in relation to both staff and customers. It will require personnel in the business to be CRB checked.

COSHH regulations –Control of Substances Hazardous to Health. We would conduct a risk assessment in relation to the bike wash facilities, the bike workshop and also the café kitchen. Templates are provided on the HSE website.

Food regulations- we would need to register with Environmental Health and ensure compliance with the regulations operated by the FSA and the Environmental Health Department. In particular we would comply with the

relevant sections of Food Safety Act 1990 and Europe's General Food Regulations of 2002 and 2004. Basically we would ensure that we employed a catering specialist with the appropriate training to describe and ensure compliance.

General Health and Safety policy can be developed using resources from the HSE. The main hazards to people using the facilities derive from using tools on the bikes, bike traffic, electrical and gas equipment, cramped facilities and the obvious hazards to be found whilst riding on the site eg hazards ranging from tree roots to dogs off lead.

Each of these areas would be subject of risk assessments and these in turn would provide the basis for advice and instructions to people on how to manage the hazards and who is responsible for which bit of action and level of accompanying responsibility. Risk assessment templates are provided on the HSE website.

Appendix 1

Fuller details of Trustees are available.

As the charity is a new entity, Trustees are fully aware that detailed background checks may be necessary eg CRB checks and search of Company Director Database. Further contact details available on request.

Chairman

Alan Hodges

Previous responsibilities include General Manager of Marks and Spencer in Madrid, Spain. Most recent full time post was Director of Retail for Sue Ryder.

Christine Fraser

15 Years in IT industry with an MBA from Cass business school. Whilst raising a family, Chris has spent 10 years as a Non Executive Director in the NHS. She is a volunteer leader for the Duke of Edinburgh Scheme.

Tessa Rowley -Dunleavy

A lawyer and social worker specialising in child protection cases

Richard Harding

Development Chef for Bakkavor – major M&S food supplier

Robert Pleasance

Regeneration consultant, formerly Regeneration Manager at Adactus Housing Association

We can draw on the help and work of a social enterprise specialist for the next phase of the process, but he has asked not to be named at this point in the process.