

# Knoll House – a Five Star Resort – Operations Report



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Appendix 1 - Occupancy Note

## 1. Introduction

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- 1.1. This Report has been prepared by Kingfisher Resorts to provide an overview of how this proposed luxury resort will function, taking account of the various forms of accommodation proposed, which include a hotel, apartments and villas. It draws on extensive experience within the industry of operating, developing and providing management consultancy advice on a range of tourism destination developments. The Report has been updated to reflect the 2022 development proposal, but the core principles remain the same as in the original 2019 version.
- 1.2. It also provides an explanation of the accommodation inventory, including the range of accommodation types to meet guest requirements. Such an approach to providing a range of accommodation types is becoming ever more common in the luxury hotel industry and, in practice, provides guests with space, the ultimate luxury, and privacy, as well as access to a full range of five-star resort facilities. This distinguishes the proposed Knoll House resort development from those schemes that may offer luxury self-contained accommodation, however do not offer (and in some cases provide zero access to); a full five star concierge service, daily servicing and linen changes, a variety of eating and drinking options, sophisticated leisure facilities including an indoor swimming pool, gym and spa. The scheme should be considered holistically and will be managed as such. Guests staying in a villa or apartment will be inclusive to the resort in every sense and to the same extent as those staying in the hotel, albeit the accommodation provides an enhanced luxury offer which will suit their requirements. For example, families or groups who want their own space and privacy.
- 1.3. The proposed apartments are also physically integrated with the hotel which enables them to be serviced internally.
- 1.4. The operation of the resort as a single entity is an important part of the business model of the scheme which delivers a range of services and facilities, on site to cater for the guests. The resort will expect guests to utilise these facilities, including the range of high-quality food and beverage offerings (which will include a personal chef service), to retain expenditure. To provide and maintain the range of facilities being proposed requires a critical mass of accommodation. The case studies provided at Section 4, include other resorts operated on a similar format, albeit with different offers in terms of the surrounding

environment, location and quality of provision. These include Kingfisher's own operations at Una St Ives and Polurrian Hotel, both in Cornwall. The extent/quantum of accommodation proposed at Knoll is at the lower end of the scale which is required to support the full range of luxury facilities, albeit this is, in part, tempered by the high quality offer and the cost of staying there. In other cases, such as Una St Ives, the inventory is larger but the rating of the resort will be slightly lower, but remaining at a quality four star level.

- 1.5. This Report will provide an overview of the approach to managing the proposal, the objective of retaining expenditure (which will mean guests being retained on site), the price point of the accommodation which will deliver a luxury offer and comparable Case Studies within the industry.

## **Background**

- 1.6. Kingfisher Resorts are a specialist resort developer. They have experience of developing and operating resorts within the UK and abroad, in environmentally sensitive locations. Such locations often provide a dichotomy of issues from an operational perspective because the predominately coastal locations in which they operate are sensitive, but are also capable of underpinning the luxury brand which is sought and in turn, provides the baseline, operationally, to deliver a scheme which sits side by side with its environment, but minimises impacts. It is 100% in the resort's interests to retain and protect the very special settings which attract guests in the first place.
- 1.7. Kingfisher are environmentally responsible operators and seek to enhance their surroundings wherever possible and deliver a sustainable future for their sites. This approach is relevant to the promotional material and information presented to their guests about the environment in which they are entering, the use of local suppliers wherever possible and playing a key role in the local community. This is even more relevant at Una St Ives and Knoll where the staffing approach will not include on site accommodation and the members of the team will live in the local communities. Due to the quality of the operations and the extent of the all-weather facilities provided, the resort stays open all year, providing staff with sustainable full-time jobs, with meaningful career progression. On site accommodation for itinerant seasonal staff will no longer be required.

1.8. Similarly, Kingfisher are operators and not just developers. Their investment in Knoll House, and other locations, is a long term one. This helps to provide a natural check and balance in terms of their reputation within the local area, engagement with the local community, their approach to the local environment and also the wider business community. Recent examples of other Kingfisher Resort locations where a similar approach has and continues to be adopted include:

- Una, St Ives (Carbis Bay, Cornwall) – a resort currently being constructed which makes provision for:
  - A 55 unit apart-hotel (C3);
  - 93no. holiday villas (C3); and
  - Leisure facilities, including: an indoor swimming pool, outdoor pool, a variety of eating and drinking options, spa, gymnasium, a padel tennis club and creche.
- Gara Rock, Salcombe (South Hams, Devon) – a boutique resort which includes: cottages, apartments, a small hotel, spa including swimming pool and dining options. The site is now operated by Aria Resorts. A more detailed overview of the operational considerations are set out in Section 4.
- Polurrian Bay Hotel (Cornwall) – a hotel led site with a number of luxury villas within the grounds, which can be booked on a full or half board basis, but also includes self-contained accommodation. The hotel also offers a spa, dining and pool facilities. It was acquired by Kingfisher in 2011 and the team continue to operate it today.

1.9. The team behind Kingfisher have deep roots in the tourism industry, both within the United Kingdom and beyond, which run deep with extensive industry knowledge and responsibility for brands such as:

- Luxury Family Hotels (Moonfleet Manor, Fowey Hall, New Park Manor, The Ickworth and Woolley Grange);
- Thornbury Castle – a historic Tudor castle (Grade I) hotel north of Bristol;

- Hotel Meudon – a luxury hotel set in magnificent gardens near Falmouth;
- Alias Hotels – now part of Hotel Du Vin/Malmaison;
- Martinhal Resort, a five-star beachside resort set in the protected Parque Natural, near Sagres, Portugal.

## 2. The Proposed Development

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- 2.1 Following the acquisition of Knoll House in 2017, Kingfisher undertook a detailed review of the existing infrastructure and buildings, some of which have been in operation since the first opening of the hotel in the 1930's and some which have been more recently added but are of inferior quality to the original building.
- 2.2 Unfortunately, the existing fabric of the hotel is in poor and declining condition following years of lack of investment or maintenance. The quality of the existing buildings has a twofold impact on the business, both operationally insofar as it impacts on the appeal of the hotel and the prices which can be sought for accommodation and services offered, and also from an ongoing cost perspective because maintenance and expenditure of the buildings becomes a necessity. Coupled with progressive and significant changes in the UK tourism market over recent years, the site needs to be considered holistically. These impacts are unsustainable from an operational business perspective.
- 2.3 Knoll House Hotel was once a thriving up-market destination for visitors nestled on the edge of Studland Bay. It has developed a nostalgic following amongst many guests who have been visiting for many decades. However, the industry is evolving and an increasing proportion of guests now require high quality and luxury offerings, including more space and options in the context of dining and facilities provision. Knoll House, in its current form is no longer fit for purpose to service modern day and evolving requirements at a luxury standard, as it once did. Left unchanged, its operational model would need to move towards the budget end of the market, increasing guest turnover and gross numbers and reducing operational costs and offerings. In essence, higher volumes of guests at cheaper rates. This approach would be more akin to a staging base for guests to explore the area and use the hotel for a room only or bed and breakfast type function. This would not do the location any justice. It would also diminish the contribution the hotel makes to the local economy.
- 2.4 In practice, Kingfisher have been operating the hotel since acquisition in 2017 and have experienced an increase in occupancy rates throughout the year. These are reflected in the Occupancy Note previously submitted and attached at Appendix 1. This interim approach of maintaining the existing low to mid-

- range offer is being adopted pending redevelopment, but it is not sustainable in the longer term because of the condition of the existing infrastructure and the prohibitive cost of maintaining this.
- 2.5 In essence, the proposal prepared by Kingfisher is to restore Knoll House as a luxury destination for guests, but in a modern format suitable for existing trends and visitor requirements. This includes a luxury offer which commands more space per guest, facilities to cater and provide choice to encourage longer, and year-round, stays.
- 2.6 The proposal for Knoll House is to redevelop the existing hotel which requires significant investment for it to re-establish its standing as a once popular tourist destination. The decline in the built fabric of the hotel, whilst still popular, is not a viable entity to deliver a high quality accommodation experience. It needs redevelopment in a form which will not only provide overnight accommodation, which is the principal focus of the existing hotel, but also on site provision to both ‘weatherproof’ and retain guest expenditure to a greater degree.
- 2.7 Whilst some guests will inevitably continue to enjoy the surrounding environment, the improvement plans would retain guests on site partaking in a greater food and beverage offer, as well as a range of on site recreational activities. This is important from a business perspective for being able to sustain the cost of operating the facilities, notwithstanding any environmental benefits associated with reducing the numbers of people accessing the surrounding heathland.
- 2.8 In total the proposal will include the following accommodation inventory:
- 30 hotel rooms;
  - 22 apartments; and
  - 26 villas.
- 2.9 This is a reduction of 15no units on the previous proposals. The amenity areas have also been reduced in size relatively.
- 2.10 The proposed hotel will act as a resort hub providing facilities for all of the guests, including those staying in the hotel, the villas and the apartments. Operationally, there will be no distinction between those staying in the hotel or other forms of accommodation. The other facilities will include:

- A spa (treatment rooms, swimming pool, steam room/sauna and gym);
- Public rooms;
- Fine dining restaurant;
- Casual eating and drinking café/bistro/juice bar;
- Function rooms; and
- Bar.

2.11 The level of accommodation proposed to underpin the services and facilities is considered to be towards the lower end of the quantum the business would usually expect. However, this compounds the requirement to focus on a luxury product with an associated higher price point and also to deliver a model of operation which retains guest expenditure within the resort as far as is possible. For example, making good use of the spa and eating in the informal, formal and bespoke dining arrangements (such as room service and private dining).

2.12 The entire resort has been designed to be serviced communally. For example, all units will be laundered and serviced by the same housekeeping team. Additionally, the existence of the hotel Concierge team, who will advise on and book, for guests, a range of local attractions and services. The entire site will also be served by the same drainage and power infrastructure.

2.13 The provision of basic facilities in the villas and apartment, such as kitchenettes will be an additional feature, as opposed to being a core facility. This is considered further in section 3. It is commonplace in such facilities providing a luxury feature to provide flexibility for guests and to enable private dining with a private chef, for example, rather than for day-to-day self-catering which would be incompatible with the proposed brand and, also, unlikely from Kingfisher's experience elsewhere.

2.14 Revenue generated by the resort will be predominately from guests. A local membership scheme will be run for the facilities, such as gym, pool and spa, but this is principally a good neighbour measure to provide benefit for local people. It will not be a scheme with a large catchment and will serve people already living in the local area. Similarly, the restaurant will be open to non-guests, as it is currently. It is also considered that the provision of a membership scheme for local people will be a benefit to the local environment, as it will provide an alternative to a walk on the heathland or along the beach.

- 2.15 The provision of good quality facilities should not be underestimated as a means of retaining guest's dwell time on site. As set out above, a core strand of the business model in operating a resort is to provide greater opportunity to retain expenditure and therefore for guests to spend more time, relaxing, eating and drinking throughout the day. This differs to the current operation of the hotel which does not have sufficient facilities to retain guests and the experience is more focused on bed, breakfast and an evening service, with guests leaving during the day for outdoor excursions.
- 2.16 The current hotel has very basic facilities and this does not form a core part of the guest experience while guests are staying at the hotel, for example, it is understood that even the existing swimming pool is no longer tenable because of the extent of repair required. It is mainly used as a base for guests to explore the local area and walking is a core element to the current guest experience. The redeveloped luxury resort will have a variety of world class facilities including a high-end spa and multiple premium dining facilities. These will form a core part of the guest experience and the future guests will spend much more time within the resort grounds enjoying the resort facilities.

### 3. The Mix of Accommodation

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- 3.1 Knoll House Resort will include a mix of accommodation to service the luxury tourism market. The focus will be on the delivery of extremely high-quality space for guests.
- 3.2 It is not considered that there will be a distinction in quality or approach to accommodation types within the hotel, apartments or villas. There will be a consistency in quality but they will provide choice for groups of differing sizes and make ups. For example, hotel rooms will be focused towards couples or groups travelling in couples. Whereas larger family groups will be directed towards the villas and apartments.
- 3.3 As with all of the other hotel and resort developments created by the Kingfisher management team (i.e Polurrian on the Lizard, Gara Rock, Una St Ives and Martinhal Beach Resort in Portugal), the villas and apartments at Knoll House will be marketed as luxury accommodation which is self-contained, but there will be restrictions on how they are operated which differentiate them from traditional self-catering units. A range of alternative Resort formats have been considered further in Section 4.
- 3.4 The traditional self-catering market will not be a target demographic, due to the price point of the accommodation and the additional luxury facilities which will be included in the price. The dining options will be 'world class' and 'award winning' and in line with the overall brand positioning of the hotel and the expectation of the 'high net-worth' guests. For example, the cost of a villa will be approximately █████ per night, an apartment █████ and a hotel room █████.
- 3.5 As a point of clarity, many properties which position themselves as 'luxury self-catering resorts' offer an entirely different proposition, which is what Natural England may be assuming. This type of accommodation is traditionally sold at a lower price point and is only available on a week-by-week basis, whereas the villas and apartments at Knoll House will also be available to book for short breaks of two or three nights. These large resorts often offer 'pay as you play' facilities i.e. they generate additional income by charging individually for the use of facilities. They also offer lower end eating facilities as their guests are often on a 'budget' holiday and accordingly are not looking for upscale / fine dining experiences.

- 3.6 An example of this type of property is Retallack Resort in Cornwall, operated by Away Resorts. This is at the opposite end of the market to where Knoll House will be operating. The guests staying in the self-catering properties at Retallack only dine in the restaurants on an average of 1.5 nights out of a 7-night stay. The Retallack planning proposal was for a [REDACTED] project, but due to the self-catering business model they have 334 units of accommodation (a combination of self-catering units and hotel rooms) providing a total of 819 beds (1580 bedspaces) to enable their facilities to be maintained as viable.
- 3.7 By comparison, the Knoll House development will cost more than this in delivery and yet will only be creating 148 beds (296 bed spaces) (19% of the size of Retallack). In order to fully understand the spending habits of the future Knoll House guests, we need to reference a property like Chewton Glen, in the New Forest operated by Relais and Chateaux, which also offers high end accommodation with kitchenettes in the form of their 'Tree Houses' (and also a full kitchen for a private chef). These units can cost as much as [REDACTED] per night and are booked in line with the traditional hotel model. Similarly, Gilpin Hotel and Lakehouse in The Lake District and Carbis Bay Hotel are further examples. The guests do not cook for themselves, nor do they wash their own dishes. If they are not dining in the hotel's restaurants, then they will often book a private chef and butler to cook for them in their Tree House. This is an option which we will also offer at Knoll House and which we are projecting to be in significant demand. Based on the Kingfisher team's experience at luxury resorts such as Gara Rock and Martinhal Beach Resort, we expect around 25% of guests staying in the villas and apartments to order their meal from the restaurant to be served in the comfort of their own accommodation.
- 3.8 As per our experience at other Kingfisher properties where we are successfully operating similar villa units, the kitchenettes are primarily used for feeding children at convenient times and for light breakfasts. These kitchens are not used for 'self-catering'. This means that the amount of time taken to clean the Kingfisher villas are in line with the costs of cleaning a hotel suite, rather than a traditional self-catering property. Traditional self-catering properties take much longer to clean on departure due to the length of stay and the state of larger kitchens that have been well-used.

This cleaning is often done via an outsourced cleaning company. At the other Kingfisher properties with villas we are able to use our 'in-house' hotel housekeepers thereby supporting local employment.

- 3.9 The villas and apartments at Knoll House will be marketed as spacious hotel/family suites with kitchenettes. They will not be sold as 'self-catering' units. They will also be sold and priced on a nightly basis (not restricted to week long bookings) and this is due to the fact that the rates will be comparable to luxury hotel suites and accordingly, they will be booked for weekend or mid-week short breaks, as well as some longer stays.
- 3.10 The villas and apartments will also be sold with the option of bed & breakfast, or a half board basis and the guests will be able to charge all extras to their room account just as they would in a hotel. An in-villa chef service will be on offer to provide a high-end private dining experience. The kitchenettes will be fundamental to being able to target affluent guests who need both space and privacy.
- 3.11 The average length of stay in the Knoll House villas is budgeted at 2.7 nights, with shorter stays out of season and longer stays in the summer.
- 3.12 The villa guests at our other Kingfisher properties dine in the hotel restaurants on 50% of the nights stayed and they usually eat out at local restaurants, or in their villas on the remaining nights. However as mentioned earlier, when eating in their villas or apartments, guests will usually order room service from the resort's restaurants. This has been our experience at other resorts, such as Gara Rocks. By contrast, guests staying in traditional self-catering units will typically get their food supplies from large supermarkets and vary rarely support local, individual businesses.
- 3.13 The mix of accommodation will provide choice to visiting cohorts, providing suitable space for couples, small families, large families and small groups.
- 3.14 All of the existing accommodation on site is within hotel rooms. Whilst there are a number of suites, these are principally adjoining rooms which provide accommodation for families but do not provide additional space such as lounge or kitchenette. It is a much denser form of accommoda-

tion than that which is proposed. In essence, the proposal provides a similar level of accommodation but with much more space per guest which is required to deliver the premium quality of a luxury resort.

- 3.15 The existing hotel provides space for 273 guests in 106 bedrooms.
- 3.16 The hotel also currently has space for 66 'live-in' staff in 57 bedrooms. Staffing of the existing hotel is predominately on a temporary seasonal contract basis recruited by specialist agencies. Typically, staff tend to be young seasonal workers, many of whom come from overseas. They do not have access to leisure facilities at the hotel and are reliant on public transport to access local centres. The staff escape to the surrounding landscape when not working, using the beach in the summer as well as the heathland and local countryside for recreation. This is an attractive and free resource for them and provides a good 'escape' which fits well with usual shift patterns. The staff surveys completed in August, and associated report by Ecology Solutions, identifies that staff frequently use the surrounding landscape, including heathland for recreational purposes.
- 3.17 Moving forward, Kingfisher have developed a strong employment and skills strategy within the business, which is important to them operationally to retain staff. This includes retaining and offering professional qualifications in various areas, such as catering, hotel management, maintenance and beauty/spa. This has included establishing links with schools and colleges in a number of locations where they operate. It also enables them to offer opportunities in a range of locations to provide their team with a career.
- 3.18 There will be no staff accommodation provided on site as part of the proposal. However, Kingfisher have made a commitment to a robust travel plan which offers sustainable transport to access the site, including a regular staff bus. This is also an initiative which is being utilised in other locations operated by them, such as at Una, St Ives.
- 3.19 The staffing strategy will result in a decrease in the overall number of people residing on site when compared to the existing capacity (a reduction from 339 to 296). Kingfisher have committed to a cap on the capacity of the site to be secured by way of a planning condition. This is an appropriate mechanism to control numbers and will be enforceable by the inventory kept at all times as part

of the booking system (an essential part of running a hotel or resort). This will enable numbers of people on site to be monitored at all times.

3.20 Moving forward, it is proposed that staff will live in the local area, which, for full time, year-round staff, would be the staff preference.

## 4. Resort Case Studies

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4.1 A number of Case Studies have been provided below to demonstrate how a mix of hotel and other formats of accommodation (including C3 with kitchens/kitchenettes) can operate in practice. This will help to demonstrate that, commercially, multiple units in a resort format such as being proposed at Knoll House, operate with the food and beverage offer and on-site facilities to retain guests and their expenditure, rather than disperse them off site.

### Gara Rocks, South Hams

4.2 Gara Rocks is located within the South Hams Area of Outstanding Natural Beauty in a remote location on the South Devon Coast and short distance to the east of Salcombe Harbour. It is a small resort which includes:

- An 18 suite hotel;
- 14no holiday apartments;
- 5no cottages;
- Restaurant and bar;
- Swimming pool;
- Spa; and
- Staff accommodation.

4.3 The existing format and scale of accommodation was created and developed by Kingfisher, albeit it is no longer operated by them following disposal in 2018. Donovan Van Staden managed Gara Rock before joining the Kingfisher Team at Knoll House as General Manager.

4.4 It is similar to the proposals at Knoll House insofar as it provides a mix of self-contained accommodation and a hotel with facilities. However, the size of the facilities and offer are proportionate to the scale of accommodation provided. It currently lacks the critical mass to make it more self-contained, which the current operators are seeking to work towards, albeit on a piecemeal rather than holistic master plan

led approach. It also has a strong footfall of walkers along the south west coastal path a short distance from Salcombe Harbour which supports its food and beverage offer.



Plan 1: Gara Rocks Masterplan

### Operational Overview

4.5 When Kingfisher first purchased Gara Rock it was purely a self-catering business model with F&B facilities and housekeeping operations outsourced through third party operators. The accommodation was sold through a traditional self-catering agent called Bluechip holidays <https://www.bluechipholidays.co.uk/> and priced accordingly. Prices varied from █████ per week (average █████ per night) out of season to █████ per week (average █████ per night) in the summer holiday season and bookings were by week basis only. The guests were given a key code pre-arrival and the room keys were locked in a safe box at the entrance to the apartment. The occupancies varied from 20% in the winter months to 80% in the summer. The guests would either arrive with all their provision or they would

- arrange for a Tesco type delivery on the day of their arrival. Due to the self-catering business model the resort café did not open in the evenings and only operated a daytime café being more focussed on non-resident trade. Due to the low ADR (average daily rate) and low spend per head in the café the business operated at a loss until the 7 month closure before the redevelopment.
- 4.6 Kingfisher successfully gained planning permission to convert Gara Rock Resort into a 29 key, 105 bed luxury hotel brand which completely transformed the property from a self-catering resort with 9 employees to a fully serviced luxury hotel resort employing over 50 staff in the summer.
- 4.7 After the re-opening in August 2018 all the rooms (including apartments) were sold and operated on a nightly room only bases. Due to the remote location, it was decided not to offer a bed & breakfast or dine, bed & breakfast package and rather sell meals on arrival which is more profitable. Out of season the same apartments start at [REDACTED] per night room only.
- 4.8 Whilst it lacks the critical mass that is proposed for Knoll House to provide variety in the on site facilities; the experience at Gara was that, following the creation of the hotel resort, guests in the self-contained units would still dine on site most of the time (for example people staying for three nights would dine on site for two and would go offsite for one). Self-catering in the conventional sense was limited.
- 4.9 The resort operation also increased the dwell time of guests on site during their stay, for the luxury 'lazy days' rather than using it as a base from which to day trip albeit to the same extent.
- 4.10 In planning terms, the self-contained units are Use Class C3. However, they function as part of the resort, as set out above. This is recognised by planning officers in recent applications on the site, despite there being no controls on the occupation of the units.

### **Una St Ives, Carbis Bay**

- 4.11 Una St Ives is located just outside of Carbis Bay near St Ives on the north coast of Cornwall. Whilst Kingfisher have operated facilities and managed 29no existing villas at the site, which were constructed as part of plans developed by the previous owners, that scheme was not a viable approach which led to Kingfisher's acquisition in 2016. The revised proposals which include a similar operational model to that which is planned at Knoll includes provision of a further:

- 55 unit apart hotel (C3 - restricted);
- 92no holiday villas (C3-restricted);
- Leisure facilities;
- A range of dining options; and
- On site recreation.

4.12 The existing villas are managed by Kingfisher as part of the running of the Resort.

4.13 It is larger than the Knoll proposal and set across a 7ha site. The scheme is currently under construction and early phases and marketing have proved popular.

4.14 Una will deliver a Four-Star facility that will generate approximately 200 full time equivalent jobs. It will also be operated as a resort which seeks to offer the opportunity of self-containment for its guests and will be reliant on their use of the facilities and dining options available. The entire resort, including hotel, villas and leisure will be serviced by a single entity. For example, housekeeping, catering and check-in/check-out will all be synonymous.

4.15 Guests can currently access all of the resort facilities inclusive of their booking. As the subsequent phases of the development are delivered and the additional leisure and dining options opened, guests will be able to book on a full board basis similar to hotel bookings, rather than a traditional self-catering experience.



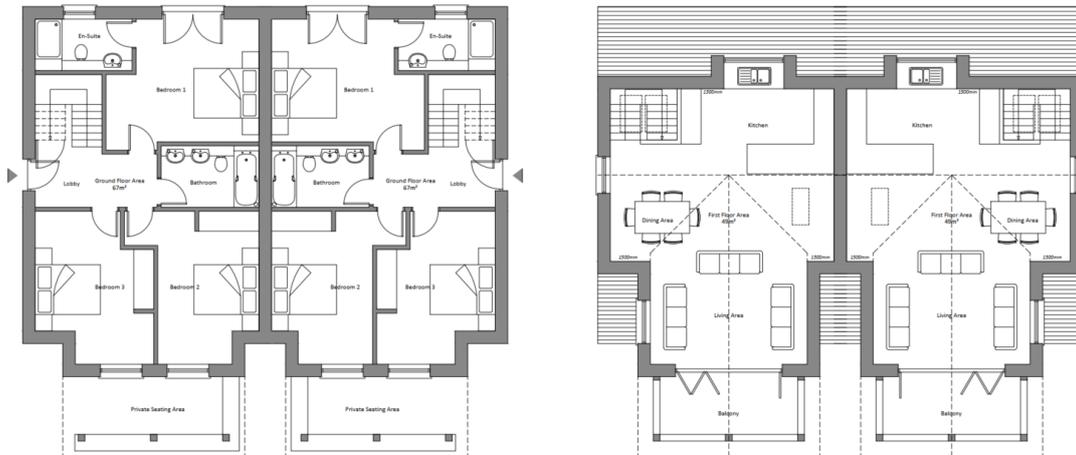
Plan 2: Una St Ives Masterplan

4.16 The new villas will cost [REDACTED] per week.

### Polurrian, Polurrian Bay

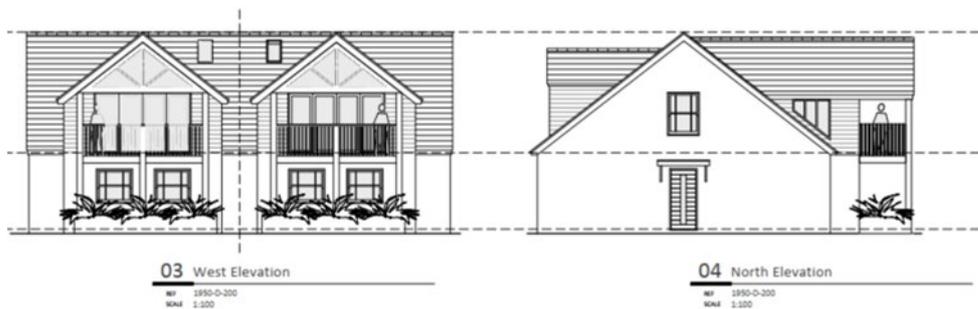
4.17 Polurrian Hotel is located on the edge of Mullion Cove, South Cornwall. It is operated by Halcyon Hotels & Resorts plc, who are contingent with the Kingfisher management team.

4.18 The accommodation provided is focused on 41 hotel bedrooms. However, there are 7 self-contained holiday units (C3) within the grounds. In practice, these units operate as part of the hotel, despite offering complete self-containment, including living and dining areas.



Plan 4: Typical floor plan of self-contained accommodation at Polurrian

4.19 The management and servicing of this accommodation is also synonymous with the hotel and can be booked on a full board basis. Similarly, all servicing and check in/check out is with the hotel.



Typical elevations of Polurrian Units

4.20 Hotel rooms sell at an average of [REDACTED] per night and villas at an average of [REDACTED] per night. The villas tend to be booked by family groups for longer stays.

### Soho Farmhouse, Chipping Norton, Oxfordshire

4.21 Soho Farmhouse is a members and guest only luxury resort situated in the rural Cotswolds operated by Soho House. It provides an exclusive offering for creatives in a rural environment and was focused on the delivery of a hotel with associated facilities. In total, the resort includes:

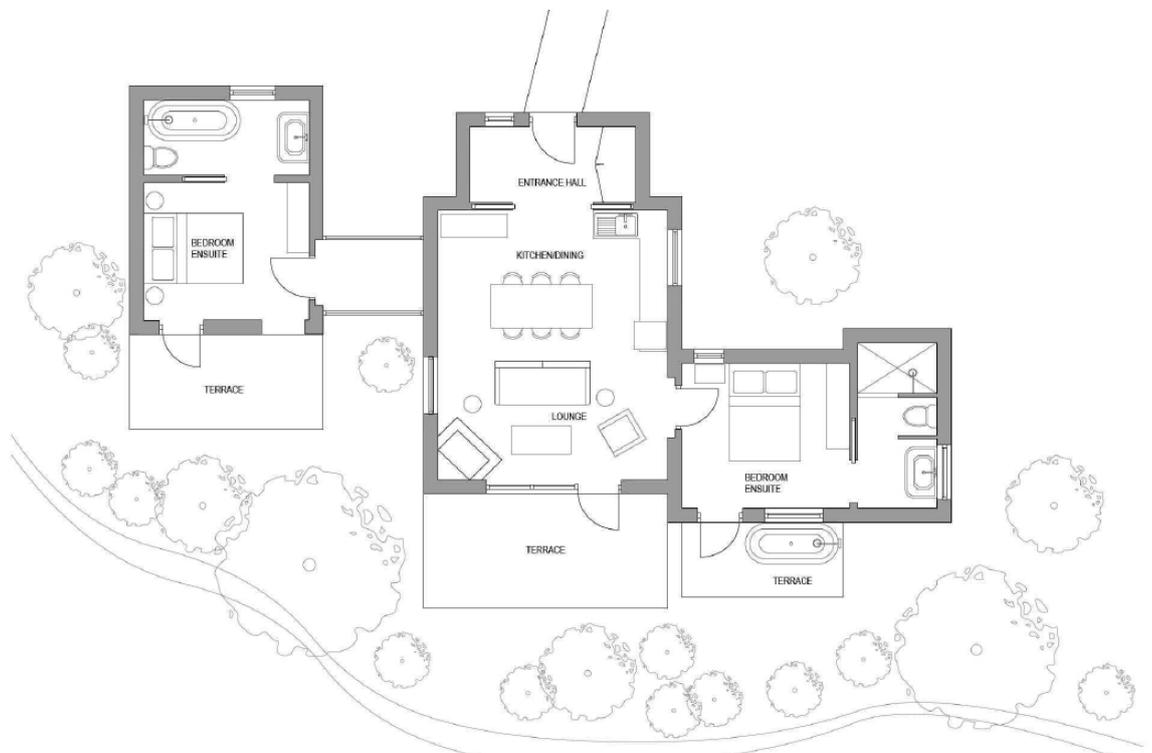
- A hotel, known as the Soho Farmhouse;
- 85no units within the grounds in various forms, including 40no self-contained cottages and cabins set within the grounds;

- A range of dining options;
- Spa; and
- Leisure facilities.

4.22 The resort is isolated, set within a rural area remote from any settlement. It is focused as a retreat. All units are, in planning terms, within a C1 (hotel) use. However, the cabins and cottages set within the grounds include self-contained accommodation. A typical floor plan is provided below.

4.23 This includes bedrooms, a lounge, kitchenette and dining area. Operationally, the units provide all the facilities to enable self-catering accommodation. There is no restriction on the planning permission which would prevent guests from occupying them on a self-catering accommodation. However in the real world, it is the operational model of Soho Farmhouse which controls this, which offers a number of similarities to that being proposed at Knoll, such as expenditure capture and a luxury offer.

4.24 The offer at Soho, whilst not all inclusive from a pricing perspective, is a contained approach insofar as guests will use on site facilities as part of their stay. This includes access to private dining and room service which enable guests to enjoy their stay within their own self-contained accommodation.



Plan 5: Typical unit layout at Soho Farmhouse

4.25 Prices range from █████ per night for members, although this is in context that members will have already paid a █████ membership fee. This is for board only with access to the communal facilities.

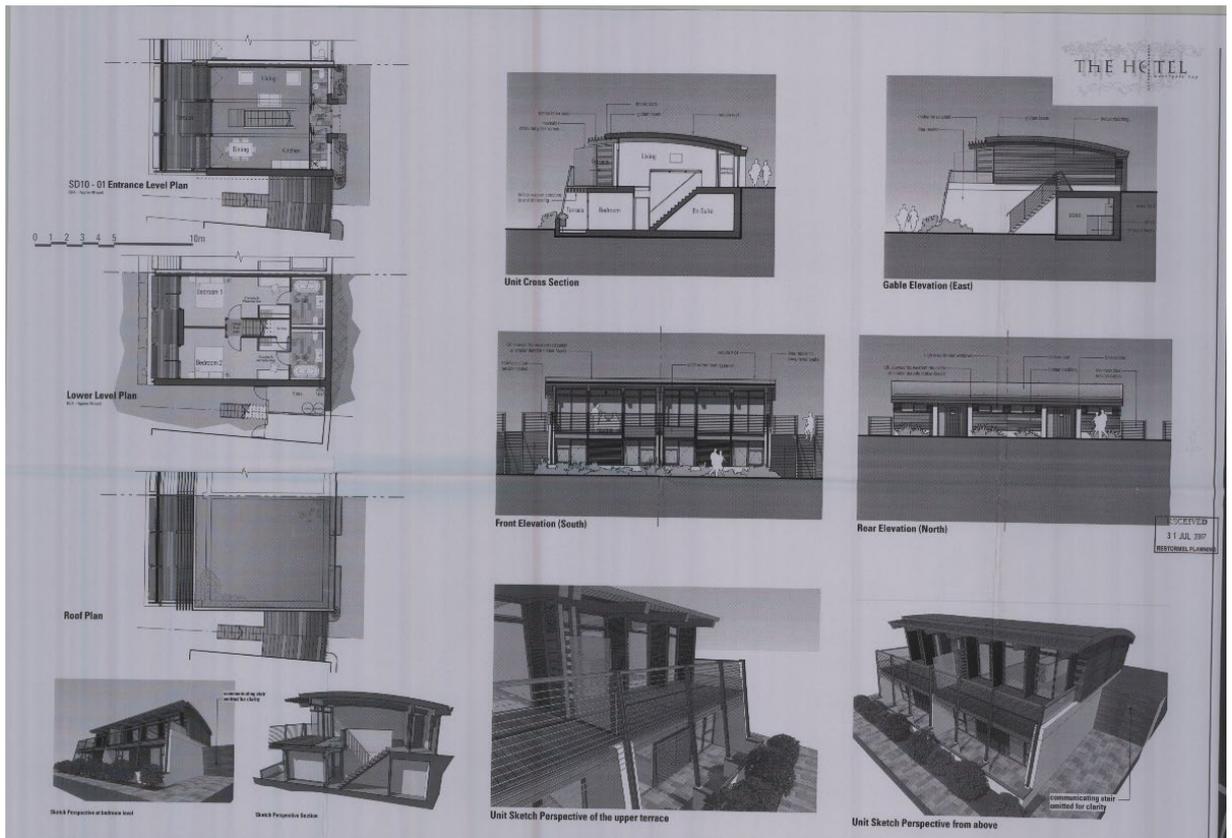
### Watergate Bay Hotel, Cornwall

4.26 Watergate Bay Hotel is located on the North Coast of Cornwall, in a remote location and sensitive landscape. It includes provision for 71 hotel bedrooms, a range of dining options (Zachry's, The Beach Hut (previously Jamie Oliver's Fifteen) and Emily Scott Food), cocktail bar, surf school, leisure facilities and lounge. The offer also includes 29 self-contained apartments (C3) known as The Village and 7 Beach Lofts which offer suite accommodation detached from but operated by the hotel. The Lofts also include a concierge service, including a pantry offering freshly baked cakes on a daily basis – similar to a ski-chalet type offer. Rates for the Lofts start at █████ per night. The two bedroom apartments are let for █████ a week during the summer on a room only basis, but with access to the Hotel facilities.



Photo 1: The Village at Watergate Bay

4.27 In planning terms, The Village apartments are completely self-contained (C3), providing kitchen, dining and living accommodation over two floors with 2 or 4 bedroom options. They do however, have a primary residence restriction meaning that they can only be occupied as holiday accommodation.



Plan 6: Typical apartment at The Village, Watergate Bay Hotel

4.28 The expansion of the hotel to provide The Village was justified, in planning terms, on the basis of the need to diversify the accommodation offer at the hotel to cater for evolving requirements and increased demand for a range of accommodation. This is common in a number of the case studies set out where it has been recognised that a critical mass of accommodation is required to support the viability of the resorts.

### Gilpin Hotel and Lakehouse, Windermere, The Lake District

4.29 The Gilpin has 28 bedrooms set within the Hotel, 6 garden suites, 5 spa lodges and 2 further deluxe spa suites set within 20 acres. It includes 2 restaurants, including a Michelin Star, and a spa. In close proximity is the Gilpin Lakehouse which provide a further 6 bedrooms.

4.30 Prices within one of the Spa Lodges ranges from [REDACTED] for three midweek nights in summer to [REDACTED] for three weekend nights.

4.31 The lodges and hotel rooms are available on the same basis, despite comprising self-contained accommodation with a dining and kitchen area. However, these units are not sold as self-catering

accommodation and no external food is allowed on the premises. Guests can choose to dine privately within their rooms with a full room service facility.

## Carbis Bay Estate

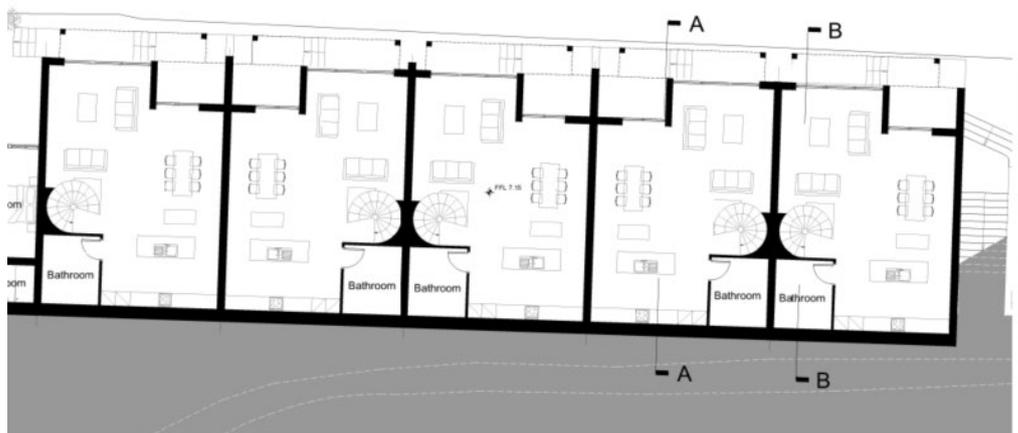
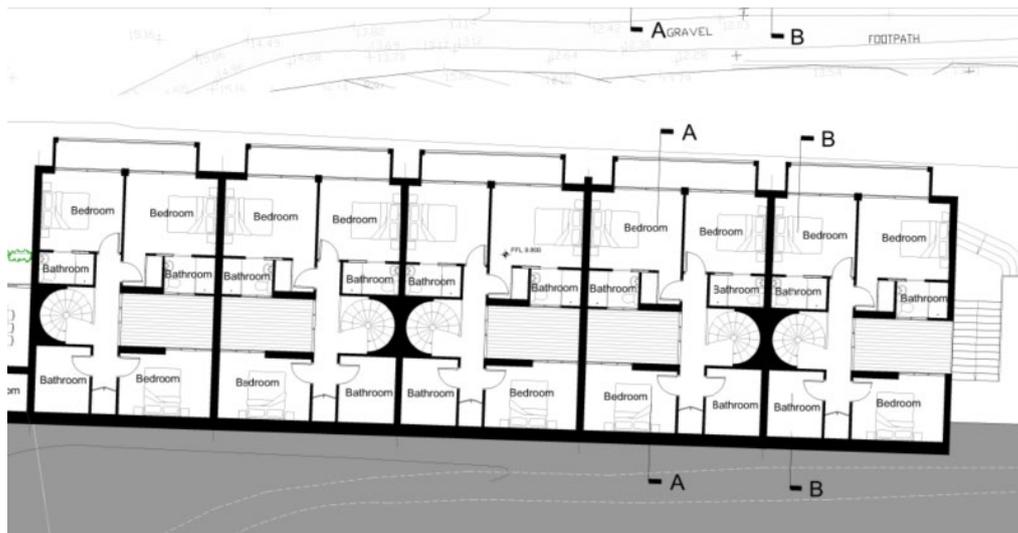
- 4.32 Carbis Bay Estate is set within 125 acres. It includes: 47 bedrooms in the Main House along with spa, a range of dining options (3no restaurants: 1894, Beach Club and Hungry Gannet), pool, private beach and a range of self-contained beach lodges (8 in total), beach houses and valley cottages.
- 4.33 In planning terms, there are a mix of uses within the Estate, including the hotel (C1) and most of the self-contained units falling within C3.
- 4.34 Prices start from █████ per night for the valley cottages and the beach lodges █████ per night. In both instances, guests benefit from access to the full range of facilities within the Estate, including restaurants and a dine in private chef service is provided if a greater degree of privacy and luxury is sought. Bookings can also be made for apartments and villas on a half board or bed and breakfast basis.



Photo 2: Typical Kitchenette within self-contained accommodation at Carbis Bay Hotel



Photo 3: Typical living area and kitchenette in Self-contained accommodation at Carbis Bay Hotel



Plan 7: Plan extract of Beach Lodges at Carbis Bay Hotel

- 4.35 All apartments and villas are serviced centrally by the Hotel with daily housekeeping. As with the Knoll proposal, the range of accommodation provided is to enhance the offer to guests, including for families and groups in the comfort of their own surroundings. It is not to offer an independent self-catering option.
- 4.36 The Carbis Bay Estate also hosted the meeting of the G7 Nations in 2021. Being selected to host a meeting of the G7 world leaders, is an example of Estate being able to cater for the luxury and privacy required for such a prestigious meeting. Showcasing the offer in the South West. Similar requirements are often sought for VIPs and celebrities for their getaways. The range of facilities and accommodation at Knoll would be well placed to meet such requirements.

## Summary

- 4.37 The case studies set out above demonstrate that there are a number of luxury resort offerings which have evolved to meet the requirements of their respective guest markets. A mix of accommodation formats forms an important part of this offer and, whilst they may include self-contained accommodation, in practice they do not function as independent living units. Importantly, it provides choice of accommodation to increase guest dwell time and retain them on site for longer to utilise the facilities on offer. There is a delicate balance between providing sufficient facilities on site to do this and the amount and range of accommodation. Knoll House achieves this but is at the lower end of the scale which is tempered by the luxury offer being proposed.

## Appendix 1: Occupancy Note

	<b>Full Capacity</b>	<b>Peak Season (August/ Christmas)</b>	<b>Shoulder Season (May/ October Half Terms)</b>	<b>Low Season (January – March and November)</b>
<b>Existing Bedrooms</b>	163 bedrooms in total (106 Guest bedrooms and 57 staff bedrooms)	90% Occupancy currently experienced = 147 occupied bedrooms	80% Occupancy currently experienced = 130 occupied bedrooms	50% Occupancy currently experienced = 81 occupied bedrooms
<b>Existing no. of Guests / Staff</b>	Staff: 66 Guests: 273 <u>Total people on site: 339</u>	Staff: 59 Guests: 246 <u>Total People on site: 305</u>	Staff: 53 Guests: 218 <u>Total people on site: 271</u>	Staff: 33 Guests: 137 <u>Total People on site: 170</u>
<b>Proposed Keys</b>	78 Keys in Total	90% Occupancy Expected = 70 Keys	80% Occupancy Expected = 62Keys	50% Occupancy Expected = 39 Keys
<b>Proposed Guests</b>	<u>296 guests on site</u> (a decrease of 43 people on site from existing)	<u>266 guests on site</u> (an decrease of 39 people on site from existing)	237 guests on site (a decrease of 34 people on site from existing)	148 guests on site (a decrease of 22 people on site from existing)