

## Who will benefit from the Flamingo Land development at Loch Lomond?



The launch of a campaign

last week ([see here](#)) by Green MSP Ross Greer to get people to object to the Flamingo Land Planning Application and promoted by Save Loch Lomond ([see here](#)) has had a huge response. 26,520 people to date have registered objections on the portal the Greens have set up. Whether the Loch Lomond and Trossachs National Park Authority will accept objections lodged through a third party remains to be seen. If they do so, in planning terms I suspect they will try to treat this as one single objection supported by 26,520 people, which would be not nearly as difficult to deal with as 26,520 detailed individual responses, all making different points. Whether they can do this will depend on how many of the 26,520 have submitted individualised objections. The more that have done so, the bigger the planning headache.

I am not sure, however, that at the end of the day this matters as the whole Flamingo Land development always was political and will I believe be decided politically. What Ross Greer's initiative is doing, building on concerns expressed by people locally (including some local politicians) and nationally, is turning the Flamingo Land Planning Application into a national political issue. That is welcome.

The underlying political issue is not about planning as such but about landownership and who should benefit from that and Ross Greer's campaign makes that clear:

*"Most of this land is under the stewardship of Scottish Enterprise, a government agency. It could belong to the community and there's a lot of local interest in taking the site into community ownership. There are a range of visions for Balloch and these voices need to be heard. The fact that Scottish Enterprise are choosing to sell it off for a quick buck is something we must stand against."*

Scottish Enterprise, as quoted in the Herald, is still in denial about this with its talk of selling the land *"for an appropriate market value so we get maximum value for the public purse"*.



■ The planned development would be on shores of Loch Lomond.

## More than 21,000 back Save Loch

**MARTIN WILLIAMS**

MORE than 21,000 people have supported a Help Save Loch Lomond campaign opposing plans for a £30 million Flamingo Land holiday resort on the shores of Balloch.

The project, which is seeking planning permission in principle from Loch Lomond and the Trossachs National Park, involves the creation of 105 holiday lodges, an apart-hotel, brewery, monorail and indoor leisure and water park centre.

Now it has emerged that more than 20,000 objections have been received through a website consultation portal

set up by Scottish Green MSP Ross Greer.

The 20,000 objections on the website are in addition to the 1,000 who have already lodged their opposition.

The campaigners are concerned that a large chunk of the area around Loch Lomond is to be handed over for the project, fronted by Iconic Leisure Developments "for the sake of a high-end tourist resort".

Mr Greer said: "The damage it will do far outweighs any positives."

Scottish Enterprise said negotiations over the final sale of the 44 acres of land needed for the project were continuing. It said it was obliged to

negotiate "an appropriate value so we get maximum for the public purse".

A spokesman for the project said: "We are not yet in a position to commence commercial negotiations. These discussions will take place once the planning application has been submitted."

Cameron McNeill, a backpacker who has written a newspaper column and a television broadcast about the great outdoors, but is "a potentially disastrous

Mr Greer said: "The project is a huge boost to our local economy."

Herald Tuesday 2nd October

To Scottish Enterprise it's all about markets, not people, and development. That raises the question of who the Flamingo Land proposal will really benefit? While supporters of the development claim that Flamingo Land will bring "much needed local jobs", the evidence from Flamingo Land's most recent accounts [Flamingo Land Ltd Accounts to March 2017](#) tells a rather different story.

### The pay and benefits received by the Directors of Flamingo Land

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2017

The directors present their report and the financial statements of the company for the year ended 31 March 2017.

### Dividends

As detailed in note 8 a total dividend of £235,000 (2016 - £235,000) was paid on 31 March 2017. This is the only and final dividend payment for the year.

### Directors

The Directors shown below held office for the whole period from 1 April 2016 to 31 March 2017.

G S Gibb

Mrs M A Gibb

Mrs D M Pullin

Miss V Gibb

The four Directors of Flamingo Land Ltd – a family firm – received on average a 30% increase in the fees they received in the financial year to March 2017:

### 3. Operating profit

Operating profit is stated after charging/(crediting):

### Directors' emoluments

This was the year in which Flamingo Land Resort Ltd bought the Woodbank Site at Balloch for what

will be a knock down price of £959k should the LLTNPA reverse its allocation of land in the Local Development Plan and agree housing there ([see here](#)).

The bulk of the fee increase went to one Director, Gordon Gibb, who received a whopping £241,681 pay increase:

## **4 Directors Remuneration**

**Highest paid director:**

**Emoluments**

**There is one director to whom retirement benefits are accruing un  
of qualifying services (2016 - 1).**

**There are 2 directors to whom retirement benefits are accruing un  
qualifying services (2016 - 2).**

You can work out from these figures that the other 3 Directors shared a measly £473, 476 in fees in comparison. While I have been unable to work out what is in the pension funds which apparently are in place for three of the Directors, two of them, Gordon Gibb and Miss V Gibb, between them own all the shares in the parent company Flamingo Land Resort Ltd ([see here for the consolidated accounts of the two companies](#)):

## 19. Controlling Party

The company is controlled by the directors, G S Gibb and Miss V Resort Ltd. This Company owns the whole of the issued share C Gibb own 57.14% and 42.86% respectively of the issued share ca

Flamingo Land Ltd paid a dividend of £235k to Flamingo Land Resort Ltd (same figure as is shown in first extract from accounts above):

## 8. Dividends

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On ordinary shares

Final dividend paid

So these two Directors shared another £235k in dividends on top of their Director Fees.

There are further indications in the accounts that this may not have been all the benefits they received in the financial year:

# Expenses not deductible for tax purposes

There is nothing in the accounts to say whether or not in this case these taxable expenses were for activities in which the Directors were involved but, where a company pays expenses which are taxable, corporation tax of 20% is payable and so can be a more “tax efficient” way of rewarding Directors than pay. The accounts provide no evidence I can find to indicate whether or not that is happening here but readers should be aware that ostensible pay may not be the whole story .

## Pay of other Flamingo Land staff

Now contrast the pay of the four Directors with what the accounts tell us is paid to the rest of the workforce:

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## **5. Staff Costs**

The average number of persons employed by the company, inclu

Management and administration

Production

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The aggregate payroll costs of these persons were as follows:

Wages and salaries

Social security

Other pension costs

By deducting the emoluments of the Directors from the total pay you can work out the wages and salaries shared by the other 393 staff:

*£9,241,477 – £1,301,285 = £7,940,222 divided by 393 = £20,204 on average*

That is well below the average wage in the UK. Besides the Directors there are 23 other staff listed as being in management and administration, some of whom are likely to be paid significantly higher salaries than the average wage, added to which there will be team leaders, supervisors etc who will be paid more than the rest of the workforce.

What this tells us is that most staff in England in 2016-17 were paid at or not far above the minimum wage which at the time was £7.20 an hour and which equated to £13,104 for a thirty five hour week or £14,976 for a 40 hour working week. The accounts don't tell us what increase was paid to staff in 2016-17 but had the £241k increase awarded to Gordon Gibb instead been distributed to the workforce that could have given an extra £750 a year to the 320 lowest paid staff. That, I would contend, would have made a real difference to them.

If you want to understand some of the reason for this low pay there appears to be no recognised Trade Union, no significant staff benefits and no collective bargaining:

## **Employees**

The Company's policy is to consult and discuss with employees' interests. Information of matters of concern to employees regularly updated, and through regular bulletins and reports which employees of the financial and economic factors affecting the Company.

## **Why are our Public Authorities doing business with companies like Flamingo Land?**

Compared to some companies, Flamingo Land is open and transparent in what it does, and in its favour it:

- has over £16m in net assets
- has no significant debt
- has some spare cash to finance development work
- has significant turnover and consistently generates profits/a surplus from this
- and is therefore in a strong position to borrow money from banks to finance new developments.

One could contrast this relatively strong financial position with that of Natural Assets Investment Ltd ([see here](#)) which was sold Cairngorm Mountain Ltd by Scottish Enterprise's sister body Highlands and



Island Enterprise.

The other side of the equation, however, is that while Flamingo Land say they are committed to seeking Living Wage accreditation for any tourist development that goes ahead at Balloch, its pretty clear that this is a company that pays low wages and few benefits to workers and on the back of this earns handsome profits for the owners.

I don't think its political donation of £25k to the Tory party, which is listed under charitable donations, is entirely accidental:

## **Charitable Donations**

During the year the Company made Charitable donations among which include £1,550 to local causes and £33,288 to a Wildlife conservation local University and is closely related to the Company's desire to care of the Company and in the world at large. A political donation to the Tory Party (2016 nil)

Even if you are someone who believes a tourist resort at Balloch is necessary to provide more jobs for local people, why would you support Flamingo Land when within the financial envelope they operate in, you could pay significantly more to the lowest paid staff and in doing so provide a much fairer and more equal pay structure?

I think we need to be asking why our Public Authorities – and remember the Loch Lomond and Trossachs National Park Authority sat on the interview panel with Scottish Enterprise and were involved in the appointment of Flamingo Land – why they are even entertaining sale of what is public land to a company which rewards its staff like this? How does the LLTNPA's involvement in the appointment of a low pay employer fit with oft stated claim to be an excellent employer who provides fair pay and great terms and conditions to its own staff? And how does Scottish Enterprise's action in this case fit with the Scottish Government's stated aspirations to deliver well paid new jobs?

With the Scottish Government oft proclaiming the benefits of community ownership and control, why have neither the LLTNPA or Scottish Enterprise done anything to explore that option properly in this case?

So far, leaving aside about what might be appropriate use of the Riverside site, the development appears to have been considered in a way that will only promote the interests of the few, not the many. That is the fundamental issue that needs to be addressed at Balloch and its about politics, not planning.

## **Category**

1. Loch Lomond and Trossachs

## **Tags**

1. flamingo land
2. LLTNPA
3. planning
4. Scottish Enterprise
5. Scottish Government

**Date Created**

October 5, 2018

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