



2 December 2020

The impact of Covid-19 on Occupancy

On 2 November 2020, following a serious rise in the number of Covid cases, the Scottish Government introduced a new five-level system under which restrictions are imposed by local authorities based on an area's Covid protection level. Highland was placed in Level 1, for which the Guidance is that only owners and guests residing in Levels 0-2 are allowed to travel to Coylumbridge. This means that owners living in higher levels across all 4 nations, can not travel to the resort.

With effect from 20 November the Guidance is law, and we can expect compliance to be monitored and enforced. Police Scotland are actively visiting premises to ensure compliance is being adhered to. However, whilst the number of guests in residence is reduced, it is far from zero and remains open. Only if Highland is placed under Level 4 restrictions would the resort be obliged to close.

The legislation, guidelines and restrictions are forever changing and we would suggest that before you occupy your lodge week, you remind yourself of the current guidelines and advice that is in place for your time of travel. The Scottish Government website is updated regularly and is best placed to give you the most accurate information.

Some owners unable to occupy their week have raised the question of compensation, whether by refund or the offer of an alternative week, and these issues have been discussed at some length by the Committee. (I should stress that these matters are for the Coylumbridge Highland Lodges Club and not HGV, which simply manages the resort on the Club's behalf.)

Unfortunately, we are not able to accommodate these requests for the following reasons. First, as the resort is open and normal costs are being incurred, there is no saving in costs with which to fund monetary compensation, nor do we have enough in our reserve fund. Second, the offer of an alternative week cannot be made because every week is owned, either by an owner or by HGV, and maintenance fees are charged on every week. Although some weeks might not be occupied, they are available for rental or sale, and furthermore there are not enough of these weeks to accommodate every owner who is unable to occupy because of Covid Guidance.

There are two options for these owners:

- You could rent a week. This would be at additional cost, although at short notice the price could be attractive.
- You could deposit your week with an exchange organisation, such as RCI, DAE or HGVC. This transfers the benefit of your fixed week to a future period. However, various membership and exchange fees apply, and the likely shortage of inventory will reduce exchange opportunities.

Finally, the circumstances in which we all find ourselves because of Covid are very unfortunate, but we all have to recognise that we are owners of a second home, and we all bear the risks and rewards of ownership. I trust that you find this information helpful and hope that next year, we will be in a position to return to some semblance of normality.

David Gray
CHLC Chairman