
Please find attached the report on the Great Tapestry of Scotland which was considered in public at the above meeting

19.	Any Other Items Previously Circulated (Pages 1 - 40) <u>Great Tapestry of Scotland</u> Report considered under public business. (Copy attached.)	
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GREAT TAPESTRY OF SCOTLAND

Report by Corporate Transformation & Services Director

Scottish Borders Council

29 September 2016

1 PURPOSE AND SUMMARY

- 1.1 **This report provides an update on the Borders Railway Blueprint Project to establish a permanent home for the Great Tapestry of Scotland (GTS) in the Scottish Borders. The previously favoured location was at Tweedbank; however, the potential now exists to locate the GTS in Galashiels bringing significant benefits to the town. This report now seeks an in principle decision to locate the GTS in Galashiels pending further work with partners and a subsequent report to Council on 10 November 2016.**
- 1.2 The report provides a brief background on the GTS including updated context and sets out the emergent proposal to locate the GTS within Galashiels. A summary of the work undertaken since May this year is provided including the feasibility Study by Page Park, the Detailed Business Case by Jura Consultants and the Cost Plan by Turner Townsend. The buildings which the GTS would occupy, as well as the wider regeneration benefits for the town are laid out as well as a range of community and partnership working which could be tapped into to create the GTS building within Galashiels.

This option has become possible as a building now being considered was not vacant at the time of the original assessment of Galashiels (summer 2014). Once this building became available, (Poundstretcher moved out at the end of March 2016 and the premises were advertised in April 2016) the Council took immediate action to assess the proposition.

- 1.3 The key conclusions of the work to date are that due to the availability of the building in Galashiels locating the GTS in a purpose built building, but also linked to and utilising the existing Post Office building, is a viable proposition. The detailed Business Case concludes that the project, if delivered as part of a wider regeneration project for Galashiels Town Centre, would result, after three years, in a small surplus from the GTS visitor attraction. Consequently the report recommends that, in principle, locating the GTS in Galashiels as part of a wider regeneration project should be pursued. The report sets out the proposed process and next steps leading to a further report and final decision at Council on 10 November 2016.

2 RECOMMENDATIONS

2.1 It is recommended that the Council:

- (a) Notes the**
 - i. Feasibility Study completed by Page / Park,**
 - ii. Detailed Business Case completed by Jura Consultants;**
 - iii. Cost Consultants Report completed by Turner Townsend**

- (b) Agrees the proposed process and next steps to be completed as set out in Para 16.**

- (c) Agrees in principle to locate the Great Tapestry of Scotland in Galashiels.**

- (d) Requests the Corporate Transformation & Services Director brings forward a further report in respect of a final decision on the project to Council on 10 November 2016.**

3 GREAT TAPESTRY OF SCOTLAND

BACKGROUND

- 3.1 The Great Tapestry of Scotland (GTS) is a unique community arts project which was created to stitch, and present, the entire history of Scotland. It was the brainchild of renowned writer Alexander McCall-Smith, historian Alistair Moffat and artist Andrew Crummy. It is 143 metres long, currently has 160 panels and was handcrafted by more than 1,000 volunteer stitchers who spent over 50,000 hours working on the Tapestry. The GTS initially went on display at the Scottish Parliament (2013) before touring around Scotland.

4 BORDERS RAILWAY BLUEPRINT AND GTS

- 4.1 The commitment to build a permanent home for the GTS is established within the Borders Railway Blueprint (November 2014) document. The Blueprint project partners are the Scottish Government, Scottish Borders Council (SBC), Midlothian Council, City of Edinburgh Council, Visit Scotland, Scottish Enterprise, Abellio and Transport Scotland
- 4.2 The railway, which was successfully opened by HM The Queen and the First Minister in September 2015, is one of Scotland's most strategic transport projects of the last 45 years. Since its launch, Transport Scotland statistics have revealed that, for the first 6 months of operation (over a winter period) passenger numbers through Galashiels and Tweedbank stations are 5 and 10 times higher respectively than originally predicted.
- 4.3 As well as passenger numbers being well beyond expectations, visitors to the GTS have also been significantly greater than anticipated. For example, at the latest exhibition at the Verdant Works (Dundee), the GTS has been credited for quadrupling visitor numbers to the museum in the same period as the previous year. As a result, the venue employed additional staff to cope with the increased numbers.

5 TWEEDBANK PROPOSITION & UPDATE

- 5.1 The commitment to locate the GTS at Tweedbank was made in the Borders Railway Blueprint and by the Council's decision on 18 December 2014. The site has many advantages - being very close to the railway, with easy access to the trunk road network, and being well related to future expansion plans for the adjacent business park being progressed through the City Region Deal currently being negotiated with the UK and Scottish Governments.
- 5.2 In order to secure the Blueprint funds of £2.5million, the Blueprint Leadership Group continues to work closely with the Council and Scottish Government. As part of the work undertaken since May 2016, updating the information supporting the original Business Plan, and providing an updated position in respect of planning matters at Tweedbank, including the Business Park proposals from Scottish Enterprise as part of their commitment to the Borders Railway Blueprint, has been undertaken.

6 GALASHIELS TOWN CENTRE REGENERATION OPPORTUNITY

- 6.1 Whilst undertaking the due diligence process for Tweedbank, a new opportunity arose to consider locating the GTS within the heart of Galashiels. The two key buildings which have been identified occupy a prime town centre location. The buildings are the former Post Office and what was the adjacent Pound Stretcher shop. The latter building was not vacant when the Council carried out its original assessment of Galashiels (2014). Once this building became available, the Council took immediate action to assess the proposition through a feasibility study
- 6.2 The potential to house the GTS within a unique architectural building, specifically designed for Galashiels, would not only be a significant draw for visitors (from local to international) to the town but would contribute to the completion of the Galashiels Inner Relief Road (GIRR) Project, the final phases of which focused on the regeneration of the town centre.

7 STRATEGIC SIGNIFICANCE OF GALASHIELS PROJECT

- 7.1 **Town Centre First Principle:** The potential re-location of the GTS to Galashiels aligns with the Scottish Government's Town Centre First principle, and would also send out a strong message to local businesses and shop keepers that their needs are being considered 'first'.

The Town Centre First Principle encourages the public sector to continue to invest in town centres and help communities thrive.

The principle, jointly developed by Scottish Government and COSLA, is about adopting an approach to decisions that considers the vibrancy of town centres as a starting point. It asks that the health of town centres features in decision making processes. The principle is about open, measured and transparent decision making that takes account of medium to longer term impacts on town centres. The principle recognises that town centre locations are not always suitable, but requests that the rationale for locating elsewhere is evidenced and transparent.

Town centres are a key element of the economic, social and environmental fabric of Scotland's towns; often at the core of community and economic life, offering spaces in which to live, meet and interact, do business, and access facilities and services. Collective responsibility must be taken to help town centres thrive sustainably, reinvent their function, and meet the needs of residents, businesses, and visitors for the 21st century.

The principle requests that:

Government, local authorities, the wider public sector, businesses and communities put the health of town centres at the heart of proportionate and best value decision making, seeking to deliver the best local outcomes regarding investment and de-investment decisions, alignment of policies, targeting of available resources to priority town centre sites, and encouraging vibrancy, equality and diversity.

Each partner is requested to commit to:

A collaborative approach which understands and underpins the long term plan for each town centre.

- 7.2 **Scotland wide:** The Borders Railway has reconnected the Borders to the central belt and main centres of population in Scotland. In so doing it has created new and exciting opportunities for Borders businesses and for people to visit and enjoy what the Borders has to offer. The GTS presents a unique opportunity for the Borders to build on the region's strong textiles history. It would provide a significant cultural asset in the South of Scotland balancing/complementing those being provided in the North, West and East of the country at the Inverness's Cultural Centre, Glasgow's Kelvinhall / Huntarian Museum redevelopment, Edinburgh's Printmakers and Dundee's V&A
- 7.3 **Local impact:** With the new opportunity that has arisen, the chance has been taken to widen the original brief for the GTS building, with the intention to display other textile and related materials associated with the rich textile heritage and legacy of the Borders. Likewise, the ability to host other community, educational and commercial income generating activities is now part of the brief.

Key Outcomes are likely to be

- (a) **Promotion** of a national cultural asset through celebrating the GTS as a significant tourist asset at a local, national and international scale;
- (b) **Rebuilding of a place and its community** to become more economically, socially and physically sustainable by an 'opportunistic chance to revitalise its town';
- (c) **Conservation and enhancement** of No.1 Channel Street, a grade-B listed 19th century building within a Conservation Area in partnership with Historic Environment Scotland and Heritage Lottery Fund (funding opportunities described below.);
- (d) **Reinforcement of textile industry heritage** and creative arts in the Borders.

8 GALASHIELS COMMUNITY ASSESSMENT

- 8.1 **Creative Groups:** SBC has, for some time, worked closely with representatives from the local cultural/artist groups and already has an established stakeholder forum which meets on a regular basis. The Tapestry Team has therefore been able, with Live Borders who now deliver the Council's Arts and Culture Services, to build on this and is working collaboratively with the Mac Arts Centre (located in a Church adjacent to the site) and the Creative Arts Business Network (CABN). The potential synergy which could be ignited between these - the GTS and the local community arts/textile groups - is unique to the area. Partnership working is fundamental therefore to the long term success of the building as it would allow the community to facilitate, learn and develop from the building rather than it just being seen as a place for tourists. For example, there is a desire to create managed workspace (i.e. multiple studios for local artists) within the new space. Plus, in addition to the current partnership working, it is intended to extend that invitation to other groups, such as WASPS (Workshop and Artists' Studio

Provision Scotland), to maximise the full potential of the facility which can be realised with all community, arts and textile groups.

8.2 Business Groups: SBC works closely with the business network, in particular, the Galashiels Development Consultation Group. This is the umbrella organisation for all interested stakeholders, such as 'Energise Galashiels' (EG), see below. EG has an interest in the continual on-going development of the town centre to improve outcomes for residents and visitors alike. Links have also been made with Scottish Business in the Community which is tasked to broker between business and community organisations (i.e. schools, colleges, charities, volunteers etc.).

8.3 Academic connections with Galashiels: Heriot-Watt University, which operates a dedicated Textile Campus within Galashiels, is now seeking to locate an Innovation Hub within the town as part of the City Deal. The intention is that the Hub would support enhanced educational outcomes for young people and provide a vehicle for increased activity around the commercialisation of textile related Intellectual Property and 'Routes to Market' within the context of the Borders.

8.4 Modern Apprentices: The combination of business group, Heriot-Watt University and Borders College interest should also provide a strong opportunity to develop a Modern Apprenticeship programme that fits with the development of the project. This has the potential to provide a wide range of Apprenticeships across a number of private and public sector organisations.

8.5 Stakeholder engagement and contributions to date:

a) Energise Galashiels has undertaken a piece of work, during which it has discussed the proposition to locate the Tapestry in Galashiels with a number of stakeholders. As a consequence of this work Enterprise Galashiels has submitted a Paper to the Council. In addition, Energise Galashiels sought support from a number of other groups and five Letters of Support from these organisations are attached These stakeholders are:

1. Destination Scottish Borders
2. Galashiels Community Council
3. Galashiels Chamber of Trade
4. Health High Streets
5. MacArts

b) The Paper and letters of support are attached at **Appendix 1**

c) These contributions all support the location of the GTS in Galashiels and span a wide area of interest and demonstrate not only support for the GTS but a commitment to contribute to the regeneration of Galashiels which is noteworthy. Particularly noteworthy is the letter of support from Destination Scottish Borders. This sets out support from five other Border Town: Hawick, Jedburgh, Kelso, Melrose and Selkirk. This collaborative approach is encouraging as it should ensure the widest benefit possible from the Borders Railway and the GTS.

- d) The paper from Energise Galashiels is wide ranging and addresses not only the specifics of the GTS proposition but also a number of contextual issues in respect of Galashiels Town Centre, Many of the issues identified along with some of the suggested solutions are in complete accord with the details considered by Jura in the Detailed Business Case. It is very encouraging that this community group have already identified the likely steps required to both address current issues but more importantly start to work towards realising the full economic potential offered by the Borders Railway and the GTS. Realising this full potential benefit will require a highly collaborative approach between as many public and private organisations as is possible. Energise Galashiels' work to date and approach is already contributing to a more successful outcome.

9 GALASHIELS FEASIBILITY STUDY

9.1 Summary and Key Points

- a) Page \ Park Architects were instructed by the Council to carry out a feasibility study for a site within the town centre of Galashiels. As part of the work, a Services Consultant Report and Structural Consultant Report were completed. The site is bounded by Sime Street, Channel Street, Park Street and to the north by Gala Water and is comprised of 2 separate properties.
- b) The former Post Office building in Channel Street is one of the premier buildings in Galashiels. The very prominent position near the junction of Channel Street and High Street gives the building an important position in the streetscape of the town, which is emphasised by distinctive details such as the flanking octagonal towers. A single-storey sorting office is located to the rear of the 2 storey building. A triangular shaped yard lies to the rear of the main building and contains a number of further postal service buildings including package collection services. Vehicle access is from both Sime Place and Park Street.
- c) Retail premises at 14-20 High Street, until recently were occupied by Pound Stretchers. The building is on the corner of High Street and Sime Place and comprises a 2 storey partly painted stone building with slated roofs. The current configuration has retail accommodation at ground floor and ancillary/storage and retail at first floor level. An enclosed yard lies to the rear, accessed from Sime Place.
- d) The site sits in the heart of Galashiels town centre, well connected to the main retail street and with good links across to the train and bus interchange. Due to the central location within the town, the site is situated close to other local amenities and attractions including the Arts Centre (MacArts.)
- e) The brief was to prepare an outline design for the Tapestry Gallery on this site to investigate the suitability and fit and would enable costs to be established.
- f) The feasibility design places the new Tapestry Gallery over 2 storeys on the prominent site at the corner of Channel Street and Sime Place, linked back to the retained former Post Office building.

- g) Public entrance to the building is from Channel Street and leads to a reception, shop and café which wrap around the largely glazed ground floor façade to maximise the contribution to the pedestrianised street scape. A temporary gallery is located to the rear of the building. A sliding screen would allow blackout conditions when required and nearby storage and sink facilities would also allow the space to function as an education and events room. Toilet and cloakroom provision are located adjacent to the reception.
- h) Service access is from the rear and allows for deliveries to the café kitchen, plant room and directly to the temporary galley.
- i) A generous stair leads from the reception up to the first floor gallery. The Tapestry gallery is arranged to a radiating pattern which enables the visitor to follow the chronological tapestry story by circulating around a central space with controlled top light.
- j) Breakout spaces with seating are formed at the 4 corners giving framed views over the town centre and surrounding hills. These large picture windows work in 2 ways – to provide views from inside but also to enable views into the activity and movement of the building from the surrounding streets.
- k) The Gallery is topped by a bright metal clad geometric roof form which is designed to create a dramatic internal volume and to form an identifying marker for the town centre when seen from the surrounding hills.
- l) The new building is linked to the former Post Office at both ground and first floor levels via a circulation spine. A public lift and escape stair will serve both old and new buildings. The existing Post Office building appears in good condition externally but will require internal rearrangement and refurbishment to adapt to its new function. It is proposed at upper level to locate the staff office and tea prep facilities with studio spaces adjacent.
- m) This proposal assumes that any parking requirement would be provided by the existing town centre parking provision at the High Street car park which is within 100 metres of the site. Should additional disabled parking be required it is proposed that nearby parking spaces in Sime Place be considered for redesignation.
- n) It is understood that it is the aim of the Scottish Borders Council to establish a link with the Arts Centre and with two cultural organisations within short proximity of each other this will form the cultural heart of Galashiels.
- o) In due course should the PO vacate the existing sorting office, there is potential for reuse of this building as artists' studio spaces with a landscaped courtyard linked back to the Tapestry Gallery.
- p) There is potential for the influence of the project to be continued by implementing a streetscaping project which could encourage use of Channel Street for market use, performances etc and encourage an

improvement in the retail market in the surrounding area.

9.2 Assessment

- a) It has been possible to utilise significant elements of the work completed in developing the Tweedbank feasibility study. Notably the preferred Tapestry Gallery proposal draws heavily on the design proposed for Tweedbank.
- b) The Feasibility Study concludes that locating a new building on the identified site is not only viable but offers a strategically significant development for Galashiels Town Centre. The importance of this is built on within the Detailed Business Case and formed part of the thinking within the Paper submitted by Energise Galashiels.
- c) The timescales for delivering the option in Galashiels will be in the region of three years due to the complexities of delivering a building in a Conservation Zone; obtaining Listed Building consent for the Post Office renovations; the purchase of the land and finally additional construction time associated with the town centre location. This is clearly a more complex process than at Tweedbank.
- d) The Galashiels option is currently at a RIBA Stage 1/2 level of design (preparation and concept design), compared to the current status of Tweedbank at RIBA Stage 4 (prior to construction). To get the Galashiels option to a point ready to procure the construction contract, the formal processes associated with the site designations will have to be dealt with through a design development process and it will take in the region of eighteen months, (from receiving a mandate to progress with the projects, to get to a RIBA Stage 4 position). This process will run in parallel with the land assembly, to allow the procurement and construction within a further eighteen month period.
- e) There are inherent delivery risks contained within this project and they have been captured in the project risk registers and the capital budget estimate. As the level of detail increases through the design development, the risk should be fully defined and quantified within the 'Time/Quality/Cost' analysis undertaken as part of the project governance.

10 GALASHIELS DETAILED BUSINESS CASE

10.1 Summary and Key Points

- a) Jura Consultants were instructed by the Council to complete a detailed business case for the creation of the Great Tapestry of Scotland Visitor Centre (GTS) at Galashiels.
- b) The GTS Galashiels Business Case responds to the following key requirements:
 - i. Demonstrate the operational viability and sustainability of the attraction
 - ii. Recommend the most suitable business model for the attraction
 - iii. Identify realistic external funding opportunities
 - iv. Demonstrate the likely impact of the attraction on the economy

- v. Consider the implications of a range of organisational vehicles for the delivery and operation of the project
 - vi. Assess the implications of a visitor admission charge
 - vii. Identify potential external funding sources, realistic levels of funding from each source and the process for securing funding
- c) The GTS is a cultural attraction intended to enhance the economic development of its location, as well as being a flagship Scottish attraction providing insight and inspiration around the country's history and people for both those living in Scotland, and those visiting. As such, it is able to support a number of the cultural aims of the Scottish Government.
- d) The objectives of the Scottish Borders Economic Strategy (led by the Council) show a clear commitment to utilising opportunities for tourism in order to capitalise on the potential which this will bring for the economic development of the region. The Visitor Centre at Galashiels offers one such opportunity, with a central aim of revitalising the town, and providing an impetus for attracting additional capital.
- e) A Scottish Borders Tourism Strategy 2013 – 2020 was created in April 2013 by the Scottish Borders Tourism Partnership (SBTP). It is envisaged that the GTS visitor centre would become a central element of both the Borders and Galashiels visitor experience, and contribute to its offer as a destination thereby supporting delivery of the Strategy and its objectives.
- f) Three key messages emerge from Jura's analysis of the strategies reviewed. They are:
- i. The strategies demonstrate a strong commitment both nationally and regionally to the development of the tourism offer, but also an opportunity for the Visitor Centre of the Great Tapestry of Scotland to perform an integral function in helping to deliver that development.
 - ii. The highly developed Blueprint strategy surrounding the Borders Railway, which co-ordinates a number of key partners across the region, is of considerable significance. By placing a Visitor Centre for the Great Tapestry of Scotland as a central commitment, the Blueprint will ensure that the Visitor Centre benefits from the considerable investment which it proposes to ensure the success of the Railway and maximise its impact on the surrounding region. This further indicates that the Visitor Centre will have a central role in the wider economic development of its decided location.
 - iii. The Visitor Centre further benefits from the contribution which the pro-active groups which operate at community level, staffed by local residents, business owners and others with a wealth of experience, whose goals to bring investment and economic development to Galashiels will help ensure that the development of the town encompasses more than the acquisition of a visitor attraction.
- g) The project details have been addressed through thirteen different

areas and are brought together within one section of the business plan. The section considers experience of the Tapestry to date, comparable projects and a view on what will be required to be provided to generate and sustain an audience for the tapestry and the building.

- h) Consultation (market research) was carried out with 251 people over the period Thursday 11 to Sunday 14 August and this forms a body of information in respect of Galashiels, GTS and a range of related detailed issues. This survey is drawn on to provide evidence for solid basis
- i) The detailed Visitor Market Appraisal and assessment of development required in Galashiels following a destination audit provides comprehensive information on these two areas. Two key messages from these sections stand out:
- "Galashiels needs investment and a cohesive strategy in order to develop further as a visitor destination". And
 - "In 2015, visitors spent considerably more on retail and catering at paid attractions than at free attractions. Scottish Borders were ranked 7th and 3rd highest of the 14 regions whose average retail and catering spend were assessed."

Combined, these two messages make a strong case for the potential of Galashiels. But the level of change required should not be underestimated and ranges from significant changes in the commercial offer eg development of a Hotel through the overall marketing of Galashiels and improving the street scape.

- j) A staffing structure has been developed and proposes 17.85 FTE jobs. These would all be permanent new jobs
- k) The financial appraisal within the Business Case draws on the findings of the strategic context, market appraisal and market research and has been used to inform an appraisal of paid visits, earned and unearned income and running costs.

Two scenarios are envisaged. Scenario 1 is an "as is model" where the GTS project is brought to Galashiels without any wider regeneration project being implemented. Scenario 2 assumes a wider investment and regeneration project is implemented with the wider offer and the existing public perception of Galashiels improved.

- i. Visitor numbers are projected as:

	Visitor Numbers	
Year	Scenario 1	Scenario 2
1	40,184	44,000
2	42,193	47,500
3	45,000	51,000
4	48,000	51,000
5	50,831	51,000

- ii. Financial viability is assessed as a surplus or deficit in each

scenario and projected as:

Year	£ Surplus / Deficit	
	Scenario 1	Scenario 2
1	(113,608)	(79,679)
2	(100,468)	(53,919)
3	(67,421)	(12,038)
4	(49,324)	18,647
5	(28,402)	21,514
total	(359,233)	(105,475)

- l) It is clear that the best potential can be realised for the Tapestry project if the proposed scenario 2 is followed. Even with this scenario, there is a need to convert the Business Case into a detailed and comprehensive Operational Plan. This must ensure that the projected revenue deficit in years 1 to 3 is addressed and that the maximum potential of the project is realised. It should be noted these numbers are stated by Jura consultants to be the "floor" assumption that should be improved on if visitor numbers increase; it follows they are not a "best case" scenario.
- m) The economic impact assessment identifies the impact generated in a typical year. The data on which the assessment is based are taken from the projections included in the business case and industry estimates. The net additional expenditure or gross value added is £892,516 per annum. Additionally the net employment impact is 17.85 fte. Wider impacts assessed include a further 7,782 visitors staying in the Borders per annum and complementary attractions in the area are likely to receive an additional 10,704 – 12,059 visitors per annum.

10.2 **Assessment**

- a) As with the feasibility study, it has been possible to utilise significant elements of the work completed in developing the Tweedbank detailed business case in 2014 to facilitate the development of the business case for Galashiels. That said, much new work has been undertaken notably market research and a specific destination audit of Galashiels.
- b) The Detailed Business Case concludes that operating the GTS as a new visitor attraction is financially viable in the medium term but that a stronger viability for the project hinges on the further development of Galashiels as a visitor destination. The Detailed Business Case recognises the risks that exist in completing taking the project forward.
- c) In assessing the proposition, it is clear that Scenario 2 should be favoured and this is addressed within this report. It is also clear that in developing the project, the underpinning project and operational plans for both a wider regeneration project and the delivery of the new visitor attraction are essential.

11 TWEEDBANK UPDATED DETAILED BUSINESS CASE

- 11.1 a) Jura Consultants were instructed by the Council to update the detailed business case for the creation of the Great Tapestry of Scotland Visitor Centre (GTS) at Tweedbank.
- b) Specifically the updated report takes account of the following issues:
- i. The visitor market performance of the Great Tapestry of Scotland whilst on tour at various venues across Scotland (limited information was available at the time of preparing the December 2014 Report)
 - ii. The performance and use of the Borders Railway line which was not operational when the previous business plan was produced
 - iii. The changing scale and characteristics of the Borders tourist economy
 - iv. Integration of the concept for the Great Tapestry of Scotland with the wider aspirations and activities expressed within the Borders Railway Blueprint Group

11.2 Assessment

- a) The updated report is helpful and allows current comparisons with the new Galashiels Detailed Business Case.
- b) The Detailed Business Case concludes that operating the GTS as a new visitor attraction is financially viable. The Detailed Business Case recognises the risks that exist in completing taking the project forward. There is no substantive change to the Tweedbank proposition since the initial work in 2014

12 EXTERNAL FUNDING OPTIONS FOR GALASHIELS

- 12.1 The Borders Railway Blueprint committed, in-principle, £2.5m to the GTS Project. The Council originally committed £3.5m. The nature of the project will require a regular, and frequent, financial outlay prior to actual works commencing on site. This means that the project budget would almost certainly be profiled and expended over three financial years.
- 12.2 In previous years, Galashiels has not been successful in attracting Scottish Government Regeneration Capital Grant Fund (RCGF). An application form for RCGF was submitted to the Scottish Government on 20 June 2016 to ensure that, if the Project is approved by Council the option for this funding is available. The bid was revised prior to the review process by Scottish Government, with £2.15M now being requested. A Stage 1 decision is expected in September. If selected the Stage 2 process should be concluded by 31 March 2017.
- 12.3 As well as RCGF, the location of the GTS within Galashiels would also help to attract Heritage Lottery Funding (HLF). Likewise, Historic Environment Scotland can consider applications for grant support towards the external repair of historic buildings and structures. This is more likely when the project involves bringing an unused building back into use and providing enhanced public access. These criteria are met

by the location of the GTS in Galashiels. It is intended that if Council agrees the recommendation is this report that further discussions will take place with these agencies

- 12.4 Locating the GTS in Galashiels opens up considerable further funding opportunities that may be able to contribute to the Project and or the wider regeneration of Galashiels.

13 GOVERNANCE OPTONS FOR GALASHIELS

- 13.1 At the time of the original decisions in May and December 2014 in respect of the GTS it was proposed and agreed that a new Trust would be established. The new Trust would own the Tapestry which would be permanently gifted to it by the existing Tapestry Trust. The Council would lease the building at Tweedbank to the new Trust and the new Trust would have responsibility for the management of the visitor attraction including all operational and financial matters. It was envisaged that the new Trust would have a Board drawn from both existing Tapestry Trustees and other individuals with relevant skills and experience. The Council's commitment to the new Trust was simply to lease the new building to it – rent free in the initial period. It was agreed that over time a commercial rent should be sought were the visitor attraction to be successful.

- 13.2 In considering locating the GTS in Galashiels, work has been undertaken to assess the most appropriate governance arrangements that might be put in place. In undertaking that work two key issues emerged. They are:

- a) The option to locate the GTS in Galashiels will act as a catalyst to a wider set of town centre regeneration outcomes. Of most relevance in this context is the opportunity to work with other arts and culture organisations to secure a higher profile and wide ranging offer for visitors and residents alike from this sector within Galashiels. This is an outcome that would not have been achievable within the immediate locality at Tweedbank. Obvious links are with MacArts who have already written in support of the project. The feasibility study and detailed business case set out further options including flexible studio space and the potential to accommodate other organisations within the area.
- b) Since 2014 the Council has completed the transfer of its Cultural Services to what was Borders Sport & Leisure Trust which, with the added responsibility for culture, has become Live Borders (LB). The establishment of LB is a very significant and material change to the landscape in respect of governance. The new relationship between the Council and LB in respect of Culture offers an opportunity for an existing organisation with established capacity in the Borders to play a significant part in the delivery of the GTS project. No such opportunity was available in 2014.

- 13.3 As a consequence, and following discussion with both LB and the Tapestry Trustees, alternative governance arrangements are being discussed. These discussions are at an early stage, but it is already clear that all parties recognise the opportunities presented by these new factors and are keen to ensure the potential of them is secured through a different

style of agreement. The model proposed will of course require to be subject to continued critical review ensure that it is both lawful and the best fit for the project, but to date the most viable way forward appears to be to:

- a) Retain ownership of the Tapestry itself with the existing Tapestry Trust.
 - b) Seek, through the Council's existing Service Agreement with LB, to manage the new visitor attraction as a new Council service.
 - c) Lease the new building in Galashiels to LB under the well established arrangements between the Council and LB.
 - d) Ensure the scope of the new service is defined to include not just the specifics relating to the "Tapestry visitor attraction" but is drawn more widely to recognise the opportunity to establish a new arts and culture offer in Galashiels encompassing a wider set of stakeholders. This complements the services already required of LB by the Council.
 - e) Support the delivery of d) through a new Management Agreement between the Council, LB and the Tapestry Trustees. Current thinking is to establish a Project Board (title?) specifically to focus on delivering the requirements of d) and to ensure this work is not a disproportionate demand placed on the LB Board that already has significant work to undertake in establishing its arrangements to deliver the new mix of Sport and Culture Services.
- 13.4 It is important to restate that, throughout the discussions, the Tapestry Trustees have remained wholly committed to locating the Tapestry in the Borders and continue to support the proposal to transfer ownership of the Tapestry, along with all commercial rights, to a new organisation should that be agreed as the most effective way forward. Were no new organisation required, the equivalent ownership and commercial rights would also be made available through the alternative arrangement agreed.
- 13.5 There is clearly further work to do in respect of the new governance arrangements. The way forward and next steps are set out below.

14 OPTION COMPARISSON SUMMARY

- 14.1 The summary table provided in **Appendix 2** provides an easy reference guide to compare the options in Galashiels and Tweedbank. Galashiels Scenario 2 has been used for the comparison with Tweedbank. In quantifiable terms, the options are very close in the majority of the business case assessment criteria. Galashiels is predicted to attract less visitors with a ticket price of £2.50 less than Tweedbank, creating a budget deficit in the early years. This is addressed within the financial implications section.
- 14.2 The strength of the Galashiels Scenario 2 option is that the attraction has the real potential of future growth beyond the predicted peak paying visitor numbers, if the project is part of a wider regeneration project. Filling some of the key market gaps in relation to hotel space and

development of the food and drink market is seen as significant market opportunity to increase visitor numbers but also the wider socio-economic benefits.

- 14.3 The proposal to locate the Great Tapestry of Scotland in Galashiels presents stronger strategic and local benefits due to the existing commercial and social infrastructure within the town when combined with the potential to develop this through regeneration. The stronger existing base results in wider socio-economic benefits being realised immediately, rather than waiting for further development to follow, in the scenario at Tweedbank. This is evident from the Gross Value Added assessment where Galashiels returns a higher figure based on lower estimated numbers in the first five years.

15 NEXT STEPS

- 15.1 There remains work to be undertaken before it will be possible to make a final recommendation and decision in respect of the GTS Project.

It is recommended that, subject to agreement of the recommendations set out in this report the next steps and process will be as below. (Many of these steps can be undertaken in parallel and are not all sequential). The steps recommended are:

- a. Blueprint-led due diligence process. Key element is a workshop to review consultants' reports
- b. Governance issues. Liaison with partners critically with Live Borders and existing Tapestry Trustees.
- c. Funding discussions with third parties. This will importantly include discussions with Scottish Government regarding Capital Regeneration Funds for Galashiels, with Historic Environment Scotland to assess the opportunity to seek funding in respect of the Post Office Building and with Heritage Lottery Fund to assess opportunity to seek Lottery funds to support the project.

Consequently:

- d. The Blueprint Leadership Group will consider the project and decide on whether or not to support recommending that Blueprint Funds should be confirmed for locating the GTS in Galashiels. This decision will flow from the workshop outlined at a) above.
 - e. Following the Blueprint Leadership Group decision, and assuming a recommendation to confirm funds for the project a Submission would be made to the Cabinet Secretary for Culture Tourism and External Affairs, seeking her confirmation of the funding.
- 15.2 The recommended next steps have been discussed and agreed with partners, notably the Scottish Government, the Blueprint Leadership Group, The Tapestry Trustees and Live Borders. The process is designed to ensure that all interested parties are able to assess their position in light of the conclusions of other parties, and ensure that all partners are able to reach their own conclusions during the course of the process.

- 15.3 However, to instigate the process it is important that the Council provides a high degree of confidence to partners and to this end, and in the light of the assessments set out in the report, it is recommended that Council agrees, in principle, to locate the Great Tapestry of Scotland in Galashiels.
- 15.4 It is currently anticipated that the process outlined above can be completed in six weeks and consequently, it is further recommended that Council requests the Corporate Transformation & Services Director brings forward a further report in respect of a final decision on the project to Council on 10 November 2016.

16 IMPLICATIONS

16.1 Financial

A summary of the costs for each option are as follows:

(a)

	£k
Tweedbank Total Project Cost	6,339
Galashiels Project Cost	6,328
Galashiels Building Acquisition Cost	600
Galashiels Total Project Cost	6,928
Cost Difference	589

(b) A summary of the current budget position is as follows

	£k
Initial SBC Capital Allocation	3,500
Project Spend to date	-192
SBC Capital Remaining	3,308
Commitment from Blueprint	2,500
Total capital budget available at 1.9.16	5,808

Note: of the £522k expenditure to date approximately £192k would be allowable costs for the Galashiels Project, £340k will require to be written off against revenue as abortive costs of the Tweedbank project. These figures are best current estimates but are not final figures.

(c) Summary of overall position:

	£k
Current Budget	5,808
Galashiels Total Project Cost	6,928

Budget Gap	1,120
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- (d) At present, the financial assessment is that there is a £1,120k funding gap. However, as was reported to Council in June, an application for £2,150k has been made to the Scottish Government's Capital Regeneration Fund. The decision on Stage 1 applications is due imminently and a decision on Stage 2 would be made by 31 March 2017 at the latest. Were the Council's bid to be successful, the project would be affordable.

Additionally as the report makes clear, there are potentially options for the Council to apply for Heritage Lottery Funding and Historic Environment Scotland funding. Neither option was available at Tweedbank but would be in Galashiels.

Further work will be undertaken to assess the funding options and likely level of funds available. However, if sufficient third party funding cannot be secured to address the £1,450k budget gap, the project will be unaffordable. There remains a clear financial risk of the project not being fully funded in which situation the project could not be taken forward.

- (e) As part of the next steps the revenue implications of the project require to be considered in detail. This is particularly important given the conclusion of the detailed business case that, even under Scenario 2, the new attraction would operate at a financial deficit in years 1 to 3. The Council's preferred position would be for the ultimate Operational Plan for the Project to be revenue neutral. Consequently, the further work would require to assess, for example, the final staff structure, the phasing of new staff employment, catering arrangements and other variables. This will ensure the project does not pose any further additional financial burden to the Council. The new governance option proposed with Live Borders is particularly relevant here as it provides an opportunity to build on the established capacity they have without necessarily developing an entirely separate, in some instances duplicating, staff cost.

16.2 Risk and Mitigations

A risk register drawn from the work undertaken by each consultant and augmented by an officer assessment has been completed. This initial risk register is attached at Appendix 3 to provide Members on this occasion with full information on the risks and mitigations associated with the proposals to assist Members with their consideration of the content and decision-making on the recommendations within this report.

16.3 Equalities

An Equalities Impact Assessment will be carried out on the new proposal. It is anticipated, however, that there are no adverse equality implications. Indeed, the revised building design for Galashiels will be informed by

good practice (as with Tweedbank) with regard to accessibility and ensuring a good visitor experience for all users - whatever their physical requirements. A full Equalities Impact Assessment will be undertaken as part of the final detailed design phase for the building

16.4 **Acting Sustainably**

There are no sustainability issues related to this paper as it's for information, only, on an updated position for the GTS.

17.5 **Carbon Management**

Whatever the outcome for the location of the GTS there will be carbon management implications from this project in terms of building construction and its on-going operation. The future building (regardless of location) will be designed to high energy efficiency standards to minimise its carbon emissions and running costs. Attracting additional visitors to the Scottish Borders will have an impact on travel related carbon emissions. These will be mitigated to some extent by a proportion of visitors using the Borders Railway and other public transport.

16.6 **Changes to Scheme of Administration or Scheme of Delegation**

No changes are required to either Scheme.

17 CONSULTATION

- 17.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, and the Clerk to the Council have been consulted and comments received have been incorporated into the final report.

Approved by

Rob Dickson **Signature**
Corporate Transformation & Services Director

Author(s)

Name	Designation and Contact Number
Rob Dickson	Corporate Transformation & Services Director, 01835 825075
Ewan Doyle	Project Management Team Leader, 01835 825124

Background Papers:

Previous Minute Reference: Scottish Borders Council, 18 December 2014

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. We can also give information on other language translations as well as providing additional copies.

Contact us at: Gemma Charlton, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA. Tel 01835 825075. Email gemma.charlton@scotborders.gov.uk

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ENERGISE GALASHIELS TRUST

“Energise Galashiels aims to provide a focus for engaging with our community, to develop a vision for and deliver actions to improve Galashiels and create a more vibrant, welcoming and confident community”.

Why Galashiels should be the home of the Great Tapestry of Scotland!

Energise Galashiels supports the efforts of Scottish Borders Council to provide a permanent home for the Great Tapestry of Scotland – we are excited that, with changed circumstances relating to potential sites, this could be in Galashiels.

A permanent home for the Great Tapestry of Scotland in Galashiels town centre offers significant advantages over alternative options. A Galashiels location would be a major boost, not only for the town, but also, we believe, offers greater benefits to the Scottish Borders.

Visitor Market

The Jura Consultants Report indicates the potential visitor market for Galashiels, as home to the Great Tapestry of Scotland, is exactly the same as the alternative site being considered.

Referring to the Galashiels Burgh Yard site, Jura Consultants wrote: *‘This would present an interesting alternative to other sites on the peripheries of towns, if it weren’t under offer.’*

Enriched Visitor Experience

For all visitors, Galashiels retail offerings: a mix of independents and large nationals; our wide choice quality cafes, restaurants and bars; with leisure facilities such as the multi-screen cinema; offers the broadest spectrum of choice available in the Scottish Borders.

For visitors arriving by rail or coach, the Transport Interchange offers a significantly enriched ‘welcoming’ environment with onsite café; toilet facilities; visitor information literature and display for central Borders attractions; extensive bus connections across the Scottish Borders; taxi rank. All of which creates an immediately positive impression of a location that is welcoming, easy to access and convenient to link to other venues.

Within the proposed complex that will be the home for the Great Tapestry of Scotland, we urge Scottish Borders Council, and others, to invest in a ‘meaningful’ promotion of all that the Scottish Borders has to offer. By ‘meaningful’, we mean a ‘Scottish Borders Experience’ zone, which is free-to-access, could take 20+ minutes to stroll through an exhibition area with displays and video presentations – promoting our history and heritage and encouraging visitors to explore both the old and the new attractions and offerings of the Scottish Borders of today.

Enhanced Public Transport links

For visitors arriving by public transport and who wish to explore other towns and venues either during that day or at another time, Galashiels is the prime hub for the network of bus services across Scottish Borders, including links, either by bus or taxi, to nearby Abbotsford and Melrose Abbey.

Town Centre First policy – the need to invest in town centre regeneration is accepted within the Town Centre First policy adopted at both national and regional levels. At the outset of 2016, there was some

6,400 sq. metres of vacant space in the town centre, the most glaringly obvious to all, and especially to visitors arriving by public transport, being Douglas Bridge and Channel Street – the main pedestrian route to and from the town to the Transport Interchange. Challenges continue to exist in Market Street and High Street.

Many of the properties have been vacant for a number of years, creating a negative perception of the town and resulting in a loss of Business Rates revenue to Scottish Borders Council.

More needs to be done in these key central areas to entice visitors to go further and explore Bank Street, with its wonderful gardens and its' independent retailers, plus the range of offerings from the major nationals in the retail parks close to the town centre.

With the radical change in retailing over the past few years, we have yet to find anyone who believes that the solution to these vacant town centre properties will be resolved by a resurgence of what previously existed. Everyone accepts that the impact of online retailing, along with a shift towards larger multi-channel retailers with click & collect services, has changed the traditional model. Across the U.K. 'High Streets' are having to change to incorporate more non-retail activities such as food & drink and leisure and consider other, non-business, uses.

Whilst there is optimism that Galashiels may be attractive to some national retailers based on current footfall activity, the trends in retailing suggest that without a major intervention, or an attraction to encourage more visitors, there is little chance of these key areas of our 'old town centre' being productively occupied.

Energise Galashiels understand that dependent on the type of retailer that could be attracted, the additional £Sales Revenue required to sustain new business, an 80% occupancy (5,000 sq m of 6,400 sq m vacant) would require between £10 million and £50 million additional consumer spend per annum.

In the absence of a major intervention, it is considered to be very doubtful that 'retail trading' will ever resolve the current level of vacancies. This may lead to further decline and then require a combination of national and local government having to invest to regenerate at some future date. Having the Great Tapestry of Scotland's home in Galashiels town centre will be an investment which will provide a massive boost to the existing efforts being made to regenerate the 'old town centre'!

Building on a Heritage of Design

There a number of initiatives, not all Energise Galashiels projects, which we actively support. The cumulative impact of these ventures, we believe, will add to and enhance the attraction of visitors to the Great Tapestry of Scotland in a Galashiels location.

Creative Coathanger is a new concept, initiated by Energise Galashiels, which will showcase creativity in the Scottish Borders. The inaugural event will take place in September/October 2016 with host of activities planned, including lectures and open studios at Heriot-Watt University School of Textiles and Design, Netherdale Campus in Galashiels. <http://www.creativecoathanger.org/>

Galashiels - a University Town Energise Galashiels works closely with Heriot-Watt University School of Textiles and Design and their Students Union to help promote the world-class creativity that thrives at the Netherdale campus by arranging town centre displays which have drawn interest from both Borderers (many of whom are unaware of the marvellous designs being created here) and visitors to Galashiels.

We seek to support the efforts of various parties to bring the School of Textiles & Design to be part of a more vibrant town, with a more prominent presence and, potentially, a town centre location for a Students Union which encourage graduates to be a stronger part of our community.

Print Workshops: the Scottish Borders Cultural Strategy, originally developed by Scottish Borders Council and now part of Live Borders, includes an assessment as to the feasibility of an 'arts related' work area, potentially utilising a vacant textile mill property close to Galashiels town centre.

A *Scottish National Collection of Textiles* is being proposed by the Scottish Centre of Textiles Limited who have applied for grant funding to conduct a survey of the remaining textile industry heritage in Scotland as the first step towards the creation of the Scottish National Collection of Textiles to be based in Galashiels

Developing an Arts Quarter in the 'old town centre'. Subject to Planning Permission approval, it is hoped to mount a newly created, large scale, Flying Scotsman Mural, by artist Chris Rutterford, in the Douglas Bridge area. <http://www.chrisrutterford.com/>. The possibility of 'Studio Pods' is being considered by a private developer.

MacArts has quickly established itself as a new community and performance venue, located in the centre of Galashiels. Originally a church, the building now offers a contemporary multi-purpose facility for a wide range of arts in the Borders. Increased footfall, particularly from visitors with a general interest in the design and the arts, can only strengthen MacArts as a vibrant centre.

Future Potential

Dependent on the scale of site development available, the Great Tapestry of Scotland should be the anchor in an arts quarter which offers a range of complementary exhibits and activities.

Energise Galashiels believe that securing the Great Tapestry of Scotland in a town centre location will act as a catalyst for other projects and initiatives which offer the opportunity to transforming Galashiels and regenerating an area that is key to the overall prosperity of the town.



ENERGISE GALASHIELS TRUST

Supplementary Notes

A Vision for the Future

Energise Galashiels is often asked ‘What is your vision?’ We believe that having a ‘Vision for the Future’ can play an integral part in binding a community together and harnessing the goodwill of many to contribute to creating a vibrant Galashiels. In 2015, with support from Scottish Borders Council, we submitted an application for funding to carry out a Community Planning project (a Charette) – unfortunately we did not secure the necessary Scottish Government support in the face of strong competition from other towns.

Energise Galashiels believes that the need for community involvement in developing and supporting a ‘Vision for the Future’, remains a pressing need and we continue to explore alternatives as to how this may be achieved with the support of Scottish Borders Council and other partners.

As an interim solution, within our Energise Galashiels Plan for 2016 – 2018, we have focussed on Key Themes, including:

- **Building on our heritage of ‘Design’**
- **Attracting and developing events and exhibitions**
- **Creating a positive impression of Galashiels and our town centre**
- **Encouraging innovation**
- **Encouraging effective marketing of Galashiels**

What could a new Arts Quarter, with the Great Tapestry of Scotland as the anchor attraction, deliver?

The capacity and scale of the following will be dependent of many factors. To an extent, this could be seen as a ‘wish list’ but we view it as an indication of the innovative concepts that could add to the success of the Great Tapestry of Scotland.

As outlined in ‘Enriched Visitor Experience’, Energise Galashiels believes a ‘Scottish Borders Experience’ zone offers the potential of boosting tourism across the region and should be a priority initiative.

Flexibility should be a key ingredient, opening up opportunities to use space either for exhibitions and gallery displays, or transforming into modern and attractive conference facilities. The prospect, in the longer term, of co-locating a Concert Hall in an ‘Arts Complex’, should be considered.

Although we have not held specific discussions with Heriot-Watt University School of Textiles and Design, we believe there will be strong support for a town centre exhibition area, on a permanent basis, with content changes on either a 6-monthly or annual basis. This would bring the School of Textiles and Design into the town centre and provide a strong link between the institution and the community.

Preliminary discussions have been held with SCOT and, subject to how and where their project develops, they wish to explore the prospect of having display space available for the Scottish National Collection of Textiles and their proposed Archive Collection.

An endless number of potential exhibition themes, which could be seasonal, or longer term, or permanent, have been discussed, just a few below examples of what could be possible with an appropriate venue.

- Food and Drink (the best of the Scottish Borders)
- King’s Own Scottish Borderers (a link to the Regimental Museum in Berwick-upon-Tweed)
- Sport (including rugby, but embracing all sports where Borderers have led the world)

- Textiles (great designers such as Bernat Klein)
- Industrial heritage (electronics)
- River Tweed interpretation exhibition
- Visiting Exhibitions (attracting touring exhibitions and sub-sets of major national exhibitions)

Energise Galashiels is a founder member of the town-centric Destination Scottish Borders grouping which includes community groups from Hawick, Jedburgh, Kelso, Melrose and Selkirk – all working together to better promote our towns and the Scottish Borders to visitors. The concept of developing a series of theme-based exhibits which could rotate around our towns could offer all our local museums a steady flow of new attractions which would appeal to the local community and visitors alike, creating an even more powerful and compelling reason to visit the Great Tapestry of Scotland.

£Funding - From initial discussion with Scottish Borders Council, Energise Galashiels is aware that options already exist with charitable entities to potential access grant funds that may not be available to the local authority. Energise Galashiels is willing to assist, if required, in exploring all potential funding sources that could enhance or accelerate the development of a broadly based ‘arts quarter’ within Galashiels town centre, including the potential of community asset purchases with support from the Scottish Land Fund.

Downside Risk - It is generally accepted that all Products / Services / Attractions have a ‘life-cycle’ – it is always challenging to forecast a specific timescale, which can span a number of years or decades. A Galashiels town centre location, with significantly more infrastructure already in place, offers great downside protection for the Great Tapestry of Scotland if, in whatever timescale, the trend in visitor numbers declines to the extent that new activities are required.

What will ‘old town’ centres of the future be? If the return of areas such as High Street, Channel Street and Douglas Bridge to be pure ‘retail’ is unlikely, what other productive activities may be relevant? There appears to be a trend for more of a café style environment, along with increased leisure options such as Kids Play Areas, Trampolining, Indoor Football, etc.

Although centrally located, would a re-located Library in a vacant Channel Street / Douglas Bridge property offer benefits to the public and create alternative options for the existing site?

Heriot-Watt University School of Textiles & Design - Energise Galashiels maintains regular contact with the Head of School and other staff and with the Students Union representative. We have worked to increase the profile of the HWU within the town centre by assisting with various window displays.

We believe that Galashiels needs to do more to be recognised as a ‘University Town’ which both attracts and retains, at weekends, and over the longer term, students and graduates. Energise Galashiels had initial discussions regarding a near-to- town centre ‘Students Union’ which did not progress – the current status of this should be revisited.

Interim options for the Great Tapestry of Scotland - we understand that it is unlikely that an interim location will be necessary. However if this changes, and subject to the premises remaining vacant, Energise Galashiels has made provisional contact with the Owner of the Douglas Bridge complex who would consider a short term Let. The premises (Units 8/9/10) have a ground floor of approx 5,000 sq. ft. and approx. 4,000 sq. ft. on a first floor.

It may be possible to utilise some of this space to display either the Great Tapestry of Scotland display unit currently sited in the Transport Interchange, and/or a mini-exhibit to GTS Panels. This could be on a stand-alone basis, or link to the Creative Coathanger initiative which could provide a temporary town centre ‘Gallery’. However, we are aware that a number of technical issues related to Business Rates and Fresh Start Relief have to be taken into consideration.

Image and Connections - Energise Galashiels supports the efforts of Galashiels Community Council to have Galashiels be cleaner and tidier. In the context of the Great Tapestry of Scotland, we believe that action is required in key areas in the town centre. These include the Channel Street frontage of Douglas Bridge House and two areas in Bank Street, where it has become the norm to leave, on a permanent basis, 'wheelie bins' on the street. This does nothing to enhance our image and alternative solutions are required which enhances the Galashiels town centre environment on a sustainable basis.

The importance of Green Street gains even greater importance in linking the 'old' and 'new' retail zones. This is already an issue with vehicles, now including HGVs, accessing what most people think of (albeit incorrectly) as being a pedestrian zone.

Car Parking - consideration should be made of utilising appropriate areas at Tweedbank Railway Station as a Park & Ride facility, with the cost of the short rail journey to and from Galashiels included in the Ticket Price for the Great Tapestry of Scotland. The utilisation of existing Currie Road car parks, which we understand may be being assessed for HGV training purposes, may need to be re-considered, along with the options of creating more parking space in that area and/or within areas of Langhaugh Industrial Estate.

Marketing - An ongoing challenge for Energise Galashiels, with similar issues being experienced amongst many of our partner in the Destination Scottish Borders grouping, is one of effectively marketing the wide range of events and attractions that already exist across the Scottish Borders. The Great Tapestry of Scotland will undoubtedly have its' own marketing team – however, it may be that Scottish Borders Council can assist with the efforts of community groups to develop, and most importantly maintain, both visitor and community oriented 'events / attractions' content in an online world. *(N.B. Destination Scottish Borders is planning to discuss this matter with VisitScotland to ensure that all leverage options available on their online platforms are being optimised by towns across the Scottish Borders.)*

Business rates - The Business Rates income for the vacant properties listed in the quarterly Healthy High Streets submissions is approx £250k (but with 10% discount given their current vacant status, this will be reduced). Were all currently vacant premises to be commercial Let, this has the potential to increase annual Rates revenues by £25k). Energise Galashiels experience in dealing with a number of Property Agents / Owners (with the notable exceptions of the Owner of the Douglas Bridge complex and the Agent for the former Stead & Simpson premises) has been one of little or no support to allow us to do anything with their vacant premises windows.

Currently there is neither an £incentive nor £sanction available that makes it worth their while deploying resources to assist with our pleas to have Galashiels town centre 'Looking Good'. We would like to explore with SBC all avenues which may create the necessary 'carrot / stick' to change attitudes and encourage action, which we believe will be necessary in key zones until 'market' interests fill the gap.

Healthy High Streets - Galashiels was selected as one of 100 towns across the U.K. to participate in the BITC (Business in the Community) led Healthy High Streets project. This allows Energise Galashiels to link major nationals (Marks & Spencer, Boots, Santander, Greggs and E.E.) and Galashiels Chamber of Trade and ScotBIC (Scottish Business in the Community. An example of this linkage being that ScotBIC member, John Lewis, provided Visual Merchandising advice to a number of town centre traders and charity shops.

Energise Galashiels is an independent community group of volunteers, formed in November 2014, to help create a viable and sustainable town, attractive to residents and visitors.

Destination Scottish Borders
c/o County Hotel
1-5 High Street
Selkirk
TD7 4BZ

Selkirk 13/7/16

To whom it may concern

Re: The Great Tapestry of Scotland

Destination Scottish Borders is a constituted Association of regeneration organisations, Community Councils, Chamber of Trade and Commerce and other community groups from towns within the Scottish Borders who wish to further the objects of the Association. The Association was constituted in May 2016 after about a year of preparation and co-operation between Borders towns. Current member-towns are Kelso, Jedburgh, Hawick, Selkirk, Melrose and Galashiels.

The objectives of the Association are as follows:

To identify and review aspirations and ambitions and support development of opportunities in the economy at the local level with an aim to grow tourism visits and spend in The Scottish Borders.

To work to improve and add value to the visitor journey within the Scottish Borders

To stimulate authentic quality experience throughout the Scottish Borders.

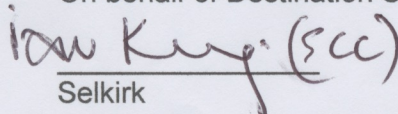
To be part of positioning and promoting The Scottish Borders as, a sustainable, year-round destination, which capitalizes on its unique geography, heritage, natural environment and people.

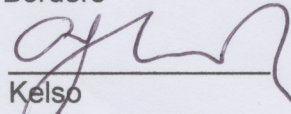
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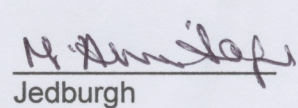
- *Working closely with and through local re-generation organisations and collaboratively with other local groups that have aims related to increase the visitor economy*
- *Support the Scottish Borders Tourism Partnership in implementation of the Scottish Borders Tourism Strategy*
- *Taking on and supporting projects that will benefit the visitor economy within Scottish Borders*
- *Actively seek involvement in any visitor and tourism initiative set to benefit the Scottish Borders Economy*

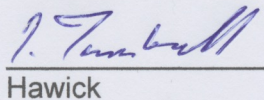
The Association has taken a keen interest in the issues around the Great Tapestry of Scotland and its placement within the Scottish Borders. All management committee members are in agreement that the most advantageous location for the tapestry in Scottish Borders is Galashiels town centre. Here it is supported by the Borders Railway, large car parking facilities and will provide the added benefit of supporting the further regeneration of Galashiels town centre with attracting a much needed increased foot-fall. Visitors will benefit from town centre services, hospitality and shopping opportunities as well as being able to visit other local attractions, which also can be reached by public transportation from the Galashiels Interchange. These are clear advantages from locating the tapestry on a carpark in an industrial estate from which there are very limited onward public transport, no additional services and no added benefits to the local economy.

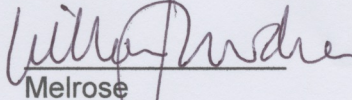
On behalf of Destination Scottish Borders

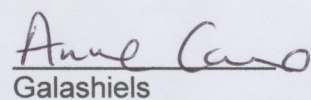

Selkirk

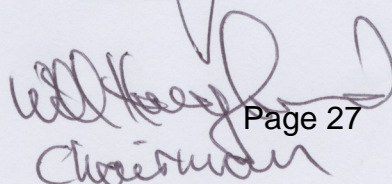

Kelso


Jedburgh


Hawick


Melrose


Galashiels


Chairman

Galashiels Community Council

28 June 2016

To Whom It may Concern

Great Tapestry of Scotland

I write to advise you that, in principle, Galashiels Community Council welcomes the opportunity that Galashiels now has to be considered as a permanent home for the Great Tapestry of Scotland. We fully support a town centre location for the Great Tapestry of Scotland and believe this attraction will provide a tremendous boost to the local economy and attract visitors to Galashiels and the Scottish Borders.

With the new Borders railway now operational, and with the Transport Interchange, the location of Galashiels gives an opportunity to maximise the visitor potential of this unique attraction.

We look forward to hearing more details and to a positive outcome in due course.

Yours sincerely,

Judith Cleghorn

Chair
Galashiels Community Council

Galashiels Chamber of Trade

C/O Alex Dalgetty & Sons

21 Island Street

Galashiels TD1 1NZ

5th July 2016

To whom it may concern,

GREAT TAPESTRY OF SCOTLAND – GALASHIELS

Galashiels Chamber of Trade wish to express their support to the submission made by Energise Galashiels regarding the siting of the Great Tapestry of Scotland within Galashiels town centre.

We believe that visitors would undoubtedly spend time in the town centre either before or after their visit to the tapestry, thereby adding value both to the local economy and equally importantly to the quality of the visitor's experience.

Having the Tapestry in Galashiels also has the potential to extend what may have been a half day excursion into the Scottish Borders (at alternative proposed sites), into a full day, or even a short break using Galashiels as a base.

It is our opinion that the Tapestry would bring a significant boost to trade within the traditional town centre. The increased footfall would act as a catalyst to generate retail investment in an area which has been significantly affected by changes to the retail geography of the town over the past 10 years.

To re-iterate, Galashiels Chamber of Trade believe that the siting of the Great Tapestry of Scotland within Galashiels is essential in order to regenerate the town centre.

Yours Faithfully

Craig Murray

Galashiels Chamber of Trade (Chairman)

Healthy High Streets – Galashiels Champions

To whom it may concern,

GREAT TAPESTRY OF SCOTLAND - GALASHIELS

Galashiels Healthy High Streets Champions wish to express their support for the siting of the Great Tapestry of Scotland within Galashiels town centre.

The Healthy High Streets programme is 3-year programme led by BITC (Business in the Community) involving 100 High Streets across the U.K., with Galashiels being selected as one of the 8 in Scotland.

In Galashiels, Healthy High Streets is backed by corporate partners: Boots UK, EE, Greggs, Marks & Spencer and Santander.

These businesses are collaborating with local town teams, including Energise Galashiels, Galashiels Chamber of Trade, ScotBIC (Scottish Business in the Community) and with the Galashiels Town Centre Co-ordinator to develop and implement activities such as:

- Addressing issues around empty & unsightly properties
- Prioritising accessibility and safety
- Creating and enabling high profile events to drive footfall
- Helping to improve customer service
- Providing expert help and resource to market and celebrate the high street.

We believe that locating a major attraction such as the Great Tapestry of Scotland in Galashiels town centre would add value to the local economy. An increase in visitor footfall would also act as a stimulus to encourage the development of retail and leisure activity in an area of the town which has been adversely affected by the substantial changes in 'bricks and mortar' retailing that have occurred over recent years.

On behalf of the Healthy High Street Champions in Galashiels,

Bronwyn McGeorge

Store Manager – Boots Galashiels



11 August 2016

To whom it may concern,

GREAT TAPESTRY OF SCOTLAND – GALASHIELS

The Duncan Mackinnon Music and Arts Trust (the charity responsible for running the MacArts Centre, Galashiels) wishes to express support to the application for the Great Tapestry of Scotland to be based within Galashiels town centre.

MacArts has been established by the Trust as a new community and performance venue, located in the centre of Galashiels. Originally a church, the building now offers a contemporary multi-purpose facility providing cultural, educational, recreational, economic and social benefits to local communities and visitors from beyond the Scottish Borders.

MacArts' visitor numbers continue to grow, and by also locating the Great Tapestry of Scotland in Galashiels town centre, we believe that the presence of this major new tourist attraction close to our venue will prove mutually beneficial and help to develop and strengthen Galashiels' reputation as an arts and cultural tourism destination.

Yours faithfully,

Iain Coltman
Director
Duncan Mackinnon Music and Arts Trust

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	Tweedbank Option	Galashiels Option
Comparison Themes		
Quantifiable Assessment		
Capital Costs	£6,339,000	£7,354,000
Revenue over first 5 years	£78,965	(£359,223) (*£105,475)
Peak annual visitor numbers	55k (year 1)	51k (year 3)
Predicted paid visitor numbers over 5 years	399,000	226,208 (*244,500)
Predicted standard ticket price	£10	£7.50
Economic Impact - Gross Value Added	£880,936	£892,516
Economic Impact – Additional Net Employment	17.6fte	17.85fte
Wider Impacts – Additional Visitor staying in region (per annum)	7,782	7,782
Wider Impact – Additional footfall to other attractions (per annum)	12,059	12,059
Strategic Fit		
Strategic Significance – Town Centre First Principles		✓
Strategic Significance – Scotland Wide	✓	✓
Strategic Significance – Local Impact	✓	✓
Greater Local Impact		
Greater Cultural links (support)		✓
Greater Educational links		✓
Greater local business benefits		✓

*Scenario 2 figures assume a wider investment and regeneration project is implemented.

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Red	4
Amber	7
Green	14
Closed	0

RISK IDENTIFICATION

RISK ASSESSMENT

RISK RESPONSE

Ref	Risk	Cause and Effect	Probability of Happening (%age)	Probability (L/M/H)	Impact (L/M/H)	Level (R/A/G/C)	Action Plans / Control Measures	Risk Owner	Proximity	Completion Date
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Strategic Brief / Client Aspirations (S)

S1	Inability to resolve differences in design aspirations amongst the different parties between affordable space and required space	Cause: Client bodies and end users may have differing requirements Effect: Impact on programme and cost	35%	L	M	Amber	1. Agreed revised project brief and outline design and signed off by client on conclusion of stage D	ALL	Throughout Project Lifespan	Project Completion
S2	Untimely client instructions due to changes requested by users/ Statutory Authorities	Cause: Key programme interface dates not identified or communicated to users. Requirements not established early enough. Effect: Impact on programme.	10%	L	L	Green	1. Identify key project milestones and establish / communicate a briefing programme to users such that instructions are received in a timely manner. 2. Adhere to change control procedure	ALL	Throughout Project Lifespan	Project Completion
S3	Change in client requirements due to change in user requirements	Cause: Space requirement changes, etc. Effect: Building use redundant.	25%	L	M	Amber	1. Stage D sign-off will clarify 2. Bespoke building and funding based upon this.	ALL	Throughout Project Lifespan	Project Completion
S4	Formal Stakeholder Engagement	Cause: Critical to project success and key in influencing the outcome of the project Effect: Lack of stakeholder engagement will cause delays to the overall project and programme	25%	M	M	Amber	1. Develop robust stakeholder communication plan to include all influential parties across all levels (political, SBC officer's, trustees, Royal Mail, statutory authorities etc) 2. Regular updates and reporting at key project milestone dates	PM	Throughout Project Lifespan	Project Completion

Funding (F)

F1	Lack of project funding in place causes delay to project	Cause: Funding not as expected Effect: Funding gap; programming delays	20%	L	H	Amber	1. Alternative funding being explored 2. Possibility of Value Engineering the Design to meet budgetary constraints	Client/PM	ASAP	Completion of Tender Documentation Preparation
F2	Client failure to secure adequate funding	Cause: Expected funding does not materialise / funding gaps not met. Effect: Project budget in jeopardy	20%	L	H	Amber	1. Commit to purchases or tender the works for marketing testing purposes. 2. In event of some portions of funding not being assured - contingency plans shall be laid for reducing scope of works	Client/PM	ASAP	Completion of Tender Documentation Preparation

Land Assembly (LA)

LA1	Failure to secure Post Office Building	Cause: Failure to agree heads of terms and purchase price Effect: Loss of floor space and potential revenue streams	10%	L	H	Red	1. Commence early purchase negotiations with Royal Mail 2. Option available to continue with project without PO Building.	Client/Estates/PM	ASAP	Pre-Tender
LA2	Failure to secure Poundstretcher Building	Cause: Failure to agree heads of terms and purchase price Effect:	30%	M	H	Red	1. Commence early purchase negotiation with selling agent	Client/Estates/PM	ASAP	Pre-Tender
ST3	Ground /Site Conditions	Cause: Lack of ground / site survey information Effect: Potential implication on Design / Construction programme and cost.	20%	L	H	Amber	1. Desk study analysis of historical site data carried out as part of the feasibility study 2. Commence with early intrusive Ground & Site Investigations to establish any unforeseen (contaminated land, ground stability etc) in order to inform the design/buildability	Design Team	ASAP	

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Design (D)										
D1	Changes in design post-tendering due to design development	Cause: User expectations; Joint operations policy Effect: Increased cost and time to completion.	20%	L	L	Green	2. Design sign-off process for users / stakeholders (Stage E)	PM/All	Contract Award	Project Completion
D2	Client Changes in design pre-tender award	Cause: Statutory Authorities; Planning Approval; Funding Approval Failures Effect: Increased cost and time to completion.	20%	L	L	Green	1. Stage E sign-off will provide element of certainty. 2. Confirmation of Funding 3. Planning / stat. auth. Permissions etc.	PM/All	Contract Award	Sept '09
D3	Client Changes in design post-tender award	Cause: For positive benefit only; potential cost savings due to inadequate funding Effect: Prolongation of construction and consultant costs on effect of variations	20%	L	L	Green	1. Monitor for opportunities and threats 2. Close communication with contractors)	PM	Throughout Project Lifespan	Project Completion
Statutory Approvals / Legislative issues										
ST1	Fail to obtain Planning Approval or onerous conditions within Planning Approval/Listed Building Consent	Cause: Planner concerns with design Effect: Design must change	5%	L	M	Green	1. Regular interface with planners - work towards avoiding onerous planning conditions being imposed on the scheme.	Design Team	Current	Planning Approval
ST2	Lack of capacity of Public Utilities (Gas, Power, Water)	Cause: Programme Delays and unforeseen costs Effect: Impact on Programme	10%	L	M	Amber	1. Early identification of building demand 2. Early consultation and applications to Statutory Undertakers	Design Team	Current	Planning Approval
ST3	Ground Conditions	Cause: Lack of ground / site survey information Effect: Impact on Programme								

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Procurement (PR)										
PR1	Availability of competent and experienced contractors	Cause: Prevailing market conditions at time of tender mean contractors have sufficient workloads and do not wish to tender. Effect: Uneconomic pricing, lack of tenderers who have the design team's confidence, potential for workmanship and performance pro	5%	L	M	Green	1. Agree procurement strategy with Client. 2. Identify 7 contractors from predetermined PQQ Assessment criteria and invite to tender for works contract	Client/PM	Run-up to issue of tender documentation and detail design of critical elements	Pre-Tender
PR2	Availability of material for procurement	Cause: Shortage of materials; inadequate supplies in sufficient time Effect: Required to change materials - planning, timescale and sustainability compromised	10%	L	M	Green	1. Ensure dialogue with critical material / component suppliers; consider alternative specification for materials in short supply.	All	Mar - Sept	Tender Issue
PR3	Delay to off-site manufacturing	Cause: Late orders; delays within manufacturing cycle; late client changes and approvals Effect: Programme impact	10%	L	M	Green	1. Identify key programme dates 2. Place orders in a timely manner; pre-purchasing where absolutely necessary.	PM	Throughout Project Lifespan	End of Project Lifespan
PR4	Delay to installation of specialist client equipment	Cause: 1. Design and installation not co-ordinated 2. Commissioning programme misses Client equipment Effect: Unable to move in until equipment is installed and commissioned.	10%	L	L	Green	1. Identify all critical specialist client equipment. 2. Develop a programme for installation periods. 3. Negotiate with main contractor and establish access dates. 4. Client to decide on procurement / commissioning strategy for specialist equipment	PM	Plan - finalise prior to tender issue	Procure / Commission - >1 month prior to contract completion
PR5	Over-reliance on third party suppliers. Failure of Utilities	Cause: Suppliers of critical materials or utilities fail to deliver Effect: Delay to programme; cost implications	30%	L	M	Green	1. Work to ensure lead-in and order timetables are catered for in programming terms both prior to and during construction. 2. Try to ensure that where-ever possible alternate suppliers material and systems can be substituted	PM	Commence with Detailed Design	Plan - finalise prior to tender issue
Project Organisation (PM)										
PM1	Failure to follow the project processes	Cause: Delay in formalising project processes / execution plan. Effect: Design team brief may change	20%	L	L	Green	1. PM finalised PEP	ALL	Throughout Project Lifespan	Throughout Project Lifespan
PM2	Poor management of change (design and construction)	Cause: Design variations / site variations not properly recorded. 'As-built' record drawings / specifications do not match reality Effect: Inadequate records, failure to meet required standards, completion compromised.	20%	L	L	Green	1. All design and construction changes to be recorded and best practice regarding updating of project records to be followed.	ALL	Through site works phase.	Through site works phase.

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Construction and Site Logistics (CO)										
CO1	Lack of : - site space and storage - access - craneage	Cause: Contractor unaware of prevailing site conditions Effect: Slower than tendered for progress on site	50%	H	H	Red	1. H&S plan along with tender documentation will make clear any site constraints and their associated risks. 2. All potential tenderers will be given an opportunity to visit the site.	Design Team	Preparation of tender documentation	End of Tendering Period
CO2	Proximity of other 'live' buildings imposing site constraints - demolition	Cause: Noise / Vibration / Dust caused by contractors. Effect: Cost escalation and programme delay due to need to work outside standard timescales	50%	H	H	Red	1. Establish regular communications with affected areas. 2. Identify likely areas of conflict and put in place good working practices to avoid unnecessary constraints being imposed.	Design Team	Throughout contract period	Throughout contract period
CO3	Construction programme is unachievable	Cause: Unrealistic construction timetable Effect: Project takes longer than anticipated	15%	L	M	Green	1. As detailed above - selection of tenderers will be used to confirm fitness of construction period.	PM	Selection of Tenderers	Contract Award
Operations/ Maintenance/ Facilities Management (Op)										
OP1	Fitting out of completed building	Cause: Decision to omit / late orders / postpone fitting-out of some areas due to funding limits. Effect: Disruption to occupants and complaints leading to need for out of hours working and additional costs.	15%	L	M	Green	1. Communicate current strategy such that users (occupants) are aware of likely disruption. 2. Identify critical areas of impact and develop a plan to work with these critical users.	Client/PM	Preparation of Tender Documentation	Project Practical Completion

RISK ASSESSMENT

	Risk Type	Description	Likelihood of Occurrence	Severity	Mitigation
R1	Ownership	Failure to secure the Tapestry from the GTS Trustees	Low	High	GTS Trustees will be engaged and consulted at all key stages of the project development
R2	Technical	Failure to successfully acquire full site area required	Medium	High	Early and frequent engagement with relevant stakeholders
R3	Technical	Objections raised via the planning process fundamentally alter the concept for the project	Medium	Medium	Early and frequent engagement with Planning Department to identify issues
R4	Technical	Unforeseen site issues increase cost or affect design development	High	High	Undertake all relevant site investigations early in the development process
R5	Financial	Loss of political support from Scottish Borders Council	Medium	High	Provide regular updates to Council on project development including consultation opportunities as appropriate
R6	Financial	Failure to secure funding to develop the project to a level detail required by external funding bodies	Medium	High	Supporters of the project should be asked to commit to specific design stages to provide confidence that funding applications can be made.
R7	Design Specification	The design may need to evolve to include other non-Tapestry facilities. This may introduce a design and cost risk which will need to be managed	Medium	Medium	Clarity is required at all stages of project development to manage the brief
R8	Financial	Failure to secure the capital match funding to deliver the project	Medium	Medium	A funding strategy should be developed to put in place a process through which capital funding will be secured. Frequent engagement with funding partners and philanthropic givers will be required from the early stages to build relationships.

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	Risk Type	Description	Likelihood of Occurrence	Severity	Mitigation
R9	Programme	Delays to the delivery programme	Medium	Medium	Regular review to ensure programme reflects state of the project
R10	Financial	Project cost increases due to lack of clarity in the brief	Medium	Medium	Regular review meetings to confirm scope and cost remain in balance
R11	Organisational	Project team unable to appoint an appropriately qualified Director / Curator	Medium	Medium	Re-advertise and consider the salary available
R12	Financial	Visitor numbers and critically visitor admission income lower than forecast	Medium	Medium - High	Have contingency marketing and product enhancement plans in place
R13	Financial	Spend per visitor on retail and catering lower than forecast	Medium	Medium - High	Re-consider the product offer
R14	Financial	Non-exhibition visitors catering income lower than forecast	Medium	Medium - High	Re-consider the product offer and introduce marketing initiatives
R15	Financial	Building operating costs greater than forecast	Medium	Medium	Review of operating procedures required
R16	Financial	Rights to earn income from the sale of Tapestry related product not transferred from the Tapestry Trustees to the organisation responsible for the Visitor Centre	Medium	High	Negotiation is required early in the process to understand the position and to ensure that the likely position is reflected in the business plan projections
R17	Technical	Wider public realm works to support the GTS Visitor Centre in its location not undertaken	Medium	Medium-High	Development of strategy by SBC to ensure supporting development
R18	Organisational	Failure to develop or promote visitor destination offer	Medium	High	Development of strategy by SBC in conjunction with local stakeholders