

Berwick Town Council

**Berwick Barracks Re-
Awakening**

**Market Appraisal &
Business Plan**

EXECUTIVE SUMMARY



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E.0 EXECUTIVE SUMMARY

E.1 Introduction

Jura Consultants was commissioned by Berwick Town Council (BTC) working with the Berwick Archives and Museum Action Group (BAMAG) to assess the feasibility of the business case for *Berwick Barracks Re-Awakening*.

The aspiration underpinning the project is as follows:

The aspiration is to establish a landmark Borders Heritage Hub (BHH) which celebrates the unique and unparalleled culture and heritage of Berwick and the surrounding area, functioning as a headline visitor attraction for the area and focal point for the local community. It is intended that the BHH becomes the heart of Berwick's heritage tourism offer, forging links with other local and regional attractions, helping to raise Berwick's tourism profile nationally and internationally, driving growth in visitor numbers and creating jobs with a positive socio-economic impact on neighbouring areas.

Berwick Barracks was identified as the preferred location for the BHH from the outset owing to its significance as one of the town's principle landmarks and much loved assets yet declining performance as a visitor attraction. The business case assessment was not however limited to this location and a notional 'other Berwick' location was considered.

This report has been completed working in close collaboration with architects Spence & Dower, the client group and also in consultation with a variety of stakeholder and potential user groups, including those currently stationed at Berwick Barracks. This has included:

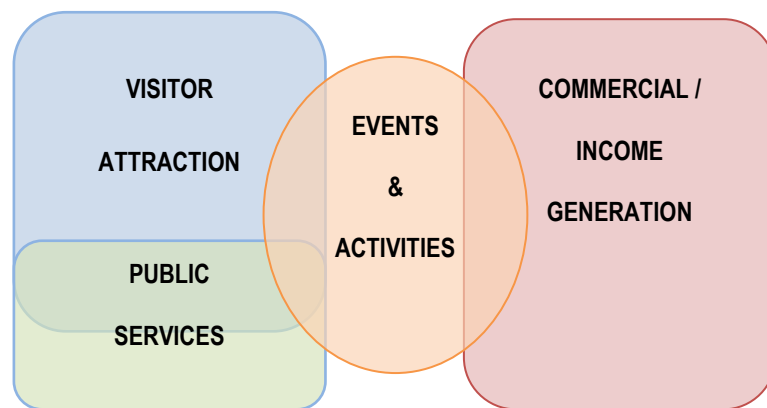
- the potential BHH partners including English Heritage (EH) as owners of Berwick Barracks; Woodhorn Charitable Trust (representing Berwick Museum & Art Gallery and Berwick Record Office & Archives); Kings Own Scottish Borderers Association (KOSB) and Berwick Visual Arts (BVA)
- other Berwick community groups and organisations with an interest in the project including representatives from BAMAG and Berwick Community Trust
- Residents, visitors, and non-visitors to Berwick as potential users of the Hub consulted through on-street survey research conducted within and outwith Berwick completed by field research company LJ Research

The business case should be considered alongside Spence & Dower's Report on the Physical and Technical Feasibility of providing a Heritage Hub within the Barracks Complex.

E.2 The Concept

The concept for the Borders Heritage Hub combines visitor attraction, public service and commercial income generating activity presenting a multi-faceted yet crucially complementary entity. It is the effective blending of these respective elements, underpinned by a mutual and collaborative effort, which can unlock the true potential of the BHH enabling it to become a hub of activity, flagship attraction and focal point for the town. The role of events and activity is vital in this equation functioning as key points where the respective visitor attraction and commercial components of the BHH can come together delivering a vibrant and diverse offer which can enhance the appeal amongst a wider range of audiences. The core concept and the key principles which underpin it are presented below:

DIAGRAM E.S.1: BHH CONCEPT



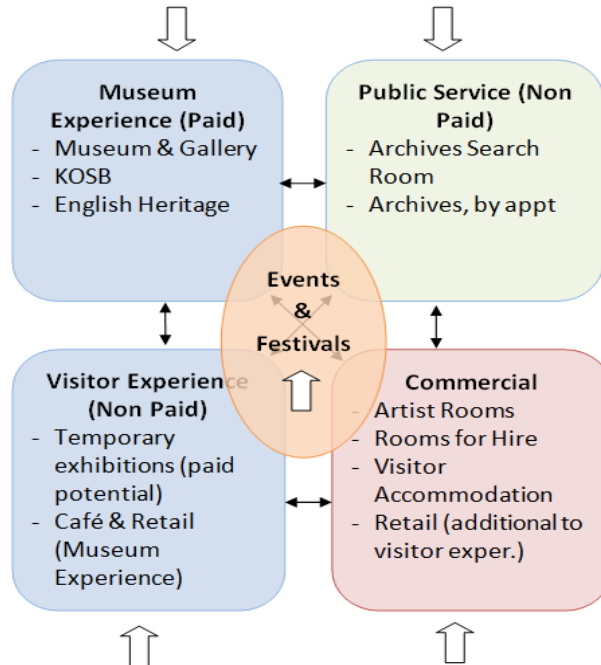
- **Seamless, coherent, integrated museum experience** where the Borders story is the central interpretive theme functioning as a familiar 'touch point' from which individual stories relating to the distinct heritage of the partner organisations are told
- **Regularly changing high quality temporary exhibition programme capable** of attracting new and repeat audiences.
- **Primary visitor entrance** maximising the coherence of the visitor experience to support visitor understanding of the site and maximise the opportunity for commercial revenue generation
- **Admissions strategy which supports a mix of paid for and free elements** without compromising on the coherence of the visitor experience, undermining the value of any paid for experiences or stifling the opportunity for collaboration.
- **Café and retail facilities** accessible in front of the pay barrier
- Suitable space conducive to hosting **large scale and high profile events**.
- **Coordinated site wide and outreach programming with shared resources**
- **Commercial usages** which support the overall identity of the BHH attracting more diverse user groups and playing an important role animating the site outwith the visitor season
- Extending the appeal and reach beyond Berwick across both sides of the Border ensuring that the BHH becomes a genuine **Borders hub**

E.3 Feasibility Assessment

The Proposal

The diagram below illustrates how the concept identified for the BHH could be realised at Berwick Barracks. This is the detailed concept which Spence & Dower have reflected in their design scheme. The diagram demonstrate the variety of motivations for visiting the BHH and how, as a result of the complementary combination of attractions, activities and services, the BHH can both deliver an enhanced and diversified experience to visitors and also facilitate a process of audience sharing and development between the partners. It is this complementarity which is critical in ensuring that the BHH is a genuine hub of activity with potential to deliver considerable impact on Berwick and the surrounding area.

DIAGRAM E.S.2: BHH AT BERWICK BARRACKS DETAILED CONCEPT



Market Potential

The market assessment highlights that while the local and day trip markets are small these are extended with significant tourism activity, especially domestic tourists. Northumberland has an extensive selection of visitor attractions including the natural settings of beaches, coast and other landscapes. This is complemented by further attractions across the Border in the Scottish Borders. Berwick currently has no landmark visitor attraction although as a market town it provides a range of visitor services including food, drink, accommodation, and events.

The visitor market appraisal identifies the scale of the opportunity for the BHH at the Barracks. The revised, enhanced and integrated museum offer provides the core of the visitor experience and, assuming an admission charge, could attract upwards of 30,000 visitors per annum. This is

a significant increase on the current paid for visitor experience. When considering the potential of the additional non-paid for elements of the BHH it is considered that the site as a whole could attract in the region of 60,000 visits per annum.

If Northumberland and Berwick together are able to improve their performance in the visitor market, then Berwick would gain additional benefits and the Barracks would have access to an even greater visitor volume. The BHH would contain additional visitor facilities in the form of the Archive and Record Office, the Gymnasium Gallery and café and retail. These have the potential to almost double the footfall to the Barracks site. The proposal to allow free admission to the Parade Square at the Barracks offers the opportunity to make the site more attractive for visitors and potential occupiers as this approach will maximise the footfall on-site.

Financial Implications

This footfall provides the opportunities to monetise the value of visitors to the site. While the museum with its paid admission for visitors (free to English Heritage members) is a central driver of income, this is complemented by new and enhanced activities including catering and retail. Visitors also have access to free elements including Parade Square, the Archive and Record Office, exhibitions, speciality retail, events and activities. This combination of facilities and activities provided by the BHH has the potential to transform the income generating potential of the Barracks site. This is extended by the additional value to EH of their member visits and recruitment of new members.

The delivery of the proposed BHH facilities and services by the partners will incur additional expenditure. This results in a modest overall surplus and is a considerable improvement of the current position. It is on this basis we consider the BHH to provide a strong proposition for the future of Berwick Barracks. We acknowledge that the income is based on a mix of visitor income and revenue grants to support public services. We further acknowledge that each partner will have to examine the impact on their own finances. However, we consider that the proposal merits consideration as a result of the combination of benefits to Berwick Barracks, Berwick's tourism economy, and the impact on the effectiveness of each of the partners' operations.

The Alternatives

The relocation of the BHH concept elsewhere in Berwick is considerably less attractive. Immediately this would result in a loss of some of the partners and a diminishment of the facilities and activities, and this in turn would lead to a less attractive and compelling offer for visitors. This would have an adverse impact on the visitor footfall and the income generation from visitors and other stakeholders.

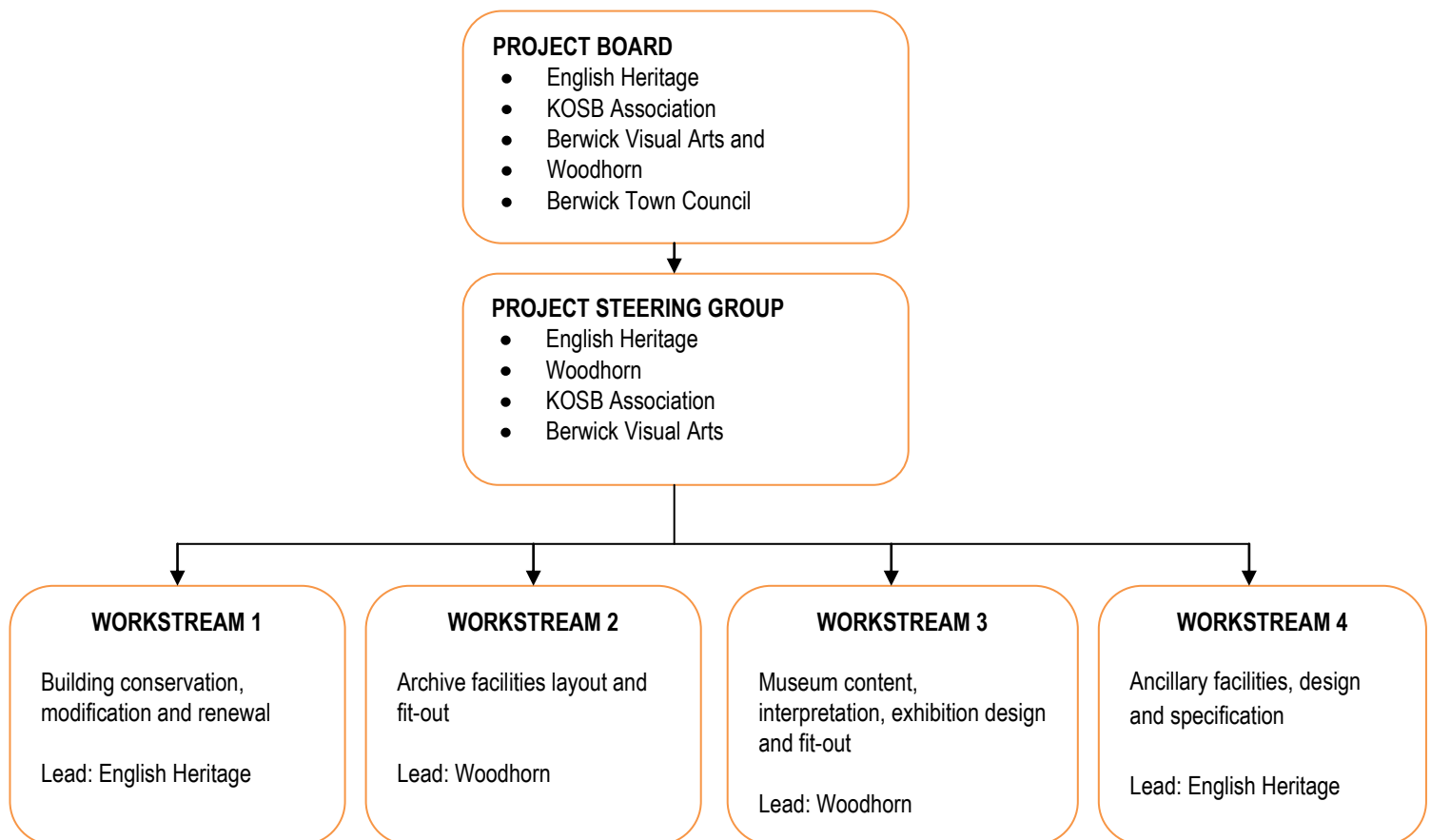
Relocation of the BHH concept away from the Barracks would also leave the Barracks requiring a solution. The constraints on the building adaptations allowed means that alternative uses are not feasible. A hotel and other commercial or residential development are not compatible with the implications of the listing status of the Barracks.

E.4 Delivery Plan

The achievement of the BHH will require a significant capital investment. The scale of the operating surplus means that this will have to be provided by grant funding. The Spence & Dower scheme has been provisionally costed with a construction cost of £9.6 million. This cost has a number of exclusions and is a preliminary estimate based on the information available from the feasibility study. Allowing for fees, fit-out and other exclusions the final cost is likely to be in the region of £15 million. This further assumes that VAT will be recoverable. There are several opportunities for grant funding and a plural approach will be required. Some aspects of the project may also be phased. The Heritage Lottery Fund is likely to be instrumental in achieving the BHH.

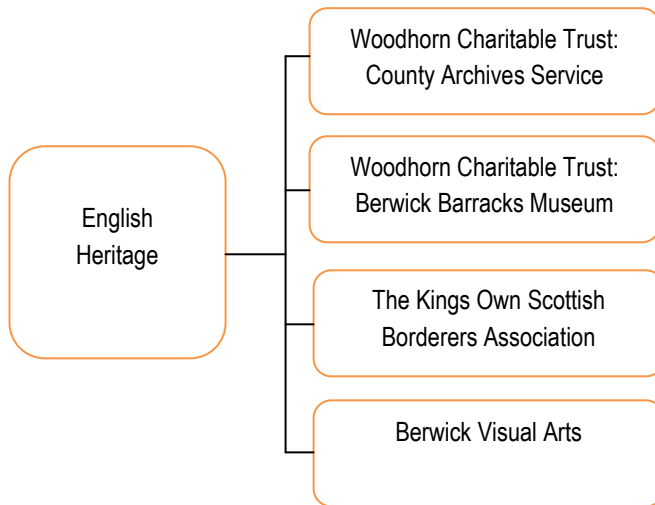
Progressing the BHH concept will require the creation of Project Governance to oversee the further stages of development of the project. The following structure is proposed and follows accepted project management guidance.

DIAGRAM E.S.3: BHH PROJECT GOVERNANCE



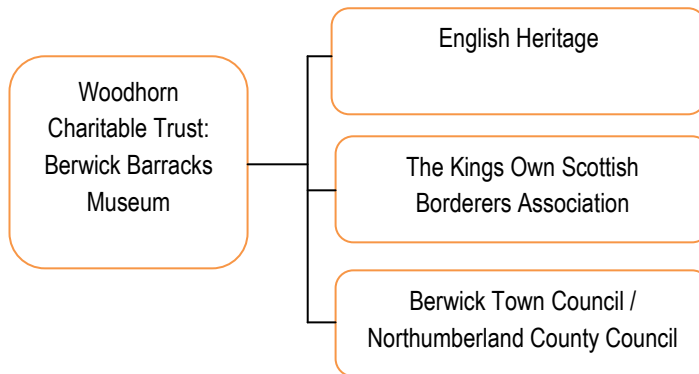
The implementation of the BHH concept will require revised lease arrangements at Berwick Barracks. The following diagram sets out the key leases that will be required.

DIAGRAM E.S.4: BHH AT BERWICK BARRACKS LEASES



In addition to the lease arrangements the achievement of the integrated museum will require a number of collections loan agreements. The following diagram sets out the key loan agreements.

DIAGRAM E.S.4: BHH AT BERWICK BARRACKS COLLECTION'S LOAN AGREEMENTS



Key Project Milestones

April – October 2016

- Partners' consideration of Market Appraisal and Business Plan and Physical and Technical Feasibility Reports

October – December 2016

- Formation of Project Board and Project Steering Group
- Preparation of Development Briefs
- Procurement of Design Team and other Consultant support

January – March 2017

- Pre-application discussions with funders

April – November 2017

- Design Development
- Funding Applications

April 2018

- Initial decisions from potential funders

July – December 2019

- Further Design Development
- Final Funding Applications

End 2020 - Start on site

Spring 2022 - Borders Heritage Hub Opens

E.5 Summary

The economic benefit when expressed in investment, income and jobs appears to be modest. However, in part this reflects the current economic reality of Berwick and wider Northumberland. The BHH provides a strategic opportunity to enhance Berwick's visitor economy. The income and jobs quoted in this report should be seen as orders of magnitude and critically they represent a starting point rather than an end point. The successful delivery of a project of the scale of the BHH will secure those incomes and jobs and provide a catalyst for further growth in tourism income and jobs. The estimates of incomes and jobs do not reflect the potential result of the catalytic effect that the BHH could have by creating a strongly performing visitor economy in Berwick. Berwick has much of the infrastructure to be a visitor destination and can accommodate more visitors, more visitor expenditure and create more employment.

The BHH and the Barracks must be viewed as a strategic opportunity to alter the future performance of the Berwick economy.



QA CHECK	
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