

**Economic Impact
Assessment of the Heart of
Hawick Project**

***Final Report
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EXECUTIVE SUMMARY

Introduction

In January 2009, Scottish Borders Council/Heart of Hawick commissioned DC Research to carry out an Economic Impact Assessment of the Heart of Hawick project.

Heart of Hawick

Heart of Hawick is a c. £10 million arts and culture led regeneration project situated in the West End of Hawick. The project is designed to contribute to the social, cultural and economic regeneration of Hawick and the wider Borders. The key elements of the project are:

- Transformation of two previously empty buildings (including the former spinning mill) into what is now:
 - **Tower Mill** – which includes a cinema/theatre, café bar, exhibition space, visitor welcome centre, workspaces and meeting room spaces.
 - **Heritage Hub** – Scottish Borders Archive & Local History Centre (which includes materials on families and local communities; Census, births, marriages and deaths; land ownership from the 16th Century; local business records including textile, fishing and farming industries; government, law and order, and schools; and famous Borderers).
- **Borders Textile Towerhouse** (formerly Drumlanrig's Tower) – which has been subject to substantial renovation/refurbishment including a move for elements of the Registrar Service (public enquiry service for family history information) into the Towerhouse, and the development of partnership working with local textile companies and national designers (e.g. Vivienne Westwood) for the displays.
- **Civic space** - the creation of a central, flat, easily accessed off-road civic space for performances, events, markets, street theatre, festivals etc.
- **New Footbridge/Cyclebridge** over the River Teviot.
- **Town Centre Improvements** - to improve the areas around Tower Mill, Towerdykeside, Tower Knowe, High Street, Kirkstile and Silver street areas.

Aims of the Study

The aims of the Economic Impact Assessment were to:

- Assess the degree of success of Heart of Hawick in meeting its original objectives and targets (in quantitative and qualitative terms).
- Identify the source of benefits from the project e.g. employment, purchases of goods and services in the local economy, visitation levels, regeneration of Hawick Town Centre.
- Quantify these benefits e.g. direct, indirect and induced effects, in terms of net additional expenditure and FTE jobs.
- Assess the impact of Heart of Hawick on staying visitors and the leisure day trip market in terms of expenditure generated and employment supported.

- Analyse the 'value added' from the project in terms of the qualitative role in increasing confidence and inherent cultural value of Hawick and in increasing the attractiveness of Hawick as a location for business and leisure activities.
- Assess the cost-effectiveness of the investment in Heart of Hawick by Scottish Borders Council and funders and the value for money it has provided (primarily in terms of economic impact).
- Report on the social benefits Heart of Hawick has generated.
- Provide a series of recommendations on how the project can be improved or developed in the context of changing tourism markets and economic conditions.

Method

The method and approach adopted by this economic impact assessment involved adopting and adapting HM Treasury's 'Green Book' approach, supplemented by Scottish Enterprise's Additionality & Economic Impact Assessment Guidance Note (2008) and where appropriate, English Partnership's Additionality Guidance (3rd Edition, 2008). This approach compares a **baseline scenario** (i.e. do nothing or reference case) and the proposed **intervention scenario** (or scenarios). Given that the Heart of Hawick project is now well established as a long term and significant culture-led regeneration project initiated by a capital investment, the scenarios to be modelled were as follows:

- A base case/do nothing scenario, which assumes that there was no development at Heart of Hawick.
- A development scenario taking into account the full impact of all the elements of the Heart of Hawick project, including construction and operation up until the end of 2008.

The data and information required to carry out the economic impact assessment were collated and collected from various sources including: familiarisation visits and meetings with key staff at Heart of Hawick; consultations with representatives from Heart of Hawick as well as individuals representing key external organisations; consultations with tenants in workspaces at Tower Mill; and face-to-face and electronic surveys with visitors to Tower Mill and the Heritage Hub.

Key Findings - Economic Impact Assessment

The key findings from the Economic Impact Assessment of Heart of Hawick are as follows:

Success in meeting original objectives and targets

- In terms of performance against Business Plan objectives for jobs, the Economic Impact Assessment shows that the Heart of Hawick initial target of 50.4 FTE jobs (excluding Drumlanrig's Tower) has been exceeded with the Economic Impact Assessment estimating that a total of 51.4 jobs have been created (including direct, indirect and induced employment) across Hawick, Scottish Borders and the rest of Scotland.
- Similarly, in terms of performance against Business Plan objectives for visitor numbers, the Economic Impact Assessment shows that the target of 57,900

per year was significantly exceeded in 2008, with a total of at least 161,290 visitors recorded.

Quantify and Identify the Sources of the Benefits from Heart of Hawick

- The Economic Impact Assessment estimates that a total of 53.4 jobs have been created. This breaks down into 34 direct jobs, 17.4 indirect and 2 induced jobs.
- For the 53.4 FTE jobs, in terms of impact areas, 36.9 jobs are within Hawick or the immediate vicinity, 14.5 jobs are elsewhere in the Scottish Borders, and 2 jobs are in the rest of the UK.
- The impact of procurement (direct, indirect and induced) shows that a total of £613,439 is spent across the UK. Of this, £223,363 (around 36%) is spent within the Scottish Borders, with only £80,250 (13%) being spent within Hawick. The majority of the procurement spend occurs elsewhere in Scotland - £333,183 (54%).
- In terms of visitor numbers, it is estimated that a total of at least 161,290 visitors visited Heart of Hawick during 2008. Of these, 106,000 were local visitors (i.e. they lived within Hawick), showing that local people account for two thirds (65.7%) of all visitors. Of the remainder it is estimated that almost 35,000 were day trippers (21.5%) and the remaining 20,000 plus were overnight tourists (12.8%).

Impact of Heart of Hawick on staying visitors and the leisure day trip market

- As noted above, total visitor numbers are estimated to be in the region of 161,290, with the majority of these being local people who reside within Hawick or the immediate vicinity.
- In terms of the gross economic impacts of these visitors, the EIA estimated that local visitors spend in the region of £0.5 million per annum; day trippers account for almost £1 million; and the contribution of overnight visitors exceeds £1 million. In total, gross visitor impacts exceed £2.5 million per year.

'Value added' / other catalytic impacts from the Heart of Hawick project

- In addition to the economic impacts of the Heart of Hawick project, the project has also contributed to other aspects, adding value in a variety of ways. Of particular note are the following value added and catalytic impacts:
 - The 'campus' approach which allows a joined up delivery of services and activity.
 - Developing engagement with the local community during the project planning and throughout its delivery and implementation.
 - Increased community confidence within Hawick as a result of the success of the project.
 - Significantly improved streetscape and environmental quality within the west end of Hawick due to the project.
 - A well recognised project with good local profile.
 - Awareness and recognition of Heart of Hawick at regional and national levels, especially through the national awards won.

- A project that is recognised as being innovative, in both its design and its service delivery.
- Lifting the profile and esteem of the West End of Hawick, thereby supporting local businesses, and helping to increase business confidence.
- Achievement of significant footfall to Heart of Hawick and the resulting increased vibrancy at that end of the town which has enhanced Hawick as a location for leisure and culture activities.
- A clear contribution to both retaining local residents within Hawick (for retail, leisure or cultural activities), as well as attracting visitors to Hawick who would previously have gone elsewhere for such leisure, cultural and retail activities.
- Clear evidence that Heart of Hawick was the main reason for visiting Hawick for the majority of non-local visitors. These visitors then carried out other activities (such as shopping, eating out, meeting friends and walking/leisure activities) that they would otherwise have carried out elsewhere.

Recommended Actions

In terms of next steps and further development of the Heart of Hawick project, the Economic Impact Assessment highlighted a number of areas for consideration. These focus on actions that will help to further enhance and reinforce the economic impacts (and wider added value and catalytic impacts) of the Heart of Hawick project. In summary, these are:

Economic Impacts – Employment: Key Actions

- Ensure that early steps to be taken to make sure any key activities delivered by fixed-term posts are continued beyond the end of HLF support.

Economic Impacts – Procurement: Key Actions

- Discussions to take place between Heart of Hawick and VisitScotland; Beanscene; and Scottish Borders Council to consider potential for more localised procurement
- Heart of Hawick to consider the extent to which the proportion of procurement that is sourced locally can be increased, and to take actions to support this
- Heart of Hawick to liaise with local Business Gateway advisers to explore the potential for tendering training sessions/activities such as 'Meet the Buyer' events, aimed at local suppliers to ensure that they are aware of, and are given the opportunity to tender for relevant procurement opportunities.

Economic Impacts – Workspaces and Tenants: Key Actions

- Heart of Hawick to give consideration to adopting an approach to managing the workspaces that aims to attract more commercial tenants which would enhance the economic impact of this element of the project. This should include consideration of the balance between the uses of workspaces as meeting rooms as compared to their use as workspaces.

Economic Impacts – Visitors: Key Actions

- Heart of Hawick to develop/refine existing customer information to enable better analysis of local market penetration to take place.

- Where gaps are identified, in terms of local people that have not visited Heart of Hawick, specific marketing and publicity should be carried out to target these groups.
- The feasibility of providing some earlier showings (first releases) of new films releases – something that was a very popular request from current users – should be assessed.
- The current activities aimed at attracting overnight (and especially international) visitors should continue.
- Marketing to day trip and overnight tourists – particularly around ancestral tourism – should continue in order to ensure that anticipated tourism opportunities arising from the current economic climate can be maximised.
- Action needs to be taken to ensure that the wider tourism offer within Hawick is of a sufficient standard to support these ancestral tourism activities, especially as competition for potential additional tourists will be intensive. If any issues about the wider offer are not addressed, opportunities around ancestral tourism and other markets may not be able to be fully realised.

1. INTRODUCTION

- 1.1 In January 2009, Scottish Borders Council/Heart of Hawick commissioned DC Research to carry out an **Economic Impact Assessment of the Heart of Hawick** project.
- 1.2 According to the Research Brief for this study, the case for investment for Heart of Hawick was made on research and analysis focusing on job creation, increased visitor numbers and genealogy tourism. In addition, the project also set out to provide additional services for young people, training for inclusion groups, and to be a focal point for arts and culture led community projects in a priority regeneration area within the Scottish Borders.
- 1.3 More specifically, the objectives of the Economic Impact Assessment (EIA) were to:
 - Assess the degree of success of Heart of Hawick in meeting its original objectives and targets (in quantitative and qualitative terms).
 - Identify the source of benefits from the project e.g. employment, purchases of goods and services in the local economy, visitation levels, regeneration of Hawick Town Centre.
 - Quantify these benefits e.g. direct, indirect and induced effects, in terms of net additional expenditure and FTE jobs.
 - Assess the impact of Heart of Hawick on staying visitors and the leisure day trip market in terms of expenditure generated and employment supported.
 - Analyse the 'value added' from the project in terms of the qualitative role in increasing confidence and inherent cultural value of Hawick and in increasing the attractiveness of Hawick as a location for business and leisure activities.
 - Assess the cost-effectiveness of the investment in Heart of Hawick by Scottish Borders Council and funders and the value for money it has provided (primarily in terms of economic impact).
 - Report on the social benefits Heart of Hawick has generated.
 - Provide a series of recommendations on how the project can be improved or developed in the context of changing tourism markets and economic conditions.
- 1.4 The precise objectives and targets of the Heart of Hawick project (referred to in the first bullet point in section 1.3 above) can be summarised as follows:

Table 1.1: Amended Business Plan Table Five - Overall output summary			
Component	Jobs created	Learning Outputs	Visitors
Tower Mill	42.9	1500	47350
Heritage Hub	4.8	500	5850
Civic Space	0	19	4400
Campus management	2.7	0	300
Totals	50.4	2019	57900
Source: Heart of Hawick Business Plan – Footfall and Vibrancy, p.28. Amended to remove Drumlanrig’s Tower targets.			

- 1.5 Given that this study deals primarily with the economic impact of the project, the jobs created and the visitor impacts are assessed, but learning outputs are not included within this study.
- 1.6 In addition to capturing the jobs and visitor impacts of the Heart of Hawick project, this study also encapsulates the ‘catalytic effects’ of the project, including the relevant social and community impacts. The approach that has been adopted for the study was designed specifically to capture all of these impacts.
- 1.7 The study additionally considers the lessons learnt to date in the development of the project, and highlights some issues for consideration around the further development of the project.
- 1.8 This report is structured as follows:
- **Section 2** presents an overview of the approach and methodology for the economic impact assessment.
 - **Section 3** provides an overview of Heart of Hawick itself from the perspective of the economic impact of the project.
 - **Section 4** shows the results of the economic impact assessment, outlining the direct, indirect and induced effects of the project, in terms of construction, project delivery and visitor impacts for the calendar year ending 31st December 2008.
 - **Section 5** considers the wider impacts of the project, especially the catalytic effects, the strategic added value, and wider social, community and education impacts.
 - Finally, **Section 6** outlines the lessons, and highlights some issues for consideration around the future of the project.
 - **Annex 1** lists the individuals that have been consulted during the study.
 - **Annex 2** presents the results of the Heart of Hawick visitor/user survey, in summary tabular and diagrammatic format.

- 1.9 The study team would like to thank all those individuals that responded to the survey during this study. Their contribution to the study is much appreciated.
- 1.10 In addition, the study team would also like to thank the representatives from Heart of Hawick that have been involved throughout the study for their advice and support.

2. APPROACH AND METHOD FOR STUDY

- 2.1. This section provides an overview of the method that has been used for the study and also presents a summary of the approach to the economic impact assessment that has been carried out for this study.

Approach and Method for Study

- 2.2. The method adopted for this study is summarised below. The approach was a five stage approach, covering early inception and scoping work; data gathering and desk based analysis; consultations; generation of primary data; and analysis and reporting the findings of the study. The approach is summarised below.

Stage 1: Inception, Familiarisation and Progress

This stage involved a face to face inception meeting with key individuals at Heart of Hawick/Scottish Borders Council and also a familiarisation visit to the Heart of Hawick project. Thereafter, progress was reported throughout the study with regular email and telephone updates provided to Heart of Hawick/Scottish Borders Council by the study team.

Stage 2: Data Gathering & Desk Based Analysis

This stage involved the collection and collation of the data required to model the economic impacts of the project. This included: employment data, operational costs (such as procurement) broken down by impact area, visitor/user data (including location of origin by impact area), and construction costs for the project.

Stage 2 also involved the assessment of appraisal, strategy and feasibility documents (and ex ante assessments) produced during the development of Heart of Hawick. In addition a focused analysis of key strategic documentation containing those priorities that Heart of Hawick contributes to was carried out.

Stage 3: Consultations

To enable the study to capture a range of stakeholder views about the impact, and contribution to local/regional priorities, of the Heart of Hawick project, this stage involved consulting with a range of stakeholder groups. The aim was to capture the contribution of the project to the social, cultural and economic regeneration of Hawick and the wider Scottish Borders. It also allowed the study team to develop and test key economic impact assessment assumptions in terms of deadweight, displacement, leakage and multiplier patterns.

The consultees included representatives from the Heart of Hawick project itself, as well as individuals representing key external organisations. The full list of those consulted is included in Annex 1 to this report.

Stage 4: Generating Primary Data

In order to develop a bespoke analysis of the economic impact of the Heart of Hawick projects, the study team also undertook a range of surveys/consultations to create new primary evidence that would support the economic impact analysis.

A number of approaches were used:

- Face to face consultations and follow up data discussions with tenants in workspaces at Tower Mill.
- Face to face visitor surveys carried out in Tower Mill.
- E-survey of registered users of The Heritage Hub (2008 and 2009), online bookers for the cinema, as well as other customer mailing lists.

The e-consultation approach was in the form of a bespoke, short (and incentivised) e-survey hosted on the DC Research website. This approach enabled respondents to complete the survey in their own time and submit it direct to DC Research. A total of more than 325 replies were received via the e-survey route, and when combined with those collected via face-to-face surveys in the cafe and around Tower Mill, this provided a total of more than 400 replies (436 as at 26 March 2009) to the survey.

Stage 5: Analysis and Reporting

Stage 5 comprised the economic impact assessment analysis and reporting. The analysis included an assessment of the economic impact of Heart of Hawick, generated by the data and evidence from Stages 2, 3 and 4. Comparison of the counterfactual scenario (no Heart of Hawick) and the development scenario (Heart of Hawick) allowed estimation of deadweight, displacement, leakage and multiplier effects, and overall additional economic impacts in terms of: direct, indirect and induced employment impacts; procurement impacts on local incomes and employment; estimated impacts of visitor spending on the economy; estimated employment impacts from the construction/renovation/refurbishment of Heart of Hawick.

The impact assessment was also supported by analysis of qualitative, catalytic and added value impacts generated from the consultation undertaken in Stages 3 and 4, as well as covering recommended actions and best practice/relevant lessons from elsewhere.

Approach to Economic Impact Assessment

- 2.3. In carrying out the economic impact assessment elements of this study, DC Research have adopted and adapted HM Treasury's 'Green Book' approach, using Scottish Enterprise's Additionality & Economic Impact Assessment Guidance Note (2008) and, where relevant, English Partnership's Additionality Guidance (3rd edition, 2008). This approach compares a baseline scenario (i.e. do nothing or reference case) and the proposed intervention scenario (or scenarios). Given that the Heart of Hawick project is now well established as a long term and significant culture-led regeneration project initiated by a capital investment, the scenarios to be modelled were as follows:
- A **base case / do nothing scenario**, which assumes that there was no development at Heart of Hawick, (therefore it is assumed that the Archives Service would have remained in Selkirk, that Tower Mill and the Heritage Hub would not have been developed, nor would the civic space or the bridge, and that Drumlanrig's Tower would have continued as was).
 - A **development scenario** taking into account the full impact of all the elements of the Heart of Hawick project, including construction and operation up until the end of 2008.
- 2.4. With specific reference to deadweight (defined by the 2008 EP Additionality Guidance as the level of outputs and outcomes that would happen anyway without intervention), the only significant factor in terms of direct employment effects is the transference of the Archives Service from Selkirk to Hawick. This is considered and discussed below.
- 2.5. This approach taken for the study models the existing and estimated future impacts of the development scenario against the do nothing scenario as set out above. It provides:

- Direct, indirect and induced employment effects.
 - Indirect (i.e. supply chain) and induced (i.e. income multiplier) effects on local incomes and employment stemming from the businesses supplying the Heart of Hawick.
 - Estimates of the impacts of visitor spending in the local economy.
 - Estimated employment impact from the construction of Heart of Hawick (for the development scenario only).
- 2.6. Finally, the approach also considers potential net effects by comparing the two scenarios.
- 2.7. In terms of impact areas, we have selected the following geographies:
- Hawick and the immediate vicinity – as the **immediate impact area**.
 - Scottish Borders – as the **regional impact area**.
 - Scotland – as the **national impact area**.

Key Assumptions

- 2.8. Given that there are a range of elements that constitute the entire Heart of Hawick project, some key assumptions have had to be made about aspects of the project to enable the economic impact assessment to be carried out.
- The elements of the Heart of Hawick project varied in their opening dates, whilst others have been going through refurbishment more recently. There are a number of assumptions that have been made in order to create base data that is (as far as possible) consistent across the Heart of Hawick project.
 - With regard to timings, the most recently available information for each element on employment, spend and (where relevant) visitors has been used, representing the most recently completed operational year.
 - It has also been necessary to make some assumptions to bridge data gaps, and these are discussed and summarised in Section 4 to this report.

3. THE HEART OF HAWICK PROJECT

- 3.1 This section of the report provides an overview of the Heart of Hawick project itself, based on document reviews and consultations with key stakeholders. It also incorporates, where relevant, the results from the user surveys to help provide a user view/assessment of various aspects of the project. The section focuses on the economic impacts rather than simply describing the project.

Overview

- 3.2 Heart of Hawick is a c. £10 million arts and culture led regeneration project situated in the West End of Hawick. The project is designed to contribute to the social, cultural and economic regeneration of Hawick and the wider Borders. The key elements of the project are:

- Tower Mill
- Heritage Hub
- Borders Textile Towerhouse
- Civic Space
- Footbridge / Cyclebridge
- Town Centre Improvements.

Background

- 3.3 In general, the evolution and development of a project that aimed to develop a 'cultural quarter' within the town was a response to the status of buildings in the West End of Hawick that had become derelict. The need to address this issue was recognised in the late 1990's by Scottish Enterprise and others.
- 3.4 The building that is now Tower Mill was described as a derelict and decaying 'A' listed building, which was previously a spinning mill in the town. It had sat empty for a number of years, and community concerns reached the point where there were strong calls for something to be done to address this – either by bringing it back into use or to remove the building.
- 3.5 The building that is now the Heritage Hub was described as a shell of a building, with no floors and no services that had been empty for more than ten years.
- 3.6 The desire from within the community and from key stakeholders to address these derelict buildings was aided by a number of opportunities. First, the South of Scotland Objective 2 Programme 2000-2006, along with Heritage Lottery Fund and Lottery Townscape Heritage Improvement resources, were available at this time. Second, Hawick was designated as a priority regeneration area at the time (circa 2000), and this status was recognised within the Objective 2 Plan. Thirdly, the level of partnership and joint working in the area, through the Hawick Partnership and other mechanisms, showed a commitment to work together involving all groups in the local area (community, businesses etc).

- 3.7 After evolving over a range of iterations, ideas and plans, the overall aim of the project became to *“provide economic and social benefit through an overlapping concentration on the encouragement of tourism, the provision of training and learning opportunities and the establishment of community facilities.”* (Source: Heart of Hawick, South of Scotland European Partnership 2000-2006 ERDF Capital Grant Application, 2003).
- 3.8 This aim was to be achieved by *“bringing back into productive use three historic buildings in the heart of Hawick...with accompanying streetscape works and a new footbridge over the River Teviot, the Project seeks to provide an economic and regenerative motor for the town and the wider area”* (Source: Heart of Hawick, SOSEP 2000-2006 ERDF Capital Grant Application, 2003).
- 3.9 In total, the project has cost around £10 million in construction and development, supported by Heritage Lottery Fund, European Regional Development Fund 2000-2006 (Priority 3 – People and Communities), Townscape Heritage Initiative from the Heritage Lottery Fund, and Scottish Borders Council.
- 3.10 Each of the aspects of the project in terms of their current position is discussed below, focusing on the economic impact of each element where relevant.

Tower Mill

- 3.11 The major element of the Heart of Hawick project is the transformation of two previously empty buildings into **Tower Mill** and the **Heritage Hub**.
- 3.12 Tower Mill, a grade ‘A’ listed building, was refurbished and converted from a derelict former mill building to form a centre for arts, cultural, community and business activity. The aim was (according to the original application) for the facilities to be accessible to a wide range of groups and individuals in the local community as well as providing a platform for activities that will be attractive to visitors and a new focal point in the centre of the town.
- 3.13 Tower Mill consists of a number of different facilities – with some of the facilities themselves having multiple uses.

Auditorium

- 3.14 Within Tower Mill there is an auditorium (which is used as a cinema, theatre, and an events/conference venue), a café bar (which also has live events – music, etc.), exhibition space, visitor welcome centre, workspaces and meeting room space.
- 3.15 The auditorium is a 111 seat venue that is usable as a cinema, theatre and conference centre. There is a regular cinema programme running throughout the year, alongside a range of less frequent events, including theatre productions, live music events, award ceremonies, lectures, seminars and so on.
- 3.16 In terms of the **cinema** programme, this typically offers six screenings a week (once on Tuesday, Thursday and Friday, twice on Saturday and once

on Sunday) – approximately 300 screenings a year. The programme itself is a mix of mainstream and niche films, and the programme mix offered is thought to be one of the cinema’s key strengths. The mainstream films offered are typically ‘second run’ screenings, rather than new releases (which means a lag of around six to eight weeks for mainstream movies). An arrangement is in place with the Edinburgh Filmhouse through which the films are sourced. The partnership with the Edinburgh Filmhouse for the cinema is thought to work well, and provides the project with support and expertise in relation to the cinema element of Heart of Hawick.

- 3.17 However, one common issue for users from the survey was that the programming was not ideal due to it being second run films rather than first.
- 3.18 The cinema is well recognised and lauded as one of key achievements of the project locally, as Heart of Hawick has brought cinema back to Hawick after a gap of around 25 years. In general, the views from stakeholders and users are that the cinema is felt to have made a clear contribution to the town – especially for young people.
- 3.19 Whilst it is difficult to gauge, given that the nearest cinema is in Galashiels, there is a view that the cinema at Heart of Hawick has not negatively impacted on the former, but has attracted people to the cinema in Hawick that would otherwise not have gone.
- 3.20 Occupancy of the cinema is regarded as being relatively high, with the average occupancy for 2008 being around 27-29%, which is high compared to the industry average (thought to be around 18% in general and around 23% for single theatre venues).
- 3.21 In terms of wider economic impacts, it is thought that the cinema also attracts people into the Heart of Hawick project that would not otherwise visit, as well as bringing visitors to Hawick from further afield.
- 3.22 The use of the auditorium as a **theatre** is the next most common use, and this includes both music and drama performances. It is thought that many of the events offered in the theatre are new to Hawick, and have not been offered locally before. There are other venues that can accommodate similar events, but the project regards its ‘competitors’ as other towns with theatres elsewhere in the Borders rather than venues elsewhere in Hawick. Again, this implies some clear added benefit to Hawick of the project in terms of both cultural offer and economic impact that would otherwise not take place.
- 3.23 Performances that have taken place include traditional music and drama, as well as the use of the auditorium for a range of events (training, conferences, awards events, seminars and lectures).

Cafe Bar

- 3.24 The cafe bar is run by Beanscene, and was opened in September 2007. Unlike the cinema/theatre, the cafe bar naturally does have local competition within Hawick from other venues - some located very near to the project, with others located throughout the town. The project regards its uniqueness in terms of the cafe bar offer to relate to its opening hours,

and to the atmosphere and environment it offers to customers. In particular it is felt that it attracts a good mix of customers and is appealing to some particular groups (e.g. females, older people, young people) that would not use other similar facilities elsewhere in the town. It is thought that the size of the cafe, the facilities offered (e.g. wifi), and the safety felt by users all contribute to this.

- 3.25 Given this, it is thought by stakeholders that the Beanscene cafe provides a different offer to other options and, as such, is not likely to be having any substantive negative impacts on other venues (in terms of displacement), but is more likely to be creating additional activity.
- 3.26 The partnership with Beanscene is regarded as important for the project, as it has provided not just an anchor tenant for Tower Mill, but it also (based on the perceptions of both the stakeholders consulted and the survey respondents around the uniqueness of the offer at the cafe), adds something extra, that did not exist previously, to the offer within Hawick that contributes to the attractiveness of Hawick (to both local residents and visitors).

Welcome Centre/Shop

- 3.27 VisitScotland are located in Tower Mill in the front shop area which serves as the High Street entrance to Tower Mill, and is also the VisitScotland Welcome Centre (TIC) for Hawick. **There is thought to be a genuine synergy between VisitScotland and the rest of the facilities on offer at Tower Mill.** The synergy includes the fact that the welcome centre also serves as a reception for all Tower Mill facilities, as well as a box office for the cinema. This represents a cost saving for the Heart of Hawick project (as VisitScotland staff provide this reception function), as well as increasing the footfall in the welcome centre for VisitScotland.
- 3.28 This is recognised by all those involved to be an improvement upon the previous arrangements which saw VisitScotland being based within what was Drumlanrig's Tower (now the Borders Textile Towerhouse) where the facility was only open seven months of the year (April to October) and for shorter hours.
- 3.29 This new arrangement is thought to provide VisitScotland with more visitors in the new location, in addition to which higher turnover for retail sales has occurred. However, given the longer opening hours it is difficult to make any firm conclusions about the added value at this stage. Nevertheless **it is clear that there is strong synergy and a better overall offer to visitors through this arrangement.**

Workspaces and Meeting Rooms

- 3.30 Tower Mill has a total of 16 lettable spaces, 12 of which are workspaces. There are four spaces leased by Beanscene and VisitScotland on the ground and first floor, leaving 12 lettable rooms situated on levels 2 and 3 to be used as workspaces, most of which can also be configured as meeting rooms. At the moment, there are six rooms used as rented workspaces (where revenue is generated) by:
- Streets Ahead (three units).

- Scottish Borders Council Sports Development / Scottish Rugby Union (one unit).
 - Carnegie College (one unit).
 - Beanscene/Heart of Hawick (one unit).
- 3.31 There are three rooms used as meeting rooms (which also provide a stream of revenue generation), two rooms used 'in kind' by either Heart of Hawick or the Creative Arts Business Network (CABN), and only one room remaining that is available for rent (as at 30 January 2009).
- 3.32 In terms of the type of tenants that occupy the rented workspaces, the original intention was that there would be a focus upon creative, cultural and media businesses/industries (with some artist studios being provided). It was also expected that most of the rooms would be used as rented workspace rather than as meeting rooms. However, due to a range of factors, there has been a shift in emphasis towards more social enterprises, and the provision of workspace (in the form of meeting rooms) available for use by the wider community.
- 3.33 With regard to the shift in type of tenant these factors included:
- Taking into account the ERDF Priority under which the funds were received (Priority 3 - People & Communities) so that the type of tenants is close to the overall ethos of the project.
 - A lower than expected demand from the creative sector alongside a demand from other types of potential tenant (more social enterprise, charity, community and training organisations).
- 3.34 There was also the suggestion that the cost of the rooms was high comparable to other locations and/or equivalent to other workspaces in the Scottish Borders that are better located.
- 3.35 In terms of the increased offer of meeting rooms, these are offered partly due to the demand for such a facility within the town and wider locality, partly to ensure that the Heart of Hawick project fulfils its remit to Priority 3 of the ERDF monies received, but also because offering meeting rooms helps to increase the footfall within Tower Mill and also provides the project with more opportunities to engage with local people and to promote local ownership than would be possible if all the units were used simply as rented workspaces.
- 3.36 In terms of economic impact, the current number of meeting rooms is higher than had been originally planned, and the type of tenant is not as focused on private sector businesses as was originally intended. Combined, these factors probably result in a smaller economic impact of the workspace element of the project than would be achieved with a more commercial focus (assuming that similar occupancy rates would be achieved).
- 3.37 Current tenants were consulted as part of this economic impact study. Generally, the views of tenants are very positive about the workspaces. Whilst a range of different reasons influenced their choice to locate at

Heart of Hawick, there are common views about the high quality of the working environment and facilities provided.

- 3.38 Tenants typically believe that there is nothing to compare to Heart of Hawick locally in terms of the quality of the workspaces offered. The good working environment also gives a very positive image of the tenants' businesses/organisation to external visitors. The availability of meeting rooms also was attractive to some tenants, and there are also benefits to some tenants of being located close to the Heritage Hub.
- 3.39 The overall quality of the location outweighs any minor issues that tenants have with the facilities on site (with typical issues being related to lack of car parking space at Tower Mill and cost of hiring meeting rooms).
- 3.40 In terms of comparability, tenants generally noted that there are other units available within Hawick for those that want to be based locally but they are not of equivalent quality to Heart of Hawick.

Heritage Hub

- 3.41 The idea of locating the Heritage Hub within what is now Heart of Hawick came about early in discussions around 1999-2000 when consideration was given to heritage services making use of the site/derelict buildings. Consideration was given to archives and also museums, but funding restrictions led to archives being the focus of any potential use of the buildings. The project developed this as the approach from 2000 onwards with applications to Heritage Lottery Fund for support to take the idea forward.
- 3.42 The Heritage Hub – also known as the Scottish Borders Archive & Local History Centre – was opened in May 2007 and is the professional archive, family and local history service for the Scottish Borders. It is the custodian of historical archive material on a wide range of subjects relevant to the Borders such as records of council activities, estates and land ownership, churches, businesses such as the textile industry, community organizations, farming, policing, health and welfare, schools and education, and personal collections of papers, diaries and correspondence. There are also microfilm materials on Old Parish Records, Census data and information on births, deaths and marriages as collected by the Church of Jesus Christ of Latter Day Saints and local newspapers.
- 3.43 One of the key drivers for the Heritage Hub has been access and engagement with atypical archive users. The appointment of the archivist and education/outreach staff are thought to have been key factors in looking to achieve this. In particular, the appointment of a qualified archivist is thought to have had significant benefits for the service.
- 3.44 The archives service was previously located in Selkirk, and faced a number of issues with that location. First, it suffered from restricted capacity for users – e.g. only having capacity for a maximum of 6 people in the search room. In addition, there were issues with the site itself including concerns about the potential for flooding, a lack of room for expansion, and – given these issues – the service found it difficult to get support from the Keeper of the Records of Scotland.

- 3.45 Additionally, when based in Selkirk, the service was not managed by a qualified archivist. The number of users in a year was also thought to be low (estimates suggest that in the region of 1200-1800 people a year was viewed as a good year).
- 3.46 The move from Selkirk to Hawick helped to address all of these issues, but it is important to recognise that this move was achievable due to the availability of Heritage Lottery Fund, Townscape Heritage Initiative and ERDF Objective 2 funds in Hawick. The opportunity of funding was a key driver to the development of the Heritage Hub.
- 3.47 In terms of the impact of the Heritage Hub, the funding received has not only facilitated the development of the building itself and the relocation of the archives service (as well as the relocation of other archive material previously held in Edinburgh), but has provided the opportunity for further developments of the service provided.
- 3.48 The quality of the service and what can be offered has changed (partly due to the HLF funding) – therefore the Heritage Hub is an improvement on previous provision. This is about the quality of the building (an attractive building that helps brings people through the door), the quality of the service (e.g. digitisation of archives, increased availability of archives data and information to the public) and also because of the services that can be offered with the additional staff who have also been able to receive more training.
- 3.49 Opening hours are improved when compared to Selkirk, with the Hub being open two evenings per week and also on Saturdays (although it is closed to the general public on Wednesdays – but available for pre arranged groups and tours). This level of service is unusually high for a typical archives service, especially in a rural area.
- 3.50 All of these changes to the service have had impacts on both the total number and the type of user. Whilst any user number comparisons with Selkirk need to be treated with caution due to the low numbers using the service when it was latterly in Selkirk, there has been an improvement in the number of users¹. Additionally, the range of user groups is thought to be far wider now than it was previously – partly due to the range of education and outreach services that are now offered, combined with the factors listed above, and the benefits of co-location.
- 3.51 In terms of economic impact, whilst there needs to be consideration of the fact that the archives service has relocated from Selkirk and is therefore not wholly additional, the increased numbers of users does point towards additional economic activity and impact above and beyond what would have been achieved otherwise.
- 3.52 The Heritage Hub is also thought to benefit from the strong synergy between it and the rest of Heart of Hawick, something that it is anticipated will increase when the Borders Textile Towerhouse opens in April 2009.

¹ The number of visitors according to the visitor number data: more than 5,200 people visited the Heritage Hub in 2008, and there have been almost 9,500 visitors since it opened in 2007 until the end of February 2009.

- 3.53 Moving forward, the role of the Heritage Hub in the development of ancestral tourism will be important and will help to increase the economic impact of the Hub, especially as the ancestral tourism developments will be aiming to increase the number of visitors from further afield – including international visitors.

Borders Textile Towerhouse

- 3.54 The Borders Textile Towerhouse does not open until April 2009 and is therefore not included as part of this economic impact study. However, the Towerhouse was previously Drumlanrig's Tower (a local museum) which opened from April to October each year. Whilst Drumlanrig's Tower preceded the Heart of Hawick project, it was incorporated into the project, and received funding to help with renovation/ refurbishment.
- 3.55 Looking forward, the new and refurbished Borders Textile Towerhouse will include additional facilities not previously offered (e.g. registrar), as well as being open all year round rather than only being open for seven months per year.
- 3.56 Over the three floors, it will include:
- Exhibitions on present and future textiles (including loans of materials to the Towerhouse and in kind contributions from local industry); and exhibitions on the history and heritage of textiles – *people, processes and products*.
 - A retail shop.
 - A Registrar service (which will be a relocation of the Registrar public enquiry service for family history information currently in Hawick Town Hall).
- 3.57 Additionally, a key element to the development of the Towerhouse has been the pro-active development of partnership working with local textile companies and national designers (e.g. Vivienne Westwood) for the displays that will be used. This has also helped to promote engagement and buy-in to the Borders Textile Towerhouse from industry.
- 3.58 It is expected that there will be increased footfall when the Towerhouse opens in April, and increased revenue from the retail shop as well. It is also anticipated that as well as the increased footfall in general, there will be a greater number of visitors from outside of Hawick with the new focus of the Towerhouse. The potential of such textile tourism opportunities is reinforced by recent research commissioned by Scottish Enterprise (RGA, February 2009) which emphasises the importance of industry involvement in any initiatives (as will be the case with the Towerhouse) and also shows the greater economic impact of textile enthusiasts through their higher than median visitor spend patterns.
- 3.59 Whilst these new developments are not considered in this economic impact assessment, they are given due recognition in Section 6 of this report which considers the future developments within the Heart of Hawick project. In terms of the previous economic impact of Drumlanrig's Tower, this is included in the economic impact analysis, and has been covered in the survey of visitors to Heart of Hawick.

Civic Space

- 3.60 The Civic Space (located between Tower Mill and Heritage Hub) came about partly due to the demands for such a space in the community consultation processes that took place as part of the project development. The idea behind the Civic Space was for the creation of a central, flat, easily accessible off-road civic space that could be used for performances, events, markets, street theatre, festivals etc.
- 3.61 The Civic Space can be closed for up to 30 days each year, and during these days it is used for a variety of purposes, including a farmers' market, a continental market, Christmas Parade, part of the Reivers weekend and other events.
- 3.62 In terms of economic impact, whilst other events took place elsewhere in Hawick, there was no farmer's market in Hawick prior to it being located at the Civic Space at Heart of Hawick, so this activity and any economic impacts deriving from it are additional. It is also interesting to note that the survey of visitors/users showed that some of the events that take place in the Civic Space are a particular draw and help to attract visitors to Hawick/Heart of Hawick – especially the farmer's market.

Footbridge / Cyclebridge

- 3.63 The footbridge was the first element of the project to be completed in 2006. The bridge across the River Teviot aimed to be part of a wider scheme to link the Heart of Hawick project with the rest of the town, including the Common Haugh. Whilst this has not yet been achieved, it is still an ambition for the project and is progressing slowly with the expectation that these links will be developed in the future.
- 3.64 It is thought that the bridge provided an example of what could be achieved in the town, and as such helped to engender support and buy in to the wider Heart of Hawick project from the community. It presented not only a commitment to the project, but was clearly a visual image that showed what could be achieved. As such it was an early win and helped with community engagement and to build confidence in the Heart of Hawick project.
- 3.65 The importance of community engagement and the impacts of the Heart of Hawick project on community confidence are discussed in Section 5 of this report. In terms of economic impacts, the costs of construction of the bridge are included in Section 4.

Town Centre Improvements

- 3.66 The project has also carried out some improvements to the town centre, in particular the areas around the Tower Mill, Towerdykeside, Tower Knowe, High Street, Kirkstile and Silver Street. These are included in the economic impact assessment in terms of the construction costs of these developments.

Campus Approach

- 3.67 Whilst each of the elements of the Heart of Hawick project have been discussed above, it is also important to recognise the approach that has been taken in developing the whole project – referred to as the Heart of Hawick campus.
- 3.68 The cross-over between the different elements is thought by all those involved to work well – whether it is linking museum activity (through what will now be the Border Textile Towerhouse) to heritage services in the Hub, or linking films or music events taking place in Tower Mill to the heritage elements of such events, thereby linking in to the Heritage Hub services. The benefits of VisitScotland being located within Tower Mill are also well recognised and have been discussed above.
- 3.69 In general, all elements of the project believe they benefit from the synergy of what is offered by each of the other elements of Heart of Hawick, and in terms of economic impacts, it is thought that there is a knock on effect, where people visiting the project for one particular reason end up making use of other elements of Heart of Hawick, extending their visit and increasing the likelihood of repeat visits.
- 3.70 In summary, there is thought to be added value and added economic impact from the campus approach and co-location that would not be achieved in isolation.

4. ECONOMIC IMPACT ASSESSMENT

- 4.1 This section presents the results of the economic impact assessment, building on the discussion of the project from Section 3 in terms of the likely economic impact of the various elements of the project.
- 4.2 There are a number of assumptions that have been made in order to carry out this economic impact assessment. In general, the approach taken to the assessment is (as outlined and discussed in Section 2) adopted and adapted from the HM Treasury's 'Green Book' approach, using Scottish Enterprise's Additionality & Economic Impact Assessment Guidance Note (2008) and, where relevant, English Partnership's Additionality Guidance (3rd edition, 2008).
- 4.3 This approach compares a baseline scenario (i.e. do nothing or reference case) and the proposed intervention scenario (or scenarios). With respect to Heart of Hawick, the **base case/do nothing scenario**, assumes that there was no development at Heart of Hawick, (therefore it is assumed that the Archives Service remained in Selkirk, that Tower Mill and the Heritage Hub would not have been developed, nor would the civic space or the bridge). In comparison, the **development scenario** takes into account the full impact of all the elements of the Heart of Hawick project, including construction and operation up until the end of 2008.
- 4.4 Indirect and induced economic impacts have been generated by adopting and adapting Scottish Enterprise (and English Partnerships) Additionality Guidance 2008 assumptions and ready reckoners, tailoring these to the specific nature of the Heart of Hawick. This approach is summarised in Table 4.1:

Table 4.1: Assumptions and Ready Reckoners			
Factor (employment / spend)	SE/EP 2008 Assumption	Adjusted value	Rationale
Deadweight (both)	Low - 25%	No adjustment	Rationale based on pre-existing archives service at Selkirk and Drumlanrig's Tower
Leakage (employment)	Low - 10%	No adjustment	Employment leakage minimal based on available information
Leakage (spend)	High - 50%	No adjustment	High proportion of procurement spend likely to be outside region
Displacement (both)	Low - 25%	No adjustment	Some minor displacement likely for most activities (especially cafe)
Substitution (both)	0	No adjustment	No evidence of likely substitution
Multiplier (both)	1.07 (Type I - indirect only) 1.2 (Type II - indirect and induced)	No adjustment	Assumes low indirect multiplier and higher induced multiplier - reflecting analysis of procurement patterns and employee residential locations
Source: DC Research adapted from Scottish Enterprise Guidance Note (November 2008) and English Partnership Additionality Guidance (3 rd Edition, October 2008)			

- 4.5 The multipliers used in the economic impact analysis presented later in this section are drawn from the Scottish Enterprise Guidance (November 2008) and from multiplier 'ready-reckoner' data drawn from Scottish Government Input-Output tables for 2004 (see www.scotland.gov.uk/Topics/Statistics/Browse/Economy/Input-Output/IOTIMults9804). The multipliers selected are from the industry group 92 specified as 'hotels, catering and pubs etc.' – equivalent to SIC55.
- 4.6 Selecting an appropriate sector for Heart of Hawick is difficult given the range of activities that the project encapsulates. In addition to SIC55, consideration was also given to industry group 121 (equivalent to SIC92) – recreational, cultural and sporting activities. The choice of SIC55 is a more conservative/cautious choice in terms of the scale of the multipliers, and as such allows the economic impact assessment results presented below to be summarised as the **minimum** impact that Heart of Hawick has had in terms of indirect and induced employment impacts.
- 4.7 Finally, it is important to note that the estimates of economic impact include all of the elements of Heart of Hawick taken together, and unless stated otherwise in the remainder of this section, data will relate to Heart of Hawick as a whole rather than its component elements individually.

Direct, indirect and induced employment impacts

- 4.8 As of the end of March 2009, Heart of Hawick employed an estimated total of 34 full time equivalent (FTE) staff. This breaks down as follows:
- Tower Mill = 10
 - Heritage Hub = 7
 - VisitScotland = 2
 - Beanscene = 7
 - Workspace Tenants = 8
- 4.9 These jobs will support further employment through indirect effects (i.e. supply chain effects) and induced effects (from the local spend out of employment income of those employed in the Heart of Hawick). The jobs that reside outside the impact areas are not modelled.
- 4.10 Table 4.2 sets out the geographic distribution of direct employment and also the estimated net direct and indirect employment created as a consequence. As set out in Table 4.1, we have used Type I (indirect only) and Type II (indirect and induced) multipliers to calculate indirect and induced employment.

Table 4.2: Direct, Indirect and Induced Employment Impacts of Heart of Hawick

	Direct Jobs	Indirect and Induced Jobs		Total gross direct and Indirect jobs	
		Indirect	Indirect and induced	Direct plus Indirect	Direct plus Indirect and Induced
Hawick	23.0	12.5	13.9	35.5	36.9
Rest of Scottish Borders	9.0	4.9	5.5	13.9	14.5
Total Scottish Borders	32.0	17.4	19.4	49.4	51.4
Rest of Scotland	0.0	0.0	0.0	0.0	0.0
Total Scotland	32.0	17.4	19.4	49.4	51.4
Rest of UK	2.0	#	#	#	#
Total	34.0	17.4	19.4	51.4	53.4

Source: DC Research calculations based on Heart of Hawick direct employment figures and adapted SE and EP Guidance, 2008

Note: Totals have been subject to rounding

Direct, indirect and induced procurement spend impacts

4.11 The direct, indirect, and induced impacts of procurement spend for the majority of aspects of the Heart of Hawick project have also been assessed. The direct spend data relates to Tower Mill and Heritage Hub and also includes estimates for VisitScotland and Beanscene. It does not include Drumlanrig's Tower/Borders Textile Towerhouse. As far as possible, the data used/supplied represents direct spend information for the most recent operational year.

4.12 Based on this data, the direct, indirect and induced impacts of procurement spend is set out in Table 4.3 below:

Table 4.3: Direct, Indirect and Induced Procurement Impacts of Heart of Hawick

	Direct Spend	Indirect and Induced Spend		Total Gross Direct and Indirect Spend	
		Indirect	Indirect and induced	Direct plus indirect	Direct plus indirect and induced
Hawick	£60,000	£18,056	£20,250	£78,056	£80,250
Rest of Scottish Borders	£107,000	£32,200	£36,113	£139,200	£143,113
Total Scottish Borders	£167,000	£50,257	£56,363	£217,257	£223,363
Rest of Scotland	£241,000	£92,183	£82,196	£323,196	£333,183
Total Scotland	£408,000	£138,559	£142,439	£546,559	£550,439
Rest of UK	£63,000	#	#	#	#
Total	£471,000	£138,559	£142,439	£609,559	£613,439

Source: DC Research calculations based on Heart of Hawick direct procurement and adapted SE and EP Guidance, 2008

Note: Totals have been subject to rounding

Impacts from Visitor Spending

- 4.13 In terms of the impact from visitor spending, it should first be noted that there is a paucity of information that can be used to make an assessment of this. There are therefore a number of assumptions that have had to be made, based on the available data.
- 4.14 First, information on total visitor numbers to both Tower Mill and Heritage Hub is available. This is derived from information supplied by the project based on a gate counter system in operation at the public entrances to both buildings. In the absence of any other available data, this data has been used to provide estimates of the number of visitors to Heart of Hawick for 2008. Given the checking mechanisms that are in place for this data (to deal with double counting of visitors, removing the counting of staff, contractors etc.) the study team are of the opinion that this data is sufficiently robust to be used in this analysis. However, given that it is based on unaudited data, the analysis below has adopted conservative/cautious spend data to ensure that the results presented below can again (consistent with the employment and procurement results presented above) be assumed to be the **minimum** gross visitor spend impact resulting from Heart of Hawick.
- 4.15 The information on estimated visitor numbers for 2008 is summarised as follows: Gross Total Tower Mill was 161,290 (97%); Gross Total Heritage Hub was 5,252 (3%); resulting in a Combined Gross Total (Tower Mill & Heritage Hub) of 166,542.
- 4.16 Adhering to the cautious approach outlined above, given the potential for a visitor to visit both Tower Mill and Heritage Hub, it has been assumed that all visitors have done so. Whilst this is unlikely in practice, it allows the visitor impacts to be based on a minimum total number of visitors. As such, it is assumed that the total number of visitors to Heart of Hawick in 2008 was 161,290, 5,252 of whom visited the Heritage Hub, and 156,038 of whom visited Tower Mill.
- 4.17 Second, in terms of identifying the type of visitor (local visitor, day tripper or overnight tourist) there is no information available about this for the above data. A number of assumptions have had to be made to allow this global figure (161,290) to be disaggregated in this way. The results from the surveys have been used to provide estimates of the home location (and therefore type) of visitors. It should be noted that the approach separates out Heritage Hub visitors from Tower Mill visitors given the marked difference between these groups in relation to home location. In summary, the table below shows the breakdown of visitors by home location.

Table 4.4: Estimates of Visitors by location

	TM visitors	HH Visitors	Total
Hawick	104,545 (67%)	1,455 (27.7%)	106,000
Rest of Scottish Borders	29,647 (19%)	1,397 (26.6%)	31,044
Rest of Scotland	3,121 (2%)	494 (9.4%)	3,614
Rest of UK	14,043 (9%)	1,161 (22.1%)	15,204
Overseas	4,681 (3%)	746 (14.2%)	5,427
Total (due to rounding)	156,038 (100%)	5,252 (100%)	161,289

4.18 Using this information, in combination with key assumptions linking home location to type of visitor, allows visitor impacts to be assessed. The key assumptions are that: Hawick as a home location equates to local visitors; the rest of the Scottish Borders and the rest of Scotland equate to day trippers; and the rest of UK and Overseas equates to overnight visitors. Whilst this (especially the categorisation of all Scotland as day trip and all England/rest of UK as overnight) is open to interpretation, it makes best use of the data available, and is founded on the assumption that these categorisations balance out (i.e. that the number of Scottish overnight visitors compensates for the number of UK day trippers and vice versa).

4.19 In summary this gives the following results:

Total number of local visitors (in 2008)	= 106,000
Total number of day trippers (in 2008)	= 34,658
Total number of overnights (in 2008)	= 20,631
Total	= 161,289 (due to rounding)

4.20 Third, and finally, in terms of typical, average visitor spend information, based on a range of sources², the average spend per visit figures are:

Local visitors	- £4.70 per person per visit
Day Trippers	- £28.65 per person per visit
Overnights	- £49.09 per person per night

4.21 Taking these average spend figures and the estimated visitor numbers, gives the following gross visitor impacts:

² Note: Local user data - Derived from the survey (those who live within Hawick, average spend = £4.70); Day tripper data - Derived from the survey (those that live in rest of Scottish Borders, average spend at HoH/Hawick = £28.65) - comparable with other data/other studies; Overnight tourist data - Derived from VisitScotland data (2007) Average spend per night = £49.09

Table 4.5: Gross Visitor impacts			
	Assumptions	Total Visitors	Total Impacts
Local visitors	£4.70 per person per visit	106,000	£498,200
Day Trippers	£28.65 per person per visit	34,658	£992,952
Overnighters	£49.09 per person per night	20,631	£1,012,776
Total		161,289	£2,503,927
Source: DC Research, using Heart of Hawick Survey and VisitScotland data			
Note: Totals have been subject to rounding			

- 4.22 With these assumptions, Table 4.5 shows that with a total (due to rounding) of 161,289 visitors per year, Heart of Hawick's gross visitor impacts will be in the order of £2.5 million per annum.
- 4.23 Looking forward, the project recognises that many of the current visitors are repeat day visitors (typically local residents) and there is a desire to increase the number of international visitors. This strongly links to the ancestral tourism developments and is discussed in Section 6 of the report.

Construction Impacts

- 4.24 Using data provided by Heart of Hawick for each of the elements of the project, Table 4.6 sets out the following construction impacts for each of the components of the Heart of Hawick project.

Table 4.6: Construction Impacts	
	Construction Total
Tower Mill	£4.613 million
Heritage Hub	£2.495 million
External Works	£0.8 million
Footbridge	£0.765 million
Drumlanrig's Tower	£0.260 million
Project Office/Development	£0.352 million
Total	£9.285 million
Total Person Years of Construction	81.6
Total Full Time Equivalent Jobs*	8.2
Source: DC Research calculations based on data provided by Heart of Hawick	
Notes:	
*Based on Government guideline of 10 temporary person years of employment equating to one FTE job.	
Totals have been subject to rounding	

- 4.25 The total overall value of construction costs for the full development is in the order of £9.285 million (net of fees and land acquisition costs), which over the lifetime of the development was likely to have supported around 81.6³ temporary person years worth of construction employment. This will

³ In 2001 average turnover per employee in the UK construction sector was £95,700 (ABI 2001, ONS), which has been rounded up to £113,757 to take account of inflation (2.5% per annum) to 2008

have provided a significant boost to the local economy and resulted in the provision of significant employment and training opportunities, equating to an equivalent 8.2 FTE jobs created in the local economy.

Summary

4.26 With the assumption that all core elements of the Heart of Hawick project are fully operational (with the exception of the Borders Textile Tower House), it is estimated that the annual economic impact can be broken down as follows:

- Direct and indirect employment effects of at least 49.4 FTE jobs, with inclusion of induced effects increasing it to 51.4 FTE jobs throughout Hawick, the Scottish Borders and the rest of Scotland.
- An estimated direct and indirect spending impact (through procurement) of at least £609,559, with inclusion of induced effects increasing it to £613,439 in Hawick, the Scottish Borders and Scotland.
- Estimated annual gross visitor impacts of £2.5 million based on the first full year of trading for the project, a figure likely to be increased when the Borders Textile Towerhouse opens in April 2009.
- The creation of the equivalent of 8.2 full time equivalent jobs as a result of the construction stage of the Heart of Hawick.

4.27 The results of this Economic Impact Assessment allow progress against the objectives of the Heart of Hawick Business Plan to be measured. As outlined in Section 1 of this report, the Business Plan objectives for jobs created and visitor numbers were:

Table 1.1: Amended Business Plan Table Five - Overall output summary

Component	Jobs created	Learning Outputs	Visitors
Tower Mill	42.9	1500	47,350
Heritage Hub	4.8	500	5850
Civic Space	0	19	4400
Campus management	2.7	0	300
Totals	50.4	2019	57,900

Source: Heart of Hawick Business Plan – Footfall and Vibrancy, p.28. Amended to remove Drumlanrig’s Tower targets.

4.28 For jobs created, the Economic Impact Assessment has shown that, including direct, indirect and induced employment, a total of 53.4 FTE jobs have been created across the UK (51.4 of which are within Scotland). Given that the EIA results do not include Borders Textile Towerhouse/Drumlanrig’s Tower, it can be concluded that jobs created by Heart of Hawick within Scotland (51.4) has exceeded the business plan target (50.4).

- 4.29 For visitors, the Economic Impact Assessment has shown that Heart of Hawick attracted a total of at least 161,289 visitors in 2008, far exceeding the annual target from the business plan (57,900) by a factor of 2.8. It should be noted that the vast majority of these additional visitors are to Tower Mill with the Heritage Hub performing more or less to target.

5. OTHER 'VALUE ADDED' / CATALYTIC IMPACTS

- 5.1 This section considers the wider catalytic or 'value added' impacts that the Heart of Hawick project has achieved to date (i.e. those beyond the quantifiable economic impacts as set out in Section 4 above). It considers the wider catalytic impacts of the Heart of Hawick project on the town in terms of impacts on the community, on local businesses, the appreciation of the cultural value of Hawick and the attractiveness of Hawick as a location for business and leisure activities.
- 5.2 In terms of wider catalytic impacts, it should first be noted that the achievement (i.e. construction and completion) of the Heart of Hawick project in itself is recognised as being a key catalytic impact. In particular, **the campus approach, which allows a joined up approach to the delivery of services and activity to be achieved**, was well recognised as being a key catalytic impact of the approach that has been taken with the project.
- 5.3 More specifically, there are a range of catalytic and added value impacts that the project has achieved and/or contributed towards. These are summarised below.

Community and Social Impacts

Community Engagement

- 5.4 The impact of the Heart of Hawick project on the local community of Hawick is exemplified in a number of ways.
- 5.5 The completion of the footbridge/cyclebridge is thought to have been very helpful in **engendering community engagement** in the project, and developing community support. It is seen as a very visual and positive impact, and an example to the community of what can be achieved.
- 5.6 Many consultees noted that the project started by facing a lot of scepticism and some cynicism locally at the outset. This related to the likelihood of the project being realised rather than the ideas behind the project itself.
- 5.7 There was therefore a need to engage with the community (through various events and consultation mechanisms) and ensure that they were engaged with the project all the way through to completion and beyond. The completion of the bridge was thought to be important in showing the community that things could be achieved.
- 5.8 This community engagement continues and is an ongoing element of the project through the support that it provides to local groups, both directly through the use of the cafe and workspaces/meeting rooms as venues for meetings, and also via local websites and publications – such as the Hawick Welcome Initiative, Return to the Ridings and Vision 2014.
- 5.9 There is a strong consensus amongst consultees that the Heart of Hawick project has helped to **increase community confidence** within Hawick. This is also recognised as an achievement by HLF, with clear acknowledgement of the community impact that the project has had.

- 5.10 The increased community/resident confidence is also thought to have been boosted through the various awards that the project has won (set out and discussed below). These awards represent external recognition and verification of the achievements of the project.
- 5.11 The community impact of the project on school/education is also well recognised. This is thought to be due to the level of outreach and engagement work that is done with schools, especially through the Heritage Hub. It is further thought that much of the education outreach work from the Heritage Hub (which aims to cover all groups within the community not just schools) has been achievable due to the Heritage Lottery Funds received.

Environmental Quality

- 5.12 The main Heart of Hawick project has also helped to transform two derelict buildings and has **significantly improved the streetscape and environmental quality** of the West End of the town.
- 5.13 This improved environmental quality is clear evidence that the project has addressed the community concerns about the levels of dereliction of the two buildings that helped to drive the original ideas for a project forward back in the late 1990's/early 2000's.

Recognition and Profile – locally and nationally

- 5.14 It is also thought that the Heart of Hawick project is now a well established presence in the town – it is **well recognised and receives good profile** in the local press, in addition to which it is well embedded in the town. This well established local profile helps to maintain and reinforce community engagement with the project, which is vital given that the vast majority of visitors are local – making local people the key market for the commercial elements of Heart of Hawick.
- 5.15 In addition to the local profile, the **awareness** of, and **recognition** of, **the project reaches both the regional and national levels**. This is exemplified in a number of ways. Two key examples relate to the awards that have been won by the project, and the general level of interest in elements of the project from other relevant services.
- 5.16 In terms of awards, Heart of Hawick can be classified as a multi-award winning project, having collected eight awards to date (April 2009). These awards have been in recognition of different aspects of the project, including:
- **Crime prevention in the design**/layout construction stage of the project (Secured by Design Award 2007)
 - The **large scale community impact** of the projects run on the Heart of Hawick campus (Scottish Urban Regeneration Forum - Place award 2007)
 - The design of the project and of linking the **excitement, accessibility and functionality of design to the complimentary aim of regeneration and conservation** (2008 Edinburgh Architectural Association Design Awards - Regeneration and Conservation Award)

- The **direct, tangible economic impact of the regeneration of the area** (2008 Enterprising Britain awards – Winner of the Scottish competition)
- The **proactive community engagement, effective partnership working and strong project management** (2009 Scottish Awards for Quality in Planning – Award winner in the Development on the Ground category).

- 5.17 These and the other awards, show that there is **national recognition of the community, cultural, design, and economic impacts of the Heart of Hawick** project.
- 5.18 In terms of the wider interest from other relevant services, Heritage Hub has received high levels of interest from other archive services across the UK. The project is recognised as being **innovative in both its design and its service delivery**, and this is recognised by other archive services that are keen to learn from the Heritage Hub.
- 5.19 Other community impacts include links to wider agendas – such as reminiscence work of the Heritage Hub and its links with, and **contribution to health** impacts; as well as some of the links with back to work groups that have been established.
- 5.20 The community also strongly recognises that having Beanscene in the town is of community benefit – it is viewed as offering an alternative to other venues in the town – and in particular is able to attract particular groups within the community that would not use other venues due to both the atmosphere and facilities available.
- 5.21 Finally, one description of Heart of Hawick as an ‘undiscovered gem’ highlights an issue for future consideration. Whilst the comment is positive, it is an example of a range of similar responses, and does suggest that there may a lack of awareness amongst some of the local community about all aspects of the project. This issue is picked up in Section 6, when the publicity and awareness of the project are discussed.

Impact on Hawick - location for business, leisure & cultural activity

- 5.22 There have also been impacts of the Heart of Hawick project (beyond the economic) on local businesses. Whilst some businesses use the facilities at Heart of Hawick (such as the meeting rooms) it is also thought that the project has **helped to lift the profile and esteem of the West End of Hawick**, and the town more generally. Such increased profile, in conjunction with potential developments elsewhere in the town (e.g. the new Sainsbury supermarket) should help to increase the potential customers for local businesses.
- 5.23 **Increased business confidence** is thought to have contributed to a greater willingness of the private sector to invest, e.g. in the opening of other businesses as well. Whilst it has not been rigorously assessed by this study, it is thought that there has been little negative impact on existing businesses (i.e. cafes) that offer similar services to Heart of Hawick.

- 5.24 The increased profile is also aided by the additional throughput of visitors to the town. The total of around 160,000 visitors to Heart of Hawick gives an indication of the level of **footfall to Heart of Hawick and the enhanced vibrancy of that end of the town.**
- 5.25 Whilst the spend impacts of these visitors, as presented in Section 4 are gross, and cannot wholly be attributed to Heart of Hawick, the results from the survey of users/visitors does provide **evidence of additional visitors to the town that would not otherwise have visited (or stayed within) Hawick.**
- 5.26 The survey results show that when users/visitors were asked what they did before Heart of Hawick existed, 21% went elsewhere locally. The remaining majority (79%) either went elsewhere within Scottish Borders (40%), elsewhere in Scotland (14%) or elsewhere in the UK (7%), with almost one fifth (18%) stating that they could not participate in such activity prior to Heart of Hawick. These results show that **Heart of Hawick has made a clear contribution to both retaining local residents within Hawick** rather than them travelling (for retail, leisure or cultural activities) further afield, **as well as attracting visitors to Hawick who would previously have gone elsewhere** for such leisure, cultural and retail activities.
- 5.27 These findings are reinforced by the survey results that show that of **those that do not reside in Hawick or the immediate vicinity, Heart of Hawick was the main reason for visiting Hawick for more than half of these visitors** (53%).
- 5.28 In terms of which **aspects of Heart of Hawick influenced their visit**, the **most common was the Heritage Hub** (although this result must be treated with caution given the dominance in the responses of Heritage Hub users) followed by the cafe and cinema in more or less equal measure.
- 5.29 Those who were visiting Hawick (rather than those that are local residents) were also asked what **other activities they did during their visit to Heart of Hawick.** By far the **most common response** (from almost 50% of the 236 responses) was **shopping** – again **highlighting the positive impact on local businesses** of Heart of Hawick. Next most common was **eating out** (around a quarter of respondents) followed by **meeting friends and walking** (both of which were mentioned by around 10% of respondents).

Summary

- 5.30 In brief, the wider added value and catalytic effects of Heart of Hawick can be summarised as:
- The 'campus' approach of the project, which allows a joined up approach to the delivery of services and activity, was well recognised as being a key catalytic impact of the project.
 - The development and maintenance of engagement with the local community during both the development of the project and throughout its delivery and implementation.

- Increased community confidence within Hawick as a result of the success of the project.
- Significantly improved streetscape and environmental quality within the West End of Hawick due to the project.
- A well recognised project with good local profile.
- Awareness and recognition of Heart of Hawick at regional and national levels, especially through the awards won – showing national recognition of the community, cultural, design, and economic impacts of the project.
- A project recognised as being innovative, in both its design and its service delivery.
- Helping to lift the profile and esteem of the West End of Hawick, thereby supporting local businesses, and helping to increase business confidence locally.
- The achievement of significant footfall to Heart of Hawick and the resulting increased vibrancy of the West End of the town which has enhanced Hawick as a location for leisure and culture activities.
- Heart of Hawick has made a clear contribution to both retaining local residents within Hawick rather than them travelling (for retail, leisure or cultural activities) further afield, as well as attracting visitors to Hawick who would previously have gone elsewhere for such leisure, cultural and retail activities.
- Clear evidence that Heart of Hawick was the main reason for visiting Hawick for the majority of non-local visitors. These visitors then carried out other activities – shopping, eating out, meeting friends and walking/leisure activities – that they would otherwise have carried out elsewhere.

6. FUTURE CONSIDERATIONS

- 6.1. This section provides a summary of issues around future considerations for the Heart of Hawick project. This element is primarily based on the findings from the survey with additional information from the stakeholder consultations.
- 6.2. Following this, the section then considers the next steps in terms of further development of the Heart of Hawick project and, based on the findings from the Economic Impact Assessment, provides a series of recommendations on areas where the economic impact could be further developed in the context of changing tourism markets and economic conditions.

What Else Could Be Offered / What Could Be Improved

- 6.3. The survey asked respondents to identify what they would like to see more of at Heart of Hawick and also what they think could be improved at Heart of Hawick to make them visit more often. The general finding seems to be that the vast majority of replies are calls to do more of the same range of activities. There seems to be a general contentedness with what is offered already.
- 6.4. Of those that did specify what more they would like to see, the common responses made reference to:

- Films and programming for the cinema – the most common suggestions were around demands for the cinema to offer more up to date films, a wider range of films, or to screen films more often.
- Music – where the common suggestions related to calls for more music events, and particularly a wider variety of music to be offered.
- For other events and productions (beyond films and music) – a number of visitors suggested that there should be provision of a wider range of shows, and noted that they still need to travel (e.g. to Langholm) in order to be able to take in the types of shows that they want.
- More generally, but of high importance, is that there were a range of issues identified about the wider visitor offer within Hawick beyond the project – including the general quality of the town centre, the transport links, the need for better quality hotels and issues around car parking at Heart of Hawick.
- Increased awareness of what is on offer at Heart of Hawick was often identified as an issue. There were suggestions for more promotion to be carried out to inform visitors (of all types – i.e. local, day trippers and overnight tourist) about what is going on so that they know all that is on offer and can take up more of the opportunities available.
- Calls for a wider offer in terms of cultural and leisure activities that could be taken up – with suggestions covering more live music events, singing classes, art classes, book clubs, film clubs (covering specific groups – e.g. children, or specific film types – e.g. classic films, arthouse films, world cinema), poetry sessions, and guest speakers.
- There were also some calls for improved service and more reasonably priced drinks and/or food at the cafe.

Furthering the Economic Impact of Heart of Hawick

- 6.5. In terms of furthering the economic impact of the Heart of Hawick, a range of factors were given sufficient prominence and profile during this study to make them worthy of consideration.
- 6.6. The issues listed below are informed and influenced by a combination of factors including: the results of the Economic Impact Assessment, the consultations with Heart of Hawick staff and other key stakeholders, the findings from the various survey mechanisms used to consult with visitors to Heart of Hawick and the experience of the study team in assessing similar projects to Heart of Hawick elsewhere in the UK.
- 6.7. The issues are presented as a series of recommendations in areas where the project could be further developed to further/enhance the economic impact of Heart of Hawick in the context of changing tourism markets and economic conditions.

Economic Impacts – Employment

The vast majority of the jobs created by Heart of Hawick (directly, indirectly and induced) are located in the immediate impact areas (i.e. within Hawick and the rest of the Scottish Borders). This proportion is high compared to similar studies elsewhere, so the issue going forward will be about maintaining this profile rather than attempting to increase it.

One key issue around employment will be to ensure that plans are put in place sufficiently early to ensure that any fixed-term jobs are maintained beyond the current funding arrangements. In particular, Heritage Hub posts which are contingent upon HLF funding need to be considered. Given the importance of outreach and maintaining community engagement to the success of the Heart of Hawick project, it will be important to ensure that activities delivered/supported by posts contributing to these catalytic impacts are not lost when HLF funding ceases.

Key Actions:

- Ensure that early steps be taken to make sure any key activities delivered by fixed-term posts are continued beyond the end of HLF support.

Economic Impacts - Procurement

In contrast to the 'localised' employment patterns, procurement is notable for its converse pattern – i.e. only a small proportion of procurement (13%) is very local (i.e. spent with Hawick), with just around one third (36%) being spent within the Scottish Borders.

On this evidence, it is proposed that there should be proactive steps taken in order to address this pattern of procurement. Whilst the patterns of procurement vary from project to project, and a spend of around one-third in the local authority area (Scottish Borders) is not markedly atypical from comparable projects, it is understood that some procurement practices of key organisations (namely Scottish Borders Council, VisitScotland, and Beanscene) take a national approach, resulting in lower localised procurement levels. As such, it is recommended that discussions take place with key tenants (i.e. VisitScotland and Beanscene) as well as within Scottish Borders Council to look to better support

local companies to ensure they are given opportunities (where appropriate) to tender for the supply of relevant goods and services.

Key Actions:

- Discussions between Heart of Hawick and VisitScotland to consider potential for more localised procurement.
- Discussions between Heart of Hawick and Beanscene to consider potential for more localised procurement.
- Discussions between Heart of Hawick and Scottish Borders Council to consider potential for more localised procurement.
- Heart of Hawick to consider extent to which the project can increase the procurement of locally sourced goods and services and to take actions to support this.
- Heart of Hawick to liaise with local Business Gateway advisers to explore the potential for tendering training sessions, and/or activities such as 'Meet the Buyer' events, aimed at local suppliers to ensure that they are aware of, and are given the opportunity to tender for Heart of Hawick procurement opportunities.

Economic Impacts – Workspaces and Tenants

Section 3 of the report noted the current arrangements with regard to tenants located within the workspaces on levels 2 and 3 of Tower Mill. Specifically, it was noted that in terms of economic impact, the current number of meeting rooms is higher than had been originally planned and the type of tenant is not as focused on private sector businesses as was originally intended. Taken together, these factors probably result in a smaller economic impact of the workspace element of the project than would be achieved with a more commercial focus (assuming that similar occupancy rates would be achieved).

As such, and when comparing the tenants profile and economic impact to other similar types of projects (once the scale of project is taken into account), or other workspaces located close to Hawick, consideration could be given to adopting a more commercial approach to managing the workspaces.

Whilst this shift in focus on the type of tenant within the workspaces needs to ensure that the ethos of the overall project is maintained (i.e. by balancing the social/community with the economic imperatives), experience from elsewhere suggests that a more commercial focus could be taken and that this would result in increased local economic impacts.

Key Actions:

- Heart of Hawick to give consideration to adopting an approach to managing the workspaces that aims to attract more commercial tenants which would (ceteris paribus) enhance the economic impact of this element of the project. This should include consideration of the balance between the uses of workspaces as meeting rooms as compared to their use as workspaces for paying tenants.

Economic Impacts - Visitors

The economic impact assessment has shown that there is a mix of type of visitor to Heart of Hawick, from local users to day trippers and overnight visitors.

Based on the analysis, the vast majority of users are **local visitors** (around 66%), and this key market needs to be recognised in the activities and services offered and the promotion and publicity for Heart of Hawick. This links to the issues surrounding the description of Heart of Hawick as an 'undiscovered gem' (see Section 5), suggesting that there may be a lack of awareness amongst some of the local community about some aspects of the project.

Current and recent promotional activities (like the launch of the website) are obviously working to ensure that awareness and recognition of the project is high amongst all potential visitors. However, the extent to which awareness of the project has penetrated all groups within the local community should be assessed to ensure that all elements of the project are well understood and appreciated. The survey results (notwithstanding the potential biases due to the high responses from Heritage Hub users) indicated that the majority of users are aged 55 years of age or over (59%) with only 11% being 35 years of age or under. Even as an indication of customer profile, this suggests that more could be done to make particular socio-demographic groups more aware of the project.

In addition, the survey responses do indicate that there are a lot of repeat visitors, and as such, it may be that there are a relatively small number of multiple repeat local visitors rather than a wider catchment across all groups within the local community.

Improved visitor/customer information would also be beneficial in allowing the project to develop a better understanding of this profile of visitors, allowing an assessment of where core visitors are from, and also the potential markets where better promotion may be needed.

Additional consideration, in terms of appealing to local users, needs to be given to the suggestions from the consultations about what else users would like to see, and/or what could be improved about the project to increase repeat visits.

The key issues highlighted were around the programming of the cinema and the various live events, ensuring that local people are aware of what is on offer at Heart of Hawick, calls for a wider range of cultural and leisure activities offered (e.g. live music events, singing classes, art classes, book clubs, film clubs, poetry sessions, and guest speakers).

The survey responses indicate that the programming for the cinema is a particular area for further consideration. There are calls in particular for more up to date films to be shown (which may be challenging), but additionally, there are calls for more niche films (e.g. world cinema, classic films).

In terms of non-local visitors to heart of Hawick (i.e. **day trippers and overnight visitors**), whilst estimates show that these groups account for a smaller proportion of visitors than local people do, both of these groups contribute far more in terms of economic impact. As such, the activities that are ongoing to attract these types of visitors (ancestral tourism initiatives, the Turnbull Statue) should continue.

The importance of day trippers and overnight visitors can be supported and reinforced at the current time by two key factors.

- Firstly **demand-side** (customer driven) issues resulting from the current economic climate. It is expected that there will be an increased number of tourists within the UK during the current economic recession – resulting from a combination of an increased number of UK residents opting to stay in the UK rather than go abroad for their holidays, and also from an increased number of international tourists visiting the UK due to weakened relative value of sterling. Taken together, this should increase the number of potential visitors (day trippers and overnight visitors) to Heart of Hawick (and Hawick and the Scottish Borders more widely).
- Second, the **supply-side** issues around pro active tourism initiatives nationally (e.g. Homecoming) and more locally (e.g. the ancestral tourism post at the Heritage Hub, the opening of the Borders Textile Towerhouse, the Turnbull Statue and so on). Given the potential increases in these domestic and overseas tourist markets, there is a need to continue to build the ancestral tourism opportunities to help ensure that these opportunities can be realised. In this context, the importance of the role of the Heritage Hub is well recognised by stakeholders.

However, consideration will also need to be given to issues about improvements to the wider tourism offer noted above, especially given that competition for these potential additional tourists will be intensive. If these are not addressed, then opportunities around ancestral tourism and other markets may not be able to be fully realised.

Key Actions:

- Heart of Hawick to develop/refine existing customer information to enable better analysis of local market penetration to take place.
- Where gaps are identified, in terms of local people that have not visited Heart of Hawick, specific promotion and publicity should be carried out to target these groups.
- The feasibility of providing some earlier showings (first releases) of new films releases – something that was a very popular request from current users – should be assessed.
- The current activities that are ongoing to attract 'higher spending' overnight (and especially international) visitors (i.e. ancestral tourism initiatives, the Turnbull Statue) should continue.
- Promoting to day trip and especially overnight tourists – particularly around ancestral tourism should continue – in order to ensure that anticipated tourism opportunities arising from the current economic climate can be maximised for Heart of Hawick.
- Action needs to be taken to ensure that the wider tourism offer within Hawick is of a sufficient standard to support these ancestral tourism activities, especially given that competition for potential additional tourists will be intensive. If any issues about the wider offer are not addressed, then opportunities around ancestral tourism and other markets may not be able to be fully realised.

ANNEX 1: LIST OF CONSULTEES

Name	Organisation
Lindsay Wood	Heart of Hawick (Business Manager)
Susan Taylor	Heart of Hawick (Marketing and Operations Manager)
Iain MacAulay	Business Manager, Community Services, Scottish Borders Council
Ian Brown	Cultural Services Manager, Scottish Borders Council
Gordon Robb	Streets Ahead
Brian Renwick	Scottish Rugby Union
Linda Kerr	Carnegie College
Rachel Hosker	Heritage Hub Archive Manager
Shona Sinclair	Curator, Hawick Museum
Chris MacDougall	VisitScotland
Max Arthur	Sports Development, Scottish Borders Council
Lucy Casot	Heritage Lottery Fund

ANNEX 2: BASIC SURVEY RESULTS

The survey results presented below are those taken from the visitor/user survey. They are taken direct from the responses received and no adjustments have been made to results. As such, the study team cannot verify that the aggregated responses are representative of visitors to Heart of Hawick. In particular, the number of responses from Heritage Hub users as compared to the visitor data about the Heritage Hub compared to visitors to Tower Mill leads us to conclude that the results are likely not to be representative, and caution needs to be given to using this information in this format to inform any future planning around the Heart of Hawick project. Where the survey results have been used in the economic impact assessment in Section 4, the study team reinterpreted and reanalysed the survey results to ensure that they were sufficiently robust and valid to be used as evidence in the economic impact assessment calculations.

Please specify your home location		
Answer Options	Response Frequency	Response Count
Within Hawick (or immediate vicinity)	36.5%	144
Elsewhere in the Scottish Borders region	25.1%	99
Elsewhere in Scotland	7.4%	29
Elsewhere in the UK (outside Scotland)	18.8%	74
Outside of the UK	12.2%	48
<i>answered question</i>		394

Which of the following age groups do you fit within?		
Answer Options	Response Frequency	Response Count
Under 16	0.5%	2
16 – 25	4.4%	19
26-35	6.5%	28
36-45	13.7%	59
46-55	16.3%	70
56-65	33.7%	145
66 or above	24.9%	107
<i>answered question</i>		430

When you typically visit Heart of Hawick, is it.... (Please tick all that apply)		
Answer Options	Response Frequency	Response Count
On your own	42.5%	161
With family	48.0%	182
With friends	35.4%	134
<i>answered question</i>		379

When you typically visit Heart of Hawick, is it... (Please tick all that apply)		
Answer Options	Response Frequency	Response Count
As part of a small group (up to 5 people)	56.5%	216
As part of a large group (more than 5 people)	6.8%	26
Part of a local trip within Hawick	11.3%	43
Part of a day trip to Hawick	24.3%	93
On business	9.2%	35
As an overnight visitor to Hawick	7.6%	29
As an overnight visitor to the Scottish Borders area	11.5%	44
answered question		382

Cinema?		
Answer Options	Response Frequency	Response Count
No	66.8%	245
Yes (Please specify how many times in the past 12 months)	33.2%	122
answered question		367

Beanscene Cafe?		
Answer Options	Response Frequency	Response Count
No	29.5%	109
Yes (Please specify how many times in the past 12 months)	70.5%	260
answered question		369

Theatre/auditorium (for live events, music, seminars, awards)?		
Answer Options	Response Frequency	Response Count
No	78.9%	291
Yes (Please specify how many times in the past 12 months)	21.1%	78
answered question		369

The Heritage Hub?		
Answer Options	Response Frequency	Response Count
No	27.4%	109
Yes (Please specify how many times in the past 12 months)	72.6%	289
answered question		398

Meeting rooms?		
Answer Options	Response Frequency	Response Count
No	91.3%	335
Yes (Please specify how many times in the past 12 months)	8.7%	32
<i>answered question</i>		367

Visitor welcome centre/shop?		
Answer Options	Response Frequency	Response Count
No	48.5%	183
Yes (Please specify how many times in the past 12 months)	51.5%	194
<i>answered question</i>		377

Drumlanrig's Tower?		
Answer Options	Response Frequency	Response Count
No	71.7%	269
Yes (Please specify how many times in the past 12 months)	28.3%	106
<i>answered question</i>		375

Are there particular events / activities that attract you to Heart of Hawick?		
Answer Options	Response Frequency	Response Count
Yes	57.7%	217
No	42.3%	159
<i>answered question</i>		376

Thinking about what elements of Heart of Hawick you use, what did you do before Heart of Hawick was here?		
Answer Options	Response Frequency	Response Count
Went elsewhere locally (i.e. within Hawick or immediate vicinity)	21.3%	80
Went elsewhere in Scottish Borders	40.2%	151
Went elsewhere in Scotland	13.6%	51
Went elsewhere – rest of UK/outside UK	7.2%	27
Could not participate in such activity before Heart of Hawick	17.8%	67
<i>answered question</i>		376

If you do not live in Hawick, was Heart of Hawick the main reason for your visit(s) to Hawick?		
Answer Options	Response Frequency	Response Count
Yes	53.0%	133
No	47.0%	118
<i>answered question</i>		251