

Culture and Communities Committee

10.00am, Tuesday, 28 January 2020

The Quaich Outline Business Case

Executive/routine Wards Council Commitments	Executive City Centre 15, 43, 46
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1. Recommendations

- 1.1 It is recommended that Committee:
 - 1.1.1 note progress to date; and
 - 1.1.2 agree the direction of travel and to progress the key principles as outlined in this report and in appendix 1, for West Princes Street Gardens.

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The Quaich Outline Business Case

2. Executive Summary

- 2.1 As agreed at the Transport and Environment Committee in [October 2018](#), the Council has developed an operational delivery plan for the new Pavilion and associated areas in collaboration with the Quaich Trust and project design team, with the Council's Cultural Venues team continuing to take responsibility for managing and programming. This report sets out the current direction and key principles of the outline business case.

3. Background

- 3.1 Ross Development Trust (RDT) was established as a Scottish Charitable Incorporated Organisation (SCIO) and entered into a Development Agreement (DA) with the Council in December 2016, to support the delivery of the West Princes Street Gardens (WPSG) project, which included a replacement bandstand (Pavilion) and new Garden Reception Building (Welcome Centre).
- 3.2 Council Officers have worked closely with RDT since its inception and both organisations have dedicated significant staff time and resources to the project.
- 3.3 RDT has financed and completed work on three aspects of the project - the restoration of both the Gardener's Cottage (completed in Summer 2017); the Ross Fountain (completed in Summer 2018); and the architectural competition for the Bandstand was successfully completed in August 2017 with the entry from wHY selected.
- 3.4 Following the public consultation on the Project which took place in 2018, the feedback was clear that the Council should remain in charge of the operational delivery of WPSG. The original proposal of an Arm's Length External Organisation was rejected in favour of Council service delivery, at the Transport and Environment Committee on the 4 October 2018.
- 3.5 There has also been considerable advancement in design development, with a planning application due to be submitted in Spring 2020.

4. Main report

- 4.1 The underlying principles behind the outline business case (Appendix 1) should have a core focus on community access and activity and should be cost neutral to the Council in terms of revenue funding. It also supports one of the key deliverables from the Quaich Project which is to make the Gardens accessible to all through a new lift, access slopes and customer facilities to comply with Disability Discrimination Act (DDA) requirements.
- 4.2 It also represents an opportunity to provide a clearer approach on types and scale of events and activities, reflecting the new Public Spaces Management Plan which is currently being developed (an update report on this is included at item 9.1 on the agenda for this Committee). This is something that has been requested following stakeholder meetings regarding the overall project design and delivery and, as proposed below, is expected to maintain the status quo on the number of days given over to major events.
- 4.3 The outline business case has been designed to establish a robust plan that identifies key value propositions, customer segments, revenue streams and cost structure alongside key resources, partners and activities that deliver a function space. The new Welcome Centre and 'Pavilion' will be managed through extending the service and resource structures of the Council's Cultural Venues division (Usher Hall, Assembly Rooms, Churchill Theatre, Ross Bandstand) which has a current annual turnover of over £6.5m, producing many hundreds of events and audiences of over half a million people each year.
- 4.4 The core Mission Statement for the project is to create and sustain a space for all in the heart of the city, celebrating nature, reflection, community and performance. With a core income mainly received for major events and the concession fee from the café in the Welcome Centre, it is then possible to offer low cost rental of spaces, to organisations that can demonstrate they are offering community and/or charitable activities. This helps return the space to a state described by many during the consultation process – as an open access and free/low cost venue.
- 4.5 The annual cost of operating the space is between £480,000 and £510,000 in the first three years, resulting in an average per day sum of sustaining the facility of up to £1,317, which including equipment and staff charges would bring the total rental cost to over £1,800 before any actual event organiser costs are taken in to account. By balancing income streams across the wider Cultural Venues, this enables the Council to reduce the financial pressure of renting space for community groups, with the proposed outline business case allowing for a half day rental of £100 inclusive of staff and equipment.
- 4.6 The six key aims set out in the outline business case describe a space that can offer a balanced programme of events and programmes; creative ambitions which can be sustained through trading and rental income; supported and delivered by a skilled staff team working across Culture and Parks; effective marketing and stakeholder engagement; and a commitment to positively manage any negative environmental impact of the space.

- 4.7 The outline business case also seeks to define a maximum level of higher impact events, being held on no more than 15 days per annum for the new venue and Gardens. These will be defined as public events that close areas of WPSG for a limited period of time as well as charging for admission.
- 4.8 The existing arrangement is that there are five major events permitted each year (major events being those that go beyond the curtilage/paved area of the Ross Bandstand). Under this definition there are up to 15 event days including Hogmanay, Festival Fireworks, Summer Sessions and Heart and Soul. The proposal is to maintain the status quo in terms of volume, offering a maximum of 15 days of use per annum, spread across the calendar year.
- 4.9 Based on the current and proposed model of usage, WPSG are open over 98% of the year, with early closure for existing events (mainly evenings) being under 2%. It is estimated that within the new operating model at peak in year three, WSPG would remain open for 98% of the year. Within these figures it is acknowledged that there are periods of disruption to areas of the Gardens to enable the set up and take down of events but in the main, large areas are maintained for public access. The redesigned building and bridge will reduce the impact of disruption by at least 30% on current estimates.
- 4.10 The financial projections illustrate that this balanced approach of generating defined areas of income to enable low-cost community lets is sustainable and can generate a surplus which could be used as targeted investment in the wider maintenance of the Gardens and supporting community organisations.
- 4.11 Whilst there are design iterations that will continue following the public and stakeholder engagement process which will inform the planning application, the Committee is asked to approve the direction of travel and key principals outlined in the outline business case as suitable and sustainable.
- 4.12 It should be noted that it would not be possible to realise this project without the extensive and generous support of RDT.

5. Next Steps

- 5.1 Stage 3 design is due to be completed in March 2020, in line with a planning application due to be submitted by the Ross Development Trust in Spring 2020.
- 5.2 It is intended to carry out improvements to the shelters when funding is secured.
- 5.3 Once the planning application has been submitted, the focus of the Council's project team will switch to procurement, legal and planning for the construction phase. To support this work, a restructured project board will be established. Clearly, the delivery of this activity will be dependent on the Planning process and progression of the fundraising campaign.

The Concession/Café:

- 5.4 Due to the unique location, the café offering needs a clear identity. There should be an overall vision for the site with one partner who would be the route for all catering and beverage across the site. To enable the Council to develop a detailed tender to identify a catering partner, the project team will work with an external catering consultant to produce a report setting out the operating model and the potential contract value.

Legal and consents:

- 5.5 If Planning consent is successful, the Council will progress a private bill before the Scottish Parliament to amend the City of Edinburgh District Council Order Confirmation Act 1991 to permit the construction of a visitor centre which requires additional Parliamentary approval. Regarding the Welcome Centre, there is a requirement to go to the Court of Session to request a change in use in the Council's common good land permitted through procedures under the Land Reform (Scotland) Act 2016. It is advised that to take this process forward, planning consent should be in place.
- 5.6 In competing for Parliamentary time with all Executive (Government) legislation and other Private Acts, the private bill could itself take between 18 months and two years. There will be a further requirement for the Council to carry out public consultation to progress this.
- 5.7 The outcome of the final business case will be dependent on the required Planning and legal consent's being granted.

6. Financial impact

- 6.1 At Transport and Environment Committee in October 2018, it was agreed that should the project fail to secure the full amount of capital required, a proposal through the Councils Capital Investment programme will be submitted. An ("As Funding of Last Resort") sum equivalent to a maximum of £5,000,000 of the total Project capital costs will be requested to be used solely in connection with the Project. This will only be progressed once RDT have demonstrated to the reasonable satisfaction of the Council that the remaining 80% funding has been committed.
- 6.2 There will also be legal and consultation costs associated with the legal and consents clauses described under 5.6 above. These will be reported to a future Committee once known as part of ongoing project updates.

- 6.3 Council officers will continue to support the project on an on-going basis and any operational costs incurred through the design development phase will be met from within existing budgets.
- 6.4 When the design is finalised and if Planning is approved, the outline business case will be updated to reflect the final costs for maintenance. An updated report will be provided to Committee at the appropriate time.
- 6.5 Within the revised Development Agreement, the Council has set clear milestones regarding the fundraising campaign and regular monitoring will be undertaken to ensure these are being met. As previously agreed, any significant slippage in these milestones will be reported to the Culture and Communities Committee.
- 6.6 The Council will honour all gift agreements with donors beyond the completion of development works.

7. Stakeholder/Community Impact

- 7.1 A stakeholder group has been established, and consists of representatives from:
- Old Town Community Council
 - New Town and Broughton Community Council
 - Cockburn Association
 - Edinburgh World Heritage
 - Historic Environment Scotland
 - Edinburgh Access Panel
 - Ramsay Garden Associates
- 7.2 The remit of the group is as a sounding board for the project and design development.
- 7.2 Public consultation was carried out by the Council in summer 2018 and the results of this can be found [here](#). The Quaich Trust as part of the planning process carried out consultation November to December 2019, with further consultation due to take place February/March 2020, to progress a planning application in Spring 2020. Details of the Quaich Project Public Engagement to date has been included as Appendix 2.
- 7.3 Plans set out within this report fall in line with the current parks manifesto and public spaces protocol. Engagement will continue going forward on the development of the Public Spaces Management Plan.
- 7.4 A full Equalities Impact Assessment will be undertaken if the plans for WPSG and the new Ross Pavilion are approved.
- 7.5 It is anticipated that a positive impact will be achieved through the development of this project.

- 7.6 Public notification and further consultation will be required to progress amendment to the 1991 Act and the Court process under the Land Reform (Scotland) Act 2016
- 7.7 The completion of the refurbishment and development of WPSG in general, and the redevelopment of the Ross Pavilion and the construction of the associated Gateway Building in particular, is to the benefit of residents, visitors, event organisers and Festivals, and Edinburgh's reputation.

8. Background reading/external references

- 8.1 [City of Edinburgh Council - West Princes Street Gardens and the Ross Bandstand 30 June 2016](#)
- 8.2 [Culture and Communities Committee – West Princes Street Gardens and Ross Bandstand update - 20 March 2018](#)

9. Appendices

- 9.1 Appendix 1 – The Ross Bandstand/Quaich Outline Business Case
- 9.2 Appendix 2 – The Quaich Project Public Engagement

Appendix 1

Ross Bandstand/Quaich Outline

Business Case

Years 1 - 3

1.0 Vision

‘Every Edinburgh citizen, and visitor to the city, will have experienced West Princes Street Gardens and the Quaich’

2.0 Values

- ◆ *Our community is as varied as the activities we present. By listening and responding to our customer’s views, we will keep them at the heart of what we do.*
- ◆ *We are committed to programmes that give everyone the opportunity to enjoy time spent in the Gardens.*
- ◆ *We maintain a positive, transparent and creative environment where we acknowledge that only by working together, can we do our best.*
- ◆ *We think about the impact of our activities locally and globally and strive to reduce its effects on the environment.*

3.0 Mission Statement

‘To create and sustain a space for all in the heart of the city, celebrating nature, reflection, community and performance.’

4.0 Business Model

The New Pavilion, Welcome Centre and wider Gardens will continue to be managed by the City of Edinburgh Council, in keeping with Common Good land values and response to public consultation survey.

Key areas from Business Model exercise:

- *Value Proposition – Unique locations and world class green space and performance venue; expert staff support*
- *Customer Segments: Public, Community Event Organisers, Festivals, Promoters*
- *Revenue Streams: Usage fees, concessions, goods/assets, ticketing*
- *Key activities and relationships: service assistance, information, consultation*

5.0 Context

West Princes Street Gardens is one of the most cherished public green spaces in Scotland, loved by locals and visitors alike. The Gardens form a key part of Edinburgh's World Heritage, also providing outstanding social and recreational importance for the city.

Over the past few decades, funding to invest in the facilities in the West Gardens has decreased and as a result key features and crucial infrastructure have suffered. The City of Edinburgh Council explored options for a Ross Bandstand replacement back in 2006 with the project reaching early design solutions but limited by lack of funding.

Since 1877 there has been a bandstand in the gardens, with events playing an inaugural part of this history and this project will refresh the approach for the future.

Discussions to replace the Ross through the current project took place in early 2015 with The City of Edinburgh Council, The Cockburn Association, Edinburgh World Heritage, local politicians as well as other key stakeholders all being approached for comment.

The Ross Bandstand is Edinburgh's home for the Festival Firework and Hogmanay celebrations, high profile rock and pop artists through the Summer Sessions, Diwali, Heart and Soul, as well as community activities such as the Scottish Country Dancers. It is the only large-scale outdoor bandstand venue in the eastern central belt of Scotland yet does not adequately meet the needs of 21st Century organisers and audiences.

Sitting in the heart of Scotland's capital, the Quaich Project offers a unique platform for promoting a wide variety of activity in a spectacular setting, underpinned by a core aim of providing a mix of events and activities that fulfil our Mission.

It also offers a catalyst for the re-imagining of Princes Street and its environs. With the opening of the new St James Centre and the refocussing of retail activity to the eastern end of the city centre, the Quaich Project has the potential to drive the context of the area – cultural, social, wellbeing and environmental themes dominating a space currently occupied by buses and shops.

The current Ross Bandstand has served its purpose and now, through the dedication, effort and fundraising support of the Quaich Trust, the Council and City have the opportunity to enhance the City Centre and West Princes Street Gardens through a revitalised public space.

6.0 Strategic Aims

We have 6 strategic aims through which our mission will be delivered over a three-year period. They provide the framework for our core activities.

Aim 1

To deliver a balanced programme of activities ranging from small scale community events & learning programmes to festivals and major events throughout the year, befitting a capital city, world class visitor destination and much-loved public 'garden'.

Key objectives:

We will curate the use of spaces and activities throughout West Princes Street Gardens to enable a primary focus on community events which reflect the nature of the spaces involved. These include school and family events, lectures & talks, garden/nature tours, traditional art and culture, live music and theatre, heritage and historical programmes. The new facility will be offered at low cost for community groups and schools. We will also procure and programme a specific number of major event days which will provide high profile and high-income streams to create the affordability to community groups.

We will promote and market the Quaich to a wide range of community bodies, schools & colleges, event and festival organisers to ensure that a healthy balance exists to enable an active yet tranquil and accessible space across the year.

We will work to extend learning opportunities with other cultural areas by working collaboratively with other organisations.

Aim 2

To develop the trading income from opening a visitor ('welcome') centre that enables full access to the gardens as well as café/hospitality spaces that support our community and creative ambitions.

Key Objectives:

We will procure a single operator to run the catering offer for the Welcome Centre. The building (and associated spaces) will become an iconic venue for the city offering amazing views of the Castle and Gardens. The Welcome Centre will be an active part of the visitor experience to West Princes Street Gardens and form a facility link to events in the new Pavilion. We will maximise awareness of the spaces through developing our relationship with specialist networks and stakeholder organisations.

The Welcome Centre will provide a daytime focus for a wider range of people to access the Gardens and new Pavilion, and for the first time will enable wheelchair access in to West Princes Street Gardens from the north and east side.

We will maximise income through contractual agreements to use our spaces and catering for events.

Aim 3

To communicate and sell what we offer to the widest audience in the most effective way for the 21st Century

Key objectives:

We will build on our previous success across the rest of the venue estate by attracting a diverse range of hirers and audiences. We will deliver core digital marketing services to promote activities and events. The marketing team will work closely with sales staff to ensure that the venue is marketed and sold in the most effective way to event organisers, promoters, community groups and the public.

We will extend our reach with our audience through the website and the city's web portal and aim to be selling 90% of our tickets online.

We will undertake annual online and face to face research with the public, stakeholders and users to improve our knowledge of our audience and operations which will help to inform planning in subsequent years.

Aim 4

To work across our Parks and Culture structure to enable a smooth and seamless experience for users; and provide a voice for stakeholders and the public to contribute to the planning and direction of West Princes Street Gardens.

Key Objectives:

We will aim to achieve a 5 star Visit Scotland destination award and a Green Business Tourism Gold Award by year 3 of the business plan cycle. We will maintain the Green Flag Park Award. Social media reviews across platforms such as Google, Trip Advisor and Euan's Guide will be measured and reviewed aiming to achieve 90% plus positive feedback. Staff will be part of an ongoing training programme, delivered both in-house and externally. External organisations will visit us to see and learn from how we deliver our service and we will continue to visit other organisations to learn from them.

A set of standards will be agreed and measured against, with Key Performance Indicators covering access times, number of events, attendances across the business. Attention will also be paid to measuring our interaction with the public and their view of how we are performing.

Aim 5

To provide a flexible, well trained and motivated staff team who work in a supported environment.

Key Objectives

We extend our staff structure to provide us with a skilled team of staff that can work flexibly to deliver a first-class service. We will combine operational structures with Parks to enable a seamless event and park service that works to the benefit of the public, audiences and event organisers. Working with the Council's leadership and appraisal programmes will provide all staff with a guide to the service's core aims and objectives.

We will undertake and complete 100% of the PRD process as well as developing staff training plans to deliver the service. We will manage staff performance and absence levels targeted at under 4%.

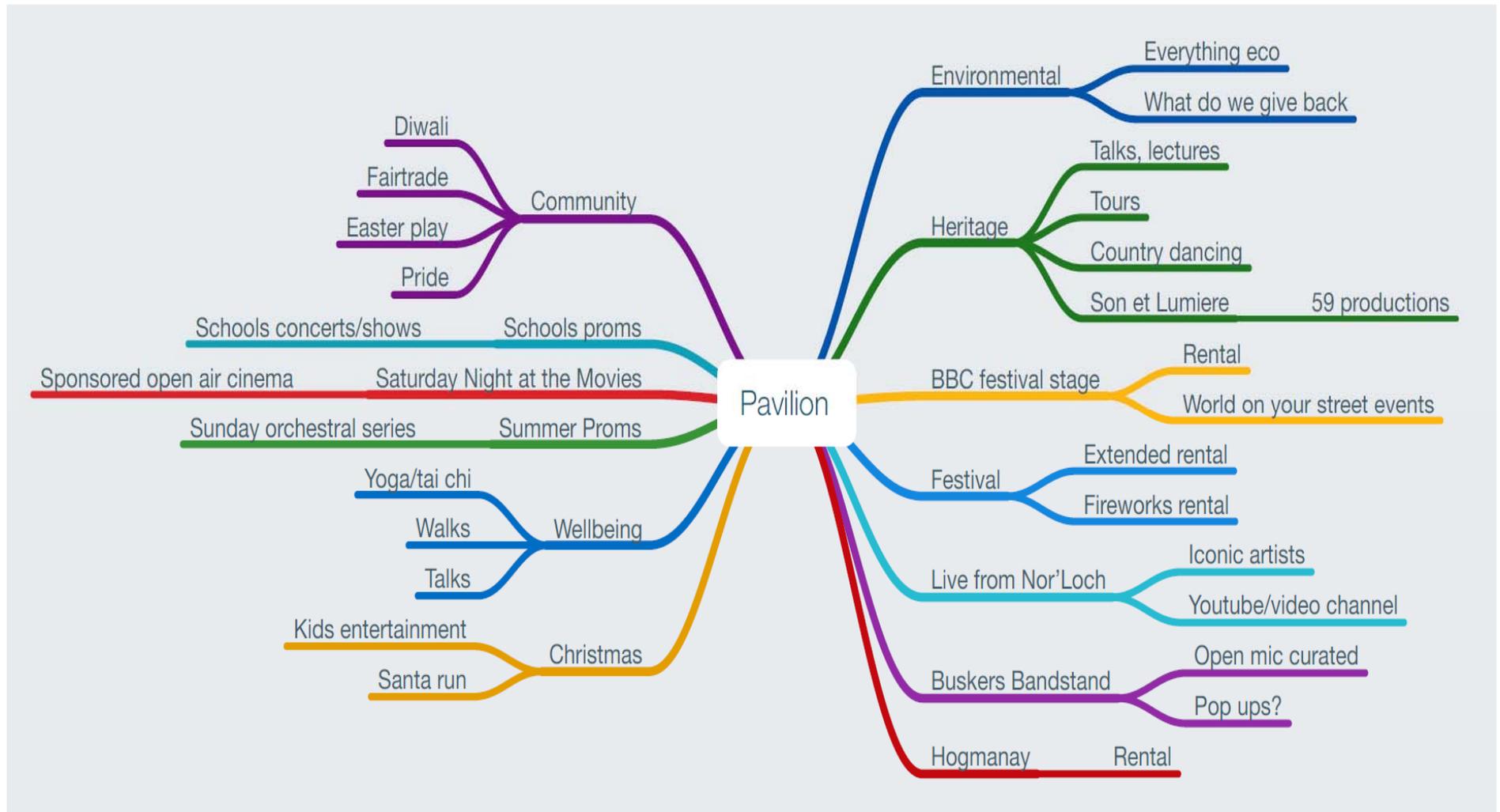
Aim 6

To develop and manage our financial and physical resources in the most environmentally friendly, effective and efficient way to allow us to fulfil the ambitions of the new pavilion

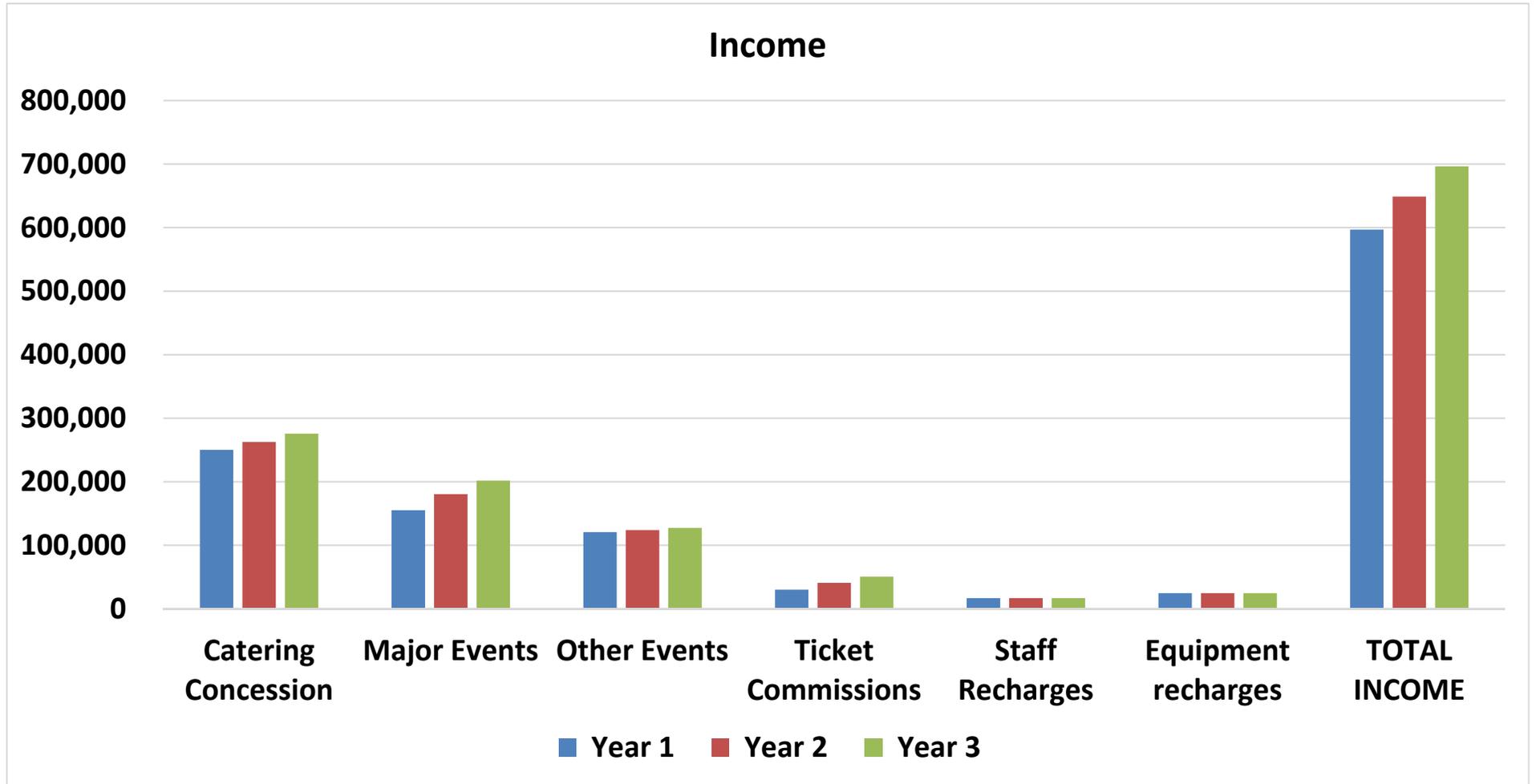
Key Objectives

We will define our carbon foot print once the spaces are functioning and aim to reduce our impact on the environment. We will achieve gold standard environmental business awards by Year 3.

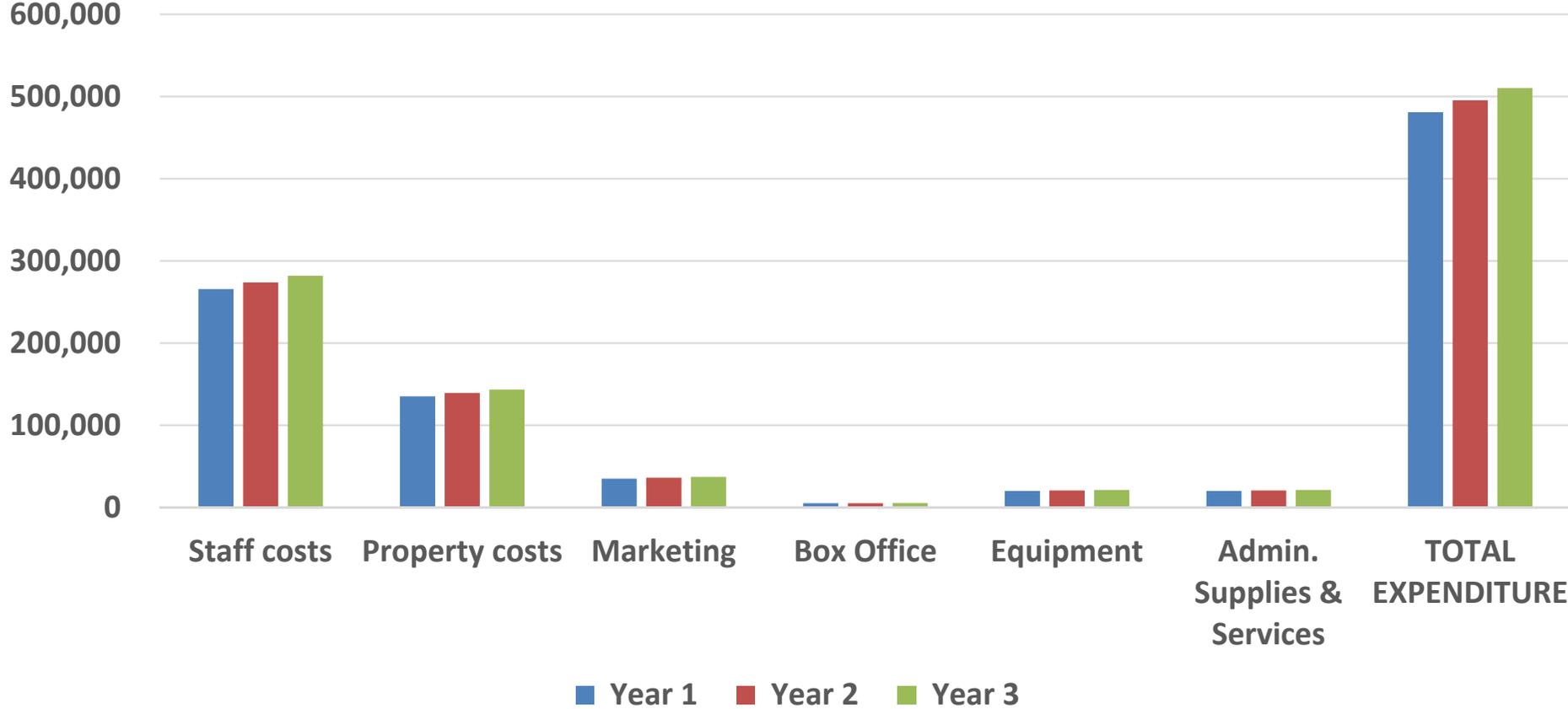
We will monitor and evaluate the cost of our service on an annual basis to ensure that we are achieving efficiencies wherever possible. The annual net cost our service to Edinburgh citizens will be zero.



Financials

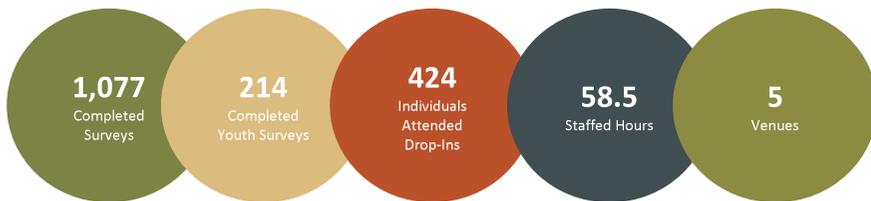


Expenditure



Appendix 2: The Quaich Project Public Engagement

Public Consultation: 4th November - 1st December 2019



2019 CONSULTATION RESULTS

- **68%** of the respondents supported the identified changes to the Gardens.
- **74%** of respondents supported the proposal that income from a few major events would support maintenance of the Gardens and subsidise community events in the new Pavilion.

Stakeholder and Focus Groups 2019

KEY STAKEHOLDERS

Bi-Monthly Stakeholder Meeting Held

With the Following Attendees:

- Old Town Community Council
- New Town & Broughton Community Council
- Historic Environment Scotland
- Edinburgh World Heritage
- Cockburn Association
- Edinburgh Access Panel
- Ramsay Gardens Association
- Local elected members
- The City of Edinburgh Council project team
- Urban Design Panel
- Scottish Natural Heritage
- Scottish Environmental Protection Agency

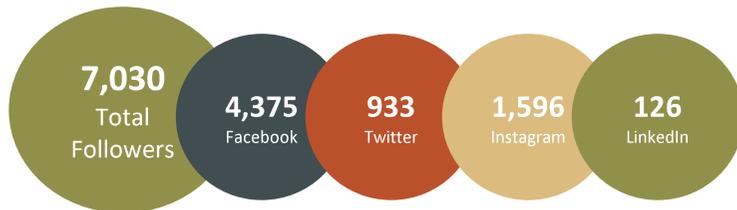
6 Community Council Meetings Attended Presented at Edinburgh Community Council AGM (**45** bodies represented at).

FOCUS GROUPS

- DF Concerts
- Underbelly
- Unique Events
- Regular Music
- The Yard
- Edinburgh City Youth Café
- Dads Rock
- Representative from EGG
- Early Days Nursery
- Edinburgh & Lothian Greenspace Trust
- Scouting Scotland
- Dribble
- Dancebase Edinburgh
- Girl Guiding
- Gardens Scottish Country Dancers
- Royal Scottish Country Dance Society
- (Edinburgh) - Local cafés and restaurants

Appendix 2: The Quaich Project Public Engagement

Social Media Followers and Subscribers



Leaflet and Newsletter Outreach



Project Timeline

2015

- Initial discussion to replace the Ross Theatre took place with the City of Edinburgh Council, the Cockburn Association, Edinburgh World Heritage, Historic Environment Scotland, neighbouring venues and local politicians.

2017

- 766 commented on the project shortlisted designs at the City Art Centre.
- 94% were supportive of the proposals.
- Over 20,000 votes cast in Scotsman online poll of which wHY design was favourite.

2018

- 3 Month consultation.
- 1,200 responses.
- Only 31% in favour of an ALEO for management responsibilities of Pavilion.



Public Engagement Events 2019

