AGENDA ITEM NO
REPORT NO 401/10

INFRASTRUCTURE SERVICES COMMITTEE – 1 JUNE 2010

SUBJECT: CAPITAL WORKS IN PICTAVIA VISITOR CENTRE, BRECHIN

REPORT BY THE DIRECTOR OF INFRASTRUCTURE SERVICES

Abstract: This report seeks approval to proceed with the proposed capital works in Pictavia as outlined in this report and to reject a proposal by BCCL who have sought to negotiate the lease or purchase of Pictavia for the purpose of establishing additional retail space.

1 RECOMMENDATION

1.1 It is recommended that the Committee
   a) agree to proceed with the capital works (option 1) in Pictavia as outlined in this report at an estimated cost of £50,000, which can be met from within the 2010/11 Economic Development Capital Budget for Tourism Projects;
   b) authorise the Head of Economic Development and Environmental & Consumer Protection to progress these works in conjunction with the Head of Property; and
   c) note the proposition received from Brechin Castle Centre Ltd regarding the possible lease or purchase of Pictavia for retail purposes and agree that this proposition be rejected for the reasons stated in the report.

2 PURPOSE OF THIS REPORT

2.1 Reference is made to Article 14 of the minute of the meeting of Angus Council of 17 December 2009 which agreed that:
   (i) With reference to Article 28 of the minute of meeting of the Infrastructure Services Committee of 24 November 2009, there was submitted Report No 936/09 by the Director of Infrastructure Services in relation to proposed capital works in Pictavia Visitor Centre, Brechin; and
   (ii) The Council resolved to defer consideration of this Report and that a Report be brought forward by the appropriate officers highlighting other options that would seek to enhance Pictavia as a Visitor Centre.

2.2 The purpose of this report is to bring forward the issues dealt with in Report 936/09 together with other options for consideration as requested by the Council at its meeting on 17 December 2009.

2.3 This report also deals with a request by BCCL to lease or acquire Pictavia to establish additional retailing space.

3 BACKGROUND

3.1 Pictavia is a four-star visitor attraction depicting the history and heritage of the Pictish Society in Angus and is open all year around, seven days a week in the main tourist season and at weekends only from late October to Easter. It performs a key function as a wet weather attraction thus widening the appeal of Angus as an all year round destination. The original purpose of Pictavia is to attract people from outwith Angus and orientate them around heritage sites and places within Angus. The overall aim is to generate additional tourism
revenues. This is very different from other types of facilities that are geared more to local patronage.

3.2 The initial 3 year management arrangement was through a joint venture agreement with Brechin Castle Centre Ltd, (BCCL) where the latter would undertake the day to day management of Pictavia for a fee – this being offset by income that the Council received from Brechin Castle Centre with respect to a retail agreement (Link Building).

3.3 This agreement stood only for the first three years and it was after this initial period that management issues arose. BCCL was no longer willing to provide the offset payment to the Council and were no longer prepared to operate Pictavia on the Council’s behalf.

3.4 It was at this time that a staff presence became necessary to run the attraction, which was facilitated by the relocation of the Tourist Information Centre within the entrance area of Pictavia to provide reception facilities and to cover ticket sales. The payment for this is included in the Council’s annual contribution to VisitScotland.

3.5 Whilst this move fulfilled the ticketing issue, it created a compromise of space for the attraction because the welcome space has been dedicated to TIC operations with Pictavia becoming a secondary message. Casual visitors to the centre are not always aware of the visitor attraction or indeed the theme of the attraction, relying on the TIC staff to encourage them to visit. If the TIC staff are busy, this becomes difficult.

3.6 This situation is partly due to the fact that the space is limited, but also because the configuration of the space is not the most appropriate for providing a high profile entrance to a four star attraction.

3.7 As can be seen in Table 1 below, Pictavia’s visitor figures for 2009 were 6,100 demonstrating that Pictavia is performing reasonably well when compared with other “pay” attractions within the region. This is an increase of 15% from 2008 visitor figures.

<table>
<thead>
<tr>
<th>Table 1: showing key visitor figure for Angus venues:—</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
</tr>
<tr>
<td>Pictavia</td>
</tr>
<tr>
<td>Glamis</td>
</tr>
<tr>
<td>Montrose Basin Wildlife Centre</td>
</tr>
<tr>
<td>Arbroath Abbey</td>
</tr>
<tr>
<td>Angus Folk Museum</td>
</tr>
<tr>
<td>Barrie’s Birthplace</td>
</tr>
<tr>
<td>Barry Mill</td>
</tr>
<tr>
<td>Frigate Unicorn Dundee</td>
</tr>
<tr>
<td>House of Dun</td>
</tr>
<tr>
<td>Kirriemuir Camera Obscura</td>
</tr>
</tbody>
</table>
3.8 Pictavia Volume and Value – July 2007 to August 2008

Based upon the visitor surveys carried out in Pictavia we now have indicative figures relating to the percentages of visitors that stay overnight, stay with friends or are on a day visit. From visitor surveys and using VisitScotland average stay and spend statistics for the different types of visitor, we can extrapolate that the 5,253 visitors during 2008 generated a total expenditure in Angus of around £738,000 and that the 2009 figure of 6,100 visitors will have generated around £514,000. The difference is due to the mix of visitors in 2009 with less visitors staying from elsewhere in Scotland, from the UK and overseas and a consequential reduction in the amount spent on overnight accommodation and related expenditure. This does not mean that Pictavia directly generated all this level of spend. However, it is clear that Pictavia made a significant contribution based upon the knowledge that in 2008 and 2009, 90% and 74% of visitors respectively were from outside Angus and a similar percentage were visiting for the first time.

3.9 Most visitor attractions, including Pictavia, lost numbers during 2008, due to the sudden increase in fuel and bad weather at the beginning of the season, however, the introduction of small and medium sized events helped to raise revenue across the year (2008) by 16% compared with the previous year. In 2009, the number of visitors increased by 15% from 5,253 to 6,100. This compares well with other local attractions some of which experienced a reduction in numbers during 2009.

3.10 Group visits to Pictavia were in decline in 2007 with only 9 groups. In 2009 this has risen to 36 group bookings (including 28 school visits) due to the proactive approach to schools since January 2008 to encourage more visits. A total of 970 visitors were counted as part of a school or other group in 2009 demonstrating a potential for future growth.

3.11 In 2009, two larger events (Viking invasion and the Roman IX legion) were held as well as specific school days and these have all been filled by local Angus schools as they provide additional educational support to the national curriculum. (These two events have netted an additional 200 school numbers over the four days).

3.12 Ticket prices have remained the same as when Pictavia opened in 1999. The ticket price is similar to those of other rural attractions but there is an opportunity to consider increasing this in the future if the facilities and visitor welcome can be enhanced as proposed below.

3.13 With over 90% of visitors in 2008 and an estimated 74% in 2009 living outwith Angus and a similar percentage of paying guests visiting for the first time, it is clear that Pictavia is achieving the purpose it was originally designed for in terms of attracting visitors who might not otherwise visit Angus and encourage them to stay and visit other attractions in the area.

4 CURRENT SITUATION

4.1 The Pictavia visitor Centre lies within the grounds of the Brechin Castle Centre Ltd (BCCL) which contains a garden centre, restaurant/cafe and country park. Pictavia itself is accessed through a link building operated by BCCL which primary function is to welcome visitors and provide access to both the country park, the garden centre and Pictavia. This area also accommodates the main retail payment stations for the centre and is utilised as a significant additional retail space. The entrance to Pictavia lies to one side of this link building and is often partially or largely obscured from view by visitors entering the building via retailing displays. This practice is in contravention of the Councils agreement with BCCL which requires that "the entrance to Pictavia is kept free from physical obstruction in order that it is clearly visible to persons on the point of entry to the link building". Recent discussions with BCCL management have highlighted this issue and an assurance has been given that greater care will be taken to comply with this element of the agreement in the future.
4.2 The Pictavia entrance and reception area itself has remained largely unaltered since the centre was built and is not particularly effective in drawing visitor’s attention to the centre although cleared sightlines will help. As indicated in paragraph 3.5 and 3.6, the location of the Tourist Information Centre just inside this entrance along with associated leaflet stands and information signs gives the entrance a very cluttered and uninviting appearance. As part of the Council’s service level agreement the TIC is permanently staffed during summer opening hours and they provide an essential introductory and payment function for Pictavia. Inside, with the exception of the improvements referred to in paragraphs 3.2 and 3.3 below, few changes have occurred.

4.3 Interactive elements considered high tech at the time are now in need of replacement and/or upgrading. There is clearly a need for investment to improve the facility if it is to retain or improve on attracted visitor numbers.

4.4 As indicated in para 3.1 above the purpose of Pictavia is to provide a wet weather attraction of appeal to visitors from outwith Angus which stimulates interest in other heritage sites and places of interest throughout the area. Customer feedback for the centre suggest that it performs this function. Statistics show a high percentage of visitors are from outwith Angus, (90% and 74% respectively in 2008 and 2009) with most being first time visitors. BCCL has a very different function and visitor profile with the vast majority coming from within a 30 mile radius and most being repeat visits.

4.5 Since December 2009 some minor improvements have been made at Pictavia itself, including new signage, improved visitor and event information boards, new dressing-up clothes and facilities for children, and a more colourful and engaging education area. A temporary display has been produced on Pictish language and names which will be replaced during the summer season with a new exhibition on Romans and Picts.

4.6 In addition, a new website for the centre was launched in April 2010 which is modern, interactive and easy for staff to update. There is room to develop areas of the website further in the future, and to connect with social networking sites.

4.7 An illustrated activity workbook has been created in conjunction with the Education Department and the Pictish Arts Society as a new resource for schools. This has been supported by a proactive approach to school and group visits, as well as a number of free information evenings for teaching staff from all over Scotland. An exciting summer events programme is currently being finalised and follows a popular and well-publicised special preview in April, of a new blockbuster film about the Picts.

4.8 Through all these developments, the guiding principle has been to position Pictavia as a centre for Pictish study and tourism, and as a gateway to the Pictish sites in Angus. The Angus Pictish Trail is promoted heavily in the centre itself, and this has been extended through the new website. To this end, working relationships have been established with other “Pict-related” museums and visitor attractions across Scotland, e.g. the Crannog Centre and Archaeolink. The intention is to work closely with them on a number of potentially mutually-beneficial projects, primarily the creation of a Scottish Pictish Trail. This may be eligible for future ERDF funding and would highlight the key Pictish centres across the country, encouraging both national and international interest in the Picts.

5 CONTEXT FOR NEW INVESTMENT

5.1 Customer feedback undertaken over the last two years shows 99% satisfaction with the facilities within Pictavia largely because of the interactive nature of what is on offer. Clearly, the dynamic aspect of the visitor experience must be continually reviewed and the facilities renewed or upgraded. However, any new investment should be focussed mainly on
increasing the number of visitors attracted to this facility since customers are very satisfied with what is provided already within the facility.

5.2 For this reason the main priority for investment is to encourage more visits by:
(i) improving facilities to attract more schools and other groups; and
(ii) improving the appearance and safety of the reception area so as to provide greater visibility and easier access to the facility by visitors to BCCL.

5.3 Notwithstanding this, the Council have asked for other options to be considered.

6 RETURN OF INVESTMENT

6.1 The following options are based on the assumption of a fixed maximum budget of £50,000 which has been carried forward into the current year from the 2009/10 Economic Development and Environmental and Consumer Protection (EDECP) capital budget. The options are not necessarily mutually exclusive and some limited scope exists to include elements of work associated with Option 1 within Option 2, dependant on actual tender costs.

6.2 **Option 1- Entrance/Kitchen/Computers** - The first option considered is aimed at the main priority of encouraging more visits to the facility. There are 3 main elements as follows:

1. **Works to improve the Pictavia entrance, comprising** a) a new reception desk sited across the back wall facing the main entrance to Pictavia, b) new static literature cases on the walls, c) posters and notices confined to predetermined spaces away from the visitor entrance d), various aesthetic changes including enhancement of the entrance arch and e) additional literature storage within the entrance pillars, and around and behind the new desk. These works will mean that front of house staff are more aware of people entering the attraction and that the entrance space is more open and welcoming to visitors. The creation of storage space is particularly important, as backup leaflets and literature are currently stored in the Pictavia office and in the plant room – both of which have been identified as health and safety concerns. These works will provide greater visibility and easier access to the facility which will encourage more visits.

2. **Works to provide new storage and kitchen facilities in the Education room along with a fully interactive white board** - Currently there are no kitchen facilities at Pictavia. The creation of these will allow Pictavia to cater for small functions, meetings, lectures, etc which will help build profile and bring in additional income. The facilities would also enable staff to develop more art and craft based activities, which could be used to enhance school visits or to create workshop-type events for the public. The storage space will also allow equipment such as chairs and tables to be stored safely, as they are currently either visible in corners of the centre or stored in the plant room, which has been identified as a health and safety risk.

3. **works to replace and upgrade the touch-screen computers in Pictavia** - The hardware currently in place is now over a decade old, and rapidly degrading. One computer and three printers have broken down completely. Ensuring that all of the technology in Pictavia is in working order must be a priority, and so this should be undertaken as soon as possible.

The total estimated costs associated with all three elements of work is £50,000.
6.3 Option 2 – Multimedia Developments

There are a number of ways in which the Pictavia experience could be improved using new technology. The following examples have been investigated and indicative costs have been provided but clearly other options will exist.

- Development of an interactive game: To design and develop a game that encompasses elements of Pictish warfare, using a Wii console as an interface. The users would be engaged in a battle scenario where they could explore the use of different weapons, strategies etc. The game would allow them to choose their own weapon and then use the Wii remotes to physically simulate the experience of fighting in a battle. The graphics would be developed with help from Pictavia staff to ensure as much historical accuracy as possible. It would also include an animated 3D introduction and conclusion to put the battle game and its results into historical context. The game would primarily be aimed at children, particularly school groups, and could be played by individuals or teams. The most suitable location for this part of the experience would be in the existing Education Area. Estimated cost £42,650.

- Social Immersive Media: To design and develop a multi-touch interaction illustrating the Angus Pictish Trail. This would take the form of a touch-sensitive floor or tabletop, with information in the form of sound and images being activated on the application of pressure to specific areas of the surface. These triggers would activate different touch-screens in the area, allowing users to move away and engage with more detailed content. It would encourage group interaction and stimulate interest in Pictish history across Angus. This could be built into the area between the Battle Tunnel and the Main Gallery; or in the Education Room. Estimated Cost £48,280.

6.4 Both of the above were proposed and costed by White Space Solutions of Abertay University. While the costs allow for design and supply of equipment and software there are likely to be additional costs associated with changes to the fabric of the building and potentially the rearrangement of existing exhibits to accommodate these new attractions.

6.5 Option 3 – Construction of an external Pictish Village.

This could take various forms but would most likely consist of several thatched roundhouses, recreating a mixture of dwellings and workshops.

6.6 This proposal was mooted a number of years ago and BCCL made reference to a willingness to accommodate such a facility in an area of the Country Park adjacent to Pictavia as part of its proposal to lease Pictavia (this is covered in section 7 below). Currently, Angus Council does not own any of the land around the Pictavia building other than a 1 metre maintenance strip. In order to construct a Pictish village, it would be necessary to either rent or purchase land from Brechin Castle Centre Ltd, who own the surrounding grounds. Recent discussions with BCCL have confirmed that Centre Management would not be in favour of development of a Pictish Village on its ground without it having lease/ ownership of Pictavia. BCCL considers that for such a centre to be viable it would need to provide an interactive experience which encouraged repeat visits and it would therefore need to be manned. The Council proposal does not include the revenue budget allocation that would be necessary to provide this manpower resource, although some cover could possibly be provided on a voluntary basis. Given the ongoing management issues associated with joint services, access, security and the link building BCCL would not be in favour of anticipated added management burdens associated with a Council operated facility within the Country Park.

6.7 On the basis that there is no support for this option in isolation of a BCCL lease or ownership of Pictavia, this option is considered unviable and has therefore not been costed.
6.8 Of the options considered above it is felt that Option 1 provides the most cost effective solution to the practical problems currently facing Pictavia and will increase the number of visitors. This in turn will help to make the facility more sustainable and increase the expenditure generated by visitors to Angus. It is therefore recommended for approval. These works will improve the visitor experience by enhancing the entrance, making it more welcoming and will also improve capacity to host school and other group visits. This in turn will encourage an increase in visitor numbers rather than simply enhance their experience which customer feedback shows is already fulfilling their expectations.

7 PROPOSAL BY BRECHIN CASTLE CENTRE LTD

7.1 A letter dated 5 November 2009 has been received from Brechin Castle Centre Ltd. A copy of this is attached in Appendix 1. This letter asks the Council to consider a possible lease or outright purchase of the Pictavia building to Brechin Castle Centre Ltd essentially for use as a retail unit. The letter makes clear that the basic proposition is primed by BCCL’s desire to extend its retail operations which would create a visitor attraction that is incidental to a retail operation rather than a visitor attraction with incidental retail sales. Indeed the letter states that BCCL “might be prepared to accept conditions stipulating the continuing visitor attraction function”. For this reason the basic proposition would not meet the original objectives of the Pictavia project which is to attract visitors from outwith Angus and encourage them to visit various heritage sites and places around Angus. Ultimately the intention is to generate tourism expenditures within the county by generating visits from outwith Angus.

7.2 The total area of Pictavia amounts to around 361 sq metres of which 63 sq metres is used for access, office and toilet space (see appendix 2). The total area available for visitors amounts to around 288 sq metres of which 69 sq metres is used as an introductory video and battle tunnel with audio visual presentations. The main interactive exhibition area is around 218 sq metres of which 159 metres (72%) would be required by BCCL (this is the area referred to in incorrectly in their letter as an area of 140 sq metres). BCCL’s proposal would leave only 70 sq metres for interactive and exhibition use by visitors which is totally inadequate for use as a tourism attraction in terms of the original purpose of the project.

7.3 On receipt of BCCL’s letter, a meeting was held urgently to clarify matters and to ascertain if an acceptable proposal could be considered. However it was made clear that BCCL would only be willing to reduce the proposed retailing space required by a small margin and that the 140 sq metres requested is the minimum required to generate sufficient income to sustain at least one full time member of staff at all times. For this reason it was clear that to accommodate BCCL’s proposal the council would have to give up the benefit of generating tourist visitors which is the main objective of the facility.

7.4 The Pictavia visitor centre is currently fulfilling its original intention by attracting over 6,000 visitors (in 2009) with over 90% and 74% from outwith Angus respectively in 2008 and 2009. It is also clear that over 90% of these are visiting Pictavia for the first time thus introducing a constant stream of visitors to Angus who are encouraged to return to Angus in future (not necessarily to Pictavia). BCCL conversely attracts a higher number of local and repeat visitors. BCCL’s proposition would, by utilising the majority of the usable space available for retail purposes, reverse the tourism benefit of the attraction which would mean that the visitor attraction function would at best be a secondary consideration and most visitors would be local.

7.5 There is a substantial deed of conditions affecting Pictavia which amongst other things conditions the basis of any future lease or sale to BCCL. It is estimated that the lease and transfer values would be in the region of £25,000 and £250,000 respectively. While it appears that the proposal from BCCL would generate a net saving to the Council, as a result
of the loss of operating costs and potential additional lease income, this cannot be quantified at this stage as it would be wholly dependent on the outcome of negotiations. BCCL’s proposition specifies their interest in negotiating a “nominal” value, therefore the basic proposition outlined by BCCL would appear to be unrealistic. Furthermore, contrary to what is suggested in the summary proposal by BCCL, the proposition would weaken rather than strengthen the links between Pictavia and other Angus historic sites. The space currently devoted to information about other sites in Angus is quite significant. However, the proposals put forward by BCCL would be insufficient spatially to accommodate this information along with the pictish exhibits. In addition the proposals would not broaden the appeal and educational value of Pictavia as stated in BCCL’s letter. In 2009 Pictavia received visits by 36 groups. The proposition put forward by BCCL would mean that Pictavia would be unable to cater for such groups and would not permit the expected growth in educational/school visits.

7.6 Other ideas in the proposition such as concessionary ticketing and the development of a Pictish village within the country park adjacent to Pictavia would be welcomed and can be accommodated in any event. Although for reasons given in paragraph 6.6 the proposal to create a Pictish Village is not considered feasible at the present time.

7.7 The Committee is referred to Report 268/09 (26 March 2009) which deals with policy guidance on disposal of land and property. Appendix 1 Section 9 makes clear that it is for the Head of Economic Development and Environmental & Consumer Protection to consider the “appropriateness” of any disposal and only if deemed acceptable would the request become a matter for negotiation with the applicant. It is clear from deliberations outlined above that the Head of Economic Development and Environmental & Consumer Protection has concluded that the request from BCCL is clearly not appropriate under the terms of this policy guidance.

7.8 In the absence of a council decision BCCL were advised in writing on 18 December 2009 that their offer “to consider either lease or acquisition of Pictavia is declined at this juncture”.

8 FINANCIAL IMPLICATIONS

8.1 The indicative costs of the capital works as detailed in section 3 is estimated by Property Services at £50,000 (inclusive of fees). However, all work will be tendered in accordance with Angus Council Financial Regulations. Provision for the cost of these works has been provided for within 2010/11 Economic Development Capital Budget for Tourism Projects.

8.2 It is anticipated that these proposals will lead to a cumulative increase in targeted income to the revenue account of £2,595.50 (1,000 visitors = 23% at £3.25 and 77% at £2.40), in 2011/12, £3,114.60 (1,200 visitors) in 2012/13 and £3,737.52 (1,440 visitors) per annum thereafter.

8.3 The net operating costs of Pictavia are estimated at £15,000 for 2010/11. The targeted increase in income generation is aimed at reducing this cost over the next three years and beyond.

9 EQUALITIES IMPLICATIONS

9.1 The issues dealt with in this Report have been the subject of consideration from an equalities perspective (as required by legislation). An equalities impact assessment is not required.

10 SINGLE OUTCOME AGREEMENT

10.1 This report contributes to the following local outcome contained within the Single Outcome Agreement for Angus:
• Growth in tourism in Angus is achieved.

11 HUMAN RIGHTS IMPLICATIONS

11.1 There are no Human Rights implications arising from this report.

12 CONSULTATION

12.1 The Chief Executive, Director of Corporate Services, Head of Law & Administration and Head of Finance have been consulted in the preparation of this report.

13 CONCLUSION

13.1 It is clear that Pictavia is achieving beneficial outcomes in keeping with its original purpose of attracting visitors from outwith Angus and orientating them around the County.

12.2 The proposed upgrade works to Pictavia outlined in option 1 will attract more visitors to Pictavia by making the reception area more visible and welcoming.

12.3 The upgrade to the education room will enable Pictavia to be marketed more effectively for educational lectures, talks, meetings and more importantly it will encourage an increase in school visits and visits by other groups.

12.4 Given that the Head of Economic Development and Environmental & Consumer Protection considers the request from BCCL as being inappropriate (for the reasons outlined in Section 7 it is proposed that this request be rejected so that Pictavia can be further developed to increase visitor expenditure within Angus in line with its original purpose.

ERIC S LOWSON
DIRECTOR OF INFRASTRUCTURE SERVICES

NOTE

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

ECDEV/DV/NP/FM
11 May 2010