

Annex C: Caerlee Mill: Options Appraisal

SCOTTISH BORDERS COUNCIL

Caerlee Mill: Options
Appraisal

Final Report

March 2011



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1.0 OPTION APPRAISAL

1.1 Introduction

Jura Consultants has been commissioned by LDN Architects to assist with an options appraisal in a commission from Scottish Borders Council. The project involves examining potential development options for Caerlee Mill, a Category B listed mill building situated in the centre of Innerleithen. Our study input examines the potential development options for the building from a market and financial perspective while LDN's input focuses on the significance and heritage of the building.

1.2 Study Background

Caerlee Mill in Innerleithen was occupied by JJ & HB Cashmere Mills Ltd until 7th January 2010 when Scottish Borders Council's (SBC) Planning & Economic Development was notified that the company had been placed into administration. During this administration period negotiations have been taking place with the Administrators about the future of the site. While a phoenix company has emerged from the previous company, and is trading as Caerlee Mills Ltd on a reduced footprint on site, it is considered that the Mill has no future as it currently stands. SBC believes that there is generally no demand for the total use of such a large building, which is limited in terms of modern standards. It has problems in terms of layout, space standards, energy use, and vehicle access. It has limited landscaping and the appearance of many of the blocks would benefit from some physical enhancement, due to lack of maintenance. The buildings also land locks potential development land to the west of the site.

The purpose of this study is to identify a preferred way forward for SBC to promote redevelopment of the former Mill and site, by means of an option appraisal, and in particular to provide the background supporting information to a deliverable scheme that could remove blight and encourage economic re-use of the building / site. The whole of Caerlee Mill is considered to be listed Category B, by virtue of the listing by Historic Scotland. The mill was originally listed in 1971 and the list description has been reviewed and expanded as part of the comprehensive resurvey of Innerleithen Burgh in 2008. Any free standing buildings later than 1947 are considered not to be listed.

The Council is progressing with this work in response to market failure relating to risk/ uncertainty and information deficiency regarding the site and its future potential. The property has been marketed since January 2010 and SBC's view is that, notwithstanding the current economic climate, there is too much risk for a developer to invest in the site until the potential mix of uses that could be accommodated are confirmed.

1.3 Report Structure

Against this background this document supplements the information provided by LDN Architects and examines possible development options from a market and financial perspective, as follows:

- Section 2:** Development Options and Project Objectives
- Section 3:** Market Assessment
- Section 4:** Deliverability
- Section 5:** Identification of Preferred Option
- Section 6:** Conclusion

2.0 DEVELOPMENT OPTIONS

2.1 Introduction

This section describes the long list of potential development options for Caerlee Mill, and assesses these options in terms of their fit and suitability to the building and its heritage. On the basis of these findings and further discussions with LDN Architects the long list of options has then been reduced to a shortlist of 5 core options.

2.2 Development Options: Long List

Following a site visit and a review of relevant documentation provided by the client a long list of possible development options for Caerlee Mill was developed as follows:

- Use as a community facility:
 - Community hall
 - Meeting rooms (youth/elderly)
 - Football changing
 - GP surgery
 - Library
 - Third sector use: Charity shop
- Retail units:
 - Pharmacy
 - Hairdressers
 - Retail – cashmere, associated crafts, farm shop (voluntary co-op)
- Commercial:
 - Textile manufacturing
 - Studios for industrial artists/crafts persons (welders/sculptors etc.)
 - Offices for sale/lease to local business(es)
 - Hot desking facility/Creative Centre/Incubator Units (with “Infinity Broadband”)
 - Conference/meeting space
- Conversion to a leisure facility:
 - Multi-use indoor
- Conversion to residential use (new build/alterations):
 - Social housing
 - Private housing for sale
- Leisure/Tourism
 - Café/Internet café/Mountain bike café
 - Cinema/theatre/art space
 - Museum facility/mill exhibition

- Serviced visitor/tourist accommodation
- Soft play
- Pump track (e.g. Cardrona)
- Indoor BMX/skatepark
- Other:
 - Storage facility (corporate/food – sale/lease)

Development options have been assessed to determine their suitability for the Mill building(s), the information is outlined in Table 2.1.

**TABLE 2.1
DEVELOPMENT OPTION FIT WITH BUILDING INTERIOR**

Plan Reference	D2 and E	D1	C1 and C2	B1, B2 and B3	A1 and A2	Site
Relative Building Age	Mid 1930s onwards	Mid 1930s	Late 19th > Early 20th Century	Mid 19th Century	Late 18th > Early 19th Century	n/a
Building Significance	Little significance	Little significance	Some significance	Some/Considerable significance	Considerable significance	n/a
Use as a community facility:						
Community hall	×	✓ (3)	✓ (2)	✓ (4)	✓ (1)	
Meeting rooms (youth/elderly)	✓ (2)	✓ (4)	✓ (5)	✓ (3)	✓ (1)	
Football changing	✓ (1)	✓ (2)	✓ (3)	×	×	
GP surgery	✓ (1)	×	×	×	✓ (2)	
Library	✓ (1)	×	×	×	×	
Third sector use: Charity shop	×	×	×	×	×	
Retail Units:						
Pharmacy	×	×	×	×	×	
Hairdressers	×	×	×	×	×	
Destination Retail – mill shop, mountain biking	✓	×	×	×	✓	
Storage facility (corporate/food – sale/lease)	×	×	×	×	✓	
Commercial:						
Textile Manufacturing	✓ (4)	✓ (2)	✓ (1)	✓ (3)	×	
Conference/meeting space	×	×	×	×	×	

TABLE 2.1
DEVELOPMENT OPTION FIT WITH BUILDING INTERIOR

Plan Reference	D2 and E	D1	C1 and C2	B1, B2 and B3	A1 and A2	Site
Relative Building Age	Mid 1930s onwards	Mid 1930s	Late 19th > Early 20th Century	Mid 19th Century	Late 18th > Early 19th Century	n/a
Building Significance	Little significance	Little significance	Some significance	Some/Considerable significance	Considerable significance	n/a
Studios for industrial artists/crafts persons (welders/sculptors etc.)	✓ (2)	×	✓ (3)	✓ (4)	✓ (1)	
Offices for sale/lease to local business(es)	×	×	×	✓ (2)	✓ (1)	
Hot desking facility (Wi-Fi capability)	×	×	×	✓ (2)	✓ (1)	
Conversion to a leisure facility:						
Café (independent)	×	×	×	×	×	
Leisure pool	×	×	×	×	×	
Multi-use indoor	×	✓ (2)	✓ (1)	×	×	
Cinema/theatre/art space	×	×	×	×	×	
Museum facility/mill exhibition	Café/shop	×	Exhibition Manufacturing	×	Café, Shop Exhibition	
Serviced visitor/tourist accommodation	×	×	×	×	Bunk house Self-catering	
Indoor BMX/skate park	×	✓ (2)	✓ (1)	×	×	
Conversion to residential use (new						

**TABLE 2.1
DEVELOPMENT OPTION FIT WITH BUILDING INTERIOR**

Plan Reference	D2 and E	D1	C1 and C2	B1, B2 and B3	A1 and A2	Site
Relative Building Age	Mid 1930s onwards	Mid 1930s	Late 19th > Early 20th Century	Mid 19th Century	Late 18th > Early 19th Century	n/a
Building Significance	Little significance	Little significance	Some significance	Some/Considerable significance	Considerable significance	n/a
build/alterations):						
Social housing					✓	✓
Private housing for sale					✓	✓

(1) – Most suitable, (4) less suitable but could be used, X not suitable

2.3 Option Shortlist

Based on Table 2.1 and discussions with LDN Architects the development options were shortlisted.

TABLE 2.2 DEVELOPMENT OPTION SHORTLIST						
Plan Reference	D2 and E	D1	C1 and C2	B3 and B2	A1, A2 and B1	Site
OPTION						
1: Retain and re-use all buildings	D2: Café & Shop E: x	Caerlee Mill expansion	Caerlee Mill Manufacturing, Small Museum	Caerlee Mill expansion/light industrial	Offices	Residential Accommodation (access issue)
2 : Light Industrial and Commercial	x	x	Caerlee Mills Ltd	Light Industrial	A2, B1: Museum (ground floor) A1: Café, shop (ground floor) Upper floors: Offices	Residential accommodation (access issue)
3: Light Industrial, Commercial and Leisure	x	Leisure	Leisure, retail & café	Caerlee Mills Ltd	Ground floor: Visitor accommodation Upper floors: Offices	Expanded car park Residential accommodation
4: Light Industrial, Commercial and Visitor Accommodation	x	x	C1: Caerlee Mills Ltd C2: x	B3: Light industrial B2: x	Ground floor A2 & B1: Caerlee Mills Ltd. Ground floor A1: Visitor accommodation First floor A1, A2: Additional Visitor Accommodation (phased) Second Floor A1: Office for sale/let, A2: Additional Office Accommodation (phased)	Expanded car park Residential accommodation
5: Caerlee Mills Ltd and Offices	x	x	x	B3:Light Industrial B2: Retail	A1: ground floor café, Upper floors Offices A2/B1: Caerlee Mills Ltd exhibition A2: Upper floors: Offices	Residential accommodation

2.4 Option Description

2.4.1 Option 1: Retain and Re-use Most Buildings

Option 1 involves retaining and re-using all buildings except “building E” which is of “little significance”. This option includes the following elements:

- Caerlee Mills Ltd production (including additional area for potential expansion) – 2,967m²
- Small scale visitor attraction (linked to Caerlee Mills Ltd)
- Serviced office accommodation – 1,200 m²
- Light industrial space to let – 565m²
- Café/retail – 775m²

2.4.2 Option 2: Light Industrial and Commercial

Option 2 involves the removal of buildings D1, D2 and E which are of “little significance”. This option includes the following elements:

- Caerlee Mills Ltd production – 1,642m²
- Small scale visitor attraction (linked to Caerlee Mills Ltd)
- Serviced office accommodation – 870m²
- Light industrial space to let – 565m²
- Café/retail – 478m²

2.4.3 Option 3: Light Industrial, Commercial and Leisure

Option 3 involves the removal of buildings D2 and E which are of “little significance”. This option includes the following elements:

- Leisure facility e.g. cycling – 2,629m²
- Café/retail linked to leisure facility – 748m²
- Serviced office accommodation – 1,153m²
- Caerlee Mills Ltd production – 565m²
- Visitor accommodation – 285m²

2.4.4 Option 4: Light Industrial, Commercial and Visitor Accommodation

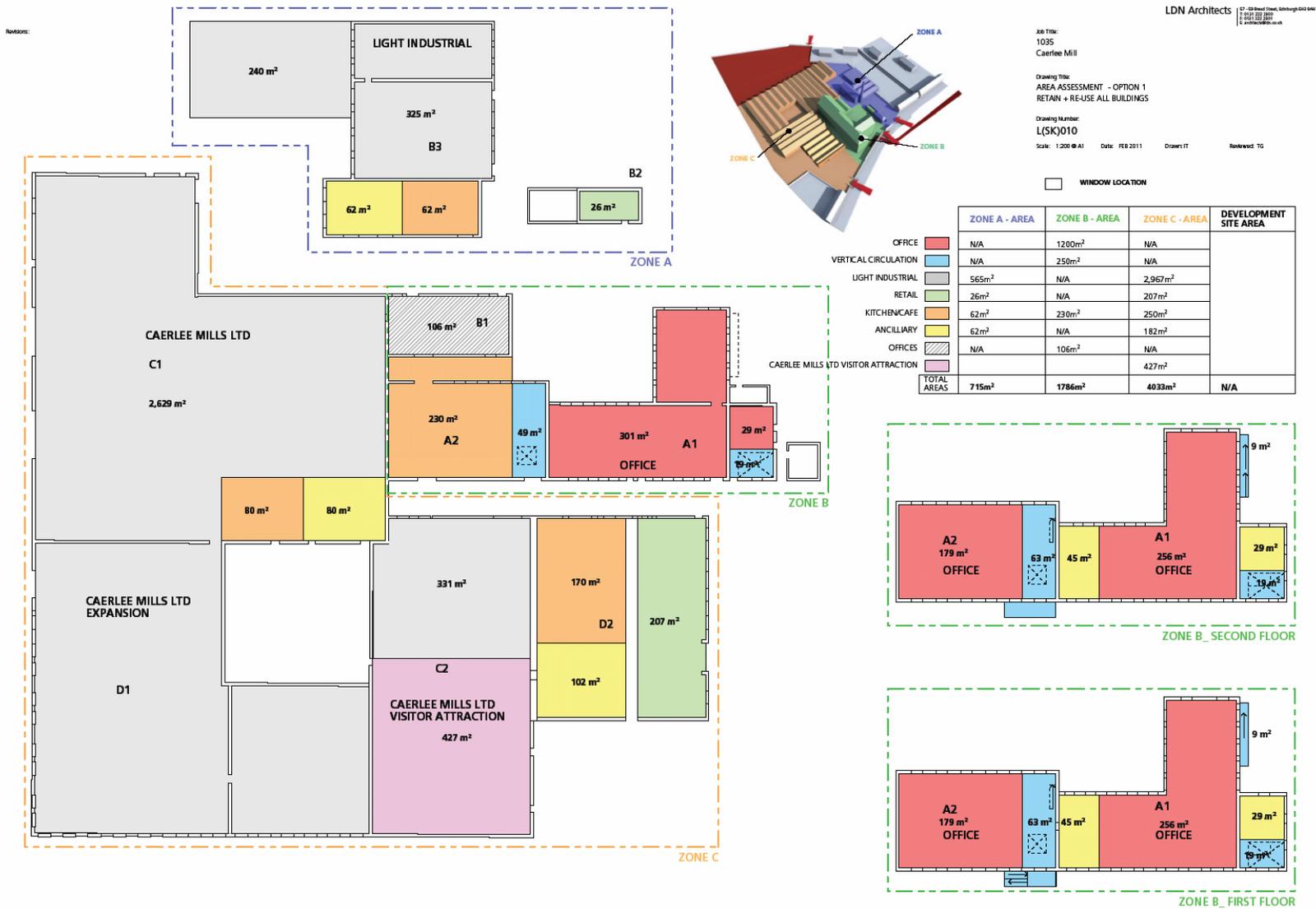
Option 4 involves the removal of buildings C2, D1, D2 and E which are of “little or some significance”. This option includes the following elements:

- Caerlee Mills Ltd production – 1,660m²
- Visitor accommodation – 687m²
- Light industrial space to let – 565m²
- Serviced office accommodation – 435m²
- Leisure (café/retail) – 120m²

2.4.5 Option 5: Caerlee Mills Ltd and Offices

Option 5 involves the removal of buildings C1, C2, D1, D2 and E which are of “little or some significance”. This option includes the following elements:

- Caerlee Mills Ltd production – 565m²
- Serviced office accommodation – 870m²
- Leisure (café/retail) – 372m²



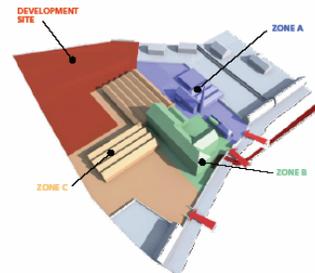
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1035
Caerlee Mill

Drawing Title:
AREA ASSESSMENT - OPTION 2
LIGHT INDUSTRIAL AND COMMERCIAL

Drawing Number:
L(SK)011

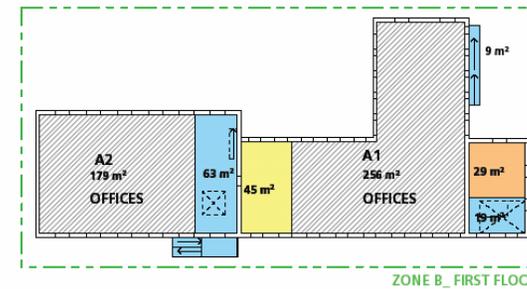
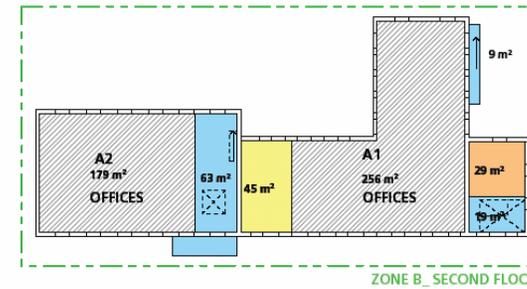
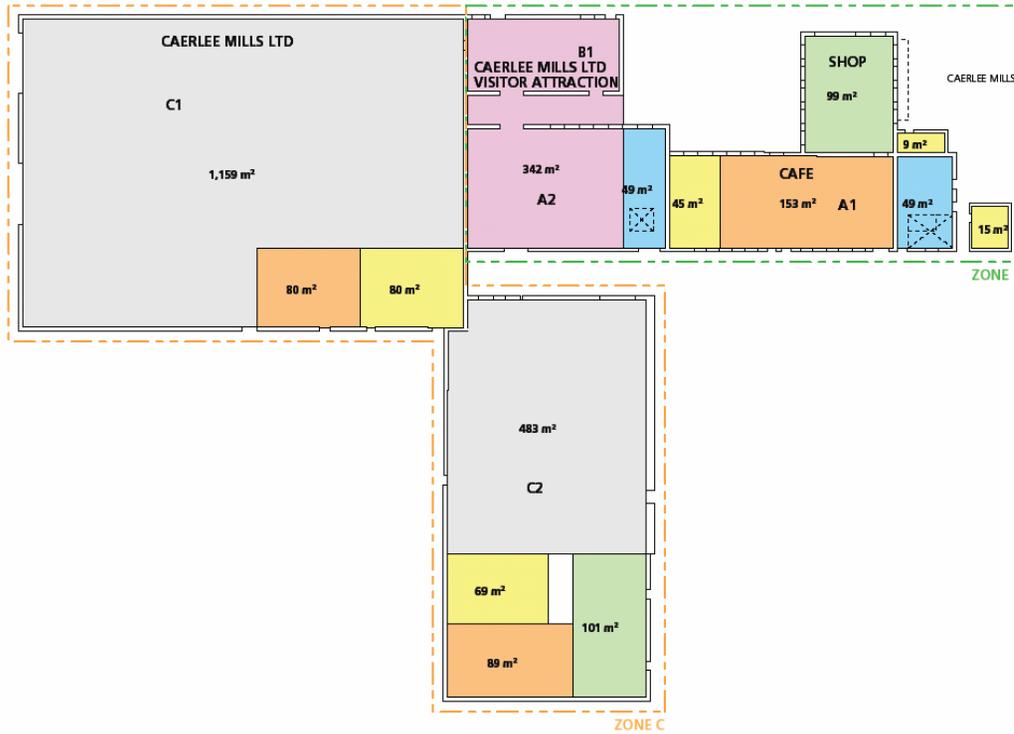
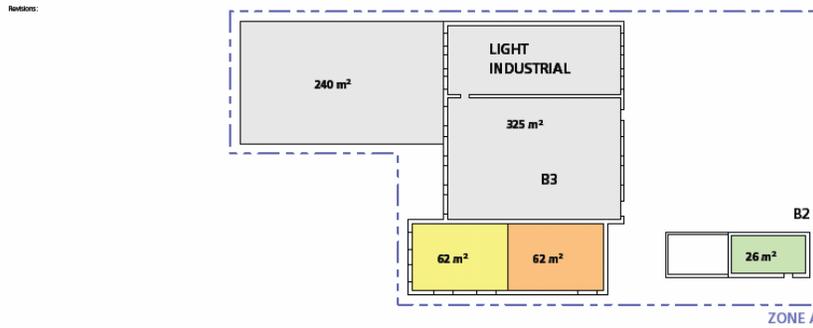
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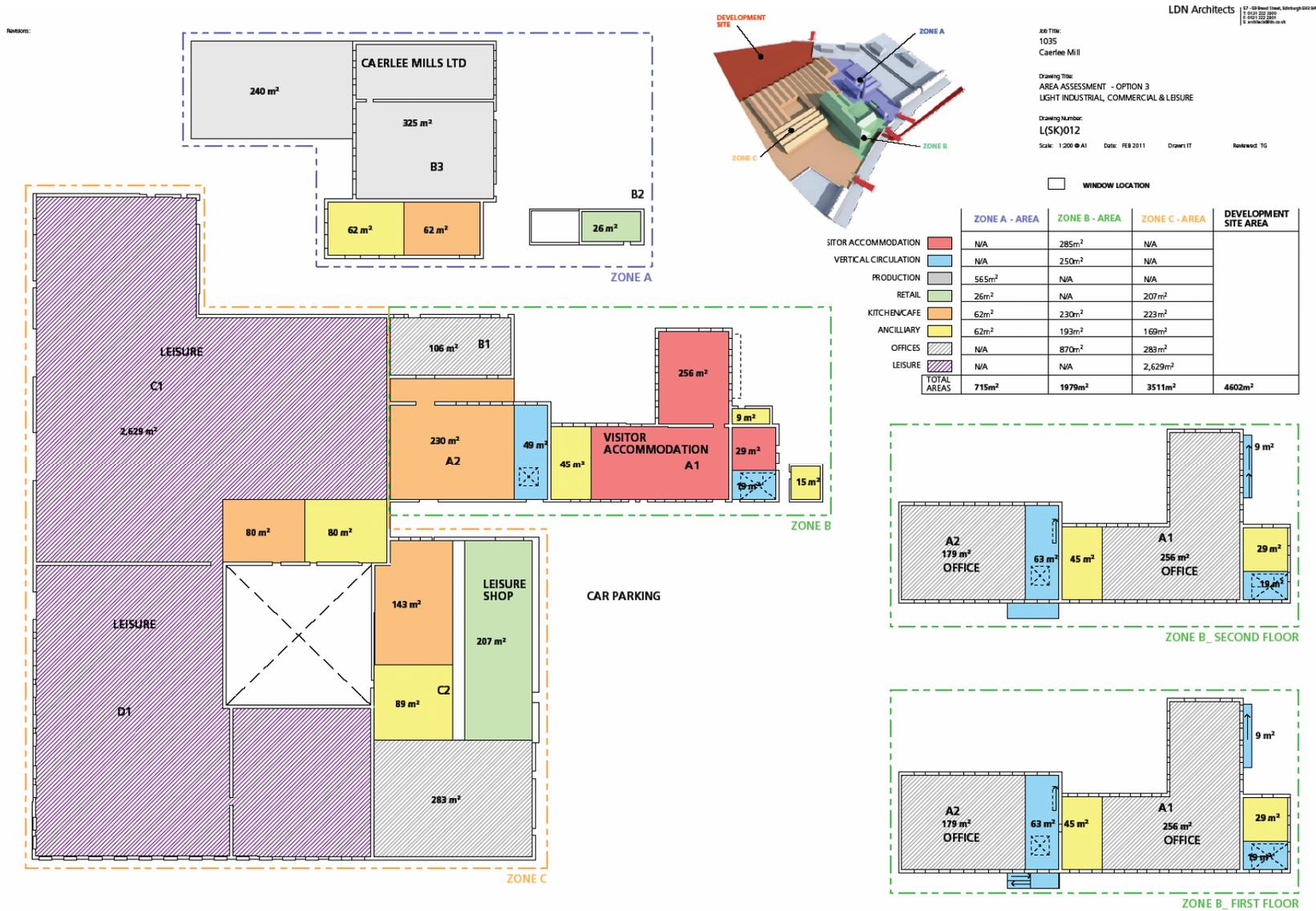
□ WINDOW LOCATION



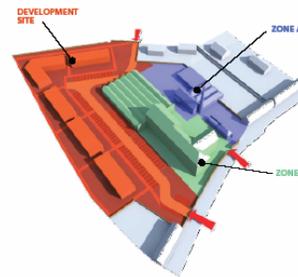
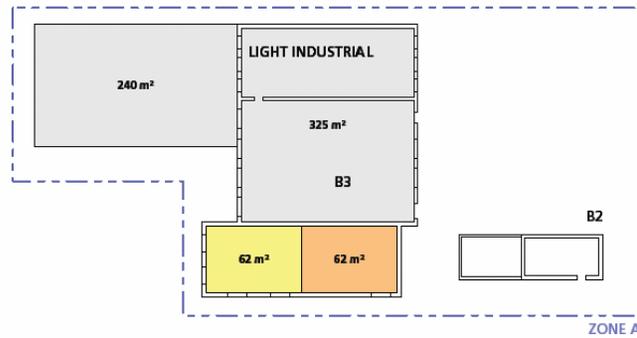
- VISITOR ACCOMMODATION
- VERTICAL CIRCULATION
- LIGHT INDUSTRIAL
- RETAIL
- KITCHEN/CAFE
- ANCILLARY
- OFFICES
- CAERLEE MILLS LTD VISITOR ATTRACTION

	ZONE A - AREA	ZONE B - AREA	ZONE C - AREA	DEVELOPMENT SITE AREA
VISITOR ACCOMMODATION	N/A	N/A	N/A	
VERTICAL CIRCULATION	N/A	280m ²	N/A	
LIGHT INDUSTRIAL	565m ²	N/A	676m ²	
RETAIL	26m ²	99m ²	N/A	
KITCHEN/CAFE	62m ²	211m ²	80m ²	
ANCILLARY	62m ²	159m ²	80m ²	
OFFICES	N/A	870m ²	N/A	
CAERLEE MILLS LTD VISITOR ATTRACTION	N/A	342m ²	N/A	
TOTAL AREAS	715m²	1961m²	836m²	6410m²





Revisions:



LOW ARCHITECTS
 0147 222 2800
 15, BRIDGEMAN ROAD, BIRMINGHAM, B15 1JG

Job Title:
 1035
 Caerlee Mill

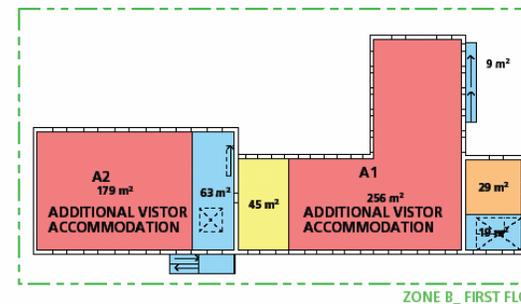
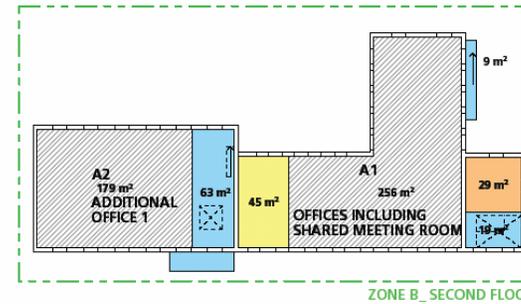
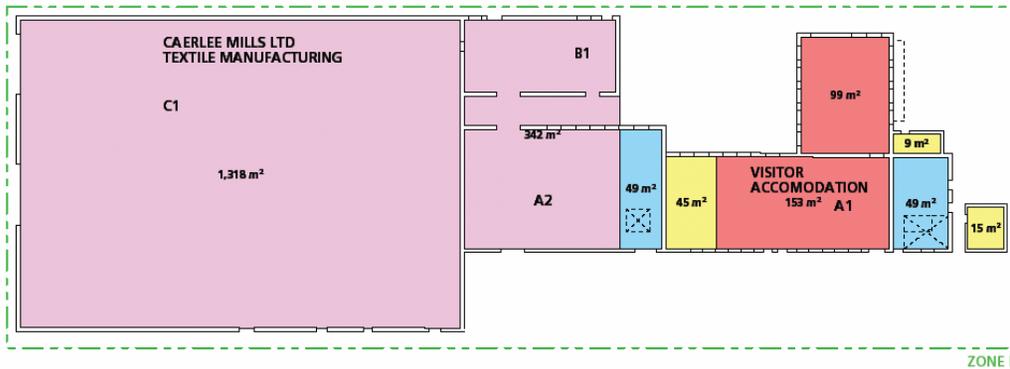
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 LIGHT INDUSTRIAL, COMMERCIAL AND VISITOR ACCOMMODATION

Drawing Number:
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WINDOW LOCATION

	ZONE A - AREA	ZONE B - AREA	DEVELOPMENT SITE AREA
VISITOR ACCOMMODATION	N/A	687m ²	
VERTICAL CIRCULATION	N/A	280m ²	
LIGHT INDUSTRIAL	565m ²	N/A	
RETAIL	N/A	N/A	
KITCHEN/CAFE	62m ²	58m ²	
ANCILLARY	62m ²	159m ²	
OFFICES	N/A	435m ²	
TEXTILE'S MANUFACTURING	N/A	1,660m ²	
TOTAL AREAS	689m²	3279m²	9536m²



Job Title:
1035
Caerlee Mill

Drawing Title:
AREA ASSESSMENT - OPTION 5
CAERLEE MILL LTD AND OFFICES

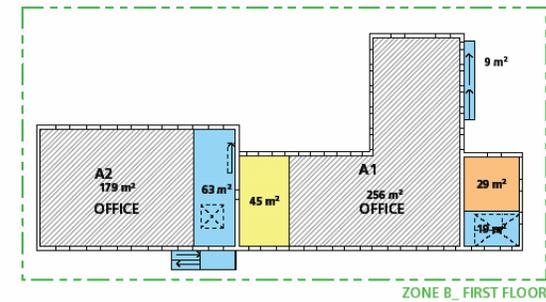
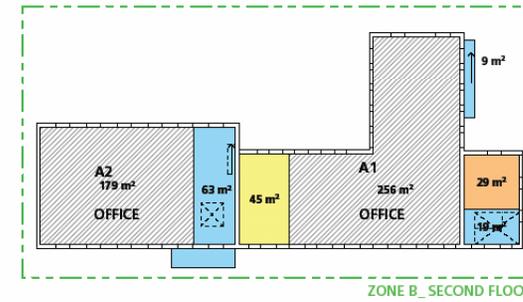
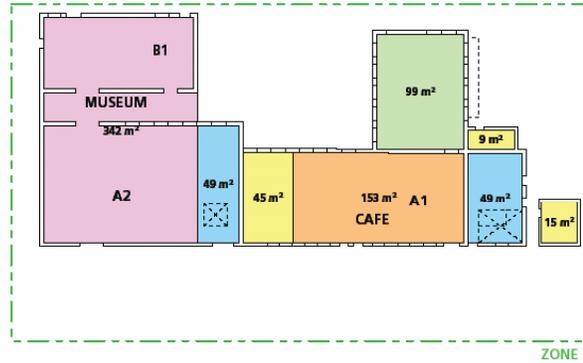
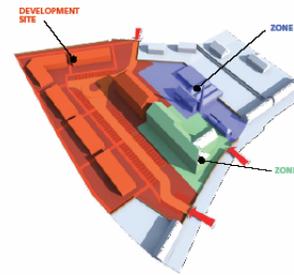
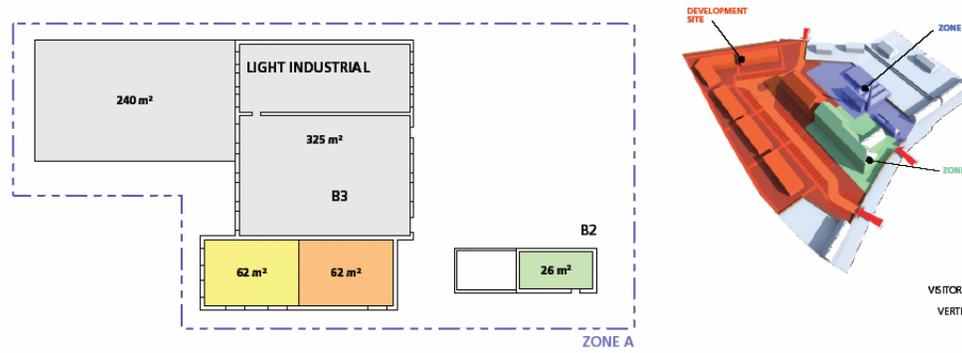
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WINDOW LOCATION

	ZONE A - AREA	ZONE B - AREA	DEVELOPMENT SITE AREA
VISITOR ACCOMODATION	N/A	N/A	
VERTICAL CIRCULATION	N/A	280m ²	
LIGHT INDUSTRIAL	565m ²	N/A	
RETAIL	N/Am ²	99m ²	
KITCHEN/CAFE	62m ²	211m ²	
ANCILLIARY	62m ²	159m ²	
OFFICES	N/A	870m ²	
MUSEUM	N/A	342m ²	
TOTAL AREAS	689m²	1961m²	11,245m²

Revisions:



3.0 MARKET ASSESSMENT

3.1 Introduction

On the basis of the five shortlisted options, this section examines the potential market demand for the following:

- Self catering “bunkhouse” accommodation
- Small scale industrial visitor attraction/museum
- Office/Light Industrial space
- Leisure facility

The market assessment comprises a review of secondary information and primary research by way of consultation with the following:

- Property developers
- Accommodation providers
- Storage warehouse operators
- Innerleithen Community Trust

3.2 Self Catering/Bunk House Accommodation

The current provision of bunk house accommodation in and around Innerleithen is targeted primarily towards cyclists, predominantly those visiting the area to participate in mountain biking activities. An outline assessment of the Scottish mountain biking market is provided below to give an estimate of the potential market size for this type of accommodation.

3.2.1 Mountain Biking

Mountain biking (MTB) is a popular and growing sport in the UK, with an estimated 5.5m bikers (Forestry Commission 2010). Scotland was awarded 'Global Superstar' status by the International Mountain Biking Association in 2006, with 7stanes playing a key part in the country gaining this reputation. The 7stanes partnership project (of which Innerleithen forms a part) recently finished its second phase. The emphasis of phase two was to create more trails for family, novice and entry-level riders, thus expanding the appeal of the 7stanes overall.

An evaluation of Phase 2 of the project (EKOS Consultants, December 2007) showed that almost 400,000 mountain bikers were visiting the trail centres on an annual basis, bringing in over

£9million to the economy of the south of Scotland. This comprises a large non-local market (80%). The report highlights the following:

- The project has helped create 205 full time equivalent (FTE) jobs in southern Scotland
- Overseas visitors and UK visitors to the 7stanes from outside Scotland have increased to 37 per cent - an increase of over 60% since 2004
- The number of mountain bikers who bring their children with them has also increased to 15 per cent - from 10 per cent in 2004
- The total number of visitors riding all the 7stanes puts it amongst the top 20 visitor attractions in Scotland
- Almost all visitors were impressed with the 7stanes, with over 75 per cent of respondents saying that the quality of the trails was very good.
- Visitor spend on the 7stanes was over £9 million in 2007.

Table 1.3 below summarises the numbers of visitors to each of the 7Stane sites, it is apparent that Innerleithen received nearly 17,000 cycling visitors.

TABLE 3.1	
ANNUAL VISITORS TO 7STANES SITES	
Site	Visitor Number
Ae	26,007
Dalbeattie	41,260
Glentress	186,918
Glentroll	4,983
Innerleithen	16,960
Kirroughtree	39,612
Mabie	72,828
Newcastleton	6,058
Total	394,626

In a recent announcement (March 2011), SRDP has awarded £599,065 to fund the Tweed Valley Cycle Path between Innerleithen and Peebles, via Cardrona. This will help develop the cycling product currently on offer in the area.

3.2.2 Innerleithen Chairlift Campaign

Visits to the Innerleithen trails will increase further if the proposals for developing a chairlift and bike park facility are successful. A new action group known as AIMUp (short for Action on the Innerleithen Mechanical Uplift) was formed in November 2010 to pursue the development of a

chairlift and bike park at Innerleithen. Bus lift facilities are currently provided or cyclists have to push their bikes. The group wants to create a 21st century facility for mountain bikers of all abilities, and to consolidate Innerleithen as a world-class mountain biking venue. The group comprises local businesses, mountain bikers, and residents of the local communities of Innerleithen, Traquair, Walkerburn and Cardrona.

A project to build such a facility has been discussed for many years, and a feasibility study funded by Scottish Enterprise was completed in 2008. The group has received strong public support, both from residents, mountain bikers and from the 'Future Innerleithen' community study in which the idea of the uplift and developing mountain biking was the second priority. AIMUp has set itself an objective to 'promote mountain biking on Minch Moor, Plora Craig and Plora Rig by building a mechanical uplift and creating the Innerleithen bike park owned and run for the benefit of the local community'.

Several meetings have already been held and a plan is starting to be developed to build on the current facilities whilst building the case for the mechanical uplift. This would see the community making the most of the bus based uplift, enhancing the range of riding available in the locality, improving links with the town itself, and potentially working with other parties to establish a base station with cafes, shops, and teaching and coaching facilities for example.

3.2.3 Innerleithen Community Action Plan 2009 – 2012

A Community Action Plan was developed by the Future Innerleithen Steering Group. It was developed following consultations with 23 stakeholders, 585 surveys from the local community and over 500 attending a Community Futures Event. The Plan outlined the vision for Innerleithen which included the following:

"Innerleithen will have developed as a tourist destination with a strong focus on outdoor recreation, and its heritage and culture. In particular it will be a centre of excellence for mountain biking and make the most of its location on the River Tweed and its proximity to a number of long distance cycling and walking routes."

3.2.4 Self Catering Accommodation Providers

Against this background the utilisation of current "bunk house" style accommodation is examined. It is apparent that many key facilities have just been developed in the last 2 – 3 years.

Glentress Wigwams - Opened May 2010

Glentress Wigwams is a new development offering the experience of outdoor living in comfortable wooden wigwams. The wigwams are situated adjacent to the Glentress Forest 7stanes mountain

bike trails and are arranged in small clusters with vehicle access to each area. They are available to rent on per night basis and can sleep 3 people in comfort and up to 5 people if required. They are open all year round and include purpose built storage and cleaning facilities for guests, where bikes and equipment can be cleaned and stored securely. Other services include laundry and linen hire along with the supply of BBQ fuel and camp fire logs. They are priced at £35 per wigwam per night.

Discussions with the owner highlighted the following:

- 10 wigwams are currently available, although there is planning permission for up to 24 on site
- Site achieved 74% utilisation in August 2010
- Wigwam facilities are very popular throughout the year. They had bookings for Christmas and New Year but had to cancel due to adverse weather
- They already have many bookings from February onwards
- Most bookings are received via the 7Stanes website
- Repeat bookings tend to be via word of mouth.

Kailzie Bunkhouse, Peebles – Opened 2008

Kailzie Bunkhouse opened in August 2008 and can accommodate up to 26 guests; 3 bunkrooms with 2 bunks in each (4 person rooms) all with either shower rooms or bathrooms en-suite. There are also 2 dormitory style rooms with bunks and single beds sleeping 5 or 7 people, each with a shower room. There is a large communal kitchen and dining room with cookers, microwaves, fridges etc., and a sitting room with television, DVD player and a wood-burning stove. The price is £20 per night, reduced further if a group wish to have the entire bunkhouse. The entrance to the Bunkhouse is opposite the entrance and car park of Cardrona Forest, close to both Glentress Forest and Innerleithen.

Discussions with the main business partner highlighted the following:

- They tend to cater for the serious mountain bikers including competition children, talent teams for the Olympics and Commonwealth Games, University teams, French and Italian cycle teams
- Also sometimes gets walkers, canoeists etc.
- The facility is privately operated
- The only form of advertising is through the 7Stanes website, business tends to be word of mouth
- Facility is well used throughout the year, the quietest period is July and August as serious cyclists are competing and/or training abroad during this time.

The Bike House, Innerleithen

The Bike House is situated midway along Innerleithen High Street and provides self catering accommodation for up to 6 people. Facilities include:

- Interior bike-room with secure storage and work stand
- Laundry & drying facilities
- Self-catering/well equipped kitchen
- Bed linen & towels provided
- Shops, pubs & eating places within a short walk

Discussions with the owner highlighted the following:

- The facility opened in October 2007
- Business tends to be weather dependent
- Business was slow in the first year, but took 40 bookings in the second year of operation
- Usually booked every weekend from end of February to September
- Bookings are through 7Stanes website
- High proportion of repeat visits

Cross Keys Hotel, Peebles

Cross Keys Hotel in Peebles is a 17th Century Coaching Inn located in the centre of Peebles. The hotel includes 2 bunkrooms which each sleep 4 (£116 per night) and 1 room sleeping 3 (£87 per night), with shared toilet and shower facilities. The hotel also includes a recently refurbished bunkhouse which sleeps 10. The bunkhouse can be booked by room or as a whole unit for a large group and consists of 3 bedrooms, toilets, showers and lounge area. Discussions with the owner indicate an overall utilisation level of 60-70% for the bunkhouse accommodation.

3.2.5 Summary

Innerleithen has a strong reputation as a destination for cyclist enthusiasts, particularly mountain biking. On this basis several new “bunk house” style accommodation facilities have been privately developed within the last number of years. Primary research indicates a strong level of demand throughout the year for this type of facility.

3.3 Small Scale Industrial Visitor Attractions

The Scottish Visitor Attraction Monitor (2009) indicates that there were 76,585 visits to industrial/craft workplaces in Scotland in 2009, an increase of 9.2% on 2008 (70,154 visits). Table 3.2 provides a further breakdown of visitors to this type of attraction.

Attraction	2009	2008	%09/08
Aroma Sciences, Aultbea, Achnasheen	19,000 (E)	15,000 (E)	26.7
Shetland Jewellery, Weisdale	7,869	5,935	33.0
Blrkhill Fireclay Mine, Bo'ness	6,826	5,946	14.8
Sheila Fleet Jewellery, Tankerness	5,175 (E)	4,528 (E)	14.3
Taylor Bowls Visitor Centre, Glasgow	5,000 (E)	8,000 (E)	-37.5
Robert Smail's Printing Works, Innerleithen (NTS)	3,567	4,041	-11.7
Barry Mill, Carnoustie (NTS)	3,363	2,057	63.5
Loch Tay Pottery, Aberfeldy	660 (E)	750 (E)	-12.0
Cornice Museum of Ornamental Plasterwork, Peebles	200 (E)	120 (E)	66.7

It is apparent that while most of the industrial visitor attractions had an increase in visitor numbers over the last two years, numbers overall are low and visits to Robert Smail's Printing Works in Innerleithen declined by 11.7%. A summary of the facilities provided at each attraction is provided below.

Aroma Sciences Perfume Studio

<http://www.aromasciences.com/our-story.html>

The proprietor, George Dodd, trained as a perfumer and opened the perfume studio in 1994. Along with his partner, Liz Mountford, he has formed Amora Perfumes and AromaSciences. The aims of the business include restoring an artistic vision to perfumery and also of creating the best perfumes in the world for an international audience. The business comprises:

- Perfume making studio
- Retail facility
- Online retail facility

Shetland Jewellery

<http://www.shetlandjewellery.co.uk/home.php>

Shetland jewellery comprises a work studio and retail outlet. Items can also be purchased online. Items include a wide range of jewellery in silver and gold including gold celtic wedding rings and the 'Glasgow Girls' collection.

Birkhill Fireclay Mine

<http://www.srps.org.uk/related/mine.htm>

The Mine is situated in the Avon Gorge beside Birkhill Station. Guides are available to show the visitor the underground workings, the 300 million year old fossils and describe the life of the fireclay miners. Tours last approximately an hour and are co-ordinated with the railway timetable. They start from Birkhill Station on the arrival of each train (except the last service of each day). The workings are at a constant 11°C (52°F) throughout the year, so suitable clothing and footwear is required. The only access to the mine is down a long flight of steps cut into the side of the Gorge.

Mine tickets can be bought with train tickets at Bo'ness Station, or can be purchased at Birkhill Station on arrival. The attraction is open from April and October and is managed by Falkirk Council, in partnership with the Scottish Railway Preservation Society.

Sheila Fleet Jewellery, Tankerness

The facility comprises a country workshop and retail element selling silver, gold and enamel jewellery collections, reflecting times past and present in the Orkney Islands.

Taylor Bowls Visitor Centre, Glasgow

Thomas Taylor Limited has a 200 year history in the production of bowls. The company has been responsible for many key developments which have brought influence to bear upon the game of bowling. The company is one of Scotland's oldest manufacturers and is an internationally successful company yet remains a Scottish family business. A new flagship Visitor Centre opened in Glasgow in 2004, allowing visitors to share the history and discover the intricacies of the production process. The Visitor Centre's timeline takes the visitor on a journey from 1796 to the present day.

Robert Smail's Printing Works, Innerleithen

<http://www.nts.org.uk/Property/52/>

Robert Smail's Printing Works, fully operational jobbing letterpress printers, was first established in Innerleithen in 1866. The property includes a Gift Shop, Office and Printworks (Paper Store, Caseroom and Machineroom) and was acquired by the National Trust for Scotland in 1986 on the retirement of Cowan Smail, the third generation of the family which had owned the firm for 120 years. During that time, Smail's carried out print jobs for the whole community, in addition to publishing a weekly newspaper from 1893 until 1916.

The archive includes 50 guardbooks containing a copy of every printed job for nearly a century. In the office, job docketts, invoices, wages books and ledgers dating back to the start of the business are stacked on shelves. Drawers are full of slates and pencils, nibs, sealing wax, bottles of ink and

ARP tape. Replica guardbooks, newspapers and shipping tickets can be looked at. Visitors can see rack upon rack of founders' type arranged around the Caseroom, and shelves of poster type lining the walls. All visitors are encouraged to try hand setting for themselves.

Admission prices range from £5.50 for an adult, £15 for a family (£10 for family with one parent), and £4.50 for concessions.

Barry Mill, Carnoustie <http://www.nts.org.uk/Property/10/>

This 19th century Mill was at the heart of its rural community, providing work and social opportunities for local people. The mill was operational until 1982 producing oatmeal and finally animal feed. Now one of Scotland's last working water-powered corn mills, it is an example of the country's industrial heritage and visitors can learn all about the working of the mill. The machinery operates daily and a live demonstration of the craft is normally held on Sundays. Barry Mill is in the care of the National Trust for Scotland and admission is free to members.

Admission prices range from £5.50 for an adult, £15 for a family (£10 for family with one parent), and £4.50 for concessions.

3.4 Storage Space

Document storage facilities in the surrounding area include the following:

- Iron Mountain, Innerleithen
- Store-age, Galashiels
- Storezone Limited, Eastfield Industrial Estate, Penicuik
- Bell Storage Limited, Charlesfield Industrial Estate, St. Boswells, Melrose
- Storage Xpress Limited, Langlands Mill, Newtown St. Boswells, Melrose

Discussions with Iron Mountain Limited indicate that the demand for storage space has reduced dramatically over the last couple of years:

- The company would not be interested in expanding, they are currently downsizing as the market has considerably reduced in the current economic climate
- The company currently has 3 buildings in Innerleithen but they have reduced operations by one third. They are selling one of their warehouse buildings for housing development (Shed 3, Traquair Road, Innerleithen)
- Turnover has been reduced by one third over the last 18 months

- The company has reduced the number of staff at the main site in Innerleithen from 9 FT to 4 FT and 1 PT
- The company has recently spent £2m redeveloping the other 2 warehouse facilities.

3.5 Office/Light Industrial Space

3.5.1 National Trends

A recent article produced by the Scottish Property Network (February 2010) states that according to the latest CB Richard Ellis (Scotland) Regional Offices Market View, there was an increase in demand for office space across Scotland during the second half of 2010, with availability dropping across the board. There was an improvement in take-up in Glasgow and Aberdeen, Glasgow's 2010 take-up reached 527,880 sq ft compared to 462,700 sq ft in 2009 and Aberdeen reached 365,000 sq ft for 2010. Edinburgh saw a significant 42% increase, finishing the year at 676,000 sq ft.

Supply reduced overall in 2010, showing an increased separation between new and secondhand stock - particularly for Aberdeen and Glasgow - while all three markets reported a steady decrease in the supply of new space. Due to the lack of pipeline development across Scotland, this trend is set to continue.

Aberdeen still commands the highest headline prime rents of £30 per sq ft. Glasgow and Edinburgh's prime rents remained stable at £27 and £27.50 per sq ft respectively. However, while the prime rents continue to hold, incentive packages are diminishing in the Glasgow and Aberdeen markets, a situation not reflected in Edinburgh.

3.5.2 Regional Trends

Assessing the demand for office/light industrial space in the Borders included a review of the latest Scottish Borders Space Development Study (Ryden 2008) and consultation with Katie Greenwood (Economic Development SBC) and Simon Longland Scottish Enterprise, Galashiels regarding the Cavalry Park development in Peebles.

Key points emerging from Ryden's assessment of the market for business space which are relevant to Caerlee Mill are as follows:

- Innerleithen lies between two settlements identified (in 2008) as prospects for business attraction
- There is a need for office/commercial space in the area
- There is a decline in the supply of industrial space in the Borders (as at 2008)
- At this time, demand exceeded supply in industrial properties in the West of the Scottish Borders

- Office space supply and take-up is strong in the Central Hub or Peebles. Given Innerleithen’s proximity to Peebles it could be an attractive location, particularly as it is to receive BT “Infinity Broadband”.

Discussions with Katie Greenwood indicate that SBC received approximately 150 enquiries regarding office/light industrial space in 2010. Table 3.3 provides a breakdown.

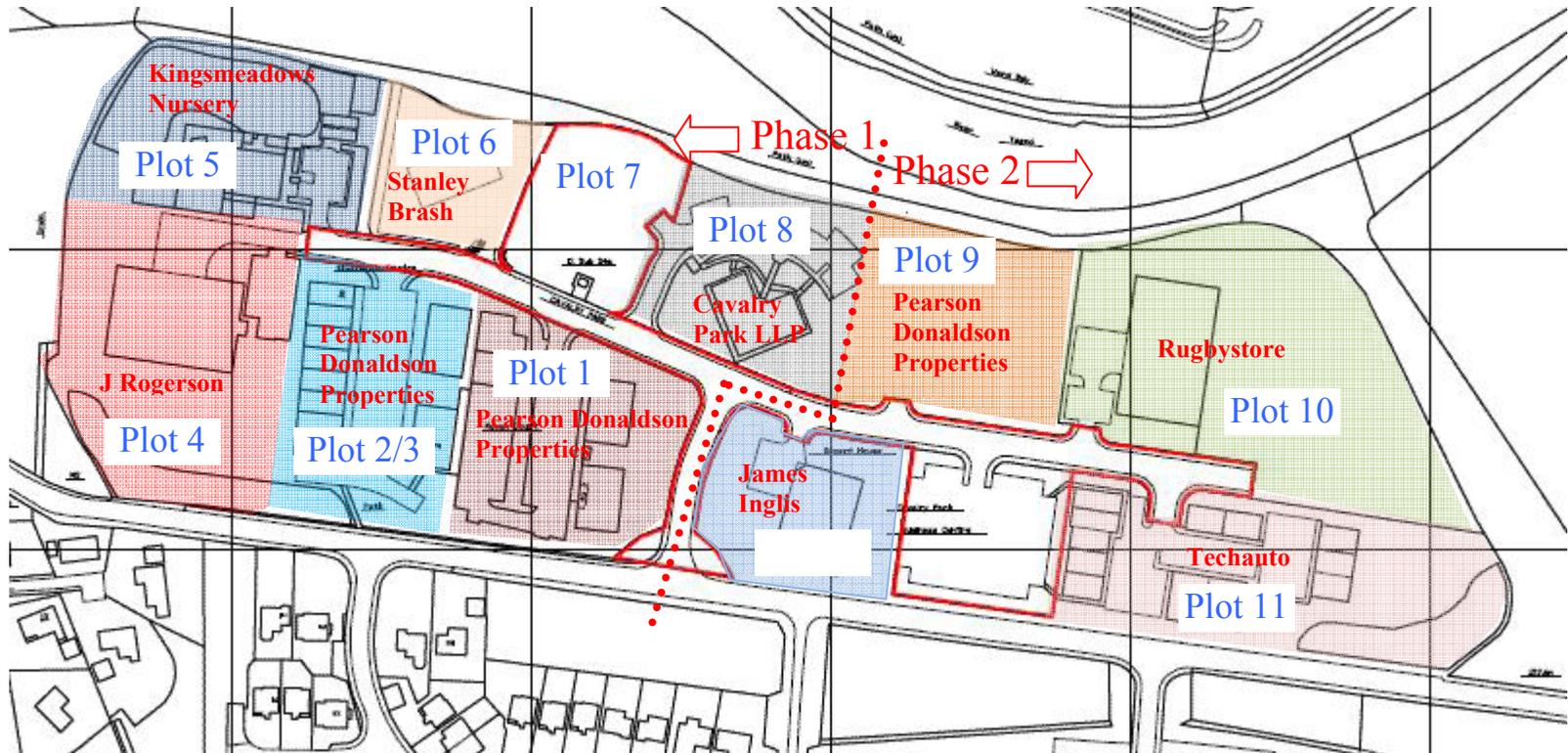
TABLE 3.3 SBC ENQUIRIES: OFFICE/LIGHT INDUSTRIAL SPACE		
	2009	2010
Total enquiries*	129	150
Peebles & Innerleithen		
office and storage	2	1
office and retail	1	0
office	4	0
Yard	1	3
car mechanic	2	3
showroom	1	1
light industry	6	7
leisure/sport	2	1
hire business	2	1
vets	0	2
studio	1	1
Innerleithen only		
light industry	1	0
Central		
office	2	0
light industry	0	1
studio	0	1
Total	25	22
Percentage of all enquiries	19.38	14.67
* purchase and lease - land and premises		

Discussions with Simon Longland (Scottish Enterprise) in relation to the developments at Cavalry Park in Peebles highlighted the following:

- Cavalry Park is a 25 acre development on the outskirts of Peebles. The Scottish Development Agency (SDA) bought the land in 1988 and it sat for several years as SDA

ended, replaced by Scottish Enterprise (SE). SE serviced the site in two stages. Half the plot was serviced in 1995 to create 8 business/industrial development plots.

- An office block unit was built (10k sqft) in 1997 as a “lure” to encourage businesses. This was never 100% full but was reasonably well let from the start as there was a considerable market in Peebles at that time. The plots were gradually sold of, currently out of a total of 12 plots 1 is left (it is under negotiation).
- The second stage of servicing was in 2005, this was the other half of the park (remaining plots 8 – 12). In 2005/2006 several companies wanted to build new headquarters – Rogersons Shoes, James Inglis Shoes and Rugby Store. They built office accommodation and warehouses but all products are sold via the internet (no retail outlet – Inglis has a small outlet). In 2006 an office block was sold to EBS (software, website management) – they occupy half the building and they lease out the remainder to other companies. There is one other technical company on the site.
- Pearson Donaldson Properties has a plot with 10 small units to let (500 sqft offices for SMEs to let). The company remains in this building however there are not as many lettings as a couple of years ago. Block 2 has 2 buildings, both are occupied by Black Circles (internet tyre sellers). Block 3 has 6/7 units used for office/light industrial/lab space – this is well occupied.
- Plot 11 was purchased by a developer and completed by mid 2008, 5,000 sqft office/light industrial space, a lot of voids – built 8 units, 6 are empty.
- Pearson Donaldson Properties is keen to purchase the last plot.



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3.6 Leisure

Community facilities in Innerleithen currently include the Memorial Hall, Community Centre, Traquair Village Hall, Churches and Church Hall and the Library. Innerleithen has a great tradition of football, athletics and sporting events. Local groups include: Adult Fitness Classes, LeithenVale Sports Club, Leithen Rovers, Vale of Leithen FC, Innerleithen Tennis Club, Scottish Country Dancing, St. Ronan's Bowling Club, St. Ronan's Curling Club, Innerleithen Golf Club.

The main focus for outdoor sporting activities is at Victoria Park which has football pitches, tennis courts and a play area. Outdoor recreation includes:

- Mountain biking at Innerleithen and Glentress
- Cycling on long distance cycle paths that pass through the area
- Fishing on the River Tweed – the “Queen of the Salmon Rivers”
- Walking on the Southern Upland Way, Sir Walter Scott Way and numerous other local trails, including a walk to the top of Pirn Hill/Fort
- Golfing at Innerleithen and Cardrona

Discussions with David Gordon, Innerleithen Community Trust indicate the desire to develop further cycle related facilities in the area. As a potential comparator Jura consulted with the Assistant manager at Transgression Leisure Bike Park in Edinburgh. Key points are summarised as follows:

- Current venue is Ocean Terminal retail park, top floor. Facility is 7,500 sqft (2,286 m²)
- BMX, skateboard and roller blade park
- Monday – Friday usually quieter than weekends (children at school), busier in the evenings. Average 30 – 40 people per day mid week. Open until 10pm in the evening.
- At weekends (particularly Saturday) usually have about 300 - 400 participants per day. Divided into different sessions depending on capabilities.
- Planning to close Transgression Park at Ocean Terminal later this month and relocate to the centre of Edinburgh.
- New venue will be approximately 3 times the size of this one (approximately 6,858 m²)

3.7 Property Developer Interest

The developer consultations included the following representatives

- 1 Border based developer operating in multiple locations across the UK
- 2 Border based developers operating in the Scottish Borders
- 1 Central Belt based developer operating across the UK
- 1 Central Belt based developer operating throughout Scotland

Border based developer operating in multiple locations across the UK

A local developer expressed some interest in the Caerlee Mill site and indicated the need to generate a significant value from the site if Brodie's Mill was to be conserved. The developer was concerned about contamination and the remediation cost and the costs associated with any demolition. The ideal uses would be housing or, if the development site was more restricted, a new build for a single user such as a nursing home. Neither housing nor the single user would occupy Brodie's Mill and, ideally from a developer's point of view it would be owned, restored and managed by a third party for a use which did not conflict with the wider site development.

Border based developer operating in the Scottish Borders

A second local developer expressed an interest in the Caerlee Mill site. This developer was familiar with the site, had considered acquiring it, had completed some investigation and was aware of site contamination and the existence of asbestos. These costs and the associated development risks resulted in an assessment that the current asking price for the Mill was too high. The developer considered a mixed use development comprising low cost homes, higher value homes and some units (similar to Cavalry Park) would be appropriate. The developer had no interest in restoring Brodie's Mill but was willing to demolish it and rebuild it in modern materials with a similar external appearance to provide office or housing.

Border based developer operating in the Scottish Borders

A third local developer was consulted in relation to the Caerlee Mill site. The developer was familiar with the site but stated that he was not interested in it at this time. He stated that he had recently received planning permission for industrial development on a site in Innerleithen and was wary about taking this development any further in the current economic climate. The developer considered a mixed use development comprising office space and small business units would be appropriate for the Caerlee Mill site.

Central Belt Developer operating throughout Scotland

A specialist heritage developer considered Brodie's Mill to have considerable potential for re-use supported by housing development on the adjacent land. The potential for leisure use was

identified as one worthy of further consideration with a mix of destination leisure, catering and retail in a heritage setting.

Central Belt Developer operating throughout Scotland

A second central belt developer, currently operating throughout Scotland, was consulted. They were interested in developing both Brodie's Mill and the site. Whilst not the type of development they would have traditionally approached, as the company tends to focus on urban rather than rural development, the developer stated that the project "could be made to fit with what we are doing at the moment". The company would be particularly interested in the residential development potential of the site, which would require demolition of some of the less significant buildings.

Discussions with developers highlighted the following concerns:

- High level of remediation costs (existence of asbestos, need for demolition and associated disposal costs) associated with developing the site and risks of these increasing
- Deriving a value from the site (assuming need to include affordable housing, developer contributions, financing costs and realistic pace for development of residential properties)
- Considerable rehabilitation costs associated with the historic core of the building
- Being solely responsible for the Mill building (including chimney stack)
- Acquisition costs

All the developers were interested in the potential for residential development to the rear of the site and one was potentially interested in exploring the site for use as an elderly care facility.

Preliminary discussions with the Scottish Historic Buildings Trust (SHBT) indicate an interest in the historic core of the building which would compliment the work of any developer.

3.8 Summary and Conclusions

The following conclusions may be drawn from the primary and secondary research conducted as part of the market appraisal:

- No single occupier wishes to develop the building(s) for a mixed use development
- No single use has been identified which would facilitate multiple occupancy
- The most appropriate way forward for the site is multi-use/multi-occupancy.

While the core building (Brodie's Mill) would be suitable for commercial storage purposes the market research indicates that the level of demand for such facilities has fallen in the current economic climate.

The progress of the Cavalry Park development at Peebles, together with the increase in demand for office space at a national level indicates that there may be demand for the development of serviced office accommodation, particularly given the proposed introduction of BT Broadband Infinity to the area. However this type of development, given the current economic climate, brings considerable risk.

The demand for visitor accommodation (unserviced “bunk house” style with support facilities) would appear to be strong in and around the area, together with an increase in the number of people visiting the area for cycling purposes. Various new developments have appeared in the last couple of years and discussions indicate that demand is strong.

Visitor numbers for industrial visitor attractions in Scotland are low and have declined in the last number of years. If such a facility were to be developed it would have to be as part of the Caerlee Mills Ltd operation and as such be maintained and operated by this company.

4.0 DELIVERABILITY AND SUSTAINABILITY

4.1 Deliverability

The following table summarises the estimated acquisition and development costs associated with the site acquisition and site assembly. These are substantial costs. Option 4 provides the lowest capital costs with Option 5 and Option 2 being of a similar order of magnitude. Option 1 increases the costs to over £5.5 million and Option 3 to over £7 million.

The funding package has been given initial considerations. Feedback from the developer consultations provided no comfort in considering significant contributions from this source. This does not mean that there would be no developer contributions but these would have to follow detailed negotiations with the project partners. The public sector funding assumed is based on recent experience rather than detailed consultations. While the repairs would be eligible for public sector support we have been cautious in the level of grant support assumed to be potentially available. The Heritage Lottery Fund is potentially a funder of a restoration scheme but the grant available would be influenced by the level of heritage merit, public benefit and the overall value for money.

In considering the total funding that may be available it is difficult to see a funding package that would deliver more than £1.7 million. This may vary depending on the precise details of the scheme, the eligible costs and the public benefit. At this stage we have not attempted to differentiate the funding available to each option. The level of funding assumed indicates a significant funding gap that would require considerable effort to remove or reduce.

TABLE 4.1 DELIVERABILITY					
	OPTION				
	1	2	3	4	5
	£	£	£	£	£
Deliverability					
Acquisition	350,000	350,000	350,000	350,000	350,000
Remediation	160,000	160,000	160,000	160,000	160,000
External Fabric/Alterations	5,032,790	4,342,267	7,141,839	4,109,275	4,144,215
Total	5,532,790	4,842,267	7,641,839	4,609,275	4,644,215
Capital Contributions					
Developer Contributions	Assumed to be nil				
HS/SBC/HLF	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Funding Gap	3,842,790	3,152,267	5,951,839	2,919,275	2,954,215

4.2 Sustainability

The following table present a summary of the income generating potential of Brodie's Mill and the other properties retained under each option. In arriving at these income forecasts we have assumed that occupancy will approximate to 80% of the maximum achievable.

TABLE 4.2 SUSTAINABILITY					
	OPTION				
	1	2	3	4	5
	£	£	£	£	£
Sustainability: Revenue Generation					
Caerlee Mills Ltd	63,096	39,408	13,560	39,840	13,560
Light industrial	20,340	20,340	-	20,340	-
Office development	67,200	48,720	64,568	24,360	48,720
Accommodation	-	-	9,120	21,984	-
Leisure	21,700	13,384	84,040	3,360	10,416
Total	172,336	121,852	171,288	109,884	72,696

The derivation of the income potential is revealed in greater detail in Table 4.3. These estimates assume 100% occupancy and are unlikely to be achieved in practice.

**TABLE 4.2
INCOME GENERATION ASSUMPTIONS**

		Option 1		Option 2		Option 3		Option 4		Option 5	
Option 1	Rental £ per m ²	Size m ²	Income (£)	Size m ²	Income (£)						
Caerlee Mills Ltd	30	2,629	78,870	1,642	49,260	565	16,950	1,660	49,800	565	16,950
Light Industrial	45	565	25,425	565	25,425	-	-	565	25,425	-	-
Office	70	1,200	84,000	870	60,900	1,153	80,710	435	30,450	870	60,900
Accommodation	40		-		-	285	11,400	687	27,480		
Leisure (Cycling)	30		-		-	2,629	78,870		-		
Leisure (Retail/café)	35	775	27,125	478	16,730	748	26,180	120	4,200	372	13,020
Total potential income			215,420		152,315		214,110		137,355		90,870

5.0 IDENTIFICATION OF PREFERRED OPTION

5.1 Introduction

This section combines the findings of the market and financial appraisals with the overall project objectives to determine the most appropriate way forward for Caerlee Mill. The project objectives are as follows:

1. To preserve the heritage of the building(s)
2. To maintain employment
3. To use the site as a springboard for creating employment
4. Achievability/sustainability

Table 5.1 assesses each option against the agreed project objectives.

**TABLE 5.1
OPTION ASSESSMENT**

OPTION	PROJECT OBJECTIVES			
	To preserve the heritage of the building(s)	To maintain employment	To use as a springboard for creating employment	Achievability/sustainability
<p>1: Retain and Reuse All Buildings.</p> <p>Maintain manufacturing and develop to include small scale visitor element (including exhibition, shop and café). Introduce offices (Mill Building) and residential accommodation (site development – access issue).</p>	<p>Heritage of the buildings is fully preserved as option 1 involves maintaining and preserving all buildings of high and medium significance.</p> <p>Introduction of small scale exhibition area (C2) would allow further interpretation and education regarding the heritage of the site and its buildings.</p>	<p>Current manufacturing operation is maintained within buildings C1 and C2 (allowing a small area for exhibition purposes), with potential to expand into D1 and/or B3.</p>	<p>Employment would be created through the proposed introduction of a small scale visitor element (exhibition, shop and café in buildings C2, D2 and E).</p> <p>Scope for Caerlee Mills Ltd to expand further, increasing the number of employees.</p> <p>Further regeneration through the proposed development of new office space in buildings A1 and A2 (ground, first and upper floors), also buildings B3 and B2 if required (maximising the opportunities presented by BT Infinity Broadband).</p>	<p>The market appraisal indicates that similar small scale industrial visitor attractions attract small numbers of visitors, numbers have declined in the last few years.</p> <p>Research indicates that the take up of office space in the Borders is relatively steady.</p>
<p>2: Light Industrial and Commercial.</p> <p>Consolidate manufacturing and introduce offices (Mill Building upper floors) and residential accommodation (site development – access issue).</p>	<p>Heritage of the core mill building is fully preserved as option 2 involves maintaining all buildings of high and most buildings of medium significance. This option would involve the removal of three areas of low significance (D1, D2 and E).</p>	<p>The current manufacturing operation is consolidated into area C1 and C2, removing area D1. Current levels of employment would be maintained.</p>	<p>Employment would be created through the proposed development of a small shop and cafe facility (ground floor of buildings A1 and A2).</p> <p>Further employment created by the development of new office space in the first and upper floors of buildings A1 and A2, also B3 and B2 if required (maximising the opportunities</p>	<p>Evidence of demand for office space in the Borders.</p> <p>The removal of buildings D1, D2 and E would facilitate the creation of a larger dedicated car park area. This would also allow partially improved access to the south, unlocking the landlocked development land to the west.</p>

**TABLE 5.1
OPTION ASSESSMENT**

OPTION	PROJECT OBJECTIVES			
	To preserve the heritage of the building(s)	To maintain employment	To use as a springboard for creating employment	Achievability/sustainability
			presented by BT Infinity Broadband).	
<p>3: Light Industrial, Commercial and Leisure. Leisure development, visitor accommodation, relocate manufacturing, and Residential Accommodation (site development).</p>	Heritage of the buildings is preserved as option 3 involves removal of buildings D2 and E which are of low significance. All buildings of high and medium significance are maintained.	<p>This option would involve relocating the current manufacturing facility to building B3. This is a smaller area, it is assumed that employment levels will be maintained as at present, however there is less scope for expansion (in contrast to options 1 and 2).</p> <p>Discussions with the business owner indicate that this may be achieved without reducing the current number of employees</p>	<p>The proposed development of a leisure facility (including café) in buildings C1, C2 and D1 would generate employment.</p> <p>Provision of bunk house accommodation could facilitate development of links with other local businesses e.g. cycle hire operators etc.</p>	<p>Existing self catering/bunk house provision in the area is well utilised.</p> <p>Comparator performance (BMX/Skate park) is strong, however dependent upon location and ease of access.</p>
<p>4: Light Industrial, Commercial and Visitor Accommodation. Consolidate Caerlee Mills Ltd into C1, A2, B1. Introduce phased development of visitor accommodation and office accommodation into A1 and A2.</p>	Heritage of the core mill building is preserved, loss of C2 which is an area of "some" significance.	<p>This option would involve consolidating the current manufacturing facility within areas C1, A2 (ground floor) and B1. This is a smaller area, it is assumed that employment levels will be maintained as at present, however there is less scope for expansion (in contrast to options 1 and 2).</p>	Buildings A1 and A2 would be developed as visitor accommodation and offices space helping to regenerate the site as a potential location for SMEs.	<p>Existing self catering/bunk house provision in the area is well utilised.</p> <p>Evidence of demand for serviced office accommodation.</p>

**TABLE 5.1
OPTION ASSESSMENT**

OPTION	PROJECT OBJECTIVES			
	To preserve the heritage of the building(s)	To maintain employment	To use as a springboard for creating employment	Achievability/sustainability
5: Caerlee Mills Ltd and Offices	Heritage of the core mill building is preserved, loss of areas C1 and C2 which are areas of "some" significance.	This option would involve consolidating the current manufacturing facility into area B3. This is a smaller area, it is assumed that employment levels will be maintained as at present, however there is less scope for expansion (in contrast to options 1 and 2).	Buildings A1 and A2 would be developed as offices space helping to regenerate the site as a potential location for SMEs.	Evidence of demand for serviced office accommodation

The ranking of options is as follows:

1. **Option 4:** Light Industrial, Commercial and Visitor Accommodation **300 points**
2. **Option 5:** Caerlee Mills Ltd and Offices **277.5 points**
3. **Option 3:** Light Industrial, Commercial and Leisure **275 points**
4. **Option 1:** Retain and Reuse All Buildings **255 points**
5. **Option 2:** Light Industrial and Commercial **240 points**

Option 4 is the preferred option, ahead of Option 5.

6.0 CONCLUSION

The retention and refurbishment of the entire complex of buildings at Caerlee Mill is likely to be extremely difficult. The critical issues revolve around the market, financial and development risks associated with the site.

The continued accommodation of Caerlee Mills Limited is achievable assuming that its accommodation can be rationalised into a reduced footprint centred on Building C1, with some scope for negotiation around the continued occupation of other buildings in the short-term.

Brodie's Mill demonstrates potential for reuse but the investment required and the forecast financial returns confirm that this will require considerable grant and other external funding and does not represent a commercial opportunity for a developer. The reuse of the site will require the separation of Brodie's Mill and Building C1 (occupied by Caerlee Mills Limited) from the remainder of the site.

The critical issues influencing the level of interest from developers are as follows:

- The site remediation costs, including the existence of asbestos on the site
- The risk associated with obtaining statutory approvals
- The restoration costs associated with the future use of Brodie's Mill, such that the developers would prefer to see this pursued separately by a Building Preservation Trust or similar
- The requirement to contribute to the Brodie's Mill restoration costs
- The acquisition cost

The critical issues influencing the restoration of Brodie's Mill are as follows:

- The ability to find a willing purchaser / long-term owner
- The ability to secure a funding package, including external grant funding and developer contributions
- The essential requirement for developer contributions in market and financial conditions that render this difficult
- The ability to generate a long-term sustainable revenue stream from subsequent re-use

The suggested next steps for Caerlee Mill are to:

- Prepare an application for Listed Building Consent based on Option 4, as a means of removing the risk related to the obtaining of statutory approvals
- Identify a suitable development vehicle for conserving and bringing back into use Brodie's Mill
- Develop a funding package for Brodie's Mill conservation and conversion



QA CHECK	
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