

ST GEORGE'S GUILDHALL AND CREATIVE HUB

BUSINESS CASE

July 2024

EXECUTIVE SUMMARY

This is an updated Business Case for the St George's Guildhall & Creative Hub project, the highest priority project set out in the Vision King's Lynn Town Investment Plan. The project forms a key part of the vision objectives to support;

- Growing innovative businesses - attracted by our connectivity and high quality of life and supported by the networks and collaborative support that businesses need
- A repurposed town centre with new experiences and businesses - increasing footfall, enhancing cultural opportunities, with its different parts better connected.

The Business case sets out the strategic, economic, commercial, financial and management aspects of the project to ensure a robust and deliverable scheme to achieve the vision and objectives set out in the Town Investment Plan. The original Business Case was developed through extensive market research, consultation, engagement and advice from industry best practice, including cultural specialists and our project partners the National Trust and Norfolk Museum Service. This has been refreshed where appropriate, for this updated version. The Value for Money assessment undertaken in accordance with HM Treasury Green Book guidance following the update, estimates a benefit cost ratio of 1.6.

A Business Case is a requirement of the government's Towns Fund programme to confirm the funding offered under the Heads of Terms agreed in June 2021, the original case followed the King's Lynn Town Board's Local Assurance Process prior to submission of a Business Case Summary Document to government in 2022. This updated version accompanies a Project Adjustment Request made to MHCLG in Summer 2024, to outline a revised scheme.

INTRODUCTION

King's Lynn is the major commercial, retail and service centre for a large area of East Anglia, and the largest town in West Norfolk. The town's riverfront and historic core is a unique medieval asset of international significance retaining the only surviving Hanseatic buildings in the UK. Today these historic gems are part of a town of 49,000 in 2020, with a wider catchment area of over 500 sq miles of the Fens, Norfolk, south Lincolnshire and Cambridgeshire and circa 250,000 people, including the smaller towns of Wisbech, Swaffham, Hunstanton and Downham Market. King's Lynn also has a vibrant and longstanding tradition of creative and cultural organisations, events and activity. King's Lynn's visitor economy is built on its hospitality, retail and leisure offer and with close proximity to the Sandringham Estate and the Norfolk coastline, King's Lynn is a gateway to some major national visitor assets.



The Town Investment Plan has set clear priorities and a vision for King's Lynn that delivers:

- A repurposed town centre with new experiences and enterprise
- A high-quality residential and leisure offer in the historic town core and riverfront
- Growing innovative businesses
- New opportunities.

St George's Guildhall and Creative Hub is one of several Towns Fund projects that will help to deliver this vision, transforming the site, from road to river, into a thriving visitor attraction and cultural hub. Its mission is to conserve and promote King's Lynn's heritage and culture, particularly connections to William Shakespeare, making them accessible and welcoming to all, whilst boosting skills and supporting new business and creative practice. The Centre will be a heritage visitor attraction, education resource and commercial creative hub by day, and a theatre and entertainment venue by night, both supported by significant food, beverage and retail offerings.

The Borough Council of King's Lynn & West Norfolk is the accountable body and is leading a partnership with the National Trust and the Norfolk Museums Service to deliver this important project, with support from strategic funders.

This business case sets out the Strategic, Economic, Financial, Commercial and Management case for the project. It builds on the detailed Activity Plan and Business Plan developed for the project following extensive consultation. In addition to the five cases the Appendix includes:

- Risk Register
- Stakeholder Mapping
- Activity Plan
- Business Plan
- Monitoring and Evaluation Plan.

STRATEGIC CASE

STRATEGIC CASE

INTRODUCTION

This Strategic case sets out the rationale, background, policy context and strategic fit of the public expenditure, and includes clear objectives with a robust logic of change from inputs to outcomes.

St George's Guildhall and Creative Hub (the Centre) is one of several projects agreed to proceed by the King's Lynn Town Board under the government's Towns Fund programme, to drive economic growth in the town. Achieving this growth through culture is well understood and forms one of the key components of the Towns Fund. An improved cultural offer helps, along with other components of the Towns Fund programme, to create and define new purposes and visitor appeal for the town centre, and in this case activate underused valuable heritage assets.

St George's Guildhall and Creative Hub regeneration project is also a cornerstone of the Town Investment Plan for King's Lynn. It helps deliver the priorities for a repurposed town centre with new experiences and enterprise, a high-quality residential and leisure offer in the historic town core and for growing innovative businesses whilst providing new opportunities for skills and jobs for young people.

The vision is for the transformation of St George's Guildhall, from road to river, into a thriving visitor attraction and cultural hub (the Centre). Its mission is to conserve and promote King's Lynn's heritage and culture, particularly connections to William Shakespeare, making them accessible and welcoming to all, whilst boosting skills and supporting new business and creative practice. The Centre will be a heritage visitor attraction, education resource and commercial creative hub by day, and a theatre and entertainment venue by night, both supported by significant food, beverage and retail offerings.

Evidence for demand and need is clear. King's Lynn has a thriving cultural and artistic sector serving its wide catchment area (30-45 minutes drive) of over 250,000 people. Since the closure of the Arts Centre in 2015 this cluster has been without a home and there is strong demand from the sector and community, for additional facilities and assets to both strengthen the offer and enable the sector to grow.

The Borough Council are leading a partnership with the National Trust and Norfolk Museums Service to deliver this important project through a Town Deal Project Board.

CASE FOR CHANGE

The Guildhall of St George is the largest surviving Medieval Guildhall in England and is an historic building of national significance (*Purcell Conservation Statement 2016*). It is also reputed to be the oldest continually working theatre in England and recent academic research supports local tradition, that William Shakespeare performed at the Guildhall of St. George in 1593. The protection and celebration of this national cultural asset and history is at the heart of the project. In addition to the economic value set out elsewhere in this business case there is enormous cultural and social value in restoring and developing the Guildhall for the residents of West Norfolk and the many thousands of visitors to the area. Without this intervention the historical, cultural and social value of the area would be hugely diminished with knock-on impacts on people's lives, wellbeing and to society in general.

In its 2014 *Evidence Review of the Value of Arts and Culture to People and Society*, Arts Council England identified that projects like the Guildhall had a significant impact on people's health and wellbeing. Research has evidenced that a higher frequency of engagement with arts and culture is generally associated with a higher level of subjective wellbeing, with those who had attended a cultural place or event in the previous 12 months almost 60 per cent more likely to report good health compared to those who had not. Several studies have reported findings of applied arts and cultural interventions

and measured their positive impact on specific health conditions which include dementia, depression and Parkinson's disease. Engagement in structured arts and culture also improves the cognitive abilities of children and young people.

These arts audience and participation benefits, along with volunteering and labour supply benefits are explored further in the Economic Case.

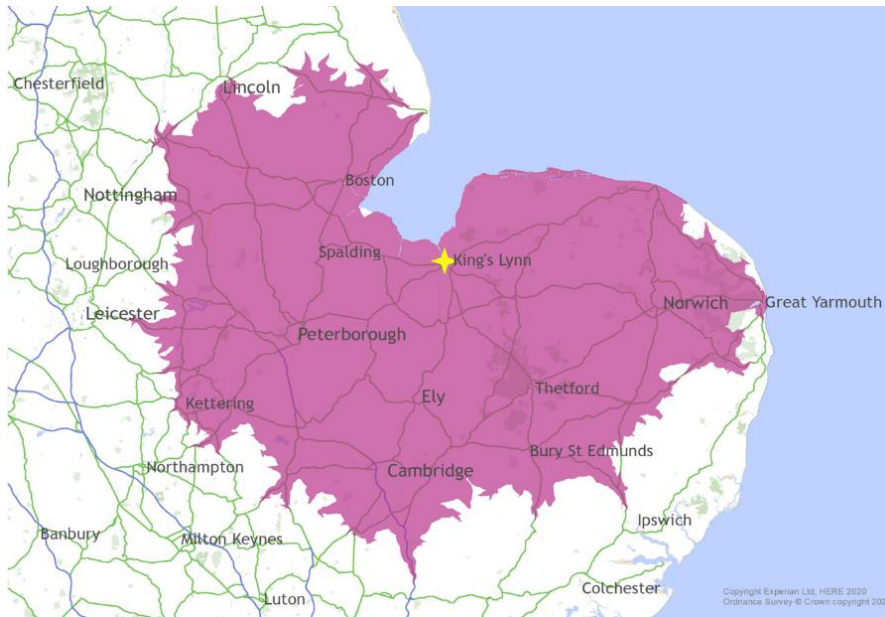
The Guildhall Theatre and Fermoy Art Gallery are part of a site that comprises of buildings constructed and modified in different time periods. In broad terms, the northern units are in the ownership of the National Trust, leased to the council and the southern buildings are freehold, owned by the council. Since approximately the late 1980s, the site has gradually become subdivided with various sub-leaseholders of the council taking parts of the site, in many cases on peppercorn rents. This has led to a situation where no one lease holder has been able to make enough profit to support their activities and maintain the buildings and certainly not a wider engagement with the site. It is subdivided to the point it is economically unviable. Alive West Norfolk currently manage the Guildhall on a 'hall for hire' model but with no active programming or presence on site. Access for visitors has in recent years been facilitated by volunteers of the Shakespeare Guildhall Trust.

In 2018/19 the Guildhall theatre hosted just 60 performances, a utilisation of 17%, with attendances of only 9,727. The Fermoy Gallery staged three temporary exhibitions each lasting approximately two weeks – they cannot continue for longer as there are no environmental control systems in the gallery. It is estimated that attendances for the free tour of the Guildhall were around 12,000. Approximately one FTE casual staff member was involved in delivering the theatre performances and up to ten employees were engaged by the independent business on site. Like all hospitality and entertainment business the Guildhall has been severely affected by Covid-19 and the above, pre-pandemic, usage has been considerably constrained.

The site operates on a net deficit of circa £191,000 per annum (excluding any costs associated with active programming of the site). In addition there are outstanding building maintenance liabilities likely to stand at a seven figure amount, bringing the potential total annual cost to the council of up to £380,000+ per annum for the remaining duration of the lease (excluding financing costs).

Working in partnership with Norfolk Museums Service and The National Trust, a new and holistic approach has been taken to developing the Centre through the Guildhall and Creative Hub project, taking into consideration the feedback received from the previous unsuccessful NLHF applications for the Guildhall in 2016 and 2022. The recommended approach demonstrates that the council and partners have carefully considered and addressed the failings of the previous applications and are taking a holistic approach to the whole site, responding to a programme of public consultation, following cultural sector best practice and operational models.

An Area Profile Report commissioned from the Audience Agency for the Business Plan showed that in addition to the 250k residents in the immediate catchment area, there are 2.3m regional residents within a 90-minute drive time, encompassing time-rich demographics with higher disposable incomes than the local population. There are 44k National Trust members within a 60-minute drive time and 500k overnight tourist visits to West Norfolk all potentially interested in regional cultural activities. Strong forecast demand, combined with King's Lynn's role as a gateway town and its own historic offer, provide good evidence that the Guildhall will further strengthen visitor numbers to the town.



Source: Audience Agency Area Profile Report: 90 minute drive time from Kings Lynn

The *Economic Impact of Tourism in West Norfolk* report by Destination Research in 2019, before the pandemic, identified nearly 10.5m day and overnight visits to the area, resulting in £577m of economic impact, supporting 11,286 jobs. In 2022, as the industry recovered from the pandemic, the economic impact of tourism in west Norfolk was £560m (3% reduction on pre pandemic levels), supporting 10,956 jobs.

There is good evidence, from research by CoStar and Savills, of continuing demand for commercial space, start-up and grow-on facilities. Despite the enforced transition to remote working during the pandemic, the office market remains strong in many locations and there is increased demand for co-working and flexible workspace. There will also be demand for specialist space, such as studios and 'third spaces'.

A detailed study and survey of the creative and cultural sector, by the Norwich Consortium, in 2019 concluded that King's Lynn's creative groups are not connected or supported and lack of space as part of the eco system is holding back the potential of creative businesses. The study found demand from 48 businesses for co-working, education and shared studio space, shared equipment and performance/display space. Many of these are community level, small organisations, so a purely commercial investment in new studio and performance space is not viable or likely.

In addition, extensive community surveys and engagement for the King's Lynn Town Board have shown a recurring priority for residents, particularly young people and visitors, was for new and refurbished cultural assets, a desire to see new experiences and a developed night-time economy in the town centre giving new reasons to visit the historic town.

The project is recognised by the Town Board as its highest priority project and understandably so. Apart from the project's direct benefits, summarised in this business case, it will also act as a catalyst for the regeneration of the town centre. Experience elsewhere in England demonstrates that a cultural / arts project of this scope and size provides tangible spin offs (the multiplier effect) into other service businesses in the town centre. In their report *Culture-led Regeneration*, the Local Government Association acknowledge the social and economic value of the cultural sector, and its ability to deliver growth and drive regeneration. The project will help change the perception of the town centre as a place to invest and establish new visitor facilities. It will also boost pride in place from residents. These wider benefits have not been accounted for in the development of this business case as they are outside of the Green Book assessment process.

To satisfy the needs identified, and meet demand, the Centre will provide both a heritage visitor attraction, education resource and commercial creative industries hub, and a theatre and entertainment

venue, with significant food, beverage and retail offerings. To achieve this will require substantial public investment in capital infrastructure, the creation of a professional management organisation to run the Centre and a stakeholder marketing partnership to ensure its sustainability. The project is not likely to attract private sector funding as the returns on investment would be low and the buildings are publicly owned assets.

The creative and cultural industries is one of the fastest growing segments of the UK economy. It is estimated that there could be over 2.1 million employed in that sector. [Impact of government policy on the creative sector - House of Lords Library \(parliament.uk\)](#) The sector has grown by 43.6% between 2010 and 2019 with an overall GVA of £47 billion.

However it is also one of the most diverse and fragmented sectors of the UK economy. Partly this is because it is generally made up of micro firms and freelancers who tend to work in relative isolation and often on a time limited project basis. Research has shown that by establishing Creative (cultural) hubs networks it can boost growth, innovation and productivity in the industry. [Creative Hubs | Creative Economy | British Council](#)

There is no single blueprint for how a creative hub is created / established, they come in all shapes and sizes. The important thing with the King's Lynn proposal is that it has its own fingerprint and reflects the dynamics and make up of the sector in the area which has been established through consultation engagement with cultural industries. There is however a growing case load of local best practice industry that can be accessed. [Creative HubKit: made by hubs for emerging hubs | Blog | Creative Economy | British Council](#)

The Creative Hub will provide the opportunity to nurture and support access to people who want to make or produce for their own enjoyment and professionalise their skill to take the next step and start up studio space. Part of this will be achieved by inspiring confidence in newly established business and help them feel part of the larger economy. Traditionally small creative businesses have been low on the uptake of regional and national business support through lack of awareness, appropriate space and being time poor. The creative hub being proposed would act as a bridge to that wider support / growth network. Also many in the sector initially work from home and when expanding are nervous about taking on lengthy property leases. The facilities of the Creative Hub with its inherent flexibility will allow such individuals and partnerships to grow without feeling constrained by restrictive property leases. Whilst the evidence is admittedly anecdotal there is a feeling that personnel in the creative industries are more focussed on concepts and production experimentation than business planning. This can expose them to problems in terms of cash flow management and submitting official returns.

Business support will be provided in the Creative Hub, but as much benefit will be gained by experimentation and collaboration with peers leading to further creativity. Having a town centre location within the overall Guildhall centre is important as it will provide a vibrant atmosphere and footfall essential to the workstyle and success of creative employees and businesses. Co-location with a revitalised Guildhall will also offer many spin offs especially to those engaged in the arts and heritage industries.

POLICY ALIGNMENT

This project aligns closely with a number of national, regional and strategies and priorities:

National:

- **HM Government** support from MHCLG, for high street repurposing and reopening the visitor and creative economy post Covid 19, including DCMS cultural recovery programme and building back better
- **Levelling Up the United Kingdom** the government white paper referencing Skills Training growth and Pride of Place - satisfaction with their town centre and engagement in local culture and community
- **For everyone, for ever - National Trust Strategy 2020-2025** includes caring for places and giving them a sustainable future; making sure places keep evolving, attracting people and inspiring them; address unequal access to history; giving people more opportunities to get involved
- **Arts Council England's Strategy 2020-2030** has the outcomes of Creative People and Creative Communities and the Investment Principals of Ambition and Quality, Dynamism, Inclusivity and Relevance
- **Historic England Future Strategy 2021** has three areas of focus:
 - securing vibrant and sustainable futures for historic places
 - bringing communities together by discovering and celebrating local heritage
 - inspiring people to take action in support of the places they care about.
- **National Lottery Heritage Fund – Heritage 2033 Four investment principles guide**
 - **Saving heritage:** conserving and valuing heritage, for now and the future.
 - **Protecting the environment:** supporting nature recovery and environmental sustainability.
 - **Inclusion, access and participation:** supporting greater inclusion, diversity, access and participation in heritage.
 - **Organisational sustainability:** strengthening heritage to be adaptive and financially resilient, contributing to communities and economies.

Regional:

- The **Norfolk and Suffolk Economic Strategy** which identifies King's Lynn as a priority place for growth. The Local Industrial Strategy, which references King's Lynn, states it will be ensuring that cultural infrastructure is maintained and developed, including specific new development in market towns and places where there is significant new housing. This strategy will soon be replaced by the emerging **Norfolk Economic Strategy** which is currently being prepared by Norfolk County Council.

Local:

- **Vision King's Lynn** prioritises a re-purposed town centre with new experiences and enterprise, a high-quality residential and leisure offer in the historic town core and for growing innovative businesses and providing new opportunities for skills and jobs for our young people.
- **BCKLWN Corporate Strategy (2023-2027)** objectives include:
 - promote growth and prosperity to benefit West Norfolk
 - Protect our environment
 - Efficient and effective delivery of our services
 - Support our communities
- **BCKLWN Cultural Prospectus (2018)** has as its overarching 2030 vision that culture and heritage will play a full role in enhancing the livability and growth of West Norfolk by:
 - Increased partner investment into our cultural and heritage assets, capacity and activities

- Building new arts audiences (local and national) and participants from local communities all across West Norfolk
- Supporting new cultural and commercial collaborations and creative skills development, establishing King’s Lynn as an entrepreneurial creative hub for West Norfolk.

A new Cultural and Heritage Strategy is in the process of being developed by the Borough Council, in partnership with the Arts Council. Arts Reach Ltd were commissioned in Spring 2024 with the final strategy due to be completed by end of 2024 which will replace the Cultural Prospectus. The strategy aims to bring together cultural partners and stakeholders to develop a joined up vision and priorities for the future development and growth of culture in King’s Lynn, of which the St George’s Guildhall and Creative Hub is expected to play a key role in contributing to the strategic aims of the strategy.

- **The West Norfolk Tourism Development Plan (2022-2026)** sets out the strategic aims to support;
 - Sustainable tourism
 - Visitor Accessibility
 - Experiential Tourism
 - Develop the cultural product

This project is directly aligned with the aims of the Tourism Development Plan.

- **West Norfolk Investment Plan (UK Shared Prosperity Fund) 2022** aim to ensure King’s Lynn and West Norfolk is a place to live, work, visit and invest:
 - **Leading as a Centre of Excellence for the Visitor Economy**
 - With a culture-led approach to leverage culture & heritage assets
 - Positioning King’s Lynn & West Norfolk as Cultural Destination
 - Driving innovation & productivity in Tourism & Hospitality
 - **Supporting people to access opportunities**
 - Creating better quality, higher skilled jobs across sectors
 - Supporting people into employment and volunteering opportunities
 - Improving skills that employers need

VISION AND OBJECTIVES

Vision

Transformation of St George’s Guildhall, from road to river, into a thriving visitor attraction and cultural hub.

Mission

To conserve and promote King’s Lynn’s heritage and culture, particularly connections to William Shakespeare, making them accessible and welcoming to all, whilst boosting skills and supporting new business and creative practice.

Aims

- Protecting and celebrating our heritage
- Supporting enterprise and economic productivity in King’s Lynn
- Creating a hub for arts and culture

SMART Objectives

Strategic Aim	Project Objective	Measurement	By
Protect and celebrate our heritage	Refurbishing historic site and theatre to create a physically accessible,	£20m refurbishment of entire site to inclusive access standards	April 2026 January 2027

	welcoming, and attractive space	covering all current dilapidations	
	Actively promoting inclusivity and use by underrepresented groups	59,646* attendance at Shakespeare Experience by different groups. 10,300 education workshops a year (school visits, evening classes and summer schools)	March 2027 March 2028 (after one full year of opening)
Support enterprise and economic productivity	Creating a financially sustainable operating model	16 core team FTE and 18.2 FTE casual staff Target surplus by 3 rd year of operation £109,253	January 2027 March 2029
	Develop new creative industry office and studio space leading to employment	814m ² of new studio and office space offering up to 1 individual units to start-up and grow-on businesses. 50 enterprises supported without financial support.	January 2027 March 2029
Create a hub for arts and culture	A nationally significant centre	77,130 visitors a year to the Centre (unique visits) 168,000 per year total footfall by year 2028/9	March 2029
	Varied and changing programme of events	330 public performances per year	March 2027 27/28 calendar

THE PROPOSED INVESTMENT

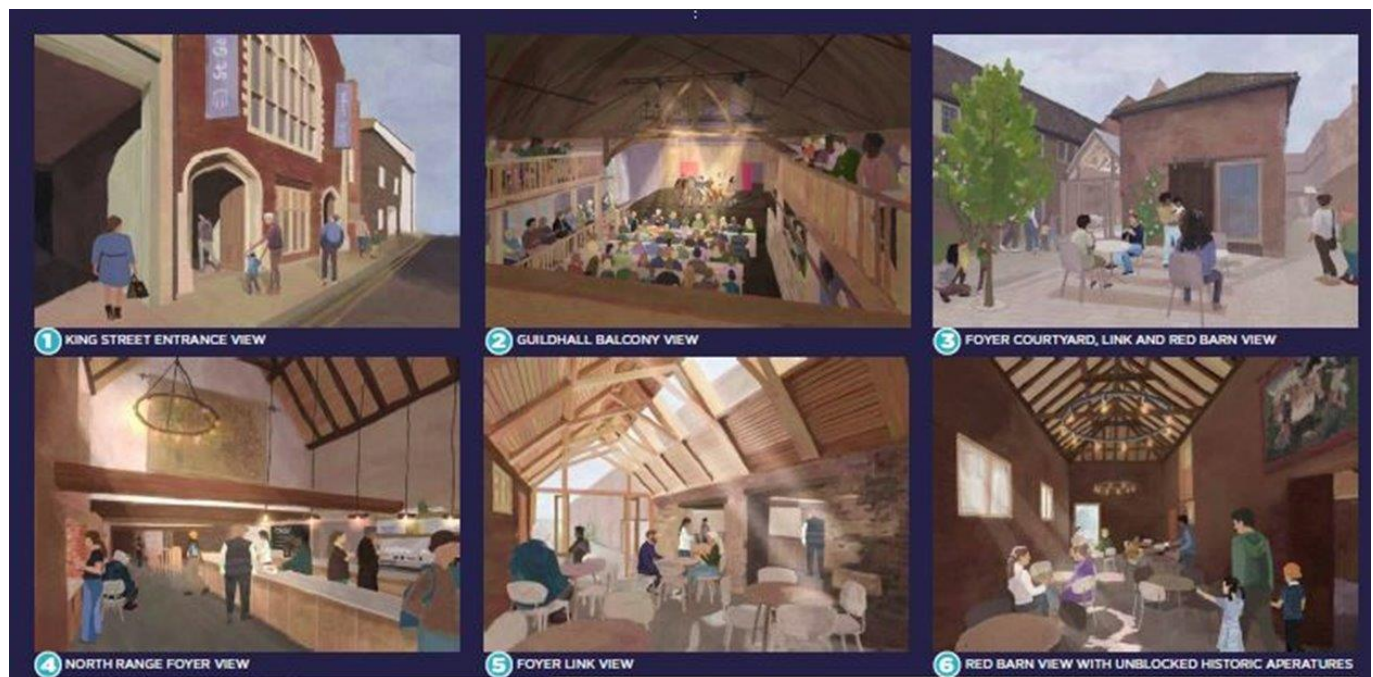
The partners comprising the Borough Council, National Trust and Norfolk Museum Service intend to renovate, refurbish and develop the entire St George's Guildhall site creating a unified Centre, from road to river, operated by an independent Charitable Incorporated Organisation (CIO), opening to the public and businesses in January 2027 (although Towns Fund monies will be spent by March 2026). The site will become accessible for all and compliant with the Equality Act. The project will address all the historic dilapidations, including major structural repairs and upgraded services, and provide a fully equipped facility to the CIO, enabling it to operate without revenue subsidy.

Extensive consultation has been undertaken to develop a detailed Activity Plan for future uses and on which a detailed Business Plan is based – both of these are included in the appendices. Howarth Tompkins were appointed in 2023 to develop the initial RIBA Stage 1 design to RIBA Stage 3, which has also included extensive building archaeology assessments to develop a Conservation Management Plan for the site.

As a result of this detailed design, the project is able to clearly demonstrate how it will create a cluster of arts and culture activity for residents, visitors and for the local community by:

- Refurbishing the historic Theatre and enhancing physical access – with a reference to its exceptional historical value and Shakespearian connection
- Creating opportunities for local creative enterprises
- Creating inspiring spaces, for the community and visitors alike, for formal and informal learning including youth engagement.

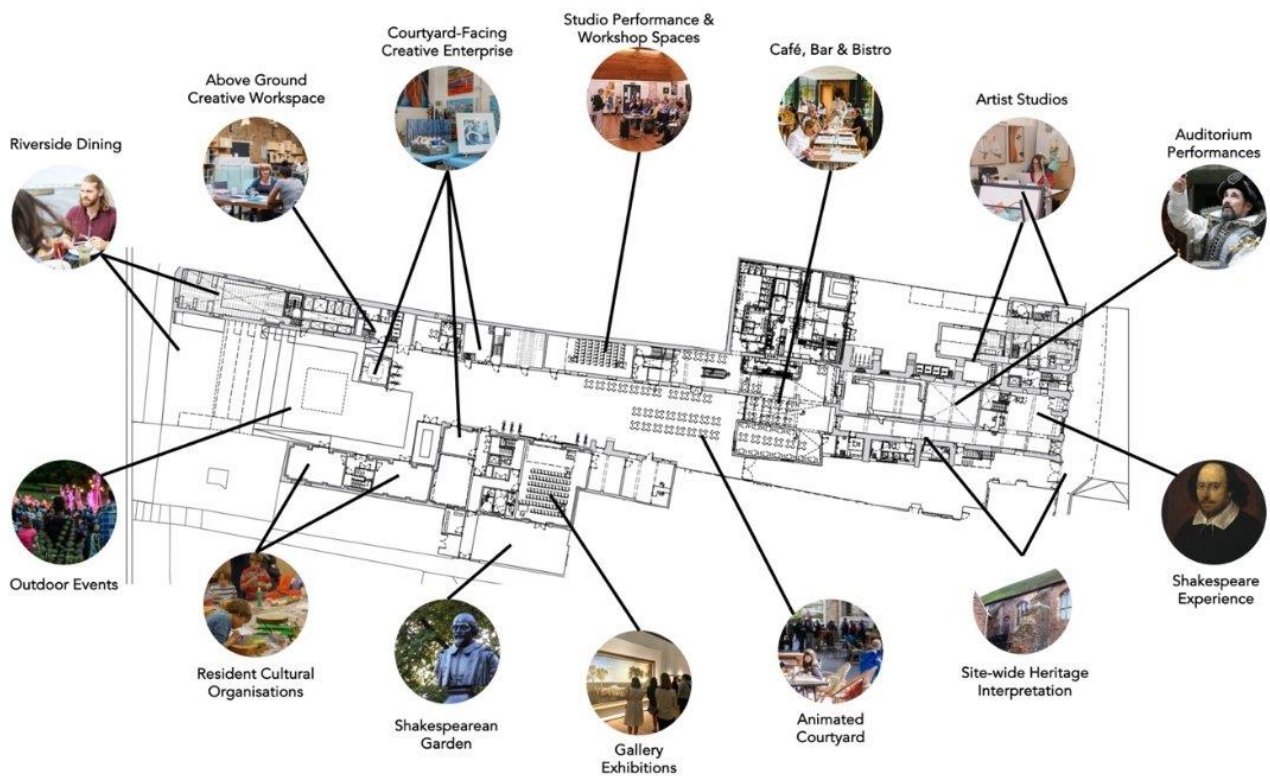
The Activity Plan with full details, is attached at Appendix 3.



The Centre will be a heritage visitor attraction, education resource and creative hub by day, and a theatre and entertainment venue by night, both supported by significant food, beverage and retail offerings. These include:

- Heritage Attraction – part-free visitor attraction accessible to all, part-ticketed tour telling the Story of English Theatre and focussed on the town’s connection with William Shakespeare and Shakespeare’s comedian Robert Armin, called the Shakespeare Experience.

- Cultural Programme - consisting of both performing, digital and visual arts, taking place in the redeveloped Guildhall and Fermoy Gallery, along with other multipurpose spaces and remodelled outdoor events spaces across the site. 330 performances and events a year. Spaces include: 297 seat Guildhall, 90 capacity second performance space in the north range barn, 68m² Fermoy Gallery, smaller meeting rooms, dance/rehearsal studio.
- Creative Hub - a series of rental offices and studios with retail outlets for artists and makers as well as designers and other creative businesses. 814m² of lettable space in up to 14 individual units.
- Education, Skills and Training – including an on-site schools’ programme, evening courses and summer schools. Through a lively programme of family friendly events and activities the local community will be able to explore the Shakespeare story and understand the unique heritage of the Guildhall. Learning experiences making use of the new T-Level schemes, in catering, marketing, tourism, stage and technical management.
- Catering and Retail - a range of food, beverage and retail outlets on the site and significant event catering capability. A 253m² café/bar with 125 covers and a substantial outdoor terrace, a 198m² destination restaurant with 60 indoor and 70 outdoor covers on and an outside terrace overlooking the river. Banqueting facilities for 130 people.



The full cost of the development is estimated to be £20,200,000 of which £8,097,181 will be provided by the Towns Fund, £11,300,000 will be sourced from the strategic funding partners to include HM Government, Norfolk Investment Fund, National Lottery Heritage Fund and £750,000 from the Borough Council.

The Economic Impact Assessment for the full scheme, estimates the GVA impact of the construction jobs, operational jobs and jobs supported by wider visitor spend. The total impact is over the construction period and for 15 years post completion. The analysis includes bespoke theatre industry employment multipliers and considerations for additionality at different spatial levels using quantitative and qualitative assessments. The assessment concludes the combined GVA of the project to be £30.8m, supporting 117 jobs, broken down by direct and indirect impacts including;

- 55 construction jobs created (worth £6,850,000)
- 17 FTE operational jobs created on completion (worth (£9,300,000)
- Visitor spend impact creates 45 jobs in the local economy (worth £14.650,000)

The baseline scenario is to do nothing and for the Borough Council to be responsible for running the Guildhall as now. The Council would continue to incur net losses in the region of £191,000 a year (indexed by 2% annually for the remainder of the 26 year lease would equate to a total £6.6m), which excludes any costs associated with active programming of the site that is currently taking place through the UK Shared Prosperity Funded activity by the project team. In addition, the baseline scenario would face the substantial cost of making good repairs as regulated by their contract with the National Trust.

Without a complete refurbishment the Centre will not be financially sustainable, and it is unlikely that any new or existing charity or commercial operator would be prepared to take the building over without a guarantee of substantial revenue funding. None of the outputs or outcomes would be achieved in this scenario. For an asset as important to the Town to languish further is not considered appropriate and the catalytic opportunity to help regeneration and increased visitor number would be missed for another generation.

	Baseline Scenario (2024)	Preferred Option
Annual revenue cost to Council	£191,000 (excluding any active site programming)	Nil
Capital investment required	As below	£20.2m
Cost of substantial repairs to cover the remaining years of the lease.	Min £1.1m immediate repairs + ongoing repairs for remaining duration of lease.	Nil
No. of public performances p.a.	60	340
Total Attendances p.a.	21,727 (increase from 2022 due to UKSPF funded activity programme)	168,512 (2028/29)

Project Risks, Constraints and Interdependencies of the proposed investment

The Project Board has considered the risks, constraints and interdependencies of the project and the mitigations they can take are included in the Risk Register shown in Appendix 1. A summary of the main risks are as follows:

Risk	Risk Description and Mitigation
Funding	If the project does not secure adequate funding from various funding streams (Towns Fund / NLHF / ACE etc.) it will not be delivered as per the current Full Scheme Option 1 or Phased Scheme Option 2 scope. Fundraising strategy review undertaken, and clear objectives identified requiring BCKLWN resources being secured in summer 2024. Consider review of further scheme options in respect of phasing without materially impacting project objectives and business plan.
Fundraising	Council & CIO satisfying differing requirements, objectives, and timescales of potential funding opportunities. The project may not be able to deliver funding requirements in the timescales required for the various funders to cover the gap in funds. Potential funders requirements workshop to check alignment with project aims and compatibility with project programme.

	BCKLWN to consider underwriting the capital shortfall until future funds are secured.
Project Fees	<p>Consultant Fees have risen due to the increase in scope and timelines for the project. Consultants procured based on a £9m project, full project costs currently at £20.2m.</p> <p>If Option 1 (Full Scheme) proceeds, then a VEAT notice will be issued to comply with the BCKLWN procurement legislative rules. If Option 2 (Phased Scheme) is supported instead, the Design Team for the remaining stages of the project must be reprocured.</p>
Programme	Overall, the end-to-end Programme is under pressure to meet the Towns Fund expenditure and outputs target deadline of March 2026. The Project Team are responding by continually reviewing and revising the master programme where opportunities have been agreed e.g. submission of full planning at end of RIBA 3 stage in preparation for funding opportunities with the NIF.
Regulatory approvals	<p>Full Planning and Listed Buildings Consent applications have been submitted. Failure to secure consent or be conditioned to make major amendments to the scheme could be harmful overall to the Town Fund outputs, and future business plan.</p> <p>National Trust (NT) 'landlords' consent' is required for the design. The project will be unable to be delivered or delayed if the necessary consents are not achieved in a timely manner.</p> <p>Extensive proactive engagement by BCKLWN Officers and the NT will seek to minimise risks.</p> <p>Historic England and other statutory consultees have been actively engaged on the project's design and the historical findings of the HBA, CMP.</p>
Design Sign-off RIBA 3	<p>Client Design Approval delay or material changes to design beyond agreed outputs, budget or timelines will cause further redesign costs and a corresponding delay to the programme.</p> <p>Early, consistent, and regular engagement with various "clients" and clear governance (Town Board, Cabinet) processes are in place and being used to control change and gain decision support for all critical matters.</p>
Procurement of Main Contractor	<p>The scale and complexity of the project results in there being a limited number of competent, qualified organisations to be considered for the tender in early 2025. The construction market is cyclical and so we could be subject to high or low demand levels for this type of contractor at the time of the procurement tendering exercise.</p> <p>Mitigation will include early engagement of main contractors to prepare their tendering teams for their bid. Work will start in September 2024 to engage via a form of expression of interest (EOI).</p>
Archaeology	<p>During RIBA 1–3, there have been many significant archaeological finds in the reviews and investigations across the site. The Project team have surveyed extensively (e.g. 40+ pits) to try and mitigate against the risk of new discovery finds. These new finds could have the impact of disruptive changes to the design, an increase in costs and additional time to manage their impact. This risk of discovery will continue until the project's end in late 2026.</p> <p>A large selection of opening up works and trial pits completed to assess the risk. Clear process in place should finds be uncovered.</p> <p>During RIBA 4, the Project Team will continue looking for opportunities to remove risks from the main project, e.g. stripping out of the main Guildhall ahead of the main start on site.</p>

<p>Political and wider external stakeholder support</p>	<p>The decision to call an election in July 2024 has impacted RIBA 4 project approval and direction setting for the funding strategy. Option to accelerate RIBA 4 design approved subject to receipt of Town Deal annual progress payment.</p> <p>National political support for the Levelling up agenda and current commitments paused until intent of new government is clear.</p> <p>Local MP engagement to ensure support for Town Deal Project Adjustment Requests in summer 2024. Delay will impact overall project timelines, and potential cost should further design reviews be required.</p> <p>Local political and public support is essential, and engagement sessions continue to be had to ensure the understanding and impact on BCKLWN is fully understood and acceptable to the people of KLWN.</p> <p>Communications plans agreed with BC communications team, and WE ARE DESTINATION (engagement consultants) assisting with key messaging.</p>
<p>CIO</p>	<p>Inadequate resource to deliver the CIO operations prior to handover. The business fails to function resulting in poor outcomes affecting ability to raise additional funding, preparedness for opening etc. Ongoing engagement with the CIO is underway on the Business Case assumptions, operational and management assumptions. The CIO may require additional operational staff either via recruitment or secondment of council staff.</p> <p>CIO fails to recruit the right leadership team for the site, and it results in an underperforming scheme with a resultant negative impact on the turnover, profit/ loss projections over its first 3-5 years.</p> <p>BCKLWN will be responsible for the site and operation if the CIO cannot deliver the agreed objectives in the plan.</p>
<p>Business Plan</p>	<p>The project delivered is not able to meet the aims and objectives set out in the latest Business Plan (Appendix 4). It is expected that the CIO should continually review and monitor performance against business plan - adjust pricing policies if required ensure adequate marketing budget identified and target audiences. This expectation could form part of the relationship agreement.</p> <p>Demand for Shakespeare Experience Tours – if visitor numbers meet or exceed the expected targets, will place pressure on the day-to-day operation of the site. The Business plan provides several ideas to ease the pressure at key times of the day or season.</p> <p>Failure to retain/build/train volunteer team through the project and prepare for transition to CIO. The project is unable to develop the volunteer base to enable the smooth transition to the CIO and beyond into it operating years. Work with NMS and National Trust volunteer teams to build volunteer strategy to look at both recruitment and development. Volunteers need to receive appropriate training to play their part across the site.</p>

The key constraints for this project are:

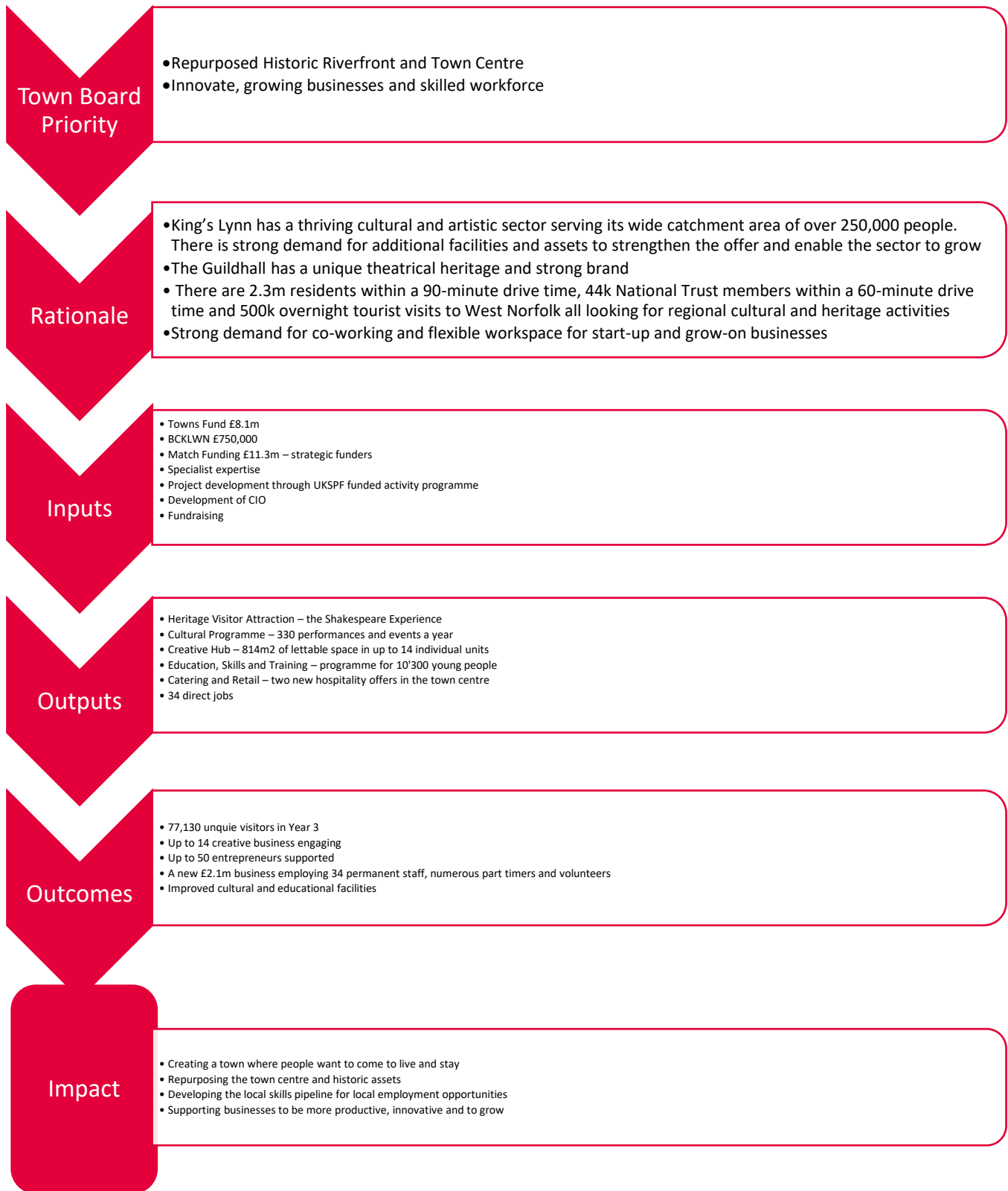
- Budget – ability to deliver a comprehensive scheme within the funding available. The need to provide a fully fitted out Centre to the operator to enable them to run without revenue subsidy

The key interdependencies of the project are:

- Match funding support is required from Norfolk Investment Fund, HM Government, National Lottery Heritage Fund and others to complete the funding package. In a sense this is the most important critical success factor for without full matched funding the project could be delayed whilst alternative funding is investigated in an environment where construction costs are escalating virtually weekly.
- Obtaining planning permission and listed building consent for alterations to the Grade 1 historic listed buildings on site. Planning application submitted in June 2024 following extensive consultation with statutory stakeholders.
- The existing sub-leases have been rationalised
- Liaison with other cultural partners and stakeholders operating in King's Lynn to ensure a holistic and complementary cultural offer for the town, supporting the wider Cultural Strategy objectives, not competing.

Development of an MOU and Marketing Partnership with the National Trust to promote the Centre to its members.

Project Theory of Change



STAKEHOLDERS

The Borough Council of King's Lynn and West Norfolk (BCKLWN or the Borough Council), the National Trust (NT) and Norfolk County Council/Norfolk Museums Service (NMS or the County Council) are working in partnership to deliver the conservation and regeneration of St George's Guildhall and Creative Hub (the project, the Centre). The partners are working hand-in-hand with the King's Lynn Town Board (KLTB) to deliver this pivotal part of the £25 million vision for the town.

The Borough Council are the lead organisation and accountable body for this partnership, applying to National Lottery Heritage Fund (NLHF), and others, for grants to refurbish the Guildhall site. They will be responsible for the refurbishment and redevelopment, ultimately leasing the site to a new Charitable Incorporated Organisation (CIO) to operate as a heritage visitor attraction.

A Project Board (the Board) has been set up to oversee and manage the delivery of the comprehensive and sustainable redevelopment and regeneration of the St George's Guildhall and Creative Hub. The Board members represent the King's Lynn Town Board, Borough Council of King's Lynn & West Norfolk (accountable body), the National Trust and Norfolk County Council. Current members are:

- Cllr Simon Ring, Deputy Leader, BCKLWN
- Duncan Hall, Assistant Director, Housing Regeneration & Place, and Project Sponsor, BCKLWN
- Dr Robin Hanley, Assistant Head of Museums & Head of Service Delivery, Norfolk Museums Service (NCC)
- Vicky Etheridge, Interim Chair of the King's Lynn Town Board

The Board is also supported by key stakeholders consisting of:

- The CIO
- Elected ward members
- Norfolk Museums Service
- Historic England
- National Trust
- Industry experts
- Local interest groups
- Existing tenants of the Centre.

The Project Board and wider stakeholders will work towards a common purpose to;

- Promote a shared vision for the complex
- Contribute to the evolution of all aspects of the complex (theatre/ exhibition/ Creative Hub space)
- Create a long-term sustainable model of operation that is resilient to changes in tastes, technologies, and that is inclusive and accessible
- Make a genuine impact on the area's cultural health and economic prosperity
- Provide the mechanism for wide ranging consultation in support of external funding to ultimately deliver the project

In addition, the project team have consulted with over 60 users, potential users, and stakeholders to develop the outline plan of the activities that will deliver the Board's Vision.

A copy of the Stakeholder map is included in Appendix 2.

ECONOMIC CASE

ECONOMIC CASE

INTRODUCTION

The Economic Case demonstrates the public value for money of the preferred option to society, including wider social and environmental effects. This is demonstrated through a Value for Money (VfM) assessment of the preferred option.

The analysis presented in this section updates and reflects changes to the proposed scheme since the submission of the original Towns Fund business case in 2022. The core components of what the scheme is delivering remain unchanged, but refinements to the designs, costings, funding allocation as well as context have been incorporated to reflect a contemporary VfM position as of July 2024. As such, the economic case is largely consistent with the 2022 submission, except for the following key adjustments:

- Increase in visitor numbers from 37,512 (2022 peak) to 77,130 (2024 peak) following the Guildhall's enhanced visitor attraction status following significant national and international news coverage from its proven Shakespeare connection.
- Increase in the anticipated number of full-time equivalent employees (FTEs) from 22 to 34.
- Increase in the number of volunteers at the Guildhall from 28 to 35.
- Baseline nominal cost (including risk values but excluding inflation) increase from £11.24m to £19.48m.
- Updated price base that all figures are reported in from 2021/22 to 2023/24.

APPROACH TO ECONOMIC CASE

The approach taken to the economic case is based on a combination of quantitative and qualitative analysis designed to accurately reflect the proposal for the St George's Guildhall and Creative Hub regeneration project. The quantitative VfM assessment focusses on four key benefits:

- Arts audience benefit.
- Volunteering benefit.
- Labour supply benefit.
- Operational cost and maintenance liability saving benefit.

The quantitative assessment has an appraisal period of 30 years and has been discounted to 2024 prices. All quantified benefits have been estimated in line with the HM Treasury Green Book best practice, using methodologies and values (where possible) from the appropriate UK Government departments.

This Economic Case has also demonstrated the VfM for two scenarios within the preferred option:

1. Benefits associated with the full delivery of the St George's Guildhall and Creative Hub project.
2. Benefits associated with a hypothetical scenario concerning elements of the St George's Guildhall and Creative Hub project funded by the Towns Fund only, designed to demonstrate the VfM of the Towns Fund investment.

OPTIONS APPRAISAL

The development of the St George's Guildhall and Creative Hub project has been the subject of scheme development and options assessment process as part of the development of the Town Investment Plan, the work of the Guildhall Project Board and reprioritisation of King's Lynn's Town Deal Programme (in 2022).

This was undertaken to address the unique requirements, constraints and opportunities presented by the wider redevelopment of the area. The design and optioneering processes aimed at securing the greatest

benefits and stakeholder consultations to ensure that the needs of partner organisations, residents were being met by the designs whilst maximising the opportunities of the Guildhall site. For the purposes of this business case, only 2 options were considered practically viable – these are outlined in the Strategic Case. There were no fundamental changes to the specification of the preferred option or any contextual factor that would require a revisit of the optioneering work carried out prior to 2024.

ECONOMIC BENEFITS

St George's Guildhall and Creative Hub regeneration project will help engender new experiences and enterprise, develop an enhanced leisure offer in the historic town core and facilitate growing innovative businesses through the provision of skills and jobs for young people. A cluster of arts and culture activity will be generated for residents and visitors able to access the historic theatre and creative enterprise and learning / education spaces.

The investment will address all the historic dilapidations to the historic building, including major structural repairs and upgraded services, and provide a fully equipped facility that will enable operation without revenue subsidy. Given the strategic context of the scheme there are four economic benefits that have been quantified to help demonstrate the project's value for money arguments. These are:

- **Labour supply benefit** – The savings to the exchequer that will be experienced as a result of employment at the Guildhall and the avoidance of Long-Term unemployment through increased tax revenues and decreased welfare payments.
- **Cultural wellbeing benefit** – Research undertaken on behalf of DCMS into valuing the wellbeing impacts of culture and sport found that the value per arts attendance was between £46 and £62 (2014 prices). This is not a willingness to pay estimate, these are values in addition to any price paid to participate such as entrance fees.
- **Volunteering benefit** – The value of volunteering (to the volunteer) can be estimated using data on life satisfaction and volunteering status. The value that frequent volunteers place on volunteering is approximately £13,500 per year at 2014 prices.
- **Operational cost saving** – The site would require a net deficit of circa £191,000 per annum, which excludes outstanding building maintenance liabilities, if there was no investment into the facilities and it were to be operate as an almost empty space. The investment is expected to reduce the maintenance liability, create a viable investment and attract a commercial operator to take ownership of the site. This would constitute a net cost saving to the Council.

The economic benefits have been calculated separately but is an accurate representation of the various benefits that will arise as a result of the intervention.

Labour Supply Benefit

The redevelopment of the Guildhall will generate an estimated 34 direct full-time jobs. The scheme will attract visitors to the site as well as encourage greater footfall to the north-west quadrant of the town centre. The increase in activity in this area resulting from the scheme will generate additional spending by those using the space. In addition to the direct jobs supported on site, an increase in local spending is expected, which will support additional jobs in both existing businesses and new businesses that cater to the increased demand in this area.

The jobs and additional local spend are expected to regenerate a deprived area of the town. As such, MHCLG guidance gives an approach for quantifying the fiscal benefits of moving locally unemployed workers into employment related to direct and indirect activities. The guidance utilises TAG A2.3 (Appraisal of Employment Affects) to calculate welfare impacts over and above user benefits to the Exchequer. These are the tax revenues resulting from labour supply impacts and can be estimated as 40% of the resultant change in GDP. This tax revenue impact reflects both the increase in tax revenue (income tax, national insurance contributions and corporation tax) and the reduction in out-of-work subsidies.

As these jobs are supported on site and by spending in the local these benefits will persist as long as the user numbers and the activity in this area is maintained. The investment is expected to facilitate the employment of 17 Full Time Equivalent (FTE) employees, providing a benefit to the local economy. The key assumptions are outlined in the table below.

Assumptions

Assumption	Value	Source/ Justification
Model Assumptions		
Gross Jobs	34	Value from the St George's Guildhall and Creative Hub Business Plan 2024 for number of operational jobs.
Composite Multiplier	1.35	Based on the analysis of the case studies of other theatre developments and the calculation of various multipliers, a bespoke sectoral composite multiplier of 1.35 has been applied to the economic benefits of the Guildhall.
GVA per Worker	£55,157	The Gross Value Added per worker for the Guildhall. Based on the KL&WN GVA per worker taken from ONS and NOMIS Productivity and Employment Data
Welfare Impact	40%	TAG A2.3 (Appraisal of Employment Affects) states that the valuation of the labour supply impacts resulting from a scheme can be calculated in terms of welfare impacts over and above user benefits to the Exchequer. These are the tax revenues resulting from labour supply impacts and can be estimated as 40% of the resultant change in GDP.
Additionality		
Deadweight	15%	Low Deadweight - this is based off an assessment of the counterfactual scenario against the future employment numbers. Outputs provided by the St George's Guildhall and Creative Hub Business Plan 2024 give future gross job numbers for the Guildhall as 34. There is currently the equivalent of 3 FTEs working at the Guildhall. Therefore, netting the current employees from the future job numbers 90% of the new jobs are net additional. However, additional deadweight on the grounds that some of these jobs might occur elsewhere.
Leakage	14%	Low Leakage - a reasonably high proportion of the benefits will be retained in the target area. Using Travel to Work data in order to calculate leakage values based on origin-destination workplace data for BKLWN a low level of 14% of the benefits is expected to accrue outside the area.
Displacement	50%	Medium Displacement - examining the labour market in King's Lynn and the surrounding area, activity could at the Guildhall could displace employment from other organisations. However, given the unique nature of the development and the links to Shakespeare, and interest it is expected that the developed will increase aggregate employment in the town. Displacement is lower than in the original Business Case due to the discovery of the floorboards.
Additionality	37%	Stantec calculation

The results of the labour supply benefits analysis for both the Full Scheme and Towns Fund only are shown in the table below.

Results

	Full Scheme	Towns Fund
PV Benefits		
Labour Supply Benefit	£5,970,000	£2,390,000

Cultural Wellbeing Benefit

The St George's Guildhall and Creative Hub Business Plan 2024 reported the Guildhall had recorded 9,375 visitors to the site. This modest number of annual visitors underperforms comparable, historic attractors in the region, which is driven by the underinvestment and increasing dilapidation of the site.

The Towns Fund investment into the Guildhall Auditorium, second performance space and outdoor theatre will transform the site and is expected to increase the number of performances taking place each year and create a key centre for performance arts in Norfolk. As a result of the increase in shows and interest in the historic links to Shakespeare is estimated that the number of attendees will increase to 67,365 upon opening in 2026/27 and then increase to 78,064 in 2027/28 before settling at approximately 77,130 unique visitors from 2028/29 onwards.

Research undertaken on behalf of DCMS into valuing the wellbeing impacts of culture and sport found that the value per arts attendance was between £47 and £62 (2014 prices). This is not a willingness to

pay estimate, these are values in addition to any price paid to participate such as entrance fees and represent the equivalent amount of money participants would need to derive the same wellbeing impact that engaging in culture has. This net additional increase in attendees has been multiplied by the lower-bound wellbeing impact (i.e. £47) as cautious approach as to not overstate the benefit.

The assumptions that have been used in quantifying the wellbeing associated with participating in arts have been summarised in the table below.

Assumptions

Assumption	Value	Source/ Justification
Model Assumptions		
Wellbeing Benefit of Attending Art	£61.05	Quantifying and Valuing the Wellbeing Impacts of Culture and Sport - Department for Culture, Media & Sport. 2014. The lower bound of the range has been taken and uplifted to 2024 prices using a GDP deflator.
Existing Visits per Annum	9,375	Value taken from the St George's Guildhall and Creative Hub Business Plan 2024 for current visitor numbers.
Forecasted Visits per annum	Year 1- 67,365 Year 2- 78,064 Year 3 onwards- 77,130	Forecasts from the St George's Guildhall and Creative Hub Business Plan 2024 for the future visitor numbers.
Additionality		
Deadweight	0%	Deadweight is appraised through comparison against the counterfactual of existing visitor numbers.
Leakage	55%	Medium Leakage – a calculation based on the percentage of total visitors that are from King's Lynn in the St George's Guildhall and Creative Hub Business Plan 2024. 55% of total visitors are not from the local area.
Displacement	50%	Medium Displacement - the Guildhall is likely to displace activity from other similar venues in the area. However, due to the discovery of the Shakespeare floorboards there are likely to be some unique visitors not displaced from other activities.
Additionality	23%	Stantec calculation

The results of the cultural wellbeing benefits analysis for both the Full Scheme and Towns Fund only are shown in the table below.

Results

	Full Scheme	Towns Fund
PV Benefits		
Cultural Wellbeing Benefit	£14,910,000	£5,960,000

Volunteering Benefit

Further to permanent and casual staff positions, the site activities will be supported by an estimated 35 gross volunteers from the local community in public facing roles such as tour guides and stewards recruited from the established networks currently supporting the Guildhall as per the St George's Guildhall and Creative Hub Business Plan 2024, based on a value of 13,268 volunteer hours per year.

There is a significant body of academic literature demonstrating that participants derive benefits from volunteering through several different ways, including: enhanced self-esteem; personal development; occupational experience; improved health; and education and learning. Fujiwara et al. (2013) estimate a composite, average value of volunteering, to the volunteer, using data on life satisfaction and volunteering status of £18,521 (uplifted from 2011 prices). This value is not necessarily an amount people would be willing to pay to partake in voluntary work, it is simply the monetary equivalent of the wellbeing benefit derived from volunteering. The source of each assumption and their justification to calculate the economic benefits associated with volunteering is summarised in table below.

Assumptions

Assumption	Value	Source/ Justification
Model Assumptions		

Assumption	Value	Source/ Justification
Gross Volunteers	35	Information from the St George's Guildhall and Creative Hub Business Plan 2024 for Future Volunteer numbers.
Value of Volunteering	£18,521	DWP/ Cabinet Office - Wellbeing and Civil Society. The 2011 value was uplifted using a GDP deflator.
Additionality		
Deadweight	0%	Deadweight is appraised through comparison against the counterfactual of existing visitor numbers.
Leakage	0%	No Leakage - all volunteers are likely to be from the King's Lynn area.
Displacement	25%	Low Displacement – a small number of the new volunteers may be displaced from other volunteering activities within King's Lynn.
Additionality	75%	Stantec Calculation

The results of the volunteering benefits analysis for both the Full Scheme and Towns Fund only are shown in the table below.

Results

	Full Scheme	Towns Fund
PV Benefits		
Value of Volunteering Benefit	£4,480,000	£1,790,000

Operational Cost Saving

To keep the site in a state of non-operation, it requires a net deficit of £191,000 per annum, which excludes outstanding building maintenance liabilities, if there was no investment into the facilities and it were to be operated as an almost empty space. This excludes the costs of addressing dilapidations that the Council are contractually obliged to the National Trust to address, estimated to be more than £1,100,000 for immediate repairs to the roof.

The investment is expected to reduce the maintenance liability, create a viable investment and attract a commercial operator to take ownership of the site. This would constitute a net cost saving to the Council. Profiled over 30 years, the total impact of reducing the site maintenance liability and transferring ownership to a commercial operator would be approximately **£6.59m in present value terms.**

ECONOMIC COSTS

The economic costs of the do nothing and do something options have been assessed by the Council. The costs of the scheme are based on quantities and benchmarked costs, have been assessed at a high level and focus on the capital delivery phase.

The costs presented in the table below have been discounted – at 3.5% per annum as per the MHCLG appraisal guidance – and include optimism bias (OB). The OB is lowered from the 24% used to uplift costs in the previous iteration of the business case to reflect the progression of the RIBA Stage 3 designs which affords greater cost certainty; an OB rate of 13% is applied to the costs between the lower bound and midpoint value for standard building projects, which at Full Business Case stage can be as low as a 2% cost uplift.

Net economic costs, 2024 prices

Costs	2024/25	2025/26	2026/27	2027/28	Total
Total Nominal Costs (including sunk costs at £1.4m)	£310,000	£8,010,000	£9,510,000	£250,000	£19,480,000
Total Nominal Costs Less Sunk Costs	£310,000	£8,010,000	£9,510,000	£250,000	£18,080,000
OB at 13%	£40,000	£1,040,000	£1,240,000	£30,000	£2,350,000
Costs + OB	£350,000	£9,050,000	£10,740,000	£290,000	£20,430,000
Towns Fund (less sunk costs, includes OB and in PV)	£350,000	£6,310,000	£-	£-	£6,660,000
TOTAL COSTS (PV)	£350,000	£8,740,000	£10,030,000	£260,000	£19,380,000

VALUE FOR MONEY ASSESSMENT

There are two key metrics set out in the MHCLG appraisal guidance that can be used to assess quantitative element of VfM: the calculation of Benefit Cost Ratios (BCR), which simply show the ratio of benefits to costs; and the Net Present Social Value (NPSV), which represents the present value of benefits less the present value of costs. A BCR of above 1 and a positive NPSV indicates that the intervention option under consideration represents VfM. The higher the BCR, the higher the overall VfM (not considering non-monetised costs and benefits). The formulae for these two metrics are shown below.

The BCR is calculated using the following formula:

$$BCR(\text{intervention option}) = \frac{\text{Benefit (intervention option)} - \text{Benefit (do nothing)}}{\text{Cost (intervention option)} - \text{Cost (do nothing)}}$$

The NPSV calculates the difference between the net marginal benefit and the net marginal costs:

$$NPSV(\text{intervention option}) = \text{Net Benefit (intervention option)} - \text{Net Cost (intervention option)}$$

Where:

$$\text{Net Benefit (intervention option)} = \text{Benefit (intervention option)} - \text{Benefit (do nothing)}$$

And,

$$\text{Net Cost (intervention option)} = \text{Cost (intervention option)} - \text{Cost (do nothing)}$$

The results of the VfM assessment for the preferred option are outlined in the table below. The VfM assessment for the full St George's Guildhall and Creative Hub project shows a BCR at 1.6 which represents a 'Medium' BCR. Similarly, the BCR for the hypothetical scenario assessing the elements of the St George's Guildhall and Creative Hub project only funded by the Towns Fund reports a BCR of 1.9 which again represents a 'Medium' BCR.

Value for Money Assessment, 2024 prices

Value for money assessment	Full Scheme	Towns Fund
PV Economic benefits		
Labour Supply	£5,970,000	£2,390,000
Cultural Wellbeing	£14,910,000	£5,960,000
Value of Volunteering	£4,480,000	£1,790,000
Operational Costs Savings	£6,590,000	£2,640,000
Total Economic Benefits	£31,950,000	£12,780,000
Economic costs		
Total Nominal Costs	£19,480,000	£7,490,000
Total Nominal Costs Less Sunk Costs	£18,080,000	£6,090,000
OB @ 13%	£2,350,000	£790,000
Costs + OB	£20,430,000	£6,880,000
Discounted PV Costs	£19,380,000	£6,660,000
Net Present Social Value	£12,570,000	£6,120,000
Benefit-Cost Ratio (BCR)	1.6	1.9

Sensitivity Analysis

Five sensitivity tests have been conducted in order to ensure the robustness of the results. These have been conducted on various assumptions that drive the key economic benefits:

- **Sensitivity Test 1: increase in in Optimism Bias from project costs** – a 24% optimism bias is applied to total CAPEX (increasing from 13% under the core option).
- **Sensitivity Test 2: higher displacement on the arts audience cultural wellbeing benefit** – increasing the displacement factor (i.e. the extent to which economic impact is offset by reductions elsewhere) from 50% to 75% reduces the wellbeing benefit.
- **Sensitivity Test 3: no operational: Operational cost and maintenance liability saving** – eliminating the cost saving benefit would reduce the net present social value and BCR.
- **Sensitivity Test 4: reduction in visitor numbers by 25%** – a reduction in the number of expected visitors by 25% for every forecast year.
- **Sensitivity Test 5: reduction in visitor numbers by 50%** – a reduction in the number of expected visitors by 50% for every forecast year.

Sensitivity Analysis

Sensitivity Tests	Full Scheme	Towns Fund
Core Scenario		
NPSV	£12,570,000	£6,120,000
BCR	1.6	1.9
Test 1		
NPSV	£10,680,000	£5,470,000
BCR	1.5	1.7
Test 2		
NPSV	£5,110,000	£3,140,000
BCR	1.3	1.5
Test 3		
NPSV	£5,980,000	£3,480,000
BCR	1.3	1.5
Test 4		
NPSV	£8,320,000	£4,420,000
BCR	1.4	1.7
Test 5		
NPSV	£4,080,000	£2,730,000
BCR	1.2	1.4

Switching Values

Switching value analysis has been undertaken on the costs and benefits as part of the VfM assessment. This indicates the changes required in either costs or benefits that will result in a BCR of 1. The tables below show the results of the tests.

Benefits

Switching Values	Full Scheme	Towns Fund
Labour Supply	-211%	-256%
Attendance Wellbeing	-84%	-103%
Value of Volunteering	-281%	-342%
Operational Costs Savings	-191%	-232%
Total Benefits	-39%	-48%
Total Costs	£19,380,000	£6,660,000

Costs

Switching Values	Full Scheme	Towns Fund
Total Costs	65%	92%
Total Benefits	£31,950,000	£12,780,000

NON-QUANTIFIED BENEFITS

In addition to the quantified benefits identified in the previous section, the completion of the St George's Guildhall and Creative Hub regeneration project is expected to bring further non-quantifiable benefits that contribute towards the overall value of the project. These are outlined below.

In addition, several wider economic impacts presented in the St George's Guildhall and Creative Hub Economic Impact Assessment (July 2024) that cannot be included in the VfM assessment have been presented in this sub-section of the Economic Case.

An improved external perception of King's Lynn

The project is likely to have a positive impact on the external image of the town, which will help to attract businesses, additional footfall and kickstart development for the rest of the town centre. The interventions will help celebrate King's Lynn's heritage offer and create a sense of a density of visitor attractions in the town. The combined investment will help drive footfall, dwell time and visitor spend in the Town. This increase in investment will help to stimulate the revitalisation of the local economy and help to ensure its future prosperity by making King's Lynn a more attractive place for visitors.

Safeguarding a nationally important cultural asset

The Guildhall of St George is the largest surviving Medieval Guildhall in England and is a historic building of national significance. It is also reputed to be the oldest continually working theatre in England and the recent well covered discovery of historic floorboards that William Shakespeare performed on has underlined the importance of the Guildhall to local people.

The economic benefits adopted in this business case focus on the people based benefits the Guildhall project will delivery (e.g. encouraging participation in arts activity and volunteering). However, the scheme will deliver significant benefits to King's Lynn's built environment by enhancing and safeguarding the future of a Grade 1 Listed Building that is country's largest surviving medieval guildhall and oldest continuous working theatre in the UK. During recent renovations medieval flooring was discovered, which are believed to form part of the only surviving stage on which William Shakespeare performed. The discovery has garnered significant national and international press with over 217 million people reading the original BBC article in October 2023. The transformation of the Guildhall is focused on preserving these links to retain current visitor interest and expand tourism to King's Lynn.

Complimenting the delivery of other Towns Deal and regeneration initiatives in King's Lynn

The Guildhall project represents one of the most ambitious projects within the King's Lynn Town Deal. It will complement other Town Deal investment, in particular the Riverfront Regeneration project that will also invest in enhancing and repurposing a Grade 1 listed building – The Custom House. Both schemes are located in close proximity and will encourage footfall along King Street between the riverfront and the Guildhall. The complementarity to the Riverfront project is further strengthened by its focus on enhancing King's Lynn visitor economy to increase and diversify tourism offer.

Construction Phase Impacts

In the St George's Guildhall and Creative Hub Economic Impact Assessment Report the net additional direct and multiplier effects of the construction of the Guildhall and Creative Hub have been captured. Applying the Jobs to CAPEX ratio to the total construction spend creates 100 gross construction jobs. These result in 40 net additional direct jobs and 15 indirect and induced job years. The overall GVA impact of the construction phase of the St George's Guildhall and Creative Hub project is £6.495 million.

Wider Visitor Expenditure Impacts

In the St George's Guildhall and Creative Hub Economic Impact Assessment Economic Impact Assessment Report the jobs supported by the wider "off-site" spending generated by the additional visitors attracted to King's Lynn to visit the St George's Guildhall and Creative Hub has been quantified. This analysis calculated wider economic impacts at both the Kings Lynn and West Norfolk level and the East of England level.

A summary of the results of these wider economic benefits in terms of jobs and GVA are shown below.

King's Lynn and West Norfolk Level	Net Additional Wider Visitor Spend 28/29 onwards	Jobs Supported	GVA Generated by Jobs Supported	Nominal Impact Over 15 Years
	£5,203,508	45	£977,516	£14,662,734
East of England Level	Net Additional Wider Visitor Spend 28/29 onwards	Jobs Supported	GVA Generated by Jobs Supported	Nominal Impact Over 15 Years
	£1,387,602	12	£260,671	£3,910,062

Source: Stantec, 2024

SUMMARY

The economic case presents an appraisal of the St George's Guildhall and Creative Hub regeneration project that was prioritised for investment in the King's Lynn Town Deal. The relative simplicity of the scheme enables a Do Something and a Do Nothing option to be considered with the Do nothing option not taken forward. It has been estimated that the preferred option produces a BCR of 1.6 for the full scheme and 1.9 for the hypothetical scenario of just the Towns Fund investment representing 'Medium' VfM in both cases. The benefits quantified for the scheme are conservative and utilised regularly applied methodologies. The full scheme benefits generated from increased participation in arts activity will generate £14.91m of economic benefit while reductions in operating cost and maintenance liability will generate over £6.59m in savings. Labour supply and volunteering benefits will also add to the economic value of this project. In summary, a net present social value of £12.57m is estimated against a total cost, including optimism bias, of £19.38m.

FINANCIAL CASE

FINANCIAL CASE

INTRODUCTION

St George’s Guildhall and Creative Hub (the Centre) forms an integral part of the King’s Lynn Town Deal, with the capital restoration and build project due to start in financial year (F/Y) 2025/26. The completed site would be operational from January 2027.

The financial case comprises two distinct components – the capital build phase, and the ongoing operation of the site once the capital phase is complete. The former covers the costs and funding associated with the restoration, refurbishment, build and fit-out of the site as well as the establishment of a Charitable Incorporated Organisation (CIO), the legal entity which has been identified as the optimum vehicle for operating the Centre.

Once opened, the Centre will be operated by the CIO, managing a mix of income streams and direct/indirect costs. The income and expenditure associated with this business model form the second component of the financial case.

The preferred base case option is to deliver the proposed restoration and build project in full, and to operate the Centre thereafter as a heritage visitor attraction and cultural hub without public subsidy.

APPROACH TO FINANCIAL CASE

Capital Phase

The funding for the capital phase derives from six sources and is summarised in the table below:

Type	Source	Total Amount £
Public Sector	Towns Fund	8,097,181
Public Sector	BCKLWN	750,000
Public Sector	Long Term Plan for Towns (LTPT) (to be secured)	4,000,000
Public Sector	Devolution for Norfolk (Norfolk Investment Fund (NIF)) (to be secured)	3,000,000
Public Sector	National Lottery Heritage Fund (NLHF) (to be secured)	4,352,819
Private Sector	Philanthropic Investments, donations & legacies	
	Total	20,200,000

Funding has been secured from central government (Towns Fund) and the local authority. The remaining funding package is anticipated to be secured from Long Term Plan for Towns (LTPT), Devolution for Norfolk (Norfolk Investment Fund (NIF), lottery funding (NLHF) and private sector investment. The Borough Council amended its capital programme in April 2022 to underwrite up to £3.3m for the unsecured funding at that stage, and also potential borrowing costs which may be incurred to facilitate cashflow depending upon funding approval timescales. This existing underwriting commitment will be formally reviewed by the Borough Council in 2025 once known funding sources are determined during 2024/25.

Revenue Operation

The Centre expects to generate income from a wide variety of sources once completed – without a requirement for public sector subsidy. A revenue income summary for FYs 2026/7 to 2028/9 is shown below. These income figures are expressed in 2024 values; no inflation factor has been applied. It is assumed that the facility will re-open in January 2027 but that the first financial year (2026/7) will be at a lower level of activity. All business activities are anticipated to have reached their steady state by year 3 (2028/29).

(Table of income sources redacted due to sensitivity.)

The value of income has been based on an analysis of the mix of activities planned for the Centre and is drawn from knowledge of comparable organisations and experience of the cultural sector. The Centre represents a unique mixture of performance venues, visitor attraction, commercially hired working space and a range of food and beverage offers. Each component has been modelled on comparable operations elsewhere, and the combination of these on one site is expected to strengthen the commercial sustainability of the whole, although assumptions are prudent.

COSTS

Capital Phase

Cost estimates have been prepared by quantity surveyors (Andrew Morton Associates) in cooperation with the architects Howarth Thompkins. RIBA stage 3 cost plan dated 04.07.24 is shown below:

The costs have been estimated based on the professional experience and advice of the QS. Inflation estimates have been applied with an allowance of 2% inflation per annum between Q4 2023 and Q1 2025. Construction inflation of 1.5% is allowed for.

Costs include an allowance of 8% profit for the main contractor, preliminaries costs are based upon a construction duration of 18 months and design team fees are based upon the external project management appointment of Pulse to provide the specialist support required during the development and construction phases of the project.

Pre-opening staff and overhead costs are capitalised in 2025/26, representing key staff coming on board shortly before opening (CEO/Creative Director for a full 12 months), with a modest level of associated overheads. These costs are inflated to 2026 values based on 7% annual inflation (UK CPI March 2022).

All capital and revenue income/ operating costs component assumptions will be continually monitored through the delivery stage and adjusted to reflect revised costs as they arise. In addition, a revised capital works risk allowance of 15% has been allowed in the cost plan to deal with either increased or unexpected costs.

(Table of estimated capital costs redacted due to commercial sensitivity).

Costs – Phased over lifetime of project (July 2024)

Andrew Morton Associates Ltd
Kings Lynn Guildhall

		10/07/2024 Rev 1		2024												2025											
		From summary	Totals	August	September	October	November	December	Jan	Feb	March	April	May	June	July	August	September	October	November	December							
A	Construction costs	£ 16,199,402	£ 16,199,402												£ 785,671	£ 471,403	£ 628,537	£ 785,671	£ 785,671	£ 942,805							
B	Professional fees																										
	RIBA Stage 4	£ 781,000	£ 781,000		£ 101,530	£ 101,530	£ 101,530	£ 101,530	£ 101,530	£ 101,530	£ 101,530	£ 35,145	£ 35,145														
	RIBA Stage 5/6	£ 888,628	£ 888,628												£ 45,834	£ 45,834	£ 45,834	£ 45,834	£ 45,834								
	Stage 7 - In use		£ -																								
C	Reports and Surveys																										
	RIBA Stage 4	£ 42,000	£ 42,000		£ 21,000	£ 21,000																					
	RIBA Stage 5/6	£ 18,650	£ 18,650												£ 3,730			£ 3,730									
D	Other fees																										
	Exhibition fit out and legal																										
	RIBA Stage 4	£ 15,000	£ 15,000						£ 10,000																		
	RIBA Stage 5/6	£ 530,000	£ 530,000					£ 7,500	£ 7,500									£ 10,000	£ 10,000	£ 10,000							
E	New staff																										
	RIBA Stage 4	£ 40,000	£ 40,000		£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444														
	RIBA Stage 5/6	£ 281,500	£ 281,500						£ 15,639	£ 15,639	£ 15,639	£ 15,639	£ 15,639	£ 15,639	£ 15,639	£ 15,639	£ 15,639	£ 15,639	£ 15,639								
F	Other Project costs	£ 80,000	£ 80,000															£ 4,444	£ 4,444	£ 4,444							
		£ 18,876,180	£ 18,876,180	In period	£ -	£ 126,974	£ 126,974	£ 105,974	£ 113,474	£ 139,113	£ 121,613	£ 121,613	£ 55,228	£ 55,228	£ 15,639	£ 847,144	£ 536,606	£ 694,455	£ 861,589	£ 865,319	£ 1,018,723						
	Stage 3 sunk costs	£ 1,323,820		Cumulative	£ 126,974	£ 253,949	£ 359,923	£ 473,398	£ 612,511	£ 734,124	£ 855,738	£ 910,966	£ 966,194	£ 981,833	£ 1,828,978	£ 2,365,584	£ 3,060,038	£ 3,921,627	£ 4,786,946	£ 5,805,669							
	Check	£ 20,200,000																									
		£ 16,199,402																									
		£ 4,000,598																									
	Check	£ 20,200,000																									

2026												2027												2028	
January	February	March	April	May	June	July	August	September	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December	January	
£ 942,805	£ 942,805	£ 1,099,939	£ 1,099,939	£ 1,099,939	£ 1,099,939	£ 1,099,939	£ 1,257,074	£ 1,099,939	£ 471,403	£ 314,268	£ 471,403	£ 557,259												£ 242,991	
£ 45,834	£ 45,834	£ 45,834	£ 45,834	£ 45,834	£ 45,834	£ 45,834	£ 45,834	£ 45,834	£ 45,834	£ 45,834	£ 45,834	£ 45,834	£ 45,834											17,773	
			£ 3,730					£ 3,730				£ 3,730													
£ 10,000	£ 10,000	£ 10,000								£ 100,000	£ 150,000	£ 5,000													
£ 15,639	£ 15,639	£ 15,639	£ 15,639	£ 15,639	£ 15,639	£ 15,639																			
£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444	£ 4,444											
£ 1,018,723	£ 1,018,723	£ 1,175,857	£ 1,169,587	£ 1,165,857	£ 1,165,857	£ 1,150,218	£ 1,311,083	£ 1,150,218	£ 521,682	£ 464,547	£ 671,682	£ 766,268	£ 59,444	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 260,764	
£ 6,824,392	£ 7,843,115	£ 9,018,972	£ 10,188,560	£ 11,354,417	£ 12,520,274	£ 13,670,492	£ 14,981,575	£ 16,131,793	£ 16,653,475	£ 17,118,022	£ 17,789,704	£ 18,555,972	£ 18,615,416	£ 18,615,416	£ 18,615,416	£ 18,615,416	£ 18,615,416	£ 18,615,416	£ 18,615,416	£ 18,615,416	£ 18,615,416	£ 18,615,416	£ 18,615,416	£ 18,876,180	

Revenue Operation

Costs relating to the operation of the Centre (for FY 2027/28 – considered the first year of full scale operation) are shown below.

(Table of estimated costs to run operation redacted due to commercial sensitivity).

Ongoing costs for the revenue operation have been constructed on a bottom-up basis, analysing each separate function of the Centre, using relevant comparators and knowledge of comparable operations. The full business plan is included in Appendix 4.

FUNDING AND REVENUES

Capital Phase

Funding Profile	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total Amount £
Towns Fund	289,714	578,351	1,380,630	5,848,486			8,097,181
BCKLWN					641,899	108,101	750,000
Long Term Plan for Towns (LTPT)				988,984	3,011,016		4,000,000
Devolution for Norfolk (Norfolk				1,325,765	1,674,235		3,000,000

Investment Fund - NIF)							
National Lottery Heritage Fund (NLHF)					4,269,294	83,525	4,352,819
Philanthropic Investments, donations & legacies							
Total	289,714	578,351	1,380,630	8,163,235	9,596,444	191,626	20,200,000

Any in year underspend on Towns Fund can be carried forward to subsequent years up to March 2026.

Revenue Operation

The identified revenue income sources are presented in the Approach to Financial Case section above as a 3-year timeline. The planning assumption is that this would continue thereafter at the level of 2028/29.

In terms of security these revenue streams are clearly dependent on the trading performance of the Centre. As noted above under costs, a contingency representing 3% of total revenue is budgeted to provide some planning flexibility and a margin of safety. Individual revenue streams have been budgeted on a predominantly prudent bottom-up basis and are benchmarked where possible to known comparator examples in the cultural and heritage sectors. The full Business Plan is included in Appendix 4.

AFFORDABILITY ASSESSMENT

Capital Phase

The funding assumptions include specific identified funds from the Towns Fund, BCKLWN, LTPT, NIP and NLHF. Any remaining funding gap that emerges will be reported back to BCKLWN as the accountable body in early 2025 to determine met either by fundraising or by a reduction in scope of the project. There are extensive fundraising opportunities and once the charitable incorporated organisation is in place this will begin apace. Areas of reduction have been identified that minimise the impact on the business plan and the Towns Fund outputs.

Financial risks (and associated impact/mitigation) relating to the capital phase have been identified as follows:

Risk & Opportunity Category	Date raised	Risk Title	Risk Description	Current Status	Risk Impact		Combined Ranking	Mitigation Action	Action Lead	Commence Action Date	Target Close Date
					Likelihood	Impact					
Funding	Sep-23	Funding	It the project does not secure adequate funding from various funding streams (Towns Fund / NLHF / ACE etc.) the project will not be able to be delivered as per the current scope	Open	5	5	25	TOWNS funding re-prioritised to provide £8.07m of capital funding. Following unsuccessful NLHF application for potential total ask of £3.3m (including the intended Stage 2 application ask). Fundraising Consultant procured to set fundraising strategy (target issue end March 2024). Reviewing options in respect of phasing without materially impacting project objectives and business plan (Core Scheme).	Various	Jun-24	So5
Financial	Sep-23	Budget Position Vs Cost Plan	The project does not have the available budget to complete at the end of RIBA stages.	Open	5	5	25	Phasing Strategies being developed to fit budget parameters. Clear Decision Process needed from Client perspective to budget approval.	AM	Sep-23	Jan-25
Cost	Jan-24	Consultant Fees	Consultant Fees rise due to increased scope of project. Consultants procured based on £9m project, now currently at £18m.	Open	5	5	25	Receive fee increases and review cost plan.	PM	Sep-23	Ongoing
Financial	Sep-23	Tenders received exceed the budget cost allowance due to inflationary pressures	The project does not have the available budget to progress, major scope reduction of VE required.	Open	4	4	16	Regular cost reviews throughout the design development period - undertake market testing of key cost items - regular review of inflation allowances against the market trends.	AM	Sep-23	Project Completion
Financial	Sep-23	Quality / Inadequacy of funding bids	The project is not able to secure the necessary funding to complete	Open	3	5	15	Work with NCC and NT funding teams to help build robust and strong bids. Reviewing feedback from NLHF and Arts Council to ensure feedback is utilised to help inform future funding applications.	RL	Jan-24	Oct-24

Revenue Operation

A detailed narrative and financial Business Plan has been completed and is included in the Appendix. It is important to note that the revenue operation is budgeted to operate without public subsidy, although

access to a working capital loan may be necessary in the first two to three years as a sustainable trading operation becomes bedded down.

On this basis the Centre aims to secure its sustainability and affordability. As a charity the CIO's governance convention will require it to plan and build reserves in order to further secure its ability to operate through potential downturns and periods of unpredictable trading.

There are inherent risks involved in operating a cultural visitor attraction. These focus particularly on attendance numbers at the Shakespeare Experience and the public performance programme.

WIDER FINANCIAL IMPLICATIONS

As detailed above the BCKLWN proposed spend on the capital phase is £750,000. In addition, the Borough Council provided a commitment to underwrite funding up to £3.3m in the previous business case and report to Cabinet and Full Council in April 2022.

If funding from the identified sources above, in the region of £5-7m is secured as hoped later in 2024, the funding gap at the time of appointing a contractor reduces to £4-£6m. The future options to extend the underwriting commitment – and finance it to allow the capital works contract to be let while other funds are pursued – will need to be confirmed and approved by the Council in early 2025. The cost of borrowing will vary, dependent upon the funding gap and timescales for funding approval.

In summary, there is potential for all funding to be secured and a window of opportunity to progress the funding strategy between now and early 2025 to inform an update in the Business Case.

COMMERCIAL CASE

COMMERCIAL CASE

INTRODUCTION

This section examines the approach to procurement and delivery for St George's Guildhall and Creative Hub (the Centre) and has two primary areas of focus:

- Capital project phase: the capital build and refurbishment of the site taking place 2025/26 and 2026/27
- Revenue operation of the Centre: following completion of capital works and re-opening in early 2027

The capital phase will be procured and delivered by the Borough Council of King's Lynn and West Norfolk (the Council) with the support and cooperation of key partners the National Trust (detailed in a Memorandum of Understanding) and Norfolk Museums Service.

Regarding the operation of the Centre, following a governance options appraisal, BCKLWN has agreed the formation of a new independent Charitable Incorporated Organisation (CIO) to undertake this, once the capital phase is complete.

BCKLWN will enter into a long-term lease for the site with the CIO for a peppercorn rent connected to a Service Level Agreement. The CIO was registered with the Charity Commission during 2023 with the trustees also acting as the members of the organisation. The Constitution Objects include 'the advancement of the arts, culture, heritage or science'¹.

The CIO is an independent organisation with up to twelve trustees. The CIO will set up a separate trading company to manage commercial, non-charitable activity. A Founding Chair and initial trustees were appointed during 2023/4 and work closely with the Creative Director and representatives of the Project Board, ready to take on operation of the site in due course. The charity will be supported by a professional management team and a large group of volunteers. Trustees will not be remunerated.

COMMERCIAL DELIVERABILITY

Capital project phase

Commercial Strategy

Objectives

- To deliver a high-quality visitor attraction and cultural hub
- Ensure value for money through the procurement process taking into account the whole life costing and on-going operational/maintenance considerations.

The accountable body for the project is BCKLWN. Key project partners are:

- National Trust
- Norfolk Museums Service

Experience/track record

The Borough Council, the National Trust and Norfolk Museum Service all have an extensive track record of managing significant heritage projects. The Borough Council has a strong track record of both

¹ [What, who, how, where, ST. GEORGE'S GUILDHALL AND CREATIVE HUB - 1204051, Register of Charities - The Charity Commission](#) and for more specific details [Governing document, ST. GEORGE'S GUILDHALL AND CREATIVE HUB - 1204051, Register of Charities - The Charity Commission](#)

managing and investing in the heritage it cares for. Council staff are experienced in both developing and managing high quality heritage projects. Recent examples include:

St Margaret's Townscape Heritage Initiative – £2m (2014-2019). A jointly funded project between the Borough Council of King's Lynn and West Norfolk, the Heritage Lottery Fund and private investment to conserve, enhance and regenerate the historic shopping streets of the High Street and St James Street in the St Margaret's Conservation Area. These works included the structural and external repairs to historic buildings currently in use, the repair and conservation of vacant or partly vacant historic buildings and the authentic restoration of architectural features. Furthermore, the project included the high-quality enhancement of public realm in the historic Saturday Market Place.

The Stories of Lynn – £3m (2016) This project jointly funded by the Heritage Lottery Fund transformed public access to - and engagement with - the Grade I Listed Trinity Guildhall and Town Hall complex and its collections. The project improved the local landscape of the Town Hall, encouraging more people to access and use the building. There were significant improvements to disabled access and key visitor facilities. Enhanced visitor experience of the Town Hall through new displays and other interpretation, providing access to both collections and the story of the building, alongside significantly improved access to all parts of the historic complex including the nationally important Borough Archives which were housed in a new purpose built archive facility.

The Walks - £4.3 m (2008) A Grade II registered historic park in the heart of King's Lynn recognised as one of the UK's most important parks, incorporating a number of historic features including the Grade I Listed Scheduled Ancient Monument, the Red Mount Chapel. After years of decline a major restoration project was completed in 2008. This included the conservation of the historic structures and features, but also the addition of new components such as a new park management building incorporating toilet facilities and a café. The £4.3m restoration project was jointly funded by the Heritage Lottery Fund (£3.75m) and the Borough Council.

Norfolk Museum Service are managing one of the largest heritage projects of its kind currently underway in the UK:

Norwich Castle, Royal Palace Reborn – £13.5m (ongoing) project to transform Norwich Castle's iconic Norman Keep. The project will transform the Keep's internal spaces by rebuilding its medieval floors and rooms so that everyone can experience a Norman royal palace and its stories. The major funder is the National Lottery Heritage Fund. Once complete, Norwich Castle will take its place as one of the UK's premier heritage attractions, where for the first time in 900 years everyone will be able to explore all 5 levels of the Keep – from basement to battlements. Robin Hanley is the lead on the Keep project and is a member of the Guildhall Project Board.

The National Trust has undertaken many large multifaceted projects in the last 5 years, including:

- **Knole** (£23.3m) - conservation project to secure the future of the house and its collections, upgrade all mechanical and electrical systems and create a new state of the art conservation studio
- **Quarry Bank Mill** (£12.2m) - restoration of one of Britain's greatest industrial heritage sites revealing new stories of those who lived there, and creating new outdoor spaces and visitor facilities
- **Seaton Delaval Hall** (£7.9m) - significant repairs and new visitor facilities, exhibits and experiences developed with local artists and community groups
- **Oxburgh Hall** (£6.5m) - restoration of Tudor roofscape and medieval gatehouse, and creation of a new visitor experience
- **Roundhouse** (£3m) - conversion of derelict 19th century canal-side stables and stores in Birmingham into a hub from which to explore the city by foot, bike or boat.

What enables the Trust to develop and deliver projects on this scale is its breadth of experience in a wide range of disciplines, including conservation, curation, project management, finance, visitor experience and fundraising.

Procurement approach

The Borough Council’s Contract Standing Orders sets clear rules for the procurement of goods, works and services for the organisation. The rules should ensure that the council is fair and accountable in its dealings with contractors and suppliers.

Market testing

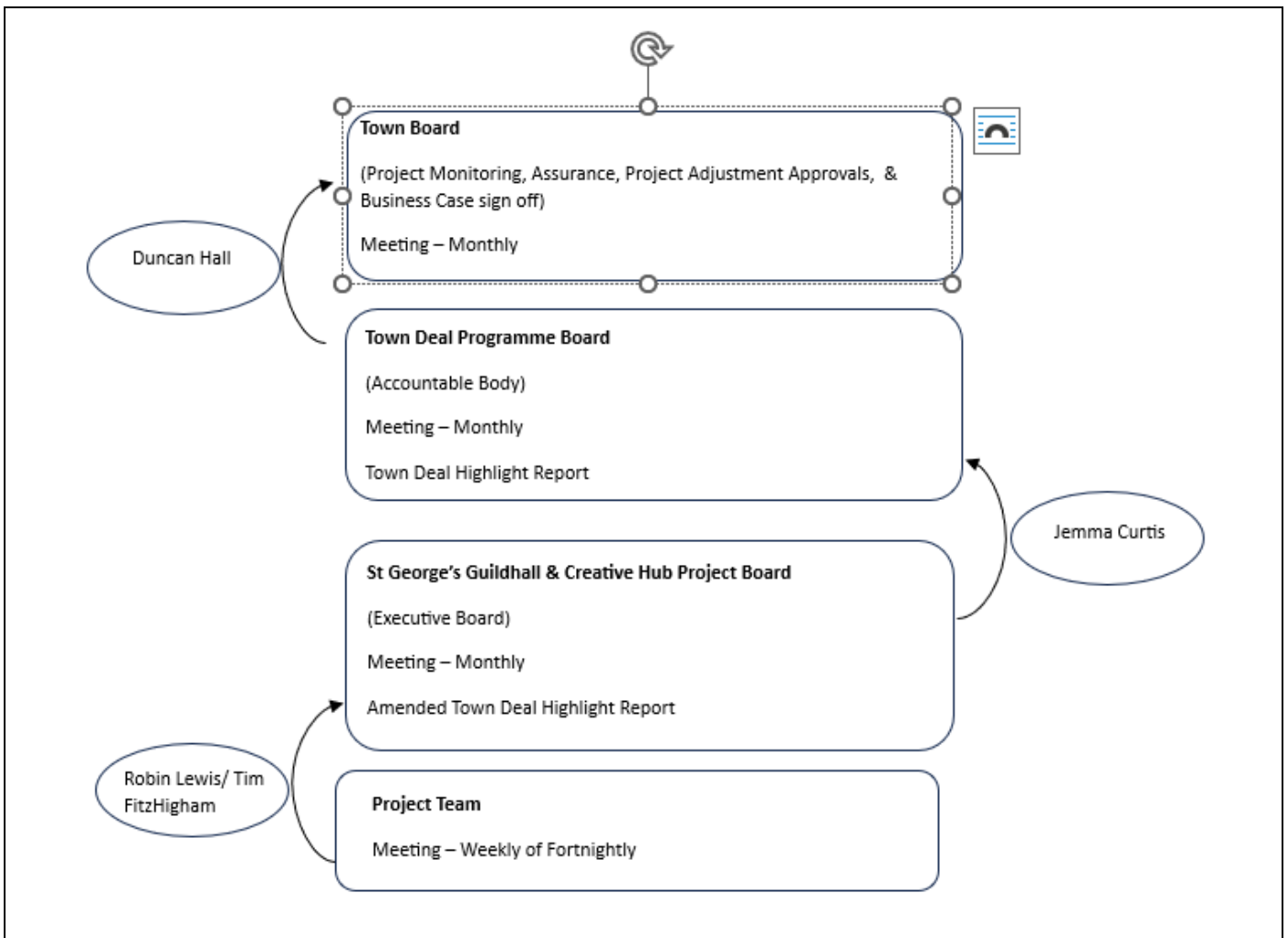
BCKLWN has good experience of working with contractors of the relevant size and skill set over the last 10 years to deliver the capital project and believes there is healthy competition between available contractors. The scale of the project is likely to attract contractors from outside the geographical area.

Procurement Risk

Management of procurement risk is overseen by the Guildhall Project Board and monitored at detailed level by the Project Team. The Guildhall Project Board meets monthly. Risks are identified by the team and documented on the risk register (picked up by the highlight reports) and escalated and dealt with at the appropriate level (Project Board, Programme Board, Town Board).

Roles and Responsibilities

These are set out in the Management Case but in summary, at the organisational level the roles and responsibilities for the capital phase are as follows:



Revenue Operation

Commercial Strategy

Objectives:

- To operate the Centre with appropriate levels of expertise to ensure high-quality artistic product in the performance spaces, and to deliver a world-class visitor experience
- To operate the Centre without the need for regular ongoing revenue subsidy from the council or other public agency.

The accountable body for the operation will be the CIO. The key project partners with whom a marketing partnership will be developed are:

- The National Trust
- Norfolk Museums Services.

Procurement approach

An options assessment was carried out previously for operation of the redeveloped/ refurbished centre and decision made in 2022 that a newly established CIO was the optimal vehicle to run the site. This assumption was checked during 2024 and the CIO still found to be the optimal vehicle.

Recruitment of trustees was undertaken in 2023. The chair and trustees were selected on the basis of expertise and experience in the cultural and visitor attraction sectors and have experience of sitting on boards of corporations, public bodies and other not-for-profit and cultural organisations. As such they have experience of governance and providing oversight of strategy and operational policies including procurement and financial management.

The staff team to be created by the CIO, will be led by a Creative Director/CEO supported by a Commercial/Financial Director. These two senior leadership roles will be expected to balance the commercial and creative demands of the business, giving the Creative Director sufficient capacity to focus on delivering an integrated creative vision for the site, whilst ensuring the commercial revenue generating activities are providing a stable income that can give a strong foundation to the business. They would be aided by a General Assistant.

The Creative Director and Commercial Director would be supported by a senior management team comprising, Marketing Manager, Fundraising Manager, Learning and Engagement Manager, Hospitality/Events Manager, Technical and Facilities Manager, FOH & Box Office Manager, and an Education Officer.

The Marketing Manager would oversee a Marketing Assistant to promote the site, Shakespeare Experience, performance programme and commercial offers within St George's Guildhall & Creative Hub. These will work closely with National Trust, Norfolk Museums Service, BCKLWN, National Trust and Norfolk County Council to ensure the hub is well publicised locally, regionally and nationally as part of a wider effort to increase heritage tourism into King's Lynn.

IT, HR support and cleaning would be outsourced; provision for these areas is included in overheads. Technical support for each of the 330 staged performances would be shared between the Technical and Facilities Manager and Technician (permanent staff) each supported by one casual staff member per show (for the Guildhall Auditorium).

The core permanent staff team is estimated to create 18 FTE jobs. Costs of catering staff, casual technical, education and creative staff have all been built into the cost of sales within the financial model. For the purposes of the St George's Guildhall and Creative Hub Business Case these have been estimated at 18.2 FTE, resulting in 34.2 FTE across the site.

The ongoing capability of the CIO operating the Centre to recruit and retain staff will be monitored and assessed as part of the organisation’s risk management framework, ultimately under the control and oversight of the trustees.

The CIO will diversify its provision of catering/food and beverage services by splitting the operation between an in-house team (for bars and café operations as well as event and banquet catering) and an outsourced solution for the restaurant. This is judged to provide an optimum mix of customer experience as well as spreading risk. The restaurant will be positioned as a destination dining venue and further broaden the appeal and profile of the Centre. This will be taken forward by an established operator with proven success in the sector.

PROCUREMENT STRATEGY

Capital project phase

The Borough Council will be the lead responsible organisation for all procurements with advice from the National Trust and Norfolk Museums Service. While the Borough’s Council’s Procurement Strategy is currently under review, it will support the Council’s Corporate priorities of:

- Promoting growth and prosperity to benefit West Norfolk
- Protecting the Environment
- Efficient and effective delivery of our services
- Supporting our communities.

The Strategy also aligns with requirements of new Procurement legislation contained within the Procurement Act 2023, due to come into force on 28th October 2024.

It is the intention of the Project Team to make use of new flexibilities within the Act to design a procurement process which will find the most suitably qualified contractor to carry out the works.

The key project components and procurement approaches are as follows:

Supplier type	Expected contract value	Procurement process	Issue Invitation to Tender	Contract start date
Principal Contractor	c. £16m (according to latest Cost Plan)	Open tender	September 2024 (for RIBA Stage 5 - Construction)	June 2025
Exhibition design and build	£50k Design. £400k Build	Open tender	July 2024 (for RIBA Stage 4 design)	September 2024

The operation of the centre will not be subject to a procurement exercise as an options appraisal has identified the formation of an independent CIO as the optimal route.

Policy measures embedded into the procurement strategy include:

- Social value: for larger contracts issues such as ‘use of local apprentices’ and ‘use of local subcontractors’ are included as award criteria, and there is a general intent to increase social value through contracts

- 'Social value form': the relevant council procurement officer is obliged to identify improvements in economic, social and environmental well-being for procurements above a certain value
- Equality (Appendix 12 of BCKLWN Contract Standing Orders): where relevant to the subject matter, procurement may take into account equality-related issues. The council's Equality Policy encompasses nine 'protected characteristics' – Disability, Gender reassignment, Marriage and civil partnership, Pregnancy and maternity, Race, Religion and belief, Sex and sexual orientation.

Contract and Risk Management

The commercial risks are set out in the Risk Register included at Appendix 1.

The strategic management of the project during the development and delivery phases will be the responsibility of the Project Board. The Board will be responsible for making key decisions, approving end stage documentation and approving key changes to the project.

The day-to-day contract and risk management of the project will be undertaken by a Project Officer who will act as the Project Director and manage the project broadly based on the principles of Prince2 project management methodology. They will be supported by the architect and specialist heritage, construction, theatre and interpretation consultants that will be appointed upon the commencement of the development stage. Further support will be provided by the wider project team including client and partner organisation officers, e.g. BCKLWN procurement team.

Operation of the Centre

The CIO will, as part of its setup, draft and approve a number of internal policy documents including a procurement strategy governing revenue expenditure. This will ultimately be for the trustees to approve. However suggested procurement policy objectives should include:

- Achieve excellent value for money
- Ensure quality, reliability and continuity of supply of goods and services
- Ensure that adequate records are kept showing the adherence to procedure
- Take account of environmental considerations where practical and economically feasible.

Procurement value thresholds will likewise be subject to trustee approval. A suggested structure could be as follows:

- Up to £2,000: competitive quotes not required; budget holder discretion applies
- £2,001- £20,000: three competitive quotes required except where 'unique supply' situation applies (endorsed by Chief Executive and Finance Manager). Unique supply arises where artistic/creative discretion required
- £20,001 and above: competitive tendering process required to deliver minimum of three quotes (except where unique supply), including thorough background information on supplier.

Subsidy Control

Independent legal advice has been sought in terms of compliance with the UK's new Subsidy control regulations and the project is considered not to breach procedures and to confirm that any subsidy awarded is permitted.

MANAGEMENT CASE

MANAGEMENT CASE

INTRODUCTION

The management case for the St George's Guildhall and Creative Hub project (the Centre) will outline the approach to deliverability, timescales and responsibilities. The Borough Council's approach to project management is based on a clear structure with lines of accountability running throughout the delivery team, connecting each part of the team to senior leadership by the project sponsor, enabling monitoring of progress, accountability and the ability to escalate issues where required through the Towns Fund Programme Board.

The Borough Council has a track record of delivering similar projects as set out in the Commercial Case. The Borough Council will act as lead delivery partner working with the National Trust and Norfolk County Council's Museum Service to deliver the interventions set out in the strategic case. A newly constituted Charitable Incorporated Organisation (CIO) established in July 2023 will operate the Centre once the development is completed.

PROJECT MANAGEMENT

Development Phase

A multi-disciplinary Project Team from across the Borough Council and stakeholders has been formed to manage and deliver the project. The experience of the key Project Team members is set out below:

Jemma Curtis, Borough Council of King's Lynn & West Norfolk, Regeneration Programmes Manager

Jemma is the lead for the King's Lynn Towns Fund programme and responsible for the coordination and delivery of the programme in accordance with the investment priorities for all Towns Fund projects in line with the overall vision and objectives for King's Lynn agreed by the Town Board. Jemma has experience of planning, managing, and delivering a wide range of regeneration projects including a successful £1.2m restoration of the Hunstanton Heritage Gardens in 2017 and the £2m St Margaret's Townscape Heritage Initiative from 2014-2019, both co funded by the NLHF.

Mark Fuller, Borough Council of King's Lynn & West Norfolk, Principal Project Surveyor

Mark has been project manager and delivered a number of successful NLHF (HLF) large capital projects including Greyfriars Tower Repair and Enhancement project (2006 - £1.5m) The Walks Urban Park Conservation Project (2008 - £4.3m) and the Stories of Lynn, King's Lynn Town Hall (2016 - £3m). These projects were delivered with multiple project partners such as Norfolk Museums Service and Norfolk Records Office. Mark has a working knowledge of the St George's Guildhall site from an operational perspective and also worked on the NLHF bid in 2016.

Tim FitzHigham, Borough Council of King's Lynn & West Norfolk, Creative Director and Cultural Officer

Tim is responsible for the delivery of the Guildhall and Creative Hub site with strategic oversight for the project. He is a multi-award-winning performer, writer, international producer and explorer. He was born in King's Lynn and is at least the second generation of his family to perform at the Guildhall. His first degree included the archaeology of standing buildings and he is currently doing a PhD in Robert Armin, Shakespeare's King's Lynn born comedian. He has collated, and in part led the recent research into the Guildhall and championed a fresh approach for the Guildhall for almost a decade.

Robin Lewis Borough Council of King's Lynn & West Norfolk, Project Officer, Corporate Projects

Robin has recently joined the Borough after an extensive career in client-side construction programme delivery for a large FTSE100. These complex, high demand programmes across the UK and Globe have

equipped him with a breadth of skills and experiences that will support him to deliver this nationally significant high-profile project.

Dan Mason, Pulse Project Management

Dan's experience to date, combined with excellent communication and organisational skills has made him a key component of every project team that he has worked on. Acting as a reliable, meticulous and passionate day-to-day contact, Dan has contributed to an array of projects with various Higher Education and School projects, undertaking works for the University of Leicester and Redhill Academy Trust. Dan's customer focussed approach is driven to providing client satisfaction across all projects that are undertaken. Dan's experience includes project management, programme management, construction planning roles, management of contractors and consultants and overseeing key project deliverables for clients.

Team Member	Commitment	Responsibilities
Duncan Hall	As required	Duncan is the Project Sponsor and member of the Project Board and the Senior Leadership Team at BCKLWN. He is the Assistant Director of Regeneration, Housing and Place and supports the King's Lynn Town Board.
Jemma Curtis	As required	Jemma works with strategic oversight on programme delivery and funding strategy, reporting to the Town Board, assisting the Project Sponsor Duncan Hall in reporting to both Town Board, Borough Council and MHCLG. Jemma ensures the flow of information internally and escalates issues where appropriate, as well as ensuring funder compliance.
Tim Fitzhigham	Full Time	Tim has overall strategic responsibility for the Guildhall and Creative Hub Project: he leads on the following workstreams; Conservation Management Plan, Architecture and Design, Theatrical Consultant, Interpretation, Curatorial, Marketing and Comms, Activity, Learning, Fundraising and Volunteer Management. He is the heritage contact for the National Trust and responsible for liaising with Planning, Historic England and stakeholders. Tim is responsible for supporting the CIO in development. He reports to Duncan Hall, Project Sponsor.
Jenny Caynes	2 days per week	Works for Norfolk Museum Service (NMS) and reports to them but for the project team reports to Tim and supports on Activity, Fundraising and is co-lead on Interpretation.
Robin Lewis	Full Time	Reports into the Corporate Project Team for construction and major projects delivery. Project manages the following workstreams: Architecture and Design and Fundraising plus is responsible for overall change control, programme, budget, Monitoring & Evaluation, procurement, reporting and updating the risk log, budgets and cash flow. Responsible for producing the Project Highlight Reports which provide assurance to the respective governance structure.
Mark Fuller	As required	Mark Fuller is responsible for liaising internally with Property Services and reports to the Assistant Director, Property & Projects. Mark is responsible for supporting any part of the project which requires work on site and is the landlord tenant contact for the National Trust.
Dan Mason	Contracted	Dan is a consultant who works for Pulse and supports the project team in project planning and capital works delivery, he supports on contract management, procurement, timetabling and is across all workstreams. Dan is responsible for updating the project dashboard and preparing the agenda and papers for Project Board meetings.

Team Member	Commitment	Responsibilities
Dayna Woolbright	2 days per week	Dayana works for NMS, for the project team reports to Tim. She assists on all activity and curatorial matters delivering the event programme and also supporting the interpretation workstream.
Jane Hamilton	Full Time	Jane is the Borough Council's Learning and Outreach Officer and leads on school activity working with Dayna and Tim on activity planning and delivery.

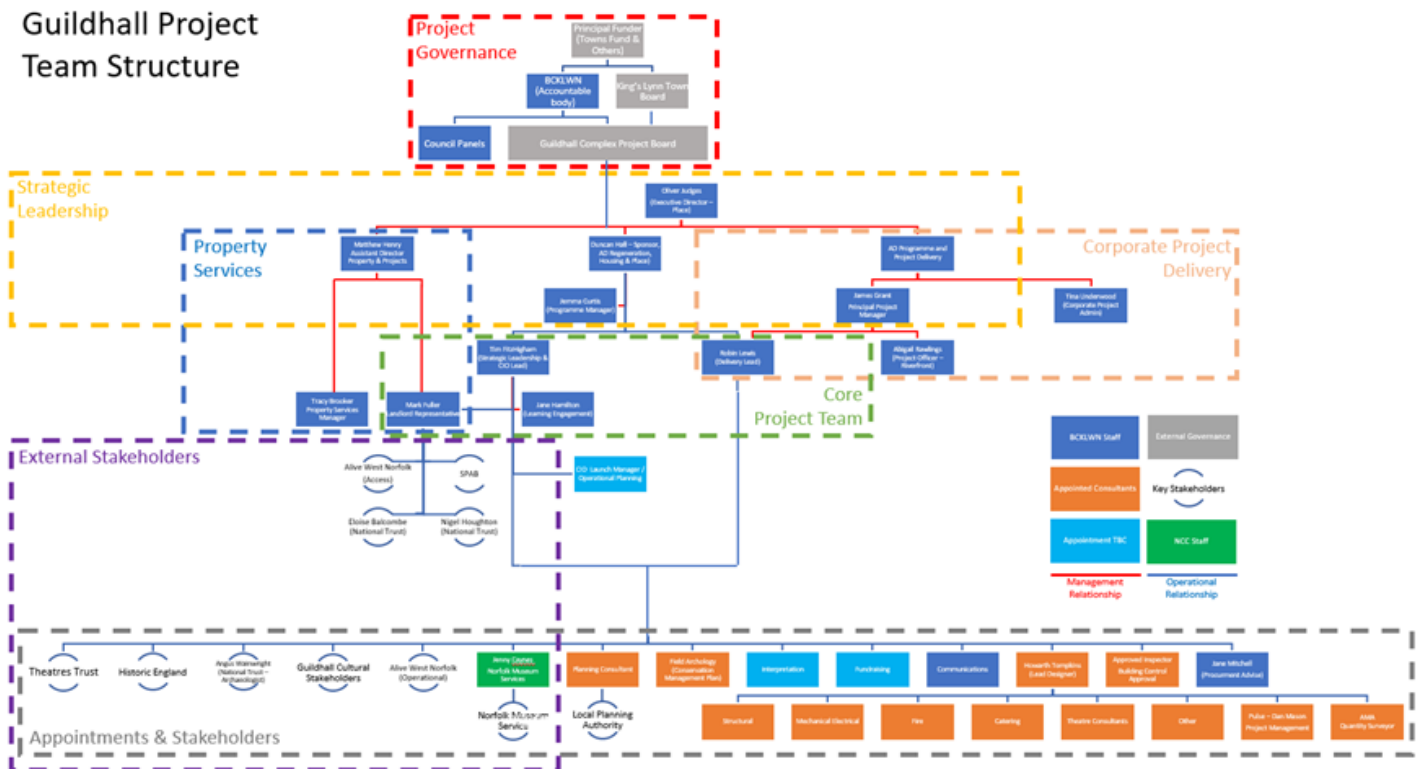
Dr Robin Hanley, Norfolk Museums Service, Assistant Head of Museums

Robin has experience of developing and delivering a number of major HLF/NLHF-funded capital projects including the Voices from the Workhouse redevelopment at Gressenhall Farm & Workhouse and the redevelopment of Lynn Museum. He is currently leading the Norwich Castle: Gateway to Medieval England project, one of the largest NLHF projects currently being delivered in the UK. He has previously worked with the Borough Council on a range of lottery-funded projects including Stories of Lynn, the Walks and South Gate redevelopments. For the Guildhall project Robin will be primarily supporting heritage interpretation and activity planning, including formal and informal learning, youth engagement and operational/business planning.

The responsibilities of the project team are set out below:

Current Project Reporting

The project partners' Project Team members and reporting relationships are set out below:



Delivery Phase

The strategic management of the project during the development and delivery phases will be the responsibility of the Project Board. The Board will be responsible for making key decisions, approving end stage documentation and approving key changes to the project.

The day-to-day client management of the project will be undertaken by the Project Officer, who will act as the client representative and manage the project broadly based on the principles of Prince2 project management methodology. The Creative Director will represent the end user client representative to direct the creative direction of the project to ensure the business plan can be achieved.

They will be supported by for example, architect, specialist heritage, construction, theatre and interpretation consultants that have been appointed. Further support will be provided by the wider project team including client and partner organisation officers, e.g. BCKLWN, National Trust and the Norfolk Museums Service. Throughout the RIBA Stage 4 and delivery phases project teams covering the areas of buildings, conservation, activity planning, interpretation, business planning and funding will meet monthly and report formally to the Project Board through the Project Officer.

The Project Board will require the project to be reviewed at key stages during its progress. The purpose of the reviews is to:

- Provide materials so that the Board are kept adequately informed
- Ensure that the project has developed appropriately since the last stage
- Check that the project continues to deliver against all key objectives and is delivering maximum value
- Ensure that all inputs are being co-ordinated
- Determine that outputs are being achieved in accordance with expectation and contractual requirements
- Demonstrate that the project is on track in terms of quality, programme and cost.

To this effect the Project Team will need to provide reports, drawings, schedules etc in accordance with contractual duties and in such a format as appropriate to the stage as agreed with the Project Officer. Key Stage approvals will generally follow the RIBA stages of work.

At a project specific level the axis of the reporting cycle will be the monthly Project Team Meeting, which will deal with all management and operational issues of the capital project.

All appointments and contracts (consultants and contractors) will be procured and let in strict accordance with the Borough Council of King's Lynn and West Norfolk Contract Standing Orders (November 2019). [Procurement rules documents | Borough Council of King's Lynn & West Norfolk \(west-norfolk.gov.uk\)](https://www.west-norfolk.gov.uk/procurement-rules-documents) and subsequent new procurement strategy to be implemented during 2024 following the Procurement Act 2023, due to come into force on 28th October 2024.

PROJECT ORGANISATION AND GOVERNANCE

Capital Project

The St George Guildhall project will be governed through existing organisational structures in place at the Borough Council and those established to oversee the King's Lynn Town Deal.

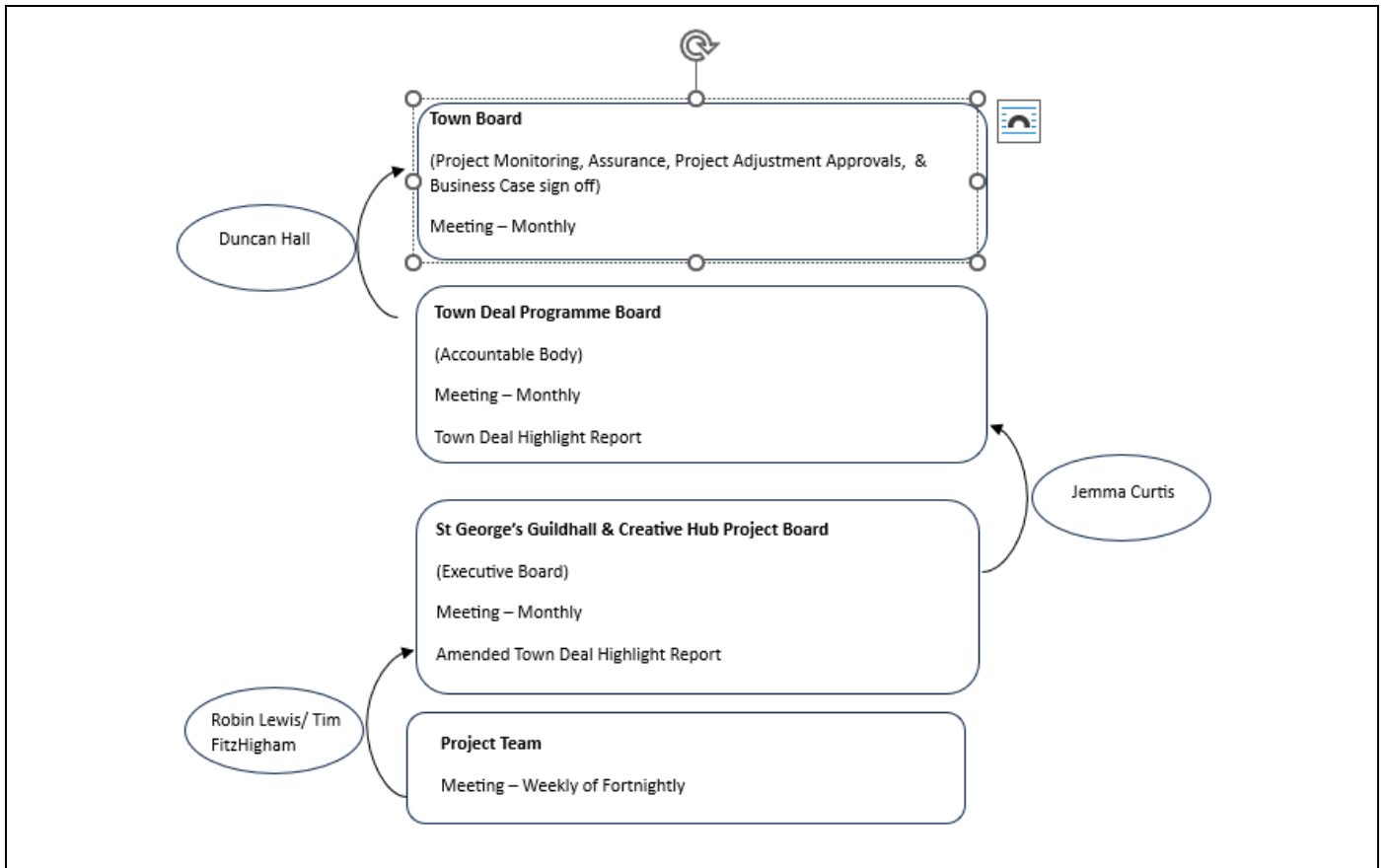
To monitor performance the project reports monthly to the Town Deal Programme Board, chaired by the Executive Director, Place, of the Borough Council (as the accountable body) to monitor progress on project delivery, ensuring outputs are on track, evidenced, reported, and evaluated in accordance with the Towns Fund Monitoring and Evaluation Framework.

To provide oversight on the strategic alignment and achievement of expected outcomes, the project will report regularly to the King's Lynn Town Board, the representative body for the Towns Fund programme. Project assurance for the Project will take the form of regular progress updates and meetings between the BCKLWN and the contractors procured to deliver the project works.

The roles and responsibilities of the different organisations are as follows:

Organisation	Role	Responsibility
MHCLG – Towns Fund	Funder	Monitoring of Town Deal fund spend, outputs and outcomes
BCKLWN	Accountable Body, Leaseholder/freeholder of site, match funder	Ensure delivery of project vision and compliance in accordance with funders and statutory requirements.
King's Lynn Town Board	Approval	Monitor, assurance, sign off
Town Deal Programme Board	Accountable Body	Monitor, assurance, sign off
Guildhall Project Board	Executive Board	Monitor, assurance, sign off
National Trust	Partner	Landlord and specialist advisor
Norfolk Museums Service	Partner	Heritage Interpretation
Project Team	Delivery Team	Project delivery, fundraising
External Project Manager	Delivery Team	
Creative Director	Delivery Team	Senior user representative (CIO) and creative direction for project
Project Officer	Delivery Team	Set up, commissioning, resource management

This structure and reporting flow can be represented as follows:



Membership of the various Boards and project team:

King's Lynn Town Board

Chair: Vicky Etheridge	Rik Martin, Community Action Norfolk
Vice Chair:	Harrison McNaught, Mars Foods
	Cllr Simon Ring, BCKLWN
Member:	Chris Starkey, Norfolk County Council
Cllr Alistair Beales, BCKLWN	Nova Fairbank, Norfolk Chamber of Commerce
Lorraine Gore, BCKLWN	Jason Fuller, This is Fuller
Carly West-Burnham, NHS	Kerry Heathcote, College of West Anglia
Cllr Stuart Dark, BCKLWN	Cllr Deborah Heneghan, BCKLWN
Rt Revd Dr Jane Steen, Bishop of Lynn	Andrew Stevenson, Hawkins Ryan Solicitors
Adam Taylor, The Workshop	

St Georges Guildhall & Creative Hub Project Board

Chair: Tim FitzHigham, BCKLWN
Project Sponsor: Duncan Hall, BCKLWN

Members:
 Cllr Simon Ring, BCKLWN
 Robin Lewis, BCKLWN
 Heather Northey, BCKLWN
 Robin Hanley, Norfolk Museum Service
 Vicky Etheridge, Town Board Interim Chair
 Niki Braithwaite, Norfolk County Council
 Jemma Curtis, BCKLWN

Borough Council of King's Lynn & West Norfolk Cabinet

Chair: Cllr Alistair Beales	Members:
Vice Chair: Cllr Simon Ring	Cllr Bal Anota
	Cllr Michael de Whalley
	Cllr Jim Moriarty
	Cllr Chris Morley
	Cllr Jo Rust
	Cllr Sandra Squire

Town Deal Programme Board

Chair: Oliver Judges, Executive Director

BCKLWN Senior Team	BCKLWN Officers
Duncan Hall	James Arrandale
Matthew Henry	Jemma Curtis
Michelle Drewery	Vanessa Dunmall
Stuart Ashworth	Ged Greeves
	Heather Northey

Norfolk County Council
 Hannah Edge

National Trust Project Board

Project Sponsor: Sue Simpson

Members
 Eloise Balcombe
 Nigel Houghton
 Angus Wainwright

Project Team (Fundraising)

Members:
 Jenny Caynes, Norfolk Museum Service
 Jemma Curtis, Regeneration
 Programmes Manager BCKLWN
 Tim FitzHigham, Creative Director,
 BCKLWN

Project Team (Capital Works)

Members:
 Tim FitzHigham, BCKLWN
 Robin Lewis, BCKLWN
 Heather Northey, BCKLWN
 Mark Fuller, BCKLWN
 Dan Mason, Pulse
 AMA
 Martin Lydon, Howarth Tompkins

Project Team (CIO & Activity Planning)

Members:
 Tim FitzHigham, BCKLWN
 Jane Hamilton, BCKLWN
 Louise Godfrey, BCKLWN
 Jenny Caynes, Norfolk Museum Service
 Dayna Woolbright Norfolk Museum
 Service

Operating Organisation

Creating an organisation to deliver St George's Guildhall and Creative Hub's mission, key priorities, programme and physical hub is going to take significant fundraising and a partnership approach from organisations across the borough. The organisation will need to deliver the partners' priorities and ensure an enterprising and agile response to new commercial and publicly funded opportunities.

The organisation will need to develop strong local, regional, national and international partnerships and model best practice in delivering ambitious and innovative and accessible cultural and heritage programmes of activity. This would include offering opportunities for skills development through volunteering and apprenticeships, and in pioneering sustainable practices and accessible engagement opportunities. The organisation will be governed by a new independent Charitable Incorporated Organisation (CIO) once the development is completed. The CIO will have up to 12 trustees. They will have to comply with the Charity Commission's reporting obligations, i.e. annual trustees report to include a Financial Review, a statement about Structure, Governance and Management, and a section on Plans for Future Periods. The financial review includes Reserves Policy (requiring trustees to focus on strategic financial management issues), the SG&M section includes Risk Management explaining how the subject is controlled and monitored for the organisation. Plans for Future Periods establishes an important discipline for strategic planning etc. The CIO will have a trading subsidiary, this is best practice in operations of this type.

The staff team will be led by a Creative Director/CEO supported by a Commercial/Financial Director. These two senior leadership roles will be expected to balance the commercial and creative demands of the business, giving the Creative Director sufficient capacity to focus on delivering an integrated creative vision for the site, whilst ensuring the commercial revenue generating activities are providing a stable income that can give a strong foundation to the business. They would be aided by a General Assistant.

The Creative Director and Commercial Director would be supported by a senior management team comprising:

- 1 - Marketing Manager
- 2 - Fundraising Manager
- 3 - Learning and Engagement Manager
- 4 - Hospitality/Events Manager
- 5 - Technical and Facilities Manager
- 6 - FOH and Box Office Manager
- 7 - Education Officer

IT, HR support and cleaning will be outsourced with provision for these areas is included in overheads assumptions.

Further permanent and casual staff positions are set out in the financial section of the Business Plan in Appendix 4. The staff team will be supported by a considerable number of volunteers from the local community in public facing roles such as tour guides and stewards recruited from the established networks currently supporting the Guildhall.

ASSURANCE

Duncan Hall (Assistant Director at BCKLWN and Project Sponsor) will be responsible for project assurance, authorising expenditure within delegated levels of authority and act as the ultimate client representative for the scheme on behalf of the Town Board. The Project Sponsor and the Town Board will receive regular progress updates from the Project Board and Project Team to enable assurance and scrutiny of project delivery to be undertaken. This will include:

- Financial monitoring of spend against the agreed schedule and budget
- The physical delivery of the project against the project's objectives set out in the business case

- The delivery of the project against the agreed schedule.

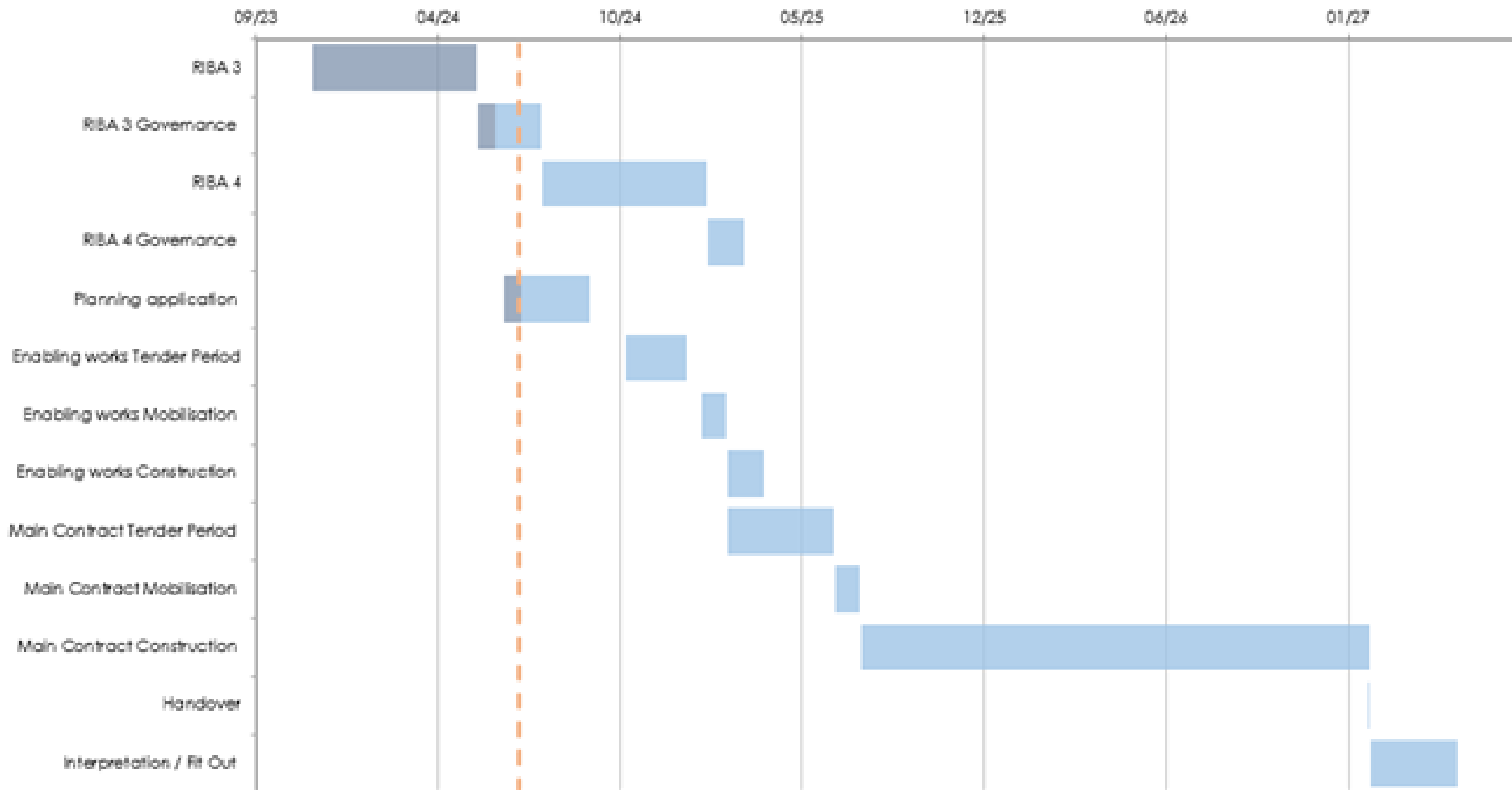
SCOPE MANAGEMENT

The scope of the St George's Guildhall and Creative Hub project is as set out in the strategic case. Any changes to the defined scope will be escalated to the Project Sponsor and the Programme Board to determine whether these are justified for escalation to the Town Board and MHCLG. MHCLG will determine if a project adjustment form is required to amend the scope of the project and approve accordingly. Once the final scope is agreed it will be for the council to manage and there will be no scope for project adjustment from MHCLG.

PROGRAMME/SCHEDULE MANAGEMENT

The high-level programme for the the St George's Guildhall and Creative Hub project is outlined below. This programme identifies an 18 month construction phase commencing in June 2025 with full project completion in January 2027 in line with the financial profiling for the project set out in the financial case.

No other Town Investment Plan projects are directly dependant on the delivery of the St George's Guildhall and Creative Hub project although the Rail to River Public Realm and Riverfront project will assist with footfall and wayfinding.



RISK AND OPPORTUNITIES MANAGEMENT

The key risks for the project are as set out in Appendix 1. The Project Officer and the Project Team are responsible for managing risks and opportunities. If any of these risks or opportunities require escalation, they will initially go to the Project Board and then the Town Deal Programme Board for resolution. If wider engagement is required to make decisions that will have a material impact on the project outputs, this will be raised and addressed with the King's Lynn Town Board.

STAKEHOLDER ENGAGEMENT

The Project Board, which includes the main Stakeholders, is also supported by an Advisory Group consisting of:

- Elected ward members
- Borough Council Portfolio Holder
- Nominated representatives of the KLTB
- Historic England
- National Trust
- Industry experts
- Heritage Champion
- Local interest groups
- Existing tenants of the centre

A copy of the Stakeholder map is included as Appendix 2.

BENEFITS, MONITORING AND EVALUATION

The current Monitoring and Evaluation plan is included as Appendix 5. The key indicators are as follows:

Output - Indicator	Intervention theme	Target	Notes
£ spent directly on project delivery (either local authority or implementation partners) *	N/a	£20.2m	Full Scheme RIBA 3 Cost
£ co-funding spent on project delivery (private and public) *	N/a	£11.3m	Additional funds required to complete project
£ co-funding committed (private and public) *	N/a	£1.05m	£750k, + £210k BCKLWN + £25k N&N, £70k SPF
# of temporary FT jobs supported during project implementation*	Skills and Enterprise Infrastructure	55	Original Target (100) appears to be Gross jobs figure.
# of full-time equivalent (FTE) permanent jobs created through the projects*	Skills and Enterprise Infrastructure	34	As per Genecon Business case report June 24.
# of full-time equivalent (FTE) permanent jobs safeguarded through the projects*	N/a	0	Agreed no roles impacted.
Year on year monthly % change in footfall	Mandatory indicator	1680	168,512 footfall to the site at end of Yr3.
Number of improved cultural facilities	Urban Regeneration	8	GH, Undercroft, Fermoy, WB, Creative Hubs, Landscape amenity, Heritage attraction facilities, Flexible green studio room.
Amount of capacity of new or improved training or education facilities (visits)	Skills and Enterprise Infrastructure	10300	5000 school visit, Evening school, summer school attendance.

# of derelict buildings refurbished	Urban Regeneration	6	Old WH, WB, WB annexe, Linen Store, Part North Range, Red Barn
# of heritage buildings renovated/restored	Urban Regeneration	10	
# of potential entrepreneurs assisted to be enterprise ready	Skills and Enterprise Infrastructure	60	
# of enterprises receiving non-financial support	Skills and Enterprise Infrastructure	50	
Amount of existing parks/greenspace/outdoor improved (m2)	Urban Regeneration	1572	Main courtyard, Shakespeare Courtyard and Courtyard Garden adjacent Ferry Lane.
Amount of new office space (m2)	Urban Regeneration	814	Hub spaces, CIO, site ops) see HT for build-up.
Number of new non-domestic buildings with green retrofits completed	Urban Regeneration	10	
Amount of repurposed floor space (residential, commercial, retail) (m2)	Urban Regeneration	1490	Excludes Restaurant, Guildhall. HT has build-up.

Outcomes - Indicators	Intervention theme	Target	Notes
Number of visitors/audience members to cultural venues	Skills and Enterprise Infrastructure	168,512	168,512 footfall to the site at end of Yr3.
Count of active enterprises	Skills and Enterprise Infrastructure	50	
Count of birth of new enterprises	Skills and Enterprise Infrastructure	15	14 Hubs & CIO. Although Hubs are flexible and may provide greater or lower count if one new business requires two hubs for instance.
Percentage of the local population engaged with cultural and heritage activities (%)	Cultural and Heritage development	13	Genecon report June 2024. Shakespeare Experience & Performances numbers (27.3k in year 3.) Local population less than 30min DT - (211k)

Once the redevelopment has been completed and the building successfully handed over to the CIO, it is envisaged that a range of mutually agreed monthly and annual performance indicators (KPIs) will form part of the Service Level Agreement between the Council and the CIO. The likely areas and themes of these could include:

Area	When Measured
Governance	
Diversity of board	Annually
Engagement	Annually
Management/staff	
Diversity	Annually
Staff retention	Annually
Volunteer pool	Monthly

Operational	
Customer Satisfaction	Quarterly
Complaint levels	Quarterly
Mystery shopper	Annually
Market/Financial	
Overall footfall	Daily - Annually
Performance nos.	Monthly
No. of tickets sold	Monthly
% of capacity sold	Monthly
Ticket Yield	Monthly
Tour attendance	Monthly
Schools' attendance	Monthly
No of classes	Monthly
Occupancy of Hub/voids	Monthly
Number of covers sold	Monthly
Catering GP achieved	Monthly

APPENDICES

1. Risk Register
2. Stakeholder Mapping
3. Activity Plan
4. Business Plan
5. Monitoring and Evaluation Plan.

END

Overall Summary:	27	6%
Critical	0	0%
High	0	0%



APPENDIX 1 RISK REGISTER

ID	Risk Category	Risk Title	Risk Description	Current Status	Impact	Credibility	Cost Association	Required Cost	Cost Comment	Mitigation Action	Substantiated	Compliance Addressed	Target Date
1	Plan	Funding	The project does not secure adequate funding from various funding sources in order to deliver the project within the available budget.	Open	High	High	£	£	-	100% Funding to purchase to provide BIC for Capital Funding. Following Stage 2 approval and 100% funding for the project within the available budget.	Verdict	Jan-25	Not
16	Plan	Performance	The project is not able to deliver competing funding requirements to the individuals required for the various facilities.	Open	High	High	£	£	-	Assessing Consultant prepared to set back-stage strategy (range near and March 2025).	Verdict	Jan-25	Not
17	Plan	Financial	The project does not have the available budget to complete the end of the project.	Open	High	High	£	£	-	Revising options in respect of planning without externally regarding project objectives and business plan (Case Review).	Verdict	Jan-25	Not
18	Plan	Cost	Consultant does not have the available budget to complete the end of the project.	Open	High	High	£	£	-	Parameterise to obtain for alignment with project aims and compliance with project programme.	Verdict	Jan-25	Not
19	Plan	Performance	Programme pressures due to Times, Total Targets (funding etc). Project team have evidence to back up the programme.	Open	High	High	£	£	-	Placing (throughs being developed) to budget parameters. Clear Decision Process within the Client regarding to budget approval.	Verdict	Jan-25	Not
2	Plan	Resource	The project is unable to be delivered or staged due to not achieving the necessary consent from the project team.	Open	High	High	£	£	-	Review the resources and review cost plan.	Verdict	Jan-25	Not
3	Plan	Resource	The project is unable to be delivered or staged due to not achieving the necessary consent from the project team.	Open	High	High	£	£	-	Organising review of programme in light of increased project costs.	Verdict	Jan-25	Not
4	Plan	Design	Client Change Approval of End Design.	Open	High	High	£	£	-	Work with Estate Manager to understand the necessary consents needed for project approval process for each contract and the time required.	Verdict	Jan-25	Not
14	Plan	Performance	Procurement of water infrastructure.	Open	High	High	£	£	-	Project has been initiated via the BIC process with additional resources being provided accordingly.	Verdict	Jan-25	Not
15	Plan	Performance	Procurement of water infrastructure.	Open	High	High	£	£	-	Work with NCC and other stakeholders to prepare final tendering terms for the bid.	Verdict	Jan-25	Not
16	Plan	Performance	Procurement of water infrastructure.	Open	High	High	£	£	-	Mark, resources and regular engagement with the Client. Clear governance and regular updates to the Client regarding the status of the end of the BIC process.	Verdict	Jan-25	Not
17	Plan	Design	Client Change Approval of End Design.	Open	High	High	£	£	-	Key engagement of main contractors to prepare final tendering terms for the bid.	Verdict	Jan-25	Not
18	Plan	Performance	Procurement of water infrastructure.	Open	High	High	£	£	-	Identification of risks to the project and the development of a risk register.	Verdict	Jan-25	Not
19	Plan	Performance	Procurement of water infrastructure.	Open	High	High	£	£	-	Identification of risks to the project and the development of a risk register.	Verdict	Jan-25	Not
20	Plan	Performance	Procurement of water infrastructure.	Open	High	High	£	£	-	Identification of risks to the project and the development of a risk register.	Verdict	Jan-25	Not
21	Plan	Performance	Procurement of water infrastructure.	Open	High	High	£	£	-	Identification of risks to the project and the development of a risk register.	Verdict	Jan-25	Not
22	Plan	Performance	Procurement of water infrastructure.	Open	High	High	£	£	-	Identification of risks to the project and the development of a risk register.	Verdict	Jan-25	Not
23	Plan	Performance	Procurement of water infrastructure.	Open	High	High	£	£	-	Identification of risks to the project and the development of a risk register.	Verdict	Jan-25	Not
24	Plan	Performance	Procurement of water infrastructure.	Open	High	High	£	£	-	Identification of risks to the project and the development of a risk register.	Verdict	Jan-25	Not
25	Plan	Performance	Procurement of water infrastructure.	Open	High	High	£	£	-	Identification of risks to the project and the development of a risk register.	Verdict	Jan-25	Not
26	Plan	Performance	Procurement of water infrastructure.	Open	High	High	£	£	-	Identification of risks to the project and the development of a risk register.	Verdict	Jan-25	Not
27	Plan	Performance	Procurement of water infrastructure.	Open	High	High	£	£	-	Identification of risks to the project and the development of a risk register.	Verdict	Jan-25	Not

Issues Summary	27	10%
Open	0	0%
Closed	0	0%

ID	Risk / Opportunity Category	Risk / Opportunity	Risk Title	Risk Description	Current Status	Risk Score		Control / Mitigation	Weighted Score	Goal / Outcome	Mitigation Action			Target Close Date
						Identified	Impact				Active / In Use	Active / In Use	Active / In Use	
12	Risk	Opportunity	Costs	Costs	Open	3	3	3	3	3	3	3	3	3
13	Risk	Opportunity	Costs	Costs	Open	3	3	3	3	3	3	3	3	3
14	Risk	Opportunity	Costs	Costs	Open	3	3	3	3	3	3	3	3	3
15	Risk	Opportunity	Costs	Costs	Open	3	3	3	3	3	3	3	3	3
16	Risk	Opportunity	Costs	Costs	Open	3	3	3	3	3	3	3	3	3
17	Risk	Opportunity	Costs	Costs	Open	3	3	3	3	3	3	3	3	3
18	Risk	Opportunity	Costs	Costs	Open	3	3	3	3	3	3	3	3	3
19	Risk	Opportunity	Costs	Costs	Open	3	3	3	3	3	3	3	3	3
20	Risk	Opportunity	Costs	Costs	Open	3	3	3	3	3	3	3	3	3

- Identified**
 - 1. Minor impact to programme delivery
 - 2. Minor impact to programme delivery
 - 3. Minor impact to programme delivery
 - 4. Major impact to programme delivery
 - 5. Critical impact to programme delivery
- Active**
 - 1. Likely to happen within the project duration
 - 2. Likely to happen within next 1-2 years
 - 3. Likely to happen within next 3-5 years
 - 4. Likely to happen within next 6-10 years
 - 5. Likely to happen within next 11+ years

APPENDIX 2 STAKEHOLDER MAP

Influence ↑ -----	<u>Keep Satisfied</u>	<u>Manage Closely</u>
	MHCLG King's Lynn Town Board Norfolk Museums Service / Norfolk Arts Service BCKLWN Planning & Conservation Dept/Officers National Amenity Societies Theatres Trust (national advisory public body for theatres) Arts Council	Chair Town Board & Project Champion Cllr Ring– Deputy Leader Borough Councillors National Trust CIO Historic England National Lottery Heritage Fund King's Lynn Festival (tenants) King's Lynn Players (tenants) King's Lynn Shakespeare Festival West Norfolk Disability Information Service King's Lynn Town Guides Groundwork Gallery The Garage King's Lynn Civic Society Local media (YLP/EDP/Lynn News/KL Magazine)
	<u>Monitor</u>	<u>Keep Informed</u>
	Norfolk Symphony Orchestra Studio 19 Lavender Hill Mob Theatre Co KL Academy of Dance Lynn Academy of Dance & Song King's Lynn Preservation Trust Friends of St Nicholas Chapel Norfolk Chamber of Commerce Universities & other HE/FE establishments Local musicians Family Action Youth Service	Ward Members KL Cinema Club Collusion Kick the Dust KLODs Gilbert & Sullivan Creative Arts East College of West Anglia West Norfolk Artists Association Residents Project consultees St Margaret's & St Nicholas Ward Forum Creative businesses Alive West Norfolk Visit West Norfolk Discover King's Lynn BID Private donors / benefactors Shakespeare Birthplace Trust The Ferry
	-----Interest----->	

APPENDIX 3 ACTIVITY PLAN

See Separate attachment

APPENDIX 4 DETAILED BUSINESS PLAN

See Separate attachment

APPENDIX 5 MONITORING AND EVALUATION PLAN

See Separate attachment