



**Regeneration and Development Panel**  
**Thursday, 23rd June, 2022 at 4.30 pm**  
**in the Council Chamber, Town Hall, Saturday Market  
Place, King's Lynn PE30 5DQ**

**Reports marked to follow on the Agenda and/or Supplementary  
Documents**

1. **Presentation - King's Lynn Town Deal Guildhall and Creative Hub  
Business Case (Pages 2 - 15)**

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# St George's Guildhall & Creative Hub – Draft Business Case

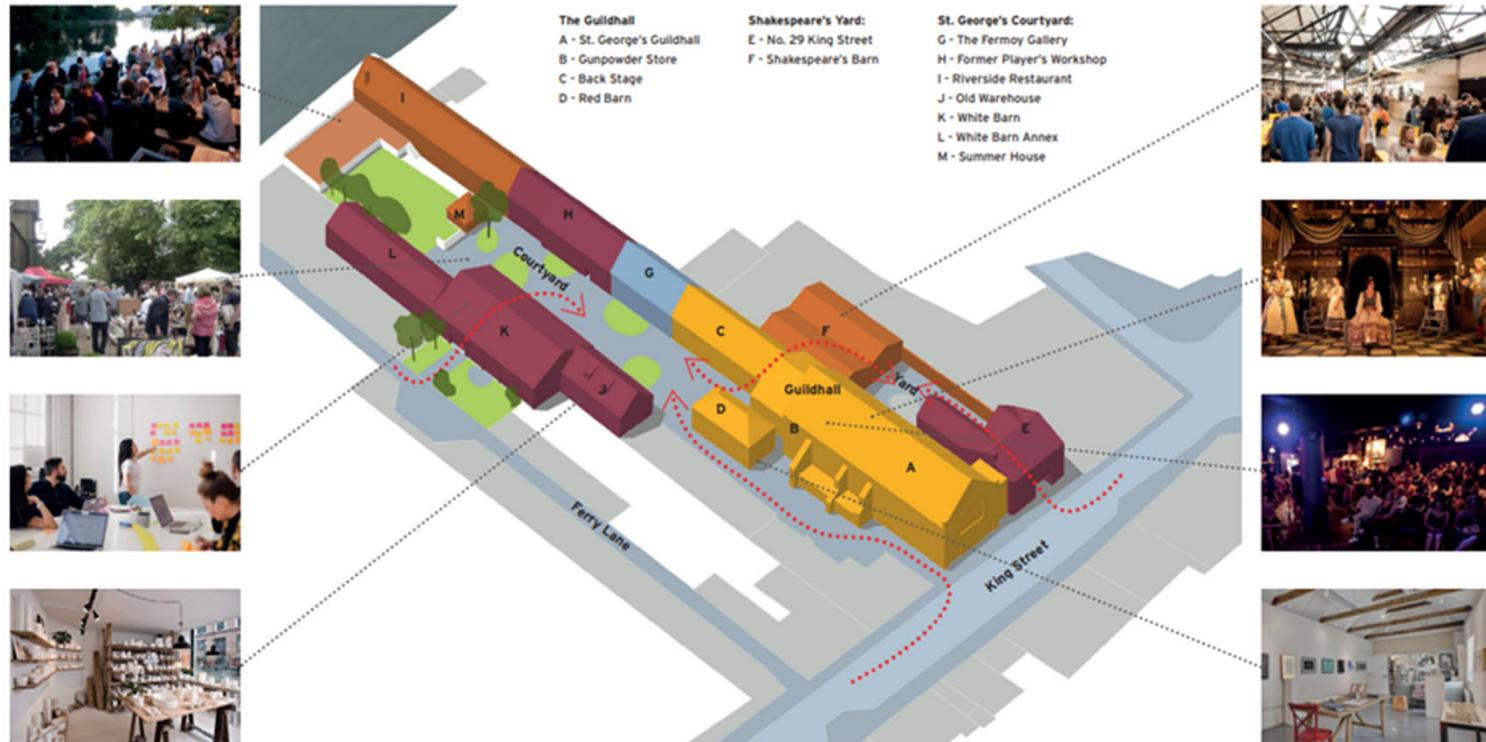
Agenda Item 6

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Vision King's Lynn

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# Draft Business Case for the St George's Guildhall & Creative Hub Project



# The Proposed Investment

## The Scheme:

- Restoration of St George's Guildhall from road to river.
- Transformation into a thriving visitor venue and cultural hub.
- Conserve and make accessible to all King's Lynn heritage attraction.
- Boosting skills in the cultural sector and supporting new businesses and creative practices.

## Town Centre benefits:

- Increase footfall and spend in the wider town centre
- Regeneration benefits including encouraging investment.

# Strategic Case

## TIP Vision

<sup>51</sup> A repurposed Town Centre with new experiences and businesses and enhanced cultural opportunities

## Project Alignment with Vision

Protecting local heritage.  
Supporting enterprise and growing businesses.

Increased footfall in town centre.

## Guildhall Strategic aims

Transformation into new visitor centre and cultural hub.

# Theory of Change

## Town Board Priority

- Repurposed Historic Riverfront and Town Centre
- Innovate, growing businesses and skilled workforce

## Rationale

- King's Lynn has a thriving cultural and artistic sector serving its wide catchment area of over 250,000 people. There is strong demand for additional facilities and assets to strengthen the offer and enable the sector to grow
- The Guildhall has a unique theatrical heritage and strong brand
- There are 2.3m residents within a 90-minute drive time, 44k National Trust members within a 60-minute drive time and 500k overnight tourist visits to West Norfolk all looking for regional cultural and heritage activities
- Strong demand for co-working and flexible workspace for start-up and grow-on businesses

## Inputs

- Towns Fund £8.1m
- Match Funding £3.3m – NLHF
- Specialist expertise
- Project development
- Fundraising

## Outputs

- Heritage Visitor Attraction – the Shakespeare Experience
- Cultural Programme – 345 performances and events a year
- Creative Hub – 669m<sup>2</sup> of lettable space in up to 14 individual units
- Education, Skills and Training – programme for 6,000 young people
- Catering and Retail – three new hospitality offers in the town centre

## Outcomes

- 183,000 attendances in Year 2
- Up to 14 creative business engaging
- Up to 50 entrepreneurs
- A new £1.6m business employing 21 permanent staff, numerous part timers and volunteers

## Impact

- Creating a town where people want to come to live and stay
- Repurposing the town centre and historic assets
- Developing the local skills pipeline for local employment opportunities
- Supporting businesses to be more productive, innovative and to grow

# Interfacing Projects

- **Riverfront regeneration** – Purfleet Street interventions leads you to the Riverfront and proposed projects to reanimate and activate the Custom House, King Staithe Square and South Quay areas; helping the town to reorientate itself to the town's waterside asset.
  - **Youth & Retraining Pledge** – working in partnership on activities to engage young people and NEATs in meanwhile use activities at the centre
  - **Multi User Community Hub** – working to ensure alignment and complementary skills and training offer
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# Town Fund Outputs and Outcomes

<b>Project Outcomes</b>	<b>Project Indicator</b>	<b>Project Outputs</b>
New office space	Floorspace	669 sq. metres.
Jobs created	Permanent Jobs	22
Increased visitors	Visitors per year	90,000
Businesses supported	New businesses	50



# Economic Case – Benefit Cost Ratio

Preferred Option	Sensitivity Test 1	Sensitivity Test 2
2.1	1.8	1.7

- **Sensitivity Test 1** – The scheme experiencing an increase in the optimum bias for project costs from 24% to 50%.
- **Sensitivity Test 2** – The scheme achieving a higher displacement of the arts/ cultural wellbeing benefit from 60% to 75%..
- The **Preferred Option** BCR, demonstrates higher overall VfM (not considering non-monetised costs and benefits).
- The project is expected to provide high VfM, with a BCR of 2.1 and a Net Present Social Value of £14.7m.

# Financial Case – Funding

<b>Fund</b>	<b>Funding Ask</b>	<b>Timescale</b>
Town Fund	£8,097,181	April 2026
National Lottery Heritage Fund	£3,326,910	June 2027
BCKLWN	£750,000	June 2027
<b>Total</b>	<b>£12,174,091</b>	

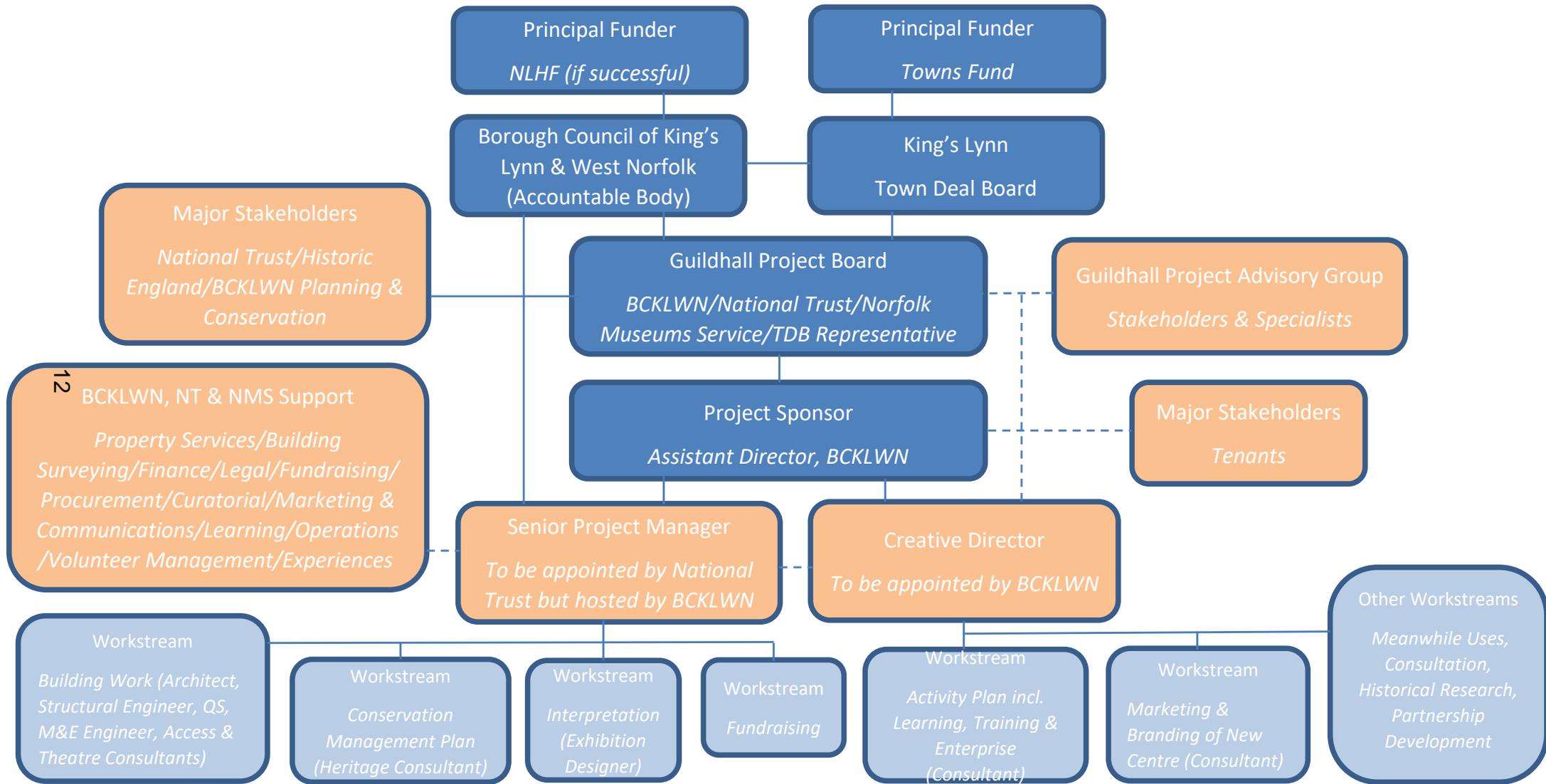


# Risk Register Summary (full version contained in appendix 1)

Timetable – confirmation of funding delays key project milestones and ultimately launch date	Continue to pursue funding plan. BCKLWN to underwrite NLHF funds in the event of unsuccessful bid
Construction market fluctuations / inflation / materials supply and resources leading to increase in costs of construction materials and labour before project commences	Professional Quantity Surveyor (QS) appointed – 20% risk allowance and 12% inflation projected for construction period - but inflation and construction market remains volatile in terms or pricing / material supply and resources
Cost overruns / unforeseen costs during the construction phase	QS to work closely with the design team on proactive monitoring during the construction phase
Staff resources - pressures on project team in respect of balancing workloads / loss of key staff / recruitment of Senior Project Manager	Continue to review project team workloads. Recruitment of Senior Project Manager ongoing with potential to recruit imminent
Continued political support and support of stakeholders and wider public	Continue to engage with members, stakeholders and wider public in accordance with communications plan
Relocation of existing occupants of site where appropriate (formal leases / tenancy at will / simple licences) might be delayed and impact on business plan	Early engagement with all occupiers of the site has commenced - this has to be maintained and managed - particularly in respect of areas critical to business plan and commercial leases
Failure to achieve business plan projections	Continually review and monitor performance against business plan - adjust activity and pricing policies if required - adequate marketing budget identified and target audiences
Lack of demand for Shakespeare Experience Tour	Develop compelling content of interpretation tour at earliest stage. Develop marketing partnership with NT. Identify proven expertise for establishing heritage visitor attraction market positioning
Insufficient cashflow and lack of access to liquid funds for CIO operator	Adopt robust cash planning capability and monitor closely. BCKLWN provide back-up financing facility to address short-term cash requirements

# Management Case – Project Delivery

## St George’s Guildhall and Creative Hub Project Management Structure



# Management Case – Programme

**May 22** - NHLF Submission

**July 22** – Towns Fund Business Case submission

**September 22** – outcome of NHLF application

<sup>13</sup> **November 22-23** – NLHF Development Phase & Stage 2 application (including RIBA Stage 3 and consents)

**May 24 – March 26** – Delivery phase (including RIBA Stage 4, tender and construction)

## Independent Appraisal Summary

*'The Business Case is very thorough and provides a significant amount of detail for a large project that is expected to transform the town. The information provided gives a clear sense of how the project will be delivered and managed. The Business Case sets out the need for intervention and the evidence is clear that the Town Deal programme will benefit from a project which develops the cultural value in King's Lynn, to be used for both leisure and educational purposes. The RAG rating system shows that the project meets the criteria established through HM Treasury's Green Book.'*

Questions?

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