

**KING'S LYNN  
MULTI-USER COMMUNITY HUB  
BUSINESS CASE**

## EXECUTIVE SUMMARY

This draft business case sets out the strategic, economic, commercial, financial and management cases for the Multi User Community Hub project, as set out in the Vision King's Lynn Town Investment Plan.

The business case has been developed through extensive data analysis, stakeholder and public consultation, and the Value for Money assessment undertaken in accordance with HM Treasury Green Book guidance estimates a benefit cost ratio of 2.4.

The 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. This business case will follow the King's Lynn Town Deal Board's Local Assurance Process prior to submission of a business case Summary Document to government.

## Strategic Case

Through analysis of data, consultation with residents and stakeholders, and demonstrating alignment with local, regional and national policies and strategies, the strategic case sets out the clear and compelling need for the project. The lack of attainment (academic and economic) and high quota of vulnerable residents across King's Lynn is not being sufficiently addressed by the current Library and Adult Learning offer, and a new solution is needed.

A clear vision and strong theory of change ensure that the project – redeveloping a derelict town centre eyesore building into a 'Multi-User Community Hub' - will significantly impact these issues, as well as promoting much needed town centre regeneration through a strong cultural anchor. The case demonstrates how a defined set of interventions - the new location, build, programming and partnerships - will deliver transformational change to specific challenges identified in skills, health, aspiration, social mobility, business and entrepreneurialism by providing a flagship skills and community offer in the heart of town.

## Economic Case

The Economic Case has been written by Mott MacDonald and presents a "do nothing" and "preferred" option for the delivery of the MUCH project. The preferred option will lead to an increase in library users in King's Lynn by providing a new, modern and accessible library facility that has a suitable capacity for the town's population. The scheme will also deliver a significant increase in learning provision within the town centre offering learning opportunities at levels 1-3. The preferred option is estimated to generate £31.6m in economic benefits and a BCR of 2.40. This BCR reduces to 1.98 following sensitivity analysis based on an increase in optimism bias from project costs, and to 1.96 if only half the intended employment benefits are delivered. Under each scenario, the project would still deliver positive value for money. All targets provided (and modeled) are modest and deliverable from project launch – but scalable – so results of the case are provided with a high degree of confidence.

Finally, the investment in the MUCH project will deliver several un-quantified benefits including addressing a large high profile vacant building that will increase footfall, drive an increase in wider land values and delivering against several Government town centre policy objectives, including the core aims of the Towns Fund.

## Financial Case

The overall costs for delivery of the capital phase of the project will total £12.4m. The capital project will be funded through joint contributions from the Town Deal Fund (£7.4m) and Norfolk County Council (£5m - of which £2m is allocated to underwrite identified risk items).

Operational costs will be covered by the NCC Library statutory grant, and the Department of Education Adult Education Budget managed by the Education and Skills Funding Agency, via NCC Adult Learning. The space will cost just under £300,000 per annum to run and increase on the operational costs of the Carnegie Library are £45,000, for one additional FTE staff member and a service charge contribution.

Whilst these will be covered by internal budgets, they are offset by the small amount (c £44,000) made from venue hire, costs for which are set on a not-for-profit basis akin to those across the county. All income will be reinvested into the space.

The highest financial risk is in the capital build, given significant uncertainties around construction materials and inflation. As the project is at RIBA1 this includes significant allowances for inflation, contingency, known and unknown risk items and design reserve.

## **Commercial Case**

The commercial case demonstrates the commercial deliverability of the project, laying out the clear procurement roles and processes used frequently by Norfolk County Council – alongside the Council's experience in delivering similar schemes. Models for operation of the hub (Libraries, Adult Education and Partnerships) are included, as is a clear RACI diagram.

Subsidy control analysis has been conducted and a statement of findings provided by NP Law.

## **Management Case**

The management case clarifies the RIBA1 project scope, key change, project and programme management structures alongside experience and responsibilities of the core project team.

It highlights a clear structure for reporting, decision making and governance (including streams for both the Town Deal Board and Norfolk County Council as co-funders) for the capital build phase. The operational management of the hub once live is detailed; management will be shared between NCC teams Community Information and Learning, and Properties, based on models already in operation across the County.

## BUSINESS CASE INTRODUCTION

The Town Investment Plan (TIP) has set clear priorities, to create a King's Lynn that delivers:

- New opportunities for skills and jobs for our young people and all those affected by Covid-19
- Growing innovative businesses
- A repurposed town centre with new experiences and enterprise
- A high-quality residential and leisure offer in the historic town core and riverfront
- A sustainably connected town

This project delivers to each TIP priority, but primarily the first three. It is an ambitious programme of works to redevelop a derelict and unpopular retail unit in the centre of town, enhancing the overall street scene and creating a cohesive public realm with other town assets, and creating a place where the community can come together and thrive.

The Community Hub is an ambitious project includes relocating the town library, creating a permanent adult learning offer, a destination for employment support, careers and skills/training advice and provision, for business support, for information and signposting, digital inclusion, for community and voluntary resources, to pursue hobbies, and to meet with others all in one space.

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 is home to a population of 49,000 in 2020, with a wider catchment area of over 500 sq. miles and circa 250,000 people. Residents in the catchment area rely on the town for employment and there are a number of thriving sectors including health (the largest single employer in the area is the Queen Elizabeth Hospital), manufacturing and retail. However, residents show low educational attainment and poor skills compared with County and National figures, resulting in lower earnings, and jobs gaps (especially in more senior and specialist roles) that key employers struggle to fill from the local populace.

The town has huge potential to deliver excellent employment opportunities, however key interventions are required so it's residents can respond to key skills, hardship and vulnerability needs.

Norfolk County Council is co-funding and leading the project, supported by The Borough Council of King's Lynn & West Norfolk as the accountable body.

This business case sets out the Strategic, Economic, Financial, Commercial and Management case for the project. In addition to the five cases the appendix includes:

- [M&E Plan](#)
- [RIBA Stage 1 Report](#)
- Equality Impact Assessment

The Annexe document contains:

- Annexe 1. Site Review Summary
- Annexe 2. Stakeholder Feedback and Project Change
- Annexe 3. Policy Alignment
- Annexe 4. RACI Diagram
- Annexe 5. Project Team Roles and Experience
- Annexe 6. Risk Register
- Annexe 7. Stakeholder Engagement Strategy

# STRATEGIC CASE

## STRATEGIC CASE

### Introduction

As identified in the Town Investment Plan, King's Lynn residents have less access to employment and economic opportunities than they should. Wages are below regional and national levels, and firms struggle to recruit to certain roles, with the availability of skills cited as one of the main reasons. Too many young people don't get the opportunities they deserve to fulfil their potential, GCSE attainment is low and significantly fewer than average school leavers stay on in post 16 education.

The case for change will demonstrate the high rates of skills shortages, limits on aspiration, and it will show that residents are more likely to be impacted by social and financial vulnerabilities compared with surrounding areas, including digital exclusion, poor health outcomes and debt.

Covid-19 and the cost of living crisis has made this difficult situation worse, creating a challenging landscape in which JSA claimants are rising faster than elsewhere in Norfolk and footfall continues to decline in the town centre.

Town Deal funding will contribute towards the capital development of a transformative "Multi User Community Hub". Transforming a derelict retail unit into a 'Multi-User Community Hub', a relocated and enhanced Library and a permanent and expanded Adult Learning presence in the town, will provide a community based offer that supports a thriving and aspirational town, whilst simultaneously revitalising the high street.

The project will provide residents with a central destination to go for learning, employment support, Careers Information, Advice & Guidance (CIAG), information and signposting, community, and voluntary resources; to get online, to pursue hobbies, and to meet with others all in one space. It will offer local businesses, start-ups, and entrepreneurs the skills, facilities, and services to thrive and grow, and voluntary and community partners will have the flexibility to operate either permanently or spot hire spaces - increasing visibility and access for residents to engage with services - providing a rich and diverse community offer.

The Hub will support employers to access a wider skilled workforce, providing facilities, training access and wrap around community support by combining Adult Learning, Libraries and wider VCSE support in one easy to access location. These activities will be complimented by exhibition spaces, a café and flexible spaces that can incorporate a multitude of uses such as pop-up gym classes or health screening.

The proposed hub will be a centrally located and accessible facility near to public transport links, with its own travel node to increase active travel opportunities in and around the Town Centre. It will significantly increase footfall in the town, with the library alone expected to drive 200,000 users annually to the space, representing a one-third increase on pre-pandemic Library and Adult Learning user numbers.

Alongside responding to the clear statistical and engagement-highlighted needs of residents, the project has excellent strategic and policy alignment at local, regional and national level.

### Case for change

Drivers for this project are threefold: vulnerabilities across residents in King's Lynn across skills, health and opportunity, a current library and adult education offer which is constrained by the current space and location available to tackle these challenges, and a declining Town Centre.

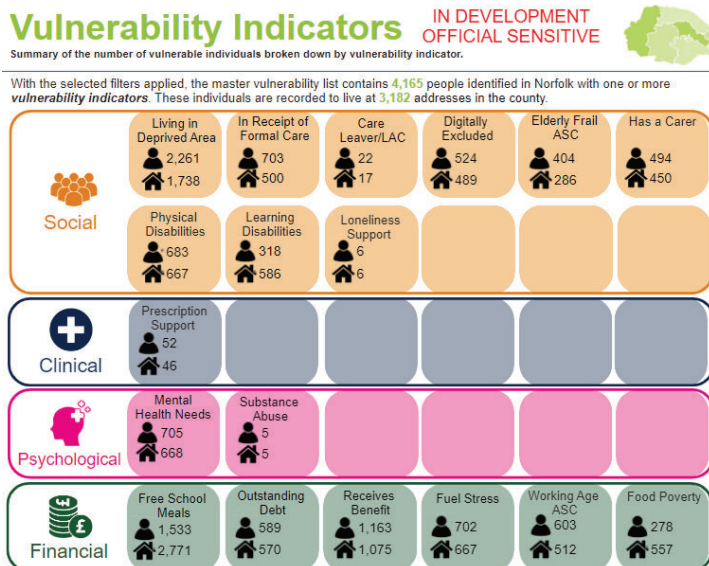
### Hardship and vulnerability:

As noted in the introduction, KLWN possesses a huge amount of potential but faces significant challenges. These challenges span skills, health and wellbeing, social mobility, aspiration and business.

Norfolk County Council In conjunction with Norfolk office of Data Analytics have developed a range of vulnerability indicators to determine which LSOA's are more prone to the impacts of certain risks these are detailed below, and highlight the scope of the challenge:

Of the 49,000 living in the town, 8.5% have been identified as having one or more 'vulnerability indicator':

- **1A hot spot for digital exclusion:** with low digital access and competence. <sup>2</sup>
- **Significant financial vulnerability:** 22.8% of Kings Lynn & West Norfolk residents are economically inactive<sup>3</sup>, and there has been a 108% increase in UC claimants in KLWN since March 2020, compared with the national figure of 95.3%. The number of people claiming support from Norfolk Assistance Scheme (welfare and hardship support) increased from 300 in Feb 2020 to 1200 in Feb 2022<sup>4</sup>
- **High social vulnerability** due to more physically and mentally vulnerable people: Of the 22.8% noted above, 36.9% are economically inactive due to long term health conditions.<sup>5</sup> During the pandemic residents of King's Lynn and West Norfolk made significantly more requests for support than other districts for assistance such as help with food shopping or prescription collections.<sup>6</sup>



## Skills Demand (Norfolk)

### Skills and attainment:<sup>7</sup>

There is a documented skills 'mismatch' in employer demand and workforce skillset across Norfolk, particularly in key areas of demand in King's Lynn such as healthcare.

King's Lynn's workforce skill levels are low in the context of both local demand and national higher skills demand, meaning too many King's Lynn residents cannot access local higher skilled and higher earning job opportunities.

Specific challenges include:

- **Low earnings:** Residents on average earn £2,360.80



<sup>1</sup> NODA's Norfolk Vulnerability Database: North Lynn, South Lynn, Gaywood Chase, Gaywood North, West Winch

<sup>2</sup> NODA's Norfolk Vulnerability Database: Mosaic indicators - Digital Exclusion data for King's Lynn and surrounding areas, based on

<sup>3</sup> [NOMIS labour market profile](#)

<sup>4</sup> NODA's Norfolk Vulnerability Database: Financial Vulnerability data for King's Lynn and surrounding areas

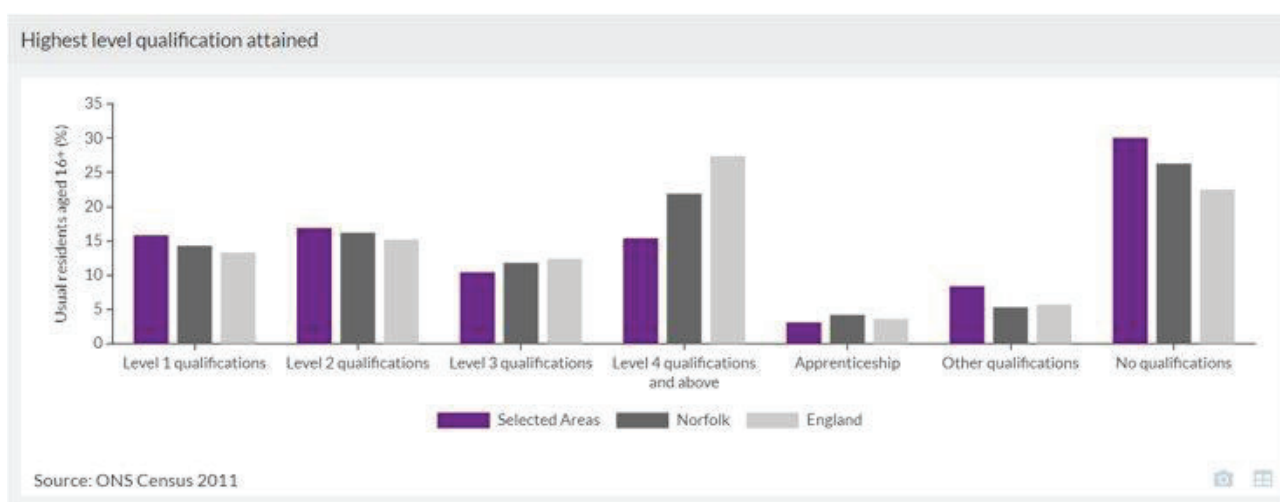
<sup>5</sup> NOMIS labour market profile

<sup>6</sup> Data from Norfolk Vulnerability Hub

<sup>7</sup> EMSI/Buring Glass Feb 2022 skills demand analysis

less than the regional average per annum and £1,440.40 less than the national average per annum (£110,920 across a working life)<sup>8</sup>

- **Low Qualification levels:** only 26% of the working population in KLWN have level 4+ qualifications compared with 43% nationally. 7% have no qualifications, compared with 6% nationally. Only 17% school leavers in King's Lynn progress to higher education compared with 40% nationally<sup>9</sup>
- **Less re-skilling:** Significantly lower uptake in adult learning than comparable local areas. Over a 3-year period the Adult Learning Service in King's Lynn had just 516 course registrations (base adult population of 21,914). In comparison there were 1386 registrations in Great Yarmouth with a base adult population of 22,859<sup>10</sup>
- **Not in Education, Employment or Training (NEET):** King's Lynn has 4.18% of 17- to 18-year-olds who are NEET, higher than the Norfolk and National averages of 3.01% and 2.8% respectively.<sup>11</sup>



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NVQ level	KLWN		Norfolk		East of England		England	
	Count	%	Count	%	Count	%	Count	%
NVQ4+	21,800	25.8	182,400	35	1,484,300	39.3	14,886,100	42.8
NVQ3+	38,400	45.6	292,800	56.1	2,189,500	58	21,296,900	61.2
NVQ2+	56,800	67.4	390,400	74.8	2,906,000	77	27,158,800	78
NVQ1+	70,200	83.3	460,400	88.2	3,351,700	88.8	30,594,400	87.9
Other qualifications (NVQ)	8,100	9.6	26,200	5	213,200	5.6	2,048,700	5.9
No qualifications (NVQ)	6,000	7.1	35,100	6.7	210,400	5.6	2,153,900	6.2

### Health and wellbeing:

The most recent **Public Health Fingertips data** shows King's Lynn and West Norfolk's clear need for health intervention from high rates of suicide and infant mortality (regionally and nationally) and increasing trend for alcohol-related admissions to hospital and increasing dementia diagnoses.

The impact of Covid-19 on both population health and access to health services, has provided an even more compelling need to centre population health more strongly in any community offer.

<sup>8</sup> ONS, Small area income estimates for middle layer super output areas, England and Wales, 2017/18

<sup>9</sup> ONS, Annual Population Survey 2018

<sup>10</sup> Adult Learning records, 2019-2021

<sup>11</sup> Norfolk County Council/DfE June 2022

<sup>12</sup> ONS Census 2011, King's Lynn skills attainment vs Norfolk vs England



- **Suicide and self harm:** King's Lynn had nearly double the number of suicides (19/100,000 population) than seen in Norfolk as a whole (11/100,000), and admissions for self-harm remain above the East of England average with 340 hospital admissions recorded for intentional self-harm 2020/21 in KLWN
- **Social isolation:** People experiencing mental health issues often become isolated from their community and lack the confidence to deal with practical matters such as benefit letters, debt issues or steps towards employment.
- **Lack of space:** Community groups frequently report their main issues as finding good quality, bookable, accessible, flexible and large enough spaces in the Town to run their groups and support offers
- **Loneliness:** 6.3% of the population of KLWN reported to feeling lonely often or always
- **Drug and Alcohol misuse:** Over the last 3 years there were 1,720 per 100,000 hospital admissions related to alcohol specific conditions from King's Lynn residents compared to 494 per 100,000 in Norfolk. Norfolk has the fifth highest rate of opiate and crack use in the East of England. Those with opiate and crack addictions are significantly more likely to experience housing issues and homelessness as a result of their addiction and wider socio-economic factors.
- **Life shortening disease:** King's Lynn has a Cardiovascular rate of deaths of 158 per 100,000 compared to a Norfolk average of 45 deaths per 100,000
- **Childhood obesity:** 26% of year 6 children are obese in King's Lynn compared to 20% in Norfolk.<sup>13</sup>

#### Aspirations and social mobility

- **Milestones** Only 62% of children in King's Lynn reach expected development at age 5 compared with 73% in Norfolk
- **Help is not close at hand** The Early Child and Family Service is currently located in South Lynn; staff report issues of non-attendance from families who struggle to access their services due to the location.
- **Deprivation** KL has 4 wards which appear in the top 10% most deprived in England (North Lynn, Gaywood, St. Margrets with St. Nicholas, South & West Lynn)<sup>14</sup>. Working poverty is highest among lone parents, and attainment is lower for children from a lone parent family. **28% of families smoke** (23% in Norfolk)
- **Smoking** exacerbates poverty as well as increasing the likelihood of poor health outcomes
- **Diverse population** 4.4% of households in KL have English as an additional language (1.6% in Norfolk) increasing barriers to access and reducing attainment
- **Unemployment** 20% of households are workless (18% in Norfolk). This impacts child development and education, limiting their future employment prospects, and reducing their opportunities to succeed throughout their lives<sup>15</sup>
- **Increasing demand** Children's Services have seen an over 100% increase in family support referrals YoY between 2019 and 2020 and an over 200% increase in referrals to the inclusion service to try and prevent exclusion<sup>16</sup>

#### Facilities and resources for businesses:

The business birth rate in King's Lynn is the lowest in the County when compared with working age population<sup>17</sup>, and the results of in public consultation carried out this year have highlighted the local demand for a support offer centered on establishing new businesses and accessing work opportunities:

<sup>13</sup> All from Public Health Fingertips data <https://fingertips.phe.org.uk/>

<sup>14</sup> Index of Multiple Deprivation 2019

<sup>15</sup> All from Public Health Fingertips data <https://fingertips.phe.org.uk/>

<sup>16</sup> NCC Children's Services

<sup>17</sup> Business birth rates, ONS, 2018-2020; AVG population, ONS, 2018

- Business birth rate before Covid-19 was 10% compared with 13% across England, and the business churn rate was 19% compared with 25% for England<sup>18</sup>
- 69% of respondents stated **Business Start Up advice** would be the most valuable business support offer.
- **Training to gain skills for the workplace** was considered most useful career support (68.9%)
- Volunteering and work experience opportunities the most useful resources (68.9%).<sup>19</sup>
- Market research conducted by Savills (commissioned by King's Lynn in December 2021) noted two findings of particular relevance:
  - **Rural communities in the local area rely heavily on King's Lynn for work**, highlighting the importance of encouraging development and economic growth in the town.
  - **Post Covid there will be increased demand for co-working and flexible workspace**, delivery of which will be essential for unlocking future economic growth opportunities.

### Existing arrangements - current context and challenges

#### Town Centre Decline:

As noted in the Town Investment Plan, the town centre retail area has been unable to adapt and change fast enough to develop an alternative offer to out of town living, leisure, and shopping. The Hardwick out of town retail area is very large, even in comparison with similar sites in comparable sized towns, reflecting its wide catchment area. It inevitably encourages residents to travel out of the town rather than into the relatively modern town centre retail area and reduces the extent to which people from the wider catchment travel into town.

King's Lynn High Street has an abundance of large vacant premises, which has been exacerbated by Covid-19. King's Lynn was once one of England's most important ports, with its market square considered to be one of the grandest in the country. But like many places, the town has been hit hard by the pandemic and the decline of the high street.



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#### Current Library and Adult Education Offer:

Modern library provision is more than just a source of information. Whilst the current library has a wide range of activities and good public engagement the building has several constraints which limit opportunities to deliver 21st Century modern library/learning provision.

King's Lynn Library is housed within the Carnegie Building; a grade II Victorian Gothic building opened in May 1905. The population of King's Lynn has grown considerably since 1905 and the library is now of insufficient size and lacking accessible and usable floorspace to meet end-user requirements.

These constraints are all the more acute when considered against the need demonstrated above, and on specific independent analysis of Library and Adult Learning need in the area:

<sup>18</sup> ONS, Business Demography, 2018

<sup>19</sup> The Engaging company 2021

<sup>20</sup> The current Argos building

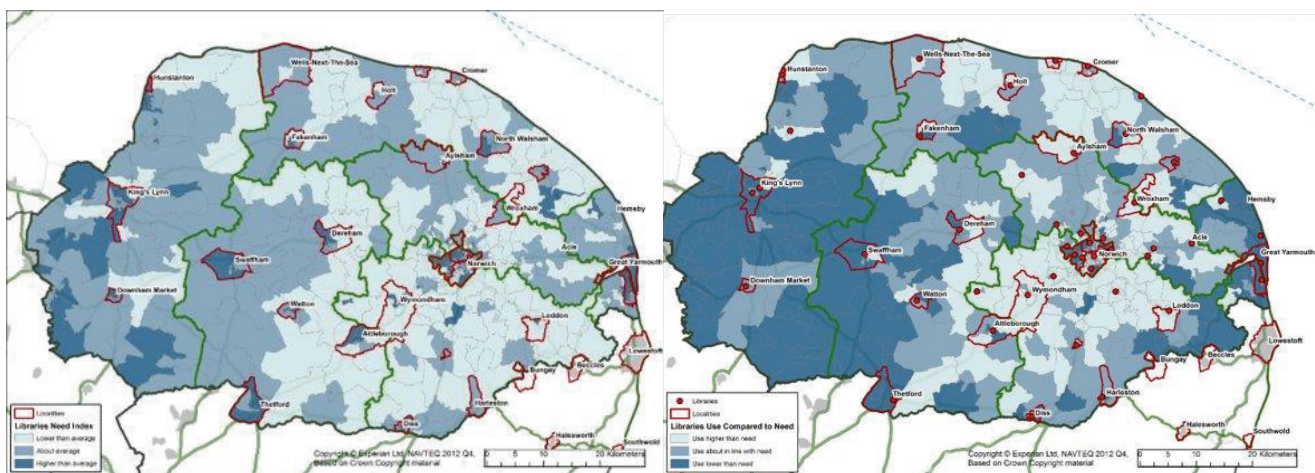
Pre-pandemic analysis by Norfolk Insights studied indicators of library service need by locality. This highlights not only indicators of acute need, but more importantly highlights King's Lynn as the only locality in Norfolk with negative trends (demonstrating higher need) in every indicator considered:

## Library services - indicators of need by locality

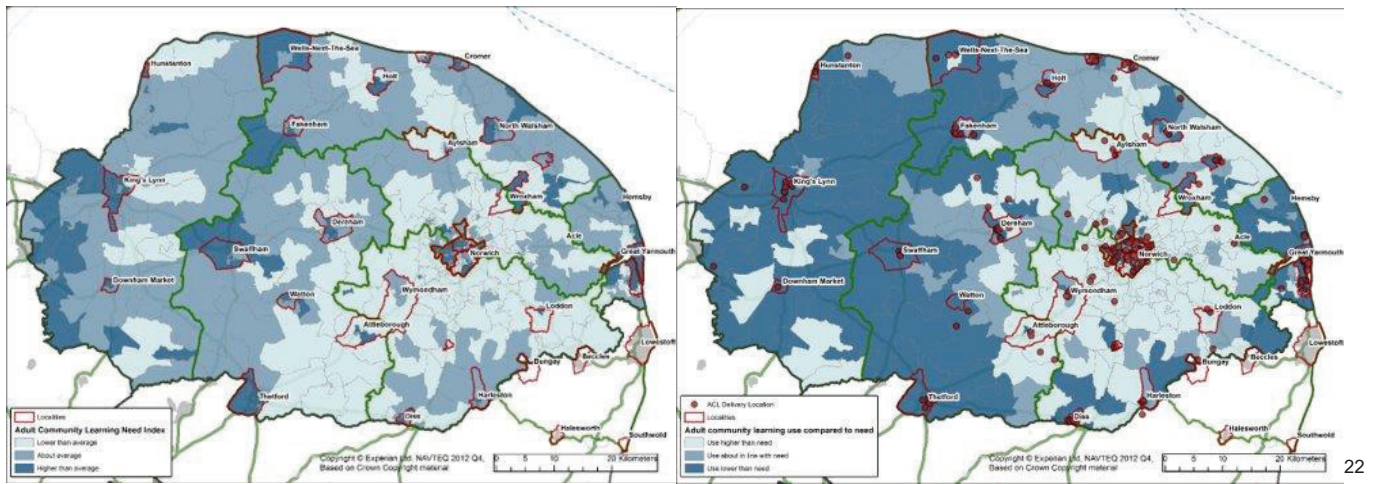
Locality	All Ages	% FSP not GLD	Age 16+ with no qualifications	% 65+ lonely (ONS)	65+ with frailty Obs/Exp	% children in low income	% families with no qualification	DWP % eligible 2	% lone parent households	% under 5s
Attleborough	11,861	28%	26%	1.7%	97	8%	7%	27%	6.0%	5.4%
Aylsham	6,131	32%	24%	1.7%	96	8%	5%	26%	4.6%	4.2%
Cromer	7,652	31%	30%	1.8%	110	18%	10%	37%	4.3%	3.7%
Dereham	19,113	24%	29%	1.9%	102	14%	8%	37%	6.7%	6.1%
Diss	8,085	37%	30%	1.8%	89	15%	8%	25%	5.8%	6.2%
Downham Market	10,726	29%	32%	1.8%	134	18%	8%	23%	5.1%	6.2%
Fakenham	7,725	29%	32%	1.9%	113	12%	8%	24%	5.3%	5.7%
Gorleston	25,567	32%	32%	2.2%	101	26%	11%	21%	9.4%	6.3%
Great Yarmouth	28,518	34%	37%	2.4%	100	34%	17%	23%	10.4%	7.1%
Holt	3,962	18%	29%	1.7%	89	16%	9%	42%	3.3%	3.9%
Hunstanton	3,980	35%	37%	2.0%	132	26%	10%	58%	3.9%	3.2%
<b>King's Lynn</b>	<b>41,180</b>	<b>30%</b>	<b>30%</b>	<b>2.0%</b>	<b>152</b>	<b>20%</b>	<b>11%</b>	<b>33%</b>	<b>7.1%</b>	<b>7.4%</b>
Loddon	2,783	32%	26%	1.7%	96	17%	7%	44%	6.9%	5.5%
Long Stratton	2,025	20%	20%	1.6%	122	6%	6%	35%	6.0%	5.9%
North Walsham	12,696	21%	29%	1.8%	102	17%	6%	39%	6.2%	5.2%
Norwich 1	36,635	33%	26%	2.4%	106	22%	11%	35%	8.0%	7.4%
Norwich 2	17,492	34%	29%	2.1%	98	25%	11%	42%	8.2%	7.0%
Norwich 3	36,486	40%	24%	2.2%	133	27%	11%	44%	9.4%	6.0%
Norwich 4	48,259	26%	17%	2.2%	110	16%	5%	29%	5.1%	5.2%
Redenhall with Harleston	5,006	23%	30%	1.7%	75	14%	8%	37%	4.6%	5.8%
Sheringham	7,359	28%	25%	1.7%	87	12%	5%	35%	3.8%	3.6%
Stalham	2,850	30%	33%	1.9%	98	13%	11%	45%	5.7%	4.6%
Swaffham	7,557	41%	35%	1.9%	134	23%	12%	41%	5.6%	5.3%
Thetford	26,185	38%	29%	1.9%	134	16%	14%	33%	8.6%	7.4%
Watton	7,563	31%	34%	1.7%	99	8%	11%	23%	5.2%	5.5%
Wells-next-the-Sea	2,575	24%	30%	1.6%	91	16%	12%	19%	5.2%	4.0%
Wroxham and Hoveton	3,742	29%	30%	1.5%	84	16%	7%	45%	2.7%	4.0%
Wymondham	15,711	19%	22%	1.7%	101	8%	4%	21%	6.0%	5.7%

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Pre-pandemic analysis from Experian also clearly shows the higher need and low use for library and adult learning provision in King's Lynn and West Norfolk, again highlighting high need and low use compared with wider Norfolk:



<sup>21</sup> NODA 2021 analysis of Norfolk library services need by indicator



**Capacity:**

At only 550 square metres the library falls well below the statutory guidelines for Library size which indicate a minimum of 750 square metres for a library serving the current population of King's Lynn. The layout available does not allow for any dedicated space or privacy for learners, nor does it offer any meeting rooms or the flexibility of space to accommodate businesses. Learners on the reading pathway who are non readers must be supported in a space shared with the Business Intellectual Property Centre.

The pressure on the space is exacerbated when activities are taking place; The most popular activities occupy the main area of the library removing the option for browsing and quiet study, and frequently run out of capacity. The library's popular bounce and rhyme session for young children is often overbooked meaning local families miss out on important developmental and social engagement.

The lack of space impacts both adult learning and partnerships. The temporary Adult Learning annexe only has one classroom located in a temporary structure at the rear of the building, which is not accessible. Partners seeking to use the space are limited by the lack of availability, limiting the range of offers available to residents.

**Access and safeguarding:**

There are no accessible toilets or changing spaces at the current library and although there is a ramp giving access to the building, this must be accessed through classrooms at the back of building which are sometimes occupied. There is a lack of maneuverable space for those in wheelchairs or pushchairs. There is also no storage space for wheelchairs or pushchairs.

A busy road must be crossed to access the library, and connectivity to public transport is poor. The layout makes safeguarding challenging, with corners that cannot be easily monitored and episodes of antisocial behaviour in the foyer.

In recent consultation with residents, the main reason given by those not using the library for not doing to (25% of respondents) was its location and connectivity.

**Influence of market failures and COVID-19**

Market failures in this area include the low incentive to provide community or other low commercial value space, leading to a significant delivery gap. This leads to a challenge for flexible office space, particularly for smaller businesses and startups. Pilot work offering smaller low-cost spaces for hire conducted by KLWN BID (Business Improvement District) has demonstrated the demand for such a space, but due to low revenues it is not a viable investment opportunity for any sector purely focused on generating income (as opposed to broader public benefits).

In spite of employer demand, the market has not been able to effectively respond to the skills needs in King's Lynn, whether that is to encourage uptake of basic skills, to encourage young people to remain in

<sup>22</sup> Experian Mosaic 2012 analysis of Norfolk Library and Adult Learning need, and usage compared with need  
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education, or provide access to higher-wage jobs. Employment taken up by the local populace is typically low-wage (as demonstrated by the lower earnings) and low-skill due to poor academic attainment. While there are opportunities for higher-paying jobs and career progression businesses have reported finding these challenging to fill, with roles often taken up by commuters from other areas.

The challenges of Covid and the introduction of social distancing guidelines impacted the available space within the building and have highlighted the lack of space to operate with social distancing measures. Ventilation is also a key concern with the only real means of ventilation requiring all windows to be open, in the winter, given current energy costs, this is a prohibitive and carbon heavy practice.

Prior to the pandemic the library regularly had over 20,000 visitors per quarter. To date the library is still getting less than half the number it had before Covid, even with distancing guidelines at an end. The slow increase in visitor numbers suggests that service users have little confidence in the

PC usage has seen a significant deterioration through the pandemic and sits at just over a third of pre-pandemic levels. This is of particular concern given the demonstrated issues with digital exclusion. The number of items being issued has also dropped and not recovered to pre-pandemic levels.

	Apr-Jun 2019	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	Jul-Sep 2020	Oct-Dec 2020	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	Oct-Dec 2021	Jan-Mar 2022	Apr-Jun 2022
Visits	19,656	22,933	21,539	20,819	0	10,865	6,183	0	4,677	5,849	9,047	10,395	10,007
<b>ISSUES</b>													
Books + SPO	13,576	14,611	12,204	13,765	2	7,324	5,811	404	6,009	9,254	8,948	10,426	10,467
AV	353	352	373	420	0	143	63	5	81	40	129	127	124
Issues Total	13,929	14,963	12,577	14,185	2	7,467	5,874	409	6,090	9,294	9,077	10,553	10,591
PC Usage (hrs)	3835.68	4770.36	4504.20	4493.80	0.00	650.23	385.18	1.58	486.01	719.73	1037.38	1381.93	1316.48

	Jan-Mar 2020	Apr-Jun 2020	Jul-Sep 2020	Oct-Dec 2020	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	Oct-Dec 2021	Jan-Mar 2022	Apr-Jun 2022
Active Borrowers - Unknown	106	95	81	64	24	39	52	66	80	91
Active Borrowers - Female	1757	1563	1356	1068	579	703	851	916	1044	1107
Active Borrowers - Male	1123	988	859	667	360	444	506	523	593	615
Active Borrowers - Total	2986	2646	2296	1799	963	1186	1409	1505	1717	1813
Active Users - Unknown	241	227	191	146	96	124	146	162	203	215
Active Users - Female	2995	2706	2355	1932	1381	1784	1981	2047	2191	2135
Active Users - Male	2314	2066	1767	1462	961	1246	1372	1445	1569	1510
Active Users - Total	5550	4999	4313	3540	2438	3154	3499	3654	3963	3860
New Members	379	42	133	70	71	135	269	212	256	293

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## Vision and objectives

Our Vision for the “MUCH” in King’s Lynn aligns with a wider vision to deliver community based services and support in the heart of communities that need them and to address the unique challenges they face.

With this in mind the proposed project has the following vision, aims and objectives:

### Vision:

‘To create a place where residents can access a range of public services they value, alongside information and advice they trust, with library and learning at their heart. A welcoming, safe space where a range of partners offer support and people can connect, learn, be inspired and find the resources they need to thrive.’

The project aims to:

<sup>23</sup> Norfolk Library Service data

- Provide inspiring spaces and facilities for individuals, communities and businesses that encourage connection and innovation
- Deliver flexible layouts and resources that adapt to the needs of different people and purposes
- Create a strong base for outreach and community support work and support smaller community groups and partners to have a local presence
- Transform the landscape of the town centre with an aspirational building and associated public realm to encourage a sense of identity and pride in a local place
- Attract more people to town centres as a cultural anchor, helping to strengthen communities
- Provide modern and fit-for-purpose services for customers; broaden offer to support small business
- Create a new town centre one-stop shop for a range of services and skills development opportunities for King's Lynn residents, with close access to public transport.
- Drive skills progression for the workforce - encouraging lifelong professional development, upskilling and reskilling
- Equip young people for success by unlocking their abilities, confidence and potential

### **Project objectives:**

The Multi User Community Hub project has the following key objectives:

1. Develop a co-located 'community multi-use hub' facility in the town centre of King's Lynn which brings together the relocated library, an enhanced adult learning offer, and other community activity provision.
2. Provide skills and educational opportunities for residents starting at entry level. Develop new community adult learning education and higher education courses that meet skills need in the Town.
4. Develop new community partnerships to provide a variety of programming and community support offers from the hub to address local community vulnerabilities and maximise access to services for residents
5. Provide services and facilities for start-ups and local businesses

### **Measures of success:**

1. The hub build will be completed to time, budget, scope and quality
2. A suite of evolving education and skills courses will be bookable prior to the launch of the hub
3. New workshops, classes and courses tailored to KLWN needs will have been developed and form part of the hub programme
4. New community partnerships will have been set up and partners old and new will be operating from the hub from launch
5. Meeting rooms and hot desking space will be available for booking and drop in from launch. Multi-purpose spaces will be available for commercial hire
6. An increase in overall library and adult learning usage

## **The proposed investment**

### **Project Description:**

The hub will be a state-of-the-art fully accessible community and learning space in the centre of town. It will play host to not only the library and associated facilities, but a range of Norfolk County Council services and programming from Adult Learning and partners – curated specifically to the needs of King's Lynn residents.

### **Summary of Options**

### **Option One: Do Nothing.**

This option would not address the demonstrated challenges in community, financial, social and digital vulnerability, skills and opportunity shortages, health inequalities, or business underperformance, nor support the revitalisation of the town centre. This option would also leave the town with an inadequate, inaccessible and inferior library and adult learning offer. The challenges identified in the strategic case will not only remain but could deteriorate further if proactive changes to offer is not changed to meet modern needs.

**Option Two: Refurbishment of/extension to current library.** Extend the existing library to add more temporary structures.

This option has significant limitations and is unfeasible: the current library is grade two listed and significant changes cannot to be made, for example to address access or safeguarding needs within the building.

Any extension would potentially be a temporary structure and would come at the loss of the library car park. This option does not address the location or accessibility issues identified nor the clear need for a more centralised community offer, revitalisation of the town centre or the improvement to pride of place.

**Option Three – preferred option: Create a new central community and learning space.** Purchase and redevelop a vacant building within the town to create a central “Multi User Community Hub”, with the library as the key tenant, and adult learning and partners co-tenants.

The hub would be central to the town with significantly increased floor space to enhance the library offer, provide a permanent home to the (again enhanced) Adult Learning offer, have enough space for co-located or ‘spot-hire’ partners, and offer additional facilities for business, communities and learning.

The selected building would need to have good connectivity with public transport, nearby car parking (including nearby disabled parking), and be central enough to both benefit from and contribute to town centre footfall.

The additional space and central location will facilitate a significant expansion in programmes and partnerships, specifically curated for the needs of King’s Lynn residents.

This option would impact all elements identified in the case for change and create a flagship learning and community offer in the centre of town.

Several sites that could meet the needs identified were reviewed, and 46 New Conduit Street (the site of the old Argos building) was identified as the site that met all key needs:

### **Summary of Sites Considered:**

NPS were commissioned by Norfolk County Council to undertake a feasibility and site search assessment and provide an evaluation report for alternative library/multi-use community hub provision within the town of King’s Lynn. (King’s Lynn Library/Multi-Use Community Hub Provision Site Search & Evaluation Report NPS 2021)

Current timescale constraints imposed by funding streams dictated that any alternative site needed to be available/deliverable within an immediate timeframe. The site search undertaken, and evaluation exercise therefore considered potential sites and assessed their suitability against a number of criteria.

There were a number of key considerations in relation to identifying a suitable, available and deliverable alternative site to replace the current library, and a key set of site-specific criteria (shown in the first column of the grid below) were identified/used for the purpose of the commission.

A number of sites within the town centre boundary were identified as being marketed/available. The site search used data for property availability, both leasehold and freehold from a variety of platforms. These include Rightmove Commercial, Property Link and EGi Radius Data Exchange. Based on the minimum floor area threshold a number of identified sites (20) were discounted.

Based on collaboration with KLWN on which site provided the most benefits, other client considerations including timescale constraints imposed by funding streams, the assessment identified four potential alternative sites, as detailed in the Site Review Summary annexe.

### **How the project will address the objectives and vision**

Our vision and objectives will be delivered through two key elements:

- the build, location, and facilities
- programming and partnerships

Libraries are the cornerstone of communities, providing a safe, trusted environment open to all, and they're also a place to meet people, to learn new skills and find a new favourite book. According to the annual report to parliament on Libraries, Libraries have an important role to play in tackling loneliness through events and activities. Recommendation 14 of The Kruger Report in 2020, cites "A new focus on the modern local library.... business start-up support and digital inclusion for local communities" All of these roles and functions are at the core of the proposals for this project. Furthermore, the project supports the new role of family hubs and forms part of our proposals for the delivering these in Norfolk

### **The build, location, and facilities:**

The new centre is predicted to bring footfall and activity into the area by **regenerating an existing central eyesore site**, with a relocated Library at the core of a **campus style approach ensuring supported access to learning, skills, advice and information**. The new hub will **increase footfall in the town centre by 200,000** visits per annum, creating a vibrant town centre and providing evidence to external investors that King's Lynn is an attractive and viable market for wider leisure opportunities.

The location is near the bus and railway stations and central parking. Three disabled parking spaces are immediately outside, and a further 12 within 0.2 miles. **Access for all** is central to the vision, and this begins with the build: the space will include a changing space toilet, and accessibility (such as large lifts by the entry and accessible toilets on each floor) designed in as standard. **Safeguarding will be significantly improved** compared with the current library with improved lighting and layout in particular increasing both the manageability of the space and users' feelings of personal security.

CIPFA library usage report indicates that those that live in areas of high deprivation are more likely to come to the library to find something out or use a computer than to borrow a book and are also more likely to travel on foot. The central location of the MUCH will **enable more people to access** it on foot, as part of their day to day lives, **increasing library participation amongst the most deprived groups**.

The MUCH will include **spaces for people to meet and get together** including community groups. The VCSE sector plays a vital role in supporting addiction, mental health and wellbeing and there is broad feedback from the sector that spaces to carry out their work are limited in King's Lynn. It will also provide the town centre with a location for 121 and group sessions for drug and alcohol support. Even at this early stage there has been significant interest from the sector in developing partnerships, and development work has already begun with multiple organisations (shown in more detail in the Commercial Case).

Businesses will be supported through a wealth of **business-focussed facilities** including larger and dedicated BIPC space; flexible drop-in workspaces (meeting spaces, hot desking, private meeting rooms): and attractive hireable multi-purpose spaces shaped with opportunities for local businesses in mind.

There will be **nearly three times as much space across three floors** in the MUCH as in the current library building; Adult Learning will have a permanent home and be able to operate a significantly augmented programme supporting the improvements to **skills** identified, and a town centre location makes it **easier for more people to access** and benefit from the skills offer. New study spaces and



significantly increased capacity of digital workstations means people have the **resources and space to support their learning** and therefore employment prospects.

This increase in space will allow numbers accessing skills courses to be brought at least in line with Great Yarmouth, which has similar demographics but three times the Adult Learning space capacity. Whilst we expect an immediate increase of 30% course attendance in line with expected traffic increase, we would expect to eventually double the overall attendance, in alignment with the figures below:

Adult Learning Courses 2018-2021		
	King's Lynn	Great Yarmouth
Individuals completing courses	762	1,365

**Health and wellbeing** will be enhanced through facilities such as a new **training kitchen**. Cooking and sharing meals with others is an important way to reduce isolation, build community, confidence and wellbeing. The flexible spaces will allow for a **programme of physical activity**, enabling many more people to improve both their physical and mental health. A planned **travel node** – bike storage and electric bike rental – will encourage active travel and health improvements.

Plenty of accessible space in the Town Centre will allow us to carry out a **targeted Family Learning programme**, with space for play and get together; families will be able to learn together, **raising aspiration and achievement** from the Early Years onwards.

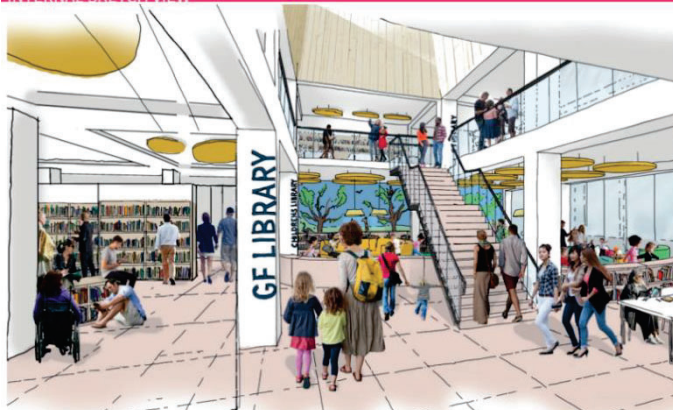
King's Lynn's unique historical environment will be enhanced and complemented by the extensive local history resources and collections held at the library and the opportunities this project brings to promote and display them at heart of the town. It will be a major contributor to the sense of pride in the town and sense of place.

The below RIBA1 indicative sketches of the space highlight the impact the rejuvenated build will have on the surroundings, fulfilling community requests in for a modern build that works with its surroundings, opening up a plaza space and revealing the Majestic Cinema. The inside ground floor entryway will feel open and welcoming, with space for exhibitions and easy sightlines connecting different areas within the space. These designs are subject to much wider consultation with planners, the public and Town Deal Board over the forthcoming RIBA stages.

EXTERNAL SKETCH VIEW



INTERNAL SKETCH VIEW



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### **Programming and partnerships:**

The programming and partnerships offer will be based on the successful and proven approaches already up and running in Great Yarmouth and the Norfolk and Norwich Millennium Library. More than doubling the existing space will allow Adult Learning will be able to operate a significantly augmented programme.

<sup>24</sup> Artist impression of external and internal views – Hudson Architects 2022

Adult Learning have developed an ambitious programme in response to the **King's Lynn Skills strategy** – planning courses which support shortages in NHS and care staff, STEM subjects and green and low-carbon sectors. As a result of the Government's focus on supporting adults to gain first Level 3 and above qualifications, they will offer a range of free Level 3 vocational qualifications.

Adult Learning will offer a much wider Community learning programme with courses like “**beat the bills**” providing basic skills for people in budgeting and money management. People will be able to access a wider programme of **digital inclusion courses and 121 support**, reducing the numbers of people experiencing digital exclusion. Skills and employability training means **more people will find sustainable and or better paid work** meaning they don't have to struggle on a fixed income provided by benefits.

Planned course programme developments with The College of West Anglia (CoWA) will also **maximise Adult Education resources and create a navigable learning path** for people to re-skill, bringing participation in line with and even surpass comparable areas. Working together with CoWA a programme of ESOL and Adult Education programmes that **maximises shared resources** and enables as many residents as possible to support their aspirations.

Trained staff providing face to face and **on demand information and signposting** means people can come and access help quickly and easily for things like NAS and Lily referrals. A permanent, **town centre presence for voluntary sector organisations** (for example CAB, community food hub etc) will provide vital support with debt and benefits advice will help people manage their financial struggles and maximise their income

Children's Services have included the MUCH in their **Family Hub** proposals to help tackle the negative social and health outcomes faced by families and the lack of accessible support for families near to where they live

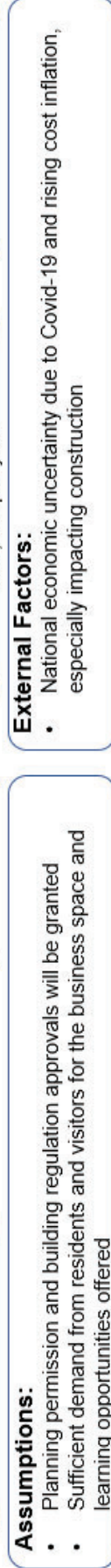
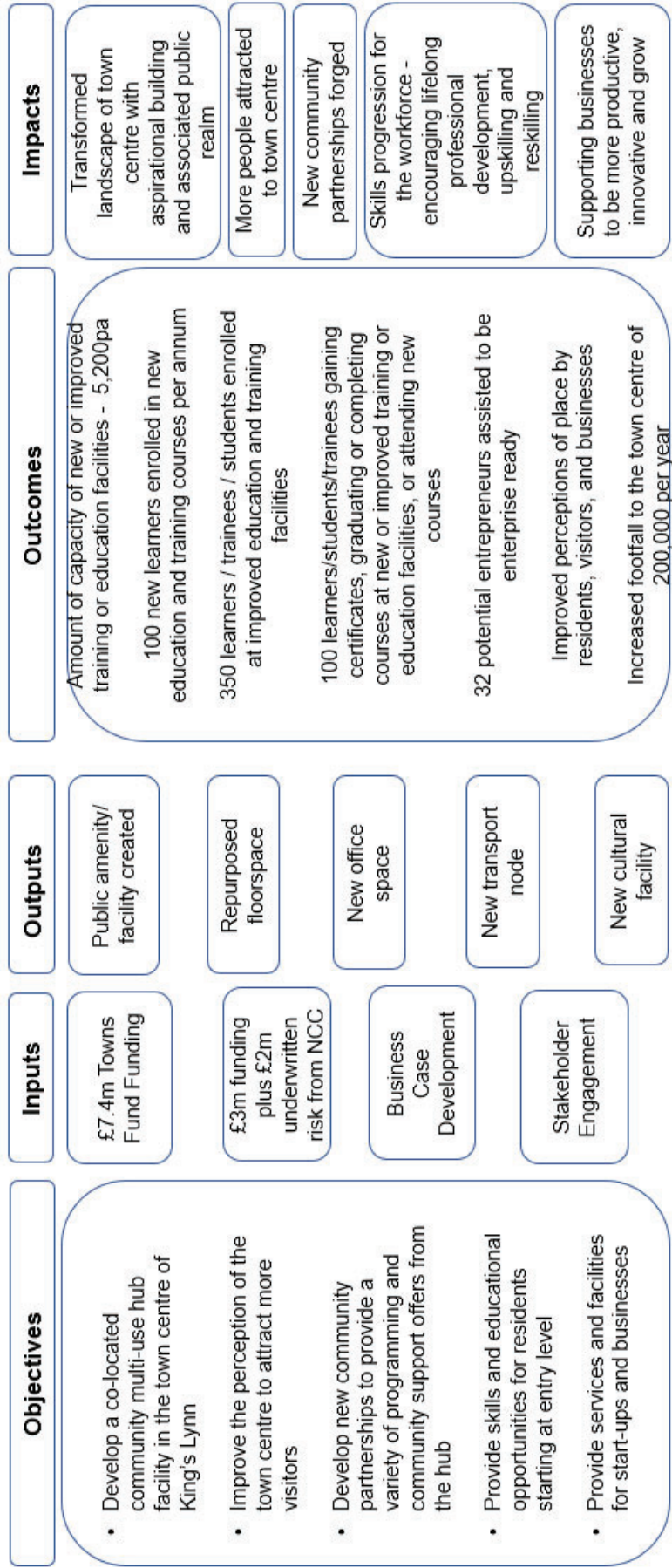
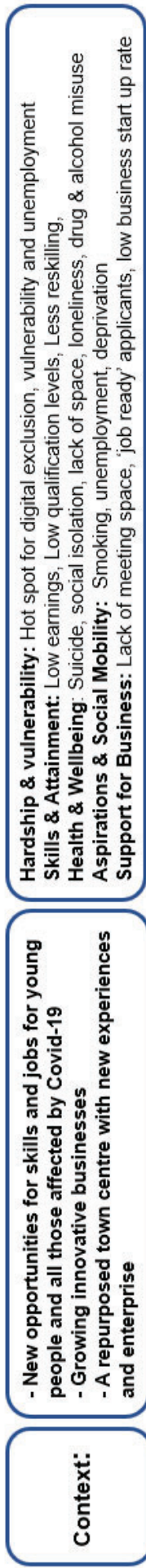
A wealth of **business and employment-centred learning and resources** will be based onsite. The flexible spaces open up other opportunities for greater partnership working with organisations providing business support, advice, guidance and workforce training.

Discussions to date with **health services providers** have encompassed a wide range of opportunities to combat health inequalities with opportunities under consideration ranging from hosting health checks or physical rehabilitation services within the multi-purpose spaces, to basing health spoke models onsite.

The 'one-stop shop' of a range of services and activities the MUCH now proposes to offer means there will be increased opportunities to support early intervention, referral and support to members of the community who are vulnerable.

The combination of facilities, programming and partnerships will create a 'no wrong door' approach - essential in supporting the community in response to Covid-19. The vision is to offer the community a key and pathway to a better life. This range of services will provide a core environment of well-being, skills development, learning and information and would provide a base-revenue model.

## Theory of Change



## Expected outputs and outcomes

### Outputs:

Output	Target
Number of new cultural facilities	1
Number of derelict buildings refurbished	1
Number of public amenities / facilities created	1
Amount of new office space – meeting rooms and hot desking	400sqm
Amount of floor space repurposed (commercial) – spaces available for commercial hire	425sqm
# of transport nodes with new multimodal connection points	1

### Outcomes:

Outcome	Target
Amount of capacity of new or improved training or education facilities	5,200
Number of learners enrolled in new education and training courses	100pa
Number of learners / trainees / students enrolled at improved education and training facilities	350pa
Number of learners/students/trainees gaining certificates, graduating or completing courses at new or improved training or education facilities, or attending new courses	100pa
# of potential entrepreneurs assisted to be enterprise ready	32pa
Improved perceptions of place by residents, visitors, and businesses	70%
Increased footfall to the town centre	200,000 pa <sup>25</sup>

## Expected different impacts by protected characteristics and/or income groups

For a full breakdown of impacts by group, please refer to the Equality Impact Assessment in appendices

Norfolk County Council is committed to providing public services and a workforce environment that can be accessed, understood and used to the greatest extent possible by all people regardless of their ability or disability. Whilst designing the MUCH we will be guided by the following:

- Provide the same means of use to enable access for all users: identical whenever possible; equivalent when not
- Avoid segregating or stigmatizing any users
- Provisions for privacy, security and safety shall be equally available to all users
- Ensure dignity in use for all users

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<sup>25</sup> This increased footfall also represents a minimum 30% increase in pre-pandemic Library usage

## **Stakeholders**

Our engagement with key stakeholders has both reinforced the need for the project and allowed us to refine our offer – even at this early stage. Specific ways in which stakeholder viewpoints have influenced the project are highlighted in the Stakeholder Feedback and Project Change (Annexe 2)

Prior to public consultation, stakeholder and member briefings were held in early December 2021. These provided a valuable opportunity for the project team to inform priority stakeholders about early developments and thinking and gain valuable feedback on the plans.

Community consultation took place online and via hard copy surveys (available in the library and at drop-in sessions) from 1 December – 22 December 2021. Respondents were invited to give their views on a proposed new community hub in King's Lynn, and their ideas for the future use of the current library building. A robust overall sample of 379 respondents took part in the survey.

A series of online workshops were also held for members of the public (who had indicated that they would like to join a workshop through the survey). Sessions to get the views of representatives from the heritage and the arts, and community and voluntary groups also took place.

The Vision King's Lynn young people survey took place online from 5th October - 24th October 2021. During this time, 167 respondents aged 16-25 took part.

## **Policy alignment**

The project has excellent alignment with key local regional and national strategies, policies and plans which can be found in Policy Alignment (Annexe 3)

They include:

- The King's Lynn Town Investment Plan
- The King's Lynn Local Cycling and Walking Infrastructure Plan (LCWIP)
- Norfolk County Council Better Together for Norfolk 2021-2025 strategy
- Norfolk County Council Rising to the Challenge Together strategy
- Norfolk strategy for Participation and NEET
- Multiply (Norfolk & Suffolk County Councils)
- Integrated Care System & Health and Wellbeing Partnerships
- New Anglia's Economic Recovery Restart Plan
- New Anglia Local Skills Report
- Skills Advisory Panels
- Build Back Better High Streets Strategy
- Levelling Up Whitepaper Missions
- The Skills for Jobs White Paper

## Project risks, constraints, and interdependencies

Area	Description	Impact assessment	Mitigation
Resource	Project personnel availability impacted due to illness, conflicting priorities, or leaving organisation	Loss of skills, project understanding and capacity leading to inefficiency, delays and an inferior product	Project documentation is well maintained. Project and programme staff have clear communication to allow short notice cover. The project is well resourced to reduce overwork and stress
Engagement	Key project stakeholders are not well engaged with the projects	Poor understanding of their role, undoing of key decisions, additional resource to keep abreast leading to project delays and (at worst) poor overall final project	Review of ToRs for governance groups; clear roles and accountabilities; clear pathway should meetings be missed or members unavailable; good record keeping
Engagement	Key political stakeholders are not well engaged with the projects	Withdrawal of political support, additional resource to reassure	Impacted and interested members are key stakeholders, who will be provided with regular updates and formally briefed at each milestone
Scope	Scope creep caused by the desire for the project to deliver more, results in the project being undeliverable	Increase in budget, increase in timeline, lack of satisfaction in final product, elements being de-scoped further into the project	Workshops taking place to create clear scope - to then be agreed by stakeholders and governing boards, with clear alignment to Town Deal outcomes and Town Strategy
Budget	Uncertainties around inflation /unforeseen build challenges impacting build costs	Increase in budget, increase in timeline	Factor in significant financial contingency for inflation, monitor materials selected through RIBA stages to balance cost and quality at every stage; use of Modern Methods of Construction to mitigate build delivery risk; retention of floor plate to avoid foundation issues
Timeline	Delays: e.g., in securing TDF funding sign off/property purchase	Increase in timeline, possible increase in cost and reduction in quality	Norfolk County Council Comprehensive surveys being undertaken to ensure that all mitigating factors are known before the acquisition commences to prevent delays
Engagement	Negative publicity and disruption	Increase in timeline to rectify negativity and reassure stakeholders	Comprehensive community engagement being undertaken to prevent negative publicity and disruption
Timeline	Planning permission challenges	Increase in timeline, possible increase in cost and scope due to changes needed to include build frontage	Working with KLWN planning team from RIBA1 to plan ahead and minimise disruption; lower risk as building outside conservation area
Scope	Unsafe/ substandard materials retained from old structure	Increase in budget and timeline to address. Possible impact on lifespan of the build.	Multiple surveys have taken place on all materials to be retained: Concrete testing has taken place to confirm only minor work is required to secure. Asbestos removal has been planned for.

The key constraints and interdependencies for this project are:

- Constraint: Budget – ability to deliver a comprehensive scheme within the budget available given uncertainty around inflation and build costs
- Interdependency: Partnerships and new skills programme must be in place by launch date
- Interdependency: Move of old library must align with build completion and launch date to ensure continuation of service

# 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. Town Deal funding will be used to redevelop the vacant former Argos building on New Conduit Street to provide a new Multi User Community Hub (MUCH). The MUCH project will provide a new library, replacing the current facility at the Carnegie Building as well as providing a café and spaces for offering adult learning, a digital hub, training kitchen and spaces for businesses (workspace and meeting space). Specifically, the project will:

- Provide a modern and accessible library, business and community hub that provides a facility of sufficient size to meet the needs of King's Lynn's population. The MUCH facility will mirror the library, learning and community facilities provided by Norfolk County Council elsewhere in the county and respond to the feedback of community consultation collected as part of developing the King's Lynn Town Deal investment plan.
- Provide spaces for a wider range of services such as flexible spaces to deliver a large programme of learning at Level 1-4 in partnership with the Department for Education. This responds to low levels of workforce skills in King's Lynn and West Norfolk and a lack of adult learning facilities in King's Lynn town centre.
- Transform the New Conduit Street area of King's Lynn town centre, increasing footfall as a result of the number of residents using services provided at the MUCH, providing the opportunity in the future for high quality public realm at its frontage and opening up the Majestic Cinema via the preferred design for the MUCH.

### 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 Multi User Community Hub (MUCH) project. This economic case quantifies five core benefits of the MUCH project, each of which directly address long-standing challenges faced by the town that are set out in detail in the strategic case.

The MUCH project will address significant health and wellbeing issues, such as social isolation, life limiting diseases, poor wellbeing and ill health. This will be quantitatively assessed in two ways, the first in terms of the wellbeing benefits of using the MUCH site for its various uses, including for socialising, health and wellbeing classes and other events. The second way this will be quantified is through the economic savings from reducing the incidence of serious and life limiting health conditions resulting from the extensive health and wellbeing courses offered at MUCH.

The high levels of unemployment and low skills attainment in King's Lynn has contributed to significant social and financial vulnerability within the local population and a low wage economy offering many residents limited opportunity for social mobility, severely impacting the aspirations of local people, especially younger people which is demonstrated by high proportions of NEETs, unemployment and high levels of demand for Universal Credit and Children's Services. Clearly these issues, set out in detail within the strategic case have had a significant impact on opportunities and the quality of life for many of King's Lynn's residents. MUCH seeks to address this by providing targeted training courses to support people into employment and to provide the skills required to secure higher value, better paying and sustainable employment that will enhance their quality of life. The economic impact of this movement into employment has been captured within the quantitative analysis.

The quantitative assessment has an appraisal period of 30 years and has been discounted to 2022 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.



In addition to the quantified benefits assessment, a number of non-quantified benefits have been included within this economic case, these include support for mental health and providing access to social services.

### **Options Appraisal**

The development of the MUCH project has been the subject of scheme development and options assessment process as part of the development of the Town Investment Plan. This process led to the identification of three options:

#### **Option One: Do Nothing**

This option would deliver no works and accordingly, produce no benefits. This option is the standard, counter-factual position and would fail to address any of the challenges set out within the Strategic Case. Under this option, the existing library site would remain in its current state, with the current accessibility and quality issues that affect the site unchanged.

This option was rejected as it would not address the community, societal, health or economic challenges faced by the residents of King's Lynn. However, in accordance with HMT Green Book guidance, this option has been taken forward for appraisal as the 'counter-factual' option, against which the preferred 'Do-Something' option will be compared.

#### **Option Two: Refurbishment and extension of current library**

This option would refurbish the current Grade II Listed library site and install temporary structures to provide additional floorspace in which the additional services identified for the MUCH project will be provided. This option would allow many of the services and uses of the MUCH project to be delivered within King's Lynn, however the limitations of this option are significant. This option would restrict the ability to address the accessibility issues at the current library as well as to provide the full facilities required to deliver the proposed services at the site. This is a result of the listed status of the building. The historic current library building is Grade II Listed, meaning that there are limitations to what work can be done to alter the fabric of the building or to change the building fundamentally. These limitations are likely to extend to adding ramps and other features to enable greater access to the building and may restrict the ability to redevelop the interior of the building to provide space for the services required by the MUCH project. Without accessibility and the ability to deliver the full amount of floorspace required to deliver these services, this option would limit the benefits of the scheme and likely fail to fully address the challenges set out in the Strategic Case. The use of temporary structures to provide additional floorspace would also lead to the loss of the carpark at the site, further restricting accessibility at the site. This option would also fail to address the need for a more centralised community offer that would contribute to the revitalisation of the town centre and support the enhanced identity and pride of place within King's Lynn. As a result of these issues, this option was not taken forward for appraisal.

#### **Option Three: Create a new, central, community and learning space**

This option would purchase and redevelop a vacant building within King's Lynn's town centre to deliver a central hub as a base for the MUCH project. This option would deliver a larger library than in its current location and provide sufficient floorspace to deliver the full programme of courses, training and events proposed by this scheme.

46 New Conduit Street, King's Lynn was selected as the site for this option. The current building in this site, a large former retail unit is disused and is a visual blight on a central area of the town. The redevelopment of this site would enable the delivery of the MUCH project and provide a high-quality community hub that is centrally located and accordingly will increase footfall and activity within the town centre.

For the above reasons, in particularly the alignment of this option with the scheme's objectives, set out in the Strategic Case, Option Three was selected as the preferred option.

In accordance with HMT Green Book principles, both the Preferred Option and the 'Do-Minimum' option, Option One, will be taken forward for quantitative appraisal.

## Economic benefits

The MUCH project seeks to address a range of economic, social and health challenges faced by King's Lynn's residents.

The quantified economic benefits of this project reflect those ambitions and are closely tied both the specific outputs of the project and the impact of these outputs on King's Lynn, drawing on the wealth of evidence of current challenges set out in the Strategic Case.

The quantified benefits of this project are linked directly to the key impacts of the project on the health, wellbeing and economic opportunities of its target beneficiaries. Each of the five quantified benefits reflect this and each build on the strategic justification for this project set out in the Strategic Case. The benefits quantified to appraise the MUCH project are:

- **Wellbeing benefit of library users** – This project seeks to address long-standing health and wellbeing issues prevalent amongst the local population, by providing a community space offering events, groups and services aimed at engaging residents and enhancing their wellbeing and health. Research undertaken on behalf of the Arts Council England into the wellbeing impacts of library use valued users and non-users' willingness to pay for libraries with this type of offer as a measure of the wellbeing value gained from the ability to access these services and community spaces.
- **Health benefits from reduction in serious, life-limiting conditions** – In addition to supporting greater levels of wellbeing, the MUCH scheme will provide a range of support to enhance health outcomes among the local population. As the Strategic Case sets out, King's Lynn has high levels of health inequality, including a rate of deaths from cardiovascular disease more than three-and-a-half times higher than the Norfolk average. The health and lifestyle support provided at the MUCH site will contribute to a reduction in this risk to those who receive this support. The reduction in risk reduces the chance of those receiving this support from requiring medical treatment for these conditions, leading to a significant saving to the NHS which has been applied as a proxy measure for the societal benefit, including to the benefit to the individual of not developing these conditions.
- **Lifetime economic benefit of people gaining new qualifications** – The educational courses, aligned to Levels 1, 2 and 3 offered at the MUCH will provide lifetime economic benefits for those receiving qualifications. This calculation captures that benefit and reflects the aim of this project to address the issues around the lack of opportunities and quality of life among King's Lynn's residents without formal qualifications.
- **Welfare impact of supporting re-entrants to the labour market** – The programme of skills and training to be offered by the MUCH project will actively support many of those receiving training to enter or re-enter employment. In providing this training and support, MUCH will actively address the issues of low skills attainment, low qualifications levels, low earnings and high unemployment within King's Lynn. The shortage of skills amongst many residents restricts their ability to find meaningful, high value and well-paid employment and limits both their life chances and the quality of life. The economic benefit of people entering or re-entering employment with good quality jobs has been captured using a methodology set out in the Department for Transport's TAG guidance that states that the welfare of a single job is the equivalent of 40% of the Gross Value Added (GVA) produced by that job. This methodology has been conservatively applied to those receiving employability support from the MUCH project.
- **Value of volunteering at the MUCH** – The MUCH site will double the size of the library space within King's Lynn and in doing so increase in the amount of time volunteered to deliver library services. This has been quantified to capture the value of this time.

The methodologies used to assess each of the above quantified benefits are set out below.

The quantitative appraisal of the costs and benefits of this scheme has been undertaken over 30-year appraisal period, in accordance with HMT Green Book guidance that ties the appraisal period to the anticipated lifetime of the asset, which in this case has been assumed to be 30 years.

## Wellbeing benefit of library users

The project is expected to drive an increase in library use and membership. This will result from the facility's central location in the middle of King's Lynn town centre. Usage will also be driven by improving the accessibility of library facilities that is restricted in the listed Carnegie Building. The presence co-

location of library services with learning provision, a café and business incubation and meeting space will also drive up visitor numbers and library usage. The MUCH site will provide services, community groups and events that will actively attract and support residents in a number of ways, including simply by reducing loneliness and providing a support structure for those currently without one.

The range of uses of a library site such as this has been assessed in relation to its impact on wellbeing in a study undertaken by Daniel Fujiwara and others, commissioned by Arts Council England in 2015<sup>[1]</sup>. This study utilised a willingness-to-pay approach to create a proxy value of libraries that offer certain services and uses. The values produced by this study range between £29 per person per year to £39 per person per year, depending on whether users attend events, use the library services to socialise or where the library offers health and wellbeing services. As the MUCH project will provide each of these to some extent, a weighted average value was used for each net additional library user, based on an even weighting between these three uses. This single value per user per year was then adjusted to 2022 prices.

The current number of library users and the anticipated future users of the MUCH site were estimated by Norfolk County Council and King's Lynn and West Norfolk Council, based on the proportionate uplift in users reported by a similar scheme delivered in Great Yarmouth, where a 30% uplift in users was recorded. The assumptions used to calculate this benefit are set out below.

### Wellbeing benefits to library users

<b>Assumption</b>	<b>Value</b>	<b>Source/ Justification</b>
<b>Model Assumptions</b>		
Number of Net Additional users of the MUCH site per annum	24,000	A 30% uplift to pre-pandemic levels of users of the current library. The 30% increase in users is based on the findings of a similar project delivered in Great Yarmouth.
Wellbeing benefit to library users	£37 per person per annum	This value was derived from a weighted average of three willingness-to-pay values produced by Fujiwara et al. (2015) <sup>[2]</sup> that reported the following: The Willingness-to-pay for libraries, reflective of the wellbeing value attached to these libraries is dependent on the services offered at each library. In 2015 prices, libraries that provide events are valued at £29 per person per year, libraries that provide opportunities for social interaction are valued at £26 per person per year and libraries that offer health and wellbeing services are valued at £39 per person per year. A weighted average of these three values was calculated, applying an equal weighting to each three values. The resulting figure was adjusted to 2022 prices.
<b>Additionality</b>		
Deadweight	10%	A low figure for deadweight was applied to reflect the chance that some beneficiaries will receive this benefit without the MUCH project being delivered. This was considered highly unlikely however, as no alternative services are being provided within King's Lynn that will provide residents with access to these benefits. As this project targets those with limited ability to travel to other similar sites and those with a particular need for the MUCH site, it is considered unlikely that many of the beneficiaries of this project would secure these benefits without this scheme being delivered.
Leakage	0%	Due to the limited ability of the target beneficiaries of this project to travel to other sites, it is considered highly likely that all of the beneficiaries will be residents of King's Lynn. The central location of the site increases the likelihood that all beneficiaries will be local to the area.
Displacement	10%	As set out above, the lack of alternative sources of this benefit in King's Lynn makes it highly unlikely that a significant number of the beneficiaries of this project will be able to receive these benefits elsewhere. In order to be cautious, a low figure for displacement of 10% has been applied.
Net Additionality	81%	Mott MacDonald Calculation

Once deadweight and displacement are accounted for, the impact over the 30-year appraisal period is **estimated to generate £12.2m in present value terms**. These benefits have been discounted at 3.5% per annum in line with HM Treasury Green Book and MHCLG Appraisal Guidance.

### Health benefits from reduction in serious, life-limiting conditions

The high levels of health inequalities within King's Lynn are among the key challenges this project seeks to address. As set out in the Strategic Case, King's Lynn residents have a mortality rate from cardiovascular disease more than three-and-a-half times that of the Norfolk average. MUCH will provide an increased range of courses, classes and support to encourage residents most at risk of major health problems including cardiovascular disease to live healthier lives and accordingly, reduce their risk of such conditions. Research by Sheffield Hallam University for Sport England shows that greater levels of activity reduces the risk of heart diseases by 35% of dementia by 30% and of diabetes by 50%<sup>[3]</sup>. This report also provides an economic value of reducing the incidence of each condition, tied to the costs avoided by the NHS. These and other assumptions are set out below.

The number of beneficiaries of this benefit were estimated by King's Lynn and West Norfolk Council based on a 30% uplift in users, as reported by a similar scheme in Great Yarmouth, applied to the current users of similar services at the existing library site.

#### Health benefits

Assumption	Value	Source/ Justification
<b>Model Assumptions</b>		
Number of beneficiaries	28	This is a 30% uplift in the 92 existing annual users of similar health and lifestyle services at the current library site. The 30% uplift is based on the findings of a similar project delivered in Great Yarmouth.
Reduction in risk	Various	The study undertaken by Sheffield Hallam University on the economic impacts of health, sport and activity utilized data from the NHS which report that activity and healthy lifestyle choices reduces the risk of: <ul style="list-style-type: none"> <li>- Heart disease by 35%</li> <li>- Dementia by 30%, and</li> <li>- Diabetes by 50%<sup>[4]</sup>.</li> </ul>
Value of reduction in risk	Various	The same report, as referenced above, values the reduction of each incidence of the above conditions as the following: <ul style="list-style-type: none"> <li>- Heart disease, including stroke - £7,270</li> <li>- Dementia - £38,520</li> <li>- Diabetes (type II) - £4,138</li> </ul> Each of the above values have been adjusted to 2022 prices.
<b>Additionality</b>		
Deadweight	0%	As set out above, due to the endemic health issues within King's Lynn it is considered highly unlikely that the beneficiaries targeted by this project will receive these benefits without MUCH being delivered.
Leakage	0%	Due to the limited ability of the target beneficiaries of this project to travel to other sites, it is considered highly likely that all of the beneficiaries will be residents of King's Lynn. The central location of the site increases the likelihood that all beneficiaries will be local to the area.
Displacement	0%	As set out above, due to the endemic health issues within King's Lynn it is considered highly unlikely that the beneficiaries targeted by this project will receive these benefits elsewhere, due to a lack of alternative locations.
Net Additionality	100%	

The impact of this benefit over the 30 year appraisal period is **estimated to generate £6.9m in present value terms**. These benefits have been discounted at 3.5% per annum in line with HM Treasury Green Book and MHCLG Appraisal Guidance.

### Lifetime economic benefit of people gaining new qualifications

The increase in the number of courses across educational Levels 1, 2 and 3 at the MUCH site will directly address the skills shortage within the town and enhance the opportunities and aspiration available to the town's residents. The additional courses offered at the MUCH will increase the average number of people completing courses each year, this is broken down in the following way:

- Level 1 – 10 additional completions per annum
- Level 2 – 20 additional completions per annum
- Level 3 – 1 additional completion per annum.

The economic value of achieving these qualifications has been produced by the Department for Education (DfE)<sup>[5]</sup> and sourced from the New Economy Unity Cost Database. These values and the calculations used to assess this benefit are shown below. As no data is available on the economic benefit of securing a Level 1 qualification, this analysis focusses solely on levels 2 and 3.

Assumption	Value	Source/ Justification
<b>Model Assumptions</b>		
Additional Level 2 qualifications per annum	20	Project data – based on modelling of the enhanced capability to deliver courses at the MUCH.
Additional Level 3 qualifications per annum	1	Project data – based on modelling of the enhanced capability to deliver courses at the MUCH.
Annual value of NVQ level 2 qualification per annum	£655	Department for Education data, sourced from the New Economy Unit Cost Database, adjusted to 2022 prices.
Annual value of NVQ level 3 qualification per annum (2022/23 prices)	£1,294	Department for Education data, sourced from the New Economy Unit Cost Database, adjusted to 2022 prices.
Course completion rate	75%	Although the quality of teaching and of the courses will meet the standards set by the Department for Education and OFSTED, the risk remains that each year, external factors will cause some of those studying each course to fail to complete the course. To account for this, an assumption that 75% of those taking each course each year will complete the course and achieve the qualification.
<b>Additionality</b>		
Deadweight	0%	As the courses included within this analysis are the net additional courses, over and above those currently delivered in this area, additionality is already accounted for within this analysis.
Leakage	0%	Due to the limited ability of the target beneficiaries of this project to travel to other sites, it is considered highly likely that all of the beneficiaries will be residents of King's Lynn. The central location of the site increases the likelihood that all beneficiaries will be local to the area.
Displacement	0%	Due to the lack of alternative locations providing similar courses in this area and the lack of similarly accessible and central locations which will intentionally reach out to those without these qualifications, it is considered unlikely that the beneficiaries of this project will be able to access the same support elsewhere.
Net Additionality	100%	

The impact over the 30 year appraisal period is **estimated to generate £1.9m in present value terms**. These benefits have been discounted at 3.5% per annum in line with HM Treasury Green Book and MHCLG Appraisal Guidance.

### Welfare impact of entrants and re-entrants to labour market

The MUCH project will provide a central location for a range of training courses, advice and guidance services, specifically supporting residents who are seeking to enter the labour market. The new facility will therefore lead to an increase in the number of adults residents considered to be 'job ready'. The benefit of preparing residents for entry into the labour market has been monetised in line with HMT Green Book and guidance from the Ministry of Housing, Communities and Local Government (MHCLG)

and the Department for Transport (DfT), the welfare value of individuals entering or re-entering the labour market has been captured in the quantitative analysis of the two site options. The MHCLG uses DfT's WebTAG valuation that the individual welfare impact to beneficiaries of entering or re-entering the labour market is equivalent to 40% of the GVA of the position they are occupying. This is a standard approach within HMT Green Book appraisals and captures the social impact of employment for those out of work. The anticipated number of beneficiaries and undiscounted annual benefit of this impact for both options is shown below.

### Welfare impact of entrants into the labour market

Assumption	Value	Source/ Justification
<b>Model Assumptions</b>		
Beneficiaries per annum	57	Based on a 30% uplift in current users of similar services at the existing library site. This is benchmarked to the findings of a similar project in Great Yarmouth.
GVA per worker – King's Lynn and West Norfolk	£50,469	ONS, Nominal (smoothed) GVA (B) per filled job (£); Local Authority District, 2002 – 2019, adjusted to 2022 prices using GDP Deflators from HMT, March 2022.
Welfare impact of GVA	40%	Department for Transport, TAG Unit A2.3, May 2018
Welfare impact per job	£20,187	Calculation
Proportion of beneficiaries entering work	75%	Whilst similar programmes, including the current provision operated by the council have proven to be highly successful in supporting people into employment, it is unlikely that every person who receives this training will enter work as a result. This assumption accounts for the proportion of those receiving support who will still be unable to enter employment due to other factors that may currently be unforeseen, and which cannot be addressed by this project.
<b>Additionality</b>		
Deadweight	10%	As with the other metrics above, the structural issues that underpin joblessness and skills shortages amongst pockets of the King's Lynn population are deep rooted and are unlikely to be addressed without this project. In order to be cautious and to reflect the chance that some of the target beneficiaries each year will enter employment without the support and training provided by this project.
Leakage	0%	Due to the limited ability of the target beneficiaries of this project to travel to other sites, it is considered highly likely that all of the beneficiaries will be residents of King's Lynn. The central location of the site increases the likelihood that all beneficiaries will be local to the area.
Displacement	5%	Due to the lack of alternative locations providing similar training courses, it is considered unlikely that the beneficiaries of this project will be able to access the same support elsewhere. To reflect the chance that some may be able to do so, a figure of 5% has been applied to account for displacement.
Net Additionality	86%	

The labour supply benefit has profiled over a 30-year appraisal period is expected to **generate £12.4m in present value terms.**

### Value of volunteering

The increase in the size of the library space relative to the existing site will enable the number of volunteers at the MUCH site to be double that of the existing library. The benefit of the time volunteered has been valued using the UK minimum wage, which provides a shadow price for the value of the time volunteered. The calculation of this benefit is set out below, based on the estimated number of total volunteering hours per year produced by the project sponsors.

### Value of volunteering

Assumption	Value	Source/ Justification
<b>Model Assumptions</b>		

Additional volunteers per year	10	Project specific information
Hours volunteered per week	3	Project specific information - the project sponsors anticipate volunteers will each volunteer between 3 hours per week and the equivalent of full-time work. As the precise number of hours committed by each volunteer are unknown at this stage, for the sake of appraisal, the lower bound of the estimated average weekly commitment by volunteers has been applied.
Hours volunteered per year per volunteer	156	Calculation (hours volunteered per week * 52)
Total volunteering hours per year across all volunteers	1,560	Calculation (total hours per year per volunteer * number of volunteers)
UK minimum wage per hour (post April 22)		UK Government information on UK minimum wage (National Living Wage) <a href="https://www.gov.uk/government/publications/the-national-minimum-wage-in-2022">https://www.gov.uk/government/publications/the-national-minimum-wage-in-2022</a>
National living wage	£9.50	
Value of volunteering	£14,820	Calculation – annual value of volunteering per annum
<b>Additionality</b>		
Deadweight	0%	As it would not be possible for people to volunteer in the MUCH without the MUCH being delivered, deadweight is set at zero.
Leakage	0%	Due to the limited ability of the target beneficiaries of this project to travel to other sites, it is considered highly likely that all of the beneficiaries will be residents of King's Lynn. The central location of the site increases the likelihood that all beneficiaries will be local to the area.
Displacement	25%	As it is possible and arguably likely that people willing to volunteer their time for causes such as this would volunteer time elsewhere, an assumption of 25% for displacement has been applied. It is anticipated however that the central location of the MUCH and the attractiveness of the space and its offer will attract a significant proportion of the volunteers, meaning that the majority would not otherwise volunteer elsewhere.
Net Additionality	75%	

The benefit of volunteering has profiled over a 30-year appraisal period is expected to **generate £254,400 in present value terms**. As this analysis uses the minimum estimate for the number of volunteering hours to assess this benefit, the actual benefit is likely to be higher than assessed here.

### Economic costs

The economic costs of the MUCH project have been assessed by Norfolk County Council and the King's Lynn Town Deal Board. The costs of the scheme are based on quantities and benchmarked costs and have been assessed at a high level and focus on the capital delivery phase.

The costs presented in the table below are the nominal, undiscounted costs of the scheme. These costs exclude inflation but include optimism bias (OB) at 24%. This OB rate is the upper bound (24%) value for standard building projects, which at this stage can be as low as a 2% cost uplift<sup>[6]</sup>; this rate was conservatively selected to account for the current high level of construction inflation.

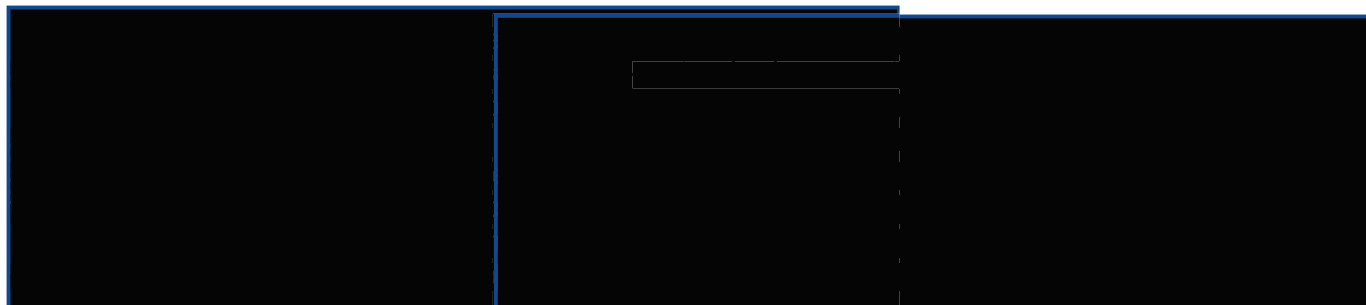
### Nominal economic costs, 2022 prices

Funding Type	2022/23	2023/24	2024/25	2025/26	Total
Towns Fund	£500,000	£438,030	£6,300,420	£0	£7,238,450
Norfolk County Council	£500,000	£438,030	£2,498,020	£1,450,400	£4,886,450
<b>Total</b>	<b>£1,000,000</b>	<b>£876,060</b>	<b>£8,798,440</b>	<b>£1,450,400</b>	<b>£12,124,900</b>

These costs were then discounted at a rate of 3.5% per annum to 2022/23, in accordance with HMT Green Book guidance. The total, present value costs are shown below.

## Present Value Costs, 2022 prices

Funding Source	Present Value Cost
Towns Fund	£6,804,727
Norfolk County Council	£4,563,323
<b>Total</b>	<b>£11,368,050</b>



## 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 taking into account non-monetised costs and benefits). The formulae for these two metrics are shown below. The BCR is calculated using the following formula:

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

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

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

Where:

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

And,

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

The results of the VfM assessment for the preferred option are outlined in the table below. The VfM assessment for MUCH shows a **BCR of 2.40**. This option therefore demonstrates **high VfM**.

## Value for Money Assessment Summary

Economic benefits	Present values (2022 prices)
Wellbeing benefit of library users	£12,160,181
Health benefits from reduction in serious, life-limiting conditions	£12,465,810
Lifetime economic benefits of educational attainment	£1,935,913
Welfare impact of entrants and re-entrants to labour market	£6,998,908
Value of volunteering	£254,447
<b>Total Economic Benefits</b>	<b>£33,815,259</b>
Economic costs	
Towns Fund	£6,804,727
Norfolk County Council match funding	£4,563,323



Total cost (excluding optimism bias)	£11,368,050
<b>Total Cost (Including optimism bias)</b>	<b>£14,096,382</b>
<b>Net Present Social Value</b>	<b>£22,447,208</b>
<b>Benefit-Cost Ratio (BCR)</b>	<b>2.40</b>

### Sensitivity analysis

Two sensitivity tests have been produced to stress test the analysis, to better understand the assumptions that drive the benefits appraisal:

- **Sensitivity Test 1: Increase in in Optimism Bias from project costs** – an increase in optimism bias to 50% is applied to total CAPEX (increasing from 24% under the core scenario). This significant increase in costs reduces the BCR from 2.40 to 1.98, which would constitute medium VfM.
- **Sensitivity Test 2: Half the health benefits** – if the number of people engaging with the health courses and resources was halved, the benefit from increased employment reduces and lowers the BCR to 1.96, which still constitutes medium VfM.

### Value for Money Assessment Sensitivities

Economic benefits	Preferred option	Sensitivity 1	Sensitivity 2
Wellbeing benefit of library users	£12,160,181	£12,160,181	£12,160,181
Health benefits from reduction in serious, life-limiting conditions	£12,465,810	£12,465,810	£6,232,905
Lifetime economic benefits of educational attainment	£1,935,913	£1,935,913	£1,935,913
Welfare impact of entrants and re-entrants to labour market	£6,998,908	£6,998,908	£6,998,908
Value of volunteering	£254,447	£254,447	£254,447
<b>Total Economic Benefits</b>	<b>£33,815,259</b>	<b>£33,815,259</b>	<b>£27,582,354</b>
<b>Economic costs</b>			
Towns Fund	£6,804,727	£6,804,727	£6,804,727
Norfolk County Council match funding	£4,563,323	£4,563,323	£4,563,323
Total cost (excluding optimism bias)	£11,368,050	£11,368,050	£11,368,050
<b>Total Cost (Including optimism bias)</b>	<b>£14,096,382</b>	<b>£17,052,076</b>	<b>£14,096,382</b>
<b>Net Present Social Value</b>	<b>£22,447,208</b>	<b>£22,447,208</b>	<b>£16,214,303</b>
<b>Benefit-Cost Ratio (BCR)</b>	<b>2.40</b>	<b>1.98</b>	<b>1.96</b>

### NON-QUANTIFIED BENEFITS

In addition to the quantified benefits identified in the previous section the MUCH project is expected to bring further non-quantifiable benefits. These are detailed below.

#### Supporting the mental health and wellbeing of King's Lynn's residents

The MUCH project will provide a new, centrally located focal point for activity within the town centre that will be open to all people and provide a space for socialising and engaging with social prescribing and wellbeing courses. In addition to the benefits quantified above, these outputs can support the mental health of local residents. As the Strategic Case sets out, the rate of mental health issues and suicides in King's Lynn far exceeds the regional and national averages. Whilst it is not possible to determine how many of these suicides and other major mental health issues could be avoided as a direct result of MUCH, it is likely that the project will support those affected by mental health challenges by providing a place to access services and engage with wellbeing and other programmes.

#### Generating wider land value impacts

The MUCH project will transform the New Conduit Street and Baxter's Plain area of the town centre. The project provides the opportunity to re-develop the area surrounding the MUCH through a high quality public realm intervention and stimulate other town centre investments such as the former Post Office Building. Although not quantified in this business case, the MUCH building and catalysed investment in public realm will generate increases in land values in the immediate vicinity. The proposals for the MUCH provide the opportunity to provide a pedestrianised area, including planting, at the junction of Tower Street, Blackfriars Street and Paradise parade. This would provide a fitting welcome to the MUCH and the Majestic Cinema.

### **Diversifying the Town Centre offer and delivering against Town Deal policy objectives**

The MUCH project will provide a much need stimulus to King's Lynn town centre, diversifying its offer away from retail and reducing vacant floorspace by repurposing a large redundant building. As such, the project directly fits the aims of recent town centre policy initiatives and the objectives of the 'Stronger Towns Fund', as set out in the Town Fund prospectus. Specifically, the Fund aims are:

- Increasing density in town centres.
- Strengthening local economic assets including local cultural assets.
- Site acquisition, preparation, remediation, and/or development.
- Making full use of planning tools to bring strategic direction and change.
- Developing local transport schemes that complement regional and national networks.
- Supporting the delivery of improved digital connectivity.

The MUCH will deliver against a number of these objectives including site acquisition and development; developing cultural assets and supporting improved digital connectivity through the inclusion of a digital hub within the new facility.

The new MUCH facility will delivery flexible space at the heart of King's Lynn town centre that can be used to accommodate a new programme of learning, provide space for meetings and conferences and business incubation space that can accommodate sole traders, micro businesses and a place for flexible working which has become commonplace after the COVID-19 pandemic.

The investment will address a prominent vacant building in the centre of King's Lynn. The contemporary design of the MUCH building will open up New Conduit Street, revealing the Majestic Cinema that is currently hidden behind the former Argos building and providing an opportunity for high quality public realm at its frontage. Given the high profile of this scheme, there are several economic benefits that have been quantified to help demonstrate the project's value for money.

<sup>[1]</sup> D Fujiwara, R Lawton & S Mourato, (2015) The health and wellbeing benefits of public libraries.

<sup>[2]</sup> D Fujiwara, R Lawton & S Mourato, (2015) The health and wellbeing benefits of public libraries.

<sup>[3]</sup> Sheffield Hallam University, Sport Industry Research Centre, (2020), Measuring the Social and Economic Impact of Sport in England, report 1: Social Return on Investment of Sport and physical Activity in England.

<sup>[4]</sup> Sheffield Hallam University, Sport Industry Research Centre, (2020), Measuring the Social and Economic Impact of Sport in England, report 1: Social Return on Investment of Sport and physical Activity in England.

<sup>[5]</sup> [Department for Education \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

<sup>[6]</sup> HMT Green Book, Supplementary Green Book Guidance, Optimism Bias, Table 1.

# FINANCIAL CASE

## FINANCIAL CASE

### Introduction

The financial case comprises two distinct components:

- The capital build phase
- The ongoing operation of the site once the capital phase is complete

Project funding covers the costs associated with the build and fit-out of the site. The capital demolition and build phases of project are due to start in financial year (F/Y) 2024/25. The completed site would be operational from Q2/3 2025.

Once opened, the hub will be owned and operated by Norfolk County Council, who will take on all financial risk for the build and operational phases.

The preferred base case option is to deliver the proposed build project in full, and to operate the Centre thereafter from existing NCC operational budgets.

### Approach to financial case

#### Capital phase

The funding for the capital phase derives from two sources per the table below:

Type	Source	Total Amount
Public sector	Towns Fund	£7.4m
Public sector	Norfolk County Council	£5m
		-----
		£12.4m

Funding will derive from central government (Towns Fund) and the local authority (Norfolk County Council). This includes an underwriting of £2m by NCC for risk, contingency and inflationary costs.

- Town Deal Funding will be drawn down per an approved funding agreement between KLWN as the accountable body, and Norfolk County Council. Per the request within the funding agreement Norfolk County Council will operate the space as a community hub for a minimum of ten years, the intention is for the space to be operated in this manner for significantly longer, and the time frame suggested does not impact the statutory commitment to providing a library service.
- Funding from NCC has been secured and approved by Cabinet. Of the £5m, £2m is underwritten risk which is committed, but the project team would seek to drive out where possible.

#### Revenue operation

The Community Hub does not expect significant revenue generation and will instead be funded from existing NCC operating budgets -:

As statutory service the library receives a revenue grant from the council annually and all costs are funded from this grant.

Adult learning costs will be funded via the Department of Education Adult Education Budget managed by the Education and Skills Funding Agency and awarded to NCCAL. Course costs include the cost of room hire and training staff.

Additional services provided by partners will not be funded by NCC, instead partners would hire space at the below rates. A large number of partners are interested in using the facility at the reduced rate to spot-hire or semi-permanently locate services and programmes given the MUCH's excellent location, and given the success of similar partnerships elsewhere. At present NCC are developing a wide range of partnerships to provide an enhanced offer (detailed in the Commercial Case).

At present no outcomes or local challenges identified are unaddressed by the combination of Library, Adult Learning and partnership provision. Should Norfolk County Council identify service gaps, improvements or exciting new ideas based on community feedback, funding opportunities would be reviewed for pilots.

Norfolk CC centralises its budgets for facilities management costs, so all required costs will be covered from a core facilities management cost.

Some income will be generated from space hire, which will be reinvested into the space. However, the operating models are robust enough to ensure the secure running of all services within the build without additional revenue.

Expected income (a conservative estimate) is outlined below, which includes a conservative 5% increase year on year:

Activity	25/26	26/27	27/28
Space hire	£44,958	£47,205	£49,565

The value of income has been based on models and usage in two similar spaces: The Great Yarmouth Library utilisation 2021-22, utilisation in the King's Lynn Bid 'The Place' from March-May 2022. There is also significant anecdotal evidence that conferencing space (which could be facilitated by the two largest Multi-Purpose Rooms) will be popular given the high demand at King's Lynn Innovation Centre (KLIC's) - which cannot be provided at present due to lack of parking capacity and business expansion needs

Research carried out by BCKLWN Lily services also indicated that one of the main needs of VCSE organisations locally was additional, flexible space to enable them to carry out their activities and services.

- Adult learning increasing use by 30% (£19,500)
- 4 partner organisations hiring multipurpose rooms on a regular basis (£8,960)
  - Weekly bookings averaging 4 hours a week
  - 100% charity, not for profit, community or public sector
- 1 hire of exhibition space for a full day a month
  - 25% commercial (£480), 75% charity, not for profit, community and public sector (£640)
- 20 ad-hoc meeting room bookings a month
  - Averaging 2 hours per booking.
  - At a rate of 50% commercial organisations (£3,360) to 50% voluntary to public sector organisations (£1,560)
  - Including X of income from equipment hire
- 8 ad-hoc multi-purpose room bookings a month
  - Averaging 4 hours per booking.
  - At a rate of 50% commercial organisations (£3,840) to 50% voluntary to public sector organisations (£1,920)
- £4,698 of annual income from equipment hire

The below costs are based on the model used across libraries in Norfolk, run on a not-for-profit basis:

Room	Commercial Organisations	Charity, "Not for Profit" community organisations and public sector
Meeting Rooms (x4)	£14.00ph	£6.50ph
MP space 1 (90sqm – 100pax)	£25ph (Minimum booking 4 hours)	£12.50ph

MP space 2 (70sqm – 80pax)	£20ph (Minimum booking 4 hours)	£10ph
MP space 3 (40sqm – 45pax) x	£15ph (Minimum booking 4 hours)	£7.50ph
Exhibition space	£20ph (Minimum booking 1 day)	£10ph

Current costs for equipment hire per session are below (a session is a total booking rather than an hour). These will evolve through the RIBA stages to reflect the space uses e.g., if easels are required for an art class.

Item	Cost per session
Projector and screen	£10
OWL video conferencing device	£20
Flip chart and pens	£5
Coffee/Tea (per pot, approx. 10 servings)	£10
Plate biscuits (per plate, approx. 20 servings)	£4
Staff overtime for bookings ending out of hours	£20ph

**Costs**

The costs shown below have been collated from sources which include the advice of the appointed professional team (Turner Townsend) based on RIBA Stage 1 design.

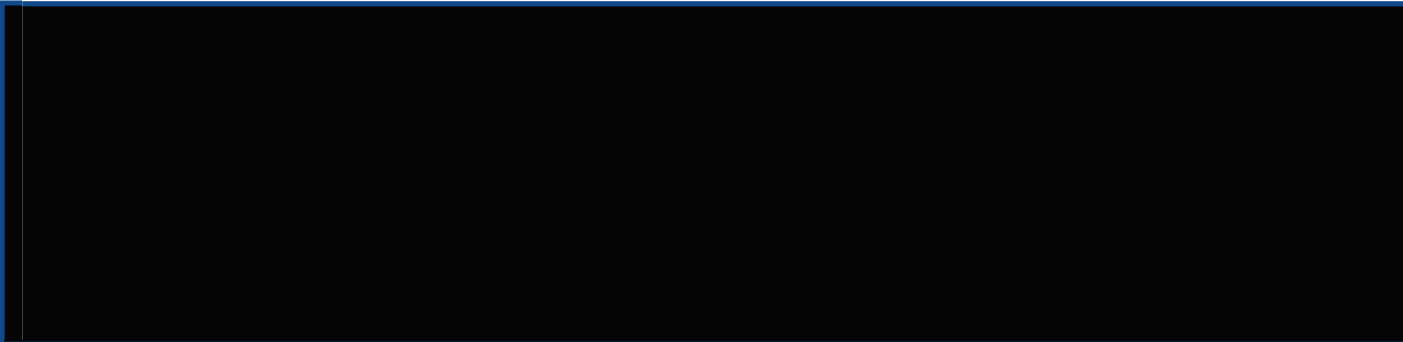
The estimate has been priced using the Turner Townsend internal market rates database and benchmarking tool and has been base dated to Q2 2022. £2.92m (£24%) has been allowed for inflation, contingency, reserve and risk items. The risk allowances for design reserve and contingency are included to reflect the current level of design (RIBA Stage 1). %'s for the risk allowances based on benchmark information have been provided in the construction cost overview below. Turner Townsend are confident that this inflation/contingency budget is sufficient, and given both the RIBA stage and flexibility of the build cost engineering could be applied without impacting delivery of outcomes. Irrespective of consultant confidence and options for cost engineering, NCC will continue to look for alternative funding to further drive out risk.

Inflation of 9.6% prior to tender completion has been included (Q2 2023) and a further 1.2% considered on all construction costs, up to the mid-point of construction - based on the assumption is that works take no more than a year to complete (current estimates are 9 months for demolition and construction).

**Capital cost overview:**

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**Construction cost breakdown:**



**Annual operating cost overview:**

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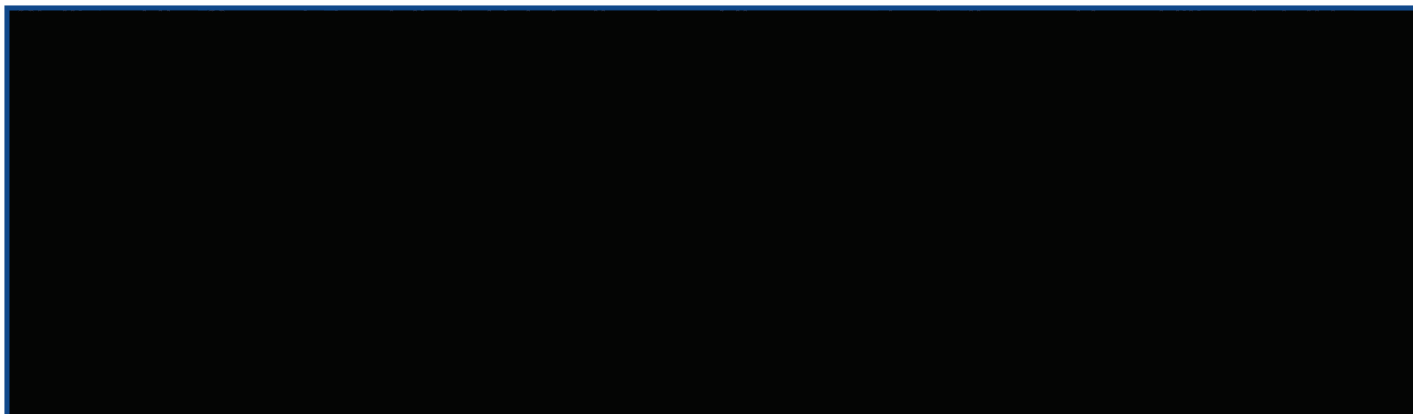
**Facilities and F&M**

Facilities and F&F costs are very high, unstable and hard to forecast at the current library site due to its age and unforeseen maintenance needs. In the first quarter of this financial year alone, the library has already incurred £6,000 in unplanned maintenance costs including repairs to the heating system, a new sump pump, leaks due to poor guttering and electrical works. As the library ages these unplanned costs will continue to rise.

Although the new building will be larger, it will not carry this legacy of high maintenance requirements. Significant efficiencies will be driven via energy generation-measures which will be incorporated into the design of the new building such as onsite energy generation via PV panels, airtightness, design for disassembly, a blue-roof system, rainwater harvesting, and low-flow/dry sanitary ware.

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**Staffing and programme delivery**



## Funding and revenues

### Capital phase

The below represents an estimated overview financial profile which will be amended with the appointment of the PMCM in November 2022. The updated profile will be confirmed with the project and Town Deal Board. There is no expectation that the budget will be increased, purely that the distribution may differ slightly.

<b>Funding Profile</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>Total</b>
<i>Value</i>	£m	£m	£m	£m	£m	£m	£m
<b>Towns Fund</b>	0	0	250,000	721,000	6,429,000		7,400,000
<b>Norfolk County Council</b>	0	46,752	500,000	471,000	2,549,000	1,433,248	5,000,000
<b>Total Funding</b>		46,752	750,000	1,192,000	8,978,000	1,433,248	<b>12,400,000</b>

### Revenue operation

These revenue streams are funded by secure Community Information and Learning core funded by the County Council and Department for Education, and not dependent on other forms of revenue or performance. Additional income will be generated through space hire.

## Affordability assessment

### Capital phase

The funding assumptions include specific identified funds from the Towns Fund and NCC, all of which have been formally agreed by relevant Boards and Cabinets. The council have agreed to underwrite £2m of risk as required – although alternative funding streams will continue to be sought. Any remaining funding gap that emerges will be met either by fundraising or by value engineering that would not impact the project outputs and outcomes.



Specific financial risks relating to the capital phase have been identified as follows:

Area	Description	Impact assessment	Mitigation
Budget	Unable to secure funding reallocation from Towns Fund	£3m shortfall. Significant impact on ability to deliver the project in any form	Project adjustment form submitted and successful
Tenders	Tender process does not provide suitable candidates to appoint	Increase in timeline to reissue tenders, review and possible amendments to budget and scope	Professional cost reviewers to accurately define budget, significant contingency. PIN issued in advance to test market interest early. Robust tender review process. Timeline contingency included
Tenders	Tenders received exceed budget tolerances	Necessitates increase in budget or review of scope	Professional cost reviewers to accurately define budget, contingency included, continued review of market conditions and associated costs through phases, seeking additional funding streams to minimise risk
Budget	Construction market fluctuations	Necessitates increase in budget or review of scope	Inflationary costs and large contingency included. Market remains volatile
Budget	Inaccurate cost estimates in budget	Necessitates increase in budget or review of scope	Professional cost reviewers to accurately define budget, contingency included, continued review of market conditions and associated costs through phases
Budget	Unknown risks exceed budget	Necessitates increase in budget and timeline or review of scope	Appointment of contractor prior to beginning RIBA 2 to drive out delivery risk. Contingencies in both timeline and budget, clear MoSCoW on scope. Retention of floor plate to avoid foundation issues
Budget	Unforeseen timeline and cost overruns	Necessitates increase in budget, timeline or review of scope	Appointment of contractor prior to beginning RIBA 2 to drive out delivery risk. Contingencies in both timeline and budget and clear MoSCoW on scope
Budget/ Timeline	Planning permission challenges	Increase in timeline, possible increase in cost and scope due to changes needed to include build frontage	Working with KLWN planning team from RIBA1 to plan ahead and minimise disruption; lower risk as building outside conservation area

### Wider financial implications

As detailed above NCCs proposed spend on the capital phase is £3m with an agreement to underwrite a further £2m of risk, contingency and inflationary costs.

Sale of the building will complete in September 2022. At project completion NCC would both own and operate the asset.

# COMMERCIAL CASE

## COMMERCIAL CASE

### Introduction

This section considers the Commercial Case for the Multi User Community Hub including the proposed delivery structure, legal and procurement issues.

The project has two significant phases:

- Capital project phase: the purchase of the Argos building and subsequent capital remodelling of the site, due to complete in 2025
- Revenue operation of the Multi User Community Hub following completion of the capital works and launch in 2025

The capital phase will be procured and delivered by Norfolk County Council and will leverage their existing contracts services and economies of scale in terms of Libraries and Information Services, Adult Learning Services, Communities Services procurement, construction and Facilities Management Services supported by Norfolk County Council's arm's length company Norse Group.

As summarised in the Strategic Case the project aims to:

- Provide inspiring spaces and facilities for individuals, communities and businesses that encourage connection and innovation
- Deliver flexible layouts and resources that adapt to the needs of different people and purposes
- Create a strong base for outreach and community support work and support smaller community groups and partners to have a local presence
- Transform the landscape of the town centre with an aspirational building and associated public realm to encourage a sense of identity and pride in a local place
- Attract more people to town centres as a cultural anchor, helping to strengthen communities
- Provide modern and fit-for-purpose services for customers; broaden offer to support small business
- Create a new town centre one-stop shop for a range of services and skills development opportunities for King's Lynn residents, with close access to public transport.
- Drive skills progression for the workforce - encouraging lifelong professional development, upskilling and reskilling
- Equip young people for success by unlocking their abilities, confidence and potential

## COMMERCIAL DELIVERABILITY

### Capital

#### Objectives:

- To deliver the Community Hub to scope, time, budget and quality
- Ensure value for money through the procurement process taking into account the whole life costing and on-going operational/maintenance considerations.

#### Experience:

Norfolk County Council has an extensive track record of significant Capital Build projects. Recent examples include:

The second phase of refurbishment at County Hall Norwich, Norfolk County Council's 1968-built Martineau Lane headquarters, earned it the Leonard Cheshire Award for Most Inclusive Building/Organisation in the Blue Badge Access Awards 2021. The awards recognise hospitality industry

bosses, architects and designers across the globe who address the needs of disabled people. County Hall's changes were also commended in the innovation category at The Norfolk Constructing Excellence Awards.

Norfolk & Norwich Millennium Library is an award winning building standing at the very heart of Norwich and encompassing a multi-media auditorium, business zones, educational zones, cafés, restaurants, open communal spaces and underground parking for up to 240 vehicles.

The Forum was constructed as a direct replacement for the Norwich Central Library, which was destroyed by fire in 1994. However, the new building was never destined to be just another library. The Norfolk & Norwich Millennium project was instead purposely designed to deliver a landmark building to celebrate the turn of the new millennium.

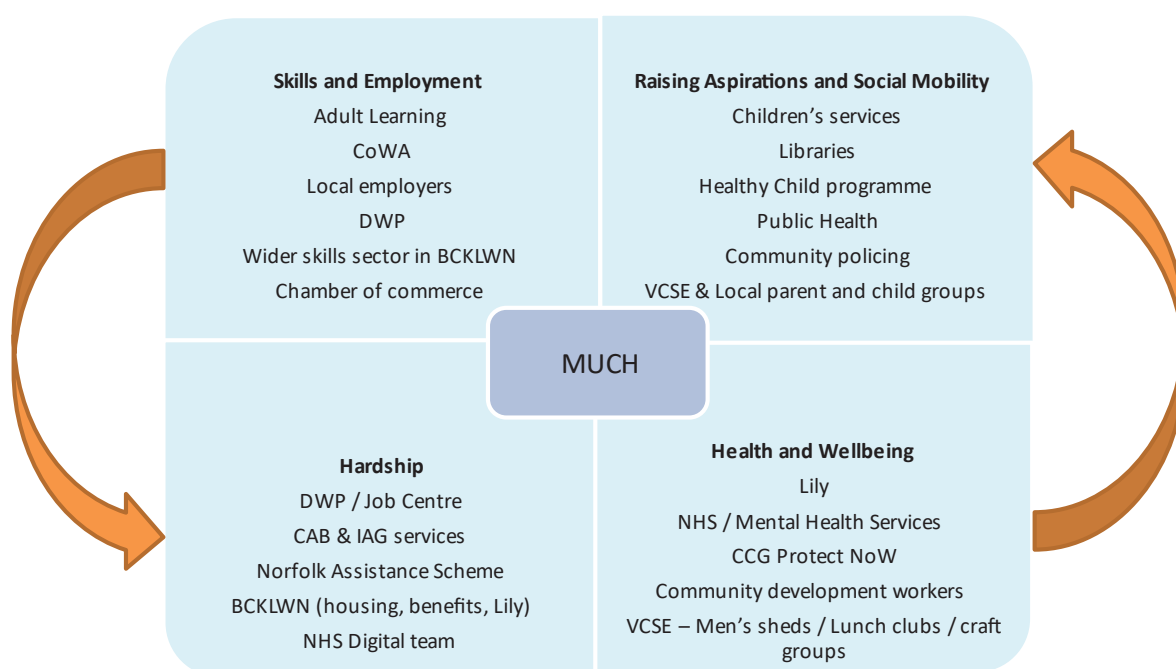
## Revenue

### Objectives:

Creating relevant, sustainable and joined up support pathways.

- Respond to the needs of the local economy, individuals, communities and employers.
- Empower individuals in underrepresented and disadvantaged communities
- Improve social mobility and break intergenerational cycles of poor outcomes
- Enable adult learners to gain the skills and knowledge they need to progress
- Address health inequalities and reduce the need for the intervention of other services

Norfolk County Council Libraries and Information Service and Adult Learning Services will be the key project partners of the Multi User Community Hub, but the offer will be far broader through partnerships with organisations such as those demonstrated below. Whilst partnership and programme development will begin in earnest in 2023 (after further community engagements) the organisations listed are all either currently operating at the library, already in discussion about partnership working via the MUCH, or in partnership elsewhere in the county with an interest in partnerships in King's Lynn. The College of West Anglia for example, are working with Adult Learning on a bespoke skills partnership and Public Health and MIND are in discussions regarding basing spoke models at the MUCH.



## Experience:

Norfolk Library and Information Service originates from the first free public library in Norwich in 1857. A Local Authority managed and provided library service under national statute.

The service has won multiple awards for its innovative approach to delivery including

- Smarter working Live-best in community 2021
- East Anglian Book awards 2020 and 2008
- CILIP - Libraries Change Lives Award for Healthy Libraries was 2016
- PPRG Marketing Excellence award 2013 and 2012

The Great Yarmouth Library, Learning and University Centre project involves the creation of a Learning Centre in Great Yarmouth's town centre, as part of a wider ambition to locate learning and training functions in a single, high-profile building in central Great Yarmouth. The project is multi-partner collaboration between Great Yarmouth Borough Council, Norfolk County Council, East Coast College, the University of Suffolk and the University of East Anglia.

## Operating models:

**Norfolk Library and Information Service** is widely recognised for its innovative and impactful work across its core services and wider role in the community, with a network of 47 Libraries. The service focusses on reading, literacy, information, learning, and people to support the delivery of key County Council outcomes for families, businesses, vulnerable, isolated or elderly people and works in partnership to improve digital inclusion and develop healthy, independent communities. Key to the success of the operating model will be working with partners to create relevant, sustainable and joined up support pathways.

The library will be open to the public on set times and days with an 'open library' access model outside of core operating hours. This will allow any registered users access to the books, computers and spaces when the library is unmanned.

Libraries reach and support the whole community regardless of age, gender, socioeconomic status or educational attainment. They are funded out of the Revenue Support Grant – the main general funding stream for local authorities.

**Norfolk County Council's Adult Learning** largest provider of adult education in Norfolk and Suffolk, providing a countywide teaching and learning service to around 10,000 Norfolk adults each year.

Since the 1970s, this award winning service has delivered a wide range of provision, including qualifications, foundation skills, apprenticeships non-accredited and community engagement learning. The service regularly delivers successful external projects, for example, in 2021-22 academic year, the service secured over £1 million of additional funding through external bids and these projects have been delivered successfully and on time.

The quality of Adult Learning's response to local community needs has been recognised nationally as the service was awarded the Times Educational Supplement Award 2021 for Adult and Community Learning Provider of the Year. The judges said: "Adult Learning has an amazing ability to do what's right for its community". The service is Ofsted rated as Good and is currently supporting the Department of Education and the Further Education Commissioner, by developing exemplars, for use with the wider sector, to support the implementation of a new Further Education funding regime in 2023.

Adult Learning are leading the implementation of the Governments new Multiply Scheme across Norfolk – aimed at increasing literacy and numeracy in adults. This will be a key delivery programme on site.

The Adult Learning Offer will include a programme of courses from day one based on the following model which is in place across the County. Funding for the courses is drawn down from ESFA Adult Education Budget and provision will be increased in line with capacity at the new site.

### Activity and programme planning:

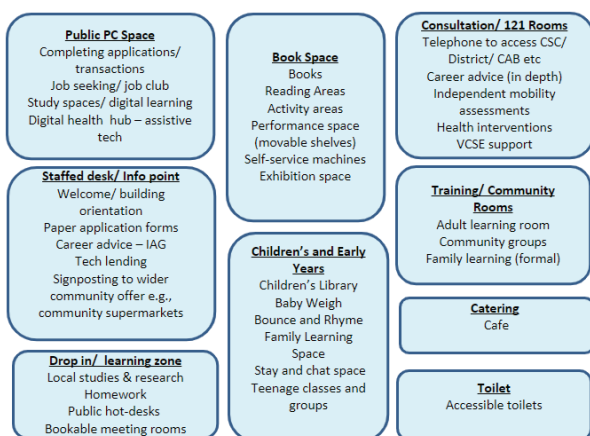
As with partnerships, specific activity definition and planning will begin in earnest in 2023, after co-design workshops with key stakeholder groups. However, the below offers from the libraries and adult learning will be in position from the launch. These are already in operation (in their entirety) in other libraries and learning centres across the county and are currently unable to be emulated in King’s Lynn purely due to space restrictions.

All elements identified are accounted for in the operational costs, and NCC have experience of delivering these complex programmes in single hubs elsewhere in the county giving a high degree of confidence that the flagship offer is deliverable within King’s Lynn.

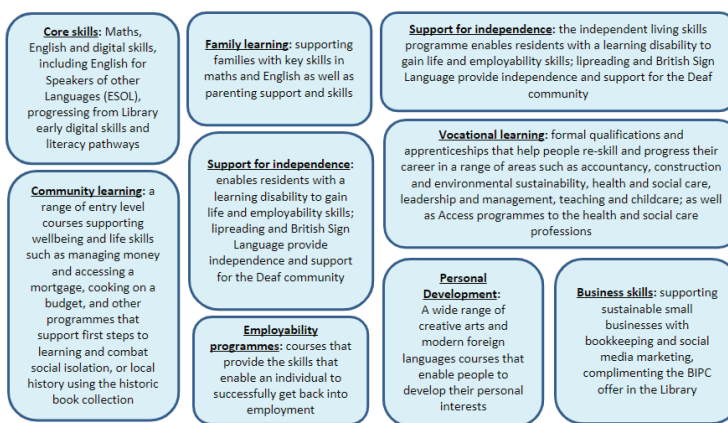
### Libraries and Adult Learning core offer:

The below offer is in place in its entirety at various locations across the county, and would be replicated at the new facility:

#### Operating Model – Libraries



#### Outline learning – Adult Learning



### Third Party and Commercial Hire:

The brief for the bookable spaces within the hub is for the design to be flexible, adaptable, and versatile, with features like movable walls and configurable furniture. The hub will have separate quiet spaces for individual work, social areas for impromptu interactions, bookable private meeting rooms, and configurable, all-purpose spaces for a multitude of different users, for example health care providers, local businesses, or history groups.

These multi purpose spaces will be designed to be suitable for a variety of purposes and will be available to hire on a regular or ad hoc basis. The training kitchen will double as a catering space for larger scale events giving a stronger commercial offering. The suggested partnership overview is shown above in the revenue deliverability section.

The RACI diagram (Annexe 4) provides detailed operational responsibility for the MUCH.

### Outcome delivery through programming and partnerships:

The Library and Adult Learning offer alone deliver against all outcomes and identified areas of weakness spanning skills and aspiration (training and qualifications), health (groups targeting social isolation, cookery courses), hardship (community fridge, signposting to support services), and business (courses, free or low cost work and meeting facilities).

However, the Library and Adult learning offers will not be the only services delivering these outcomes. Partnerships are in development, many of whom have aligned objectives and wish to hire space to deliver services:

- Skills and attainment: The College of West Anglia are working with Adult Learning on a bespoke skills programme
- Health and wellbeing: Public Health, the NHS and MIND are in discussions regarding basing outreach models at the MUCH
- Hardship: Citizens Advice Bureau have enquired about locating a service onsite
- Business support: Advice, mentoring and support from Chamber of Commerce and LEP

A full activity plan for the space has not been defined at this stage, as co-designing with communities and stakeholders is central to the MUCH forward plan to ensure a relevant and well-attended offer. However an overview of partnership maturity and planning, defined libraries and adult learning offer (specific to outcomes and identified challenges) and planned community engagement to develop programming is included in the Activity Progress Plan (annexe 8).

### Procurement Strategy

Norfolk County Council's standard procurement practices will be followed for the procurement of contracts. The Council's procurement policies are in line with government guidance for public sector organisations. Smaller contracts will be procured as demanded by the project plan as the project progresses.

Component	Procurement Route	Approvals	Interdependencies
Project Manager	CCS Framework	NCC Head of Construction and Facilities Management	Sign Off by NCC Director of Procurement
Cost Manager	CCS Framework	NCC Head of Construction and Facilities Management	Sign Off by NCC Director of Procurement
Clerk of Works	Open Tender	NCC Head of Construction and Facilities Management	Sign Off by NCC Director of Procurement
Modern Method of Construction Contract	Open Tender	NCC Head of Construction and Facilities Management	Sign Off by NCC Director of Procurement
Main Contractor	Two Stage JCT Contract	NCC Head of Construction and Facilities Management	Sign Off by NCC Director of Procurement

The Project and Cost Manager roles will be procured under the Crown Commercial Services Framework. This framework plays an important role helping the UK public sector save money when buying common goods and services. Each framework comprises a description of common public sector requirements, a list of suppliers who have been evaluated as capable of delivering the requirements, and standardised contract terms. CCS contracts include performance management, obliging suppliers to improve value and service over time

The Clerk of Works and MMC Contracts will be procured via open tender following Norfolk County Councils strict procurement standards.

The Main Contractor for the project will be procured under a two stage Joint Contracts Tribunal Contract from RIBA Stage Two. The JCT Design and Build Contract is designed for construction projects where the contractor carries out both the design and the construction work. Design and build projects can vary in scale, but the Design and Build Contract is suitable where detailed provisions are needed.

Norfolk County Council's Contract Standing Orders (Section 18) clearly shows our commitment to Social Value and recognises that many of our contracts have intrinsic social value due to their nature. Social value, sustainability, ethical sourcing, supporting net zero, innovation and deployment of modern methods of construction are considered for each procurement and included as appropriate.

Procurement will follow Modern Methods of Construction protocols, tendering for and appointing the contractor after appointment of the PMCOM but prior to the initiation of RIBA stage 2.

### **Wider considerations**

Subsidy control - Legal advice sought from NP Law:

Following the end of the Brexit transition, from 1 January 2021, a new subsidy control framework replaced the EU State Aid regime that previously applied in the UK. This framework takes into account the UK's obligations under free trade agreements, the Northern Irish Protocol, the UK's WTO membership and the EU-UK Trade and Cooperation Agreement ("the TCA"). The latter being relevant to, and the focus of, this note.

Going forward, the Government has introduced the Subsidy Control Act, which has received Royal Assent, but is not yet in force. The Council will need to consider the effects of this as the project develops.

The TCA sets out a test for whether a subsidy exists by reference to four limbs:

- \*It arises from the resources of the parties [to the TCA];
- \*It confers an economic advantage on one or more economic actors;
- \*It is specific insofar as it benefits, certain economic actors over others in relation to the production of certain goods or services; and
- \*It has, or could have, an effect on trade or investment between the parties [to the TCA].

Where a subsidy is granted, it can still progress if it complies with any exemptions or if it satisfies the six principles set out in Article 3.4 of the TCA and a seventh described in the Subsidy Control Act ("the principles"). If the Principles are not met, the subsidy may be challenged by any interested party, which would include competitors to an aided party. For completeness, the principles are as follows:

- \*the subsidy pursues a specific public policy objective to remedy an identified market failure or to address an equity rationale such as social difficulties or distributional concerns ("the objective");
- \*the subsidy is proportionate and limited to what is necessary to achieve the objective;
- \*the subsidy is designed to bring about a change of economic behaviour of the beneficiary that is conducive to achieving the objective and that would not be achieved in the absence of subsidies being provided;
- \*the subsidy should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy;
- \*the subsidy is an appropriate policy instrument to achieve a public policy objective and that objective cannot be achieved through other less distortive means;
- \*the subsidy is designed to achieve the specific policy objective while minimising any negative effects on competition or investment within the United Kingdom; and
- \*the subsidy's positive contributions to achieving the objective outweigh any negative effects, in particular the negative effects on trade or investment between the parties [to the TCA].

In applying interpretation and the principles, as they reflect the balancing tests used by the European Commission in assessing notified transactions, then it remains open to the Council to consider whether such a subsidy would have been compliant with State Aid law. This is on the basis that it is likely to be compliant with the current test and the principles and therefore not vulnerable to a successful challenge. However, it is also possible to simply apply the principles, as there is not a requirement that there needs to be direct compliance with an existing EU exemption.



## Application to the Project

It is necessary to consider all potential beneficiaries of the funding, whether directly or indirectly, to ascertain whether a subsidy is being given. From the papers provided, they are:

- (a) the Council;
- (b) the Council's contractors;
- (c) hirers of rooms; and
- (d) end users.

Taking each in turn:

### **(a) The Council**

The Council does not satisfy the test because it is not acting as an economic operator, and it is receiving no advantage. It is simply a facilitator in the Project, acting in its economic development capacity and as a local authority for library provision and adult education, and is in receipt of no subsidy itself. All the money will be used for identified spend, as described below.

### **(b) The Council's Contractors**

In order to complete the construction works, the Council will need to enter into a series of contracts for works and professional services. Furthermore, on completion of the Project, the building will be managed under a service contract by a contractor. The Council is a public sector body and funding will be derived from state resources.

These works and services will be procured and entered into in accordance with the Council's Constitution (particularly its Contract Standing Orders) and the Public Contracts Regulations 2015. As such, the test is not met (the transaction confers no economic advantage on certain economic actors, it does not benefit one economic actor over another, and it will not affect trade or investment) and no subsidy is being given to this group.

### **(c) Hirers of Rooms**

Once the Project is completed and the new library built, it will have a series of rooms which will be available for users to hire for a period of time. If the rooms are made available at a market rate, the market economy operator principle can be relied on to show that there is no selective assistance. This demonstrates compliance with subsidy control rules and as such no assistance will be received by the hirers.

If hirers do not pay a market rate, then they may potentially be in receipt of a small amount of subsidy. However, this subsidy will be spread across a large number of potential beneficiaries and will be valued at under £315,000. As the direct benefit, if any exists, will be limited in financial value, it would be more appropriate to be provided under minimal financial assistance (subject to recipients demonstrating compliance with the specific rules (that they do not receive more than the relevant threshold over a three year financial period)). This could be managed well through standard form letters, similar to that set out in government guidance, or through the relevant booking/application forms and any associated terms and conditions.

### **(d) End Users**

End users of the library will receive new provision and an updated offering which it is hoped will bring greater opportunity for the local population. Individual benefit is not financially quantifiable and will be passported through.

End users will however be in receipt of no subsidy as they are not economic operators.

# MANAGEMENT CASE

## MANAGEMENT CASE

### Introduction

The Management Case will lay out the structures which are in place to ensure the delivery of the MUCH..

It describes how the Multi User Community Hub will be delivered by Norfolk County Council by presenting the governance and management, alongside the programme plan, stakeholder management arrangements, risk management provisions and the proposed benefit realisation.

Norfolk County Council has a strong track record of delivering similar programmes of work through the Property and Community Information and Learning Teams, as noted in the commercial case.

### Project organisation and governance

The MUCH project will be governed through existing organisational structures in place at the County Council and those established to oversee delivery of the TIP via the King's Lynn Town Deal.

**Norfolk County Council**, acting as project lead and co-funder, will manage the initiation, implementation, soft launch, delivery and evaluation of the project. They will hold ultimate responsibility for training, engagement, governance, risk and quality management, as well as responsibility for the identification of opportunities for collaborative partner and stakeholder working

The **MUCH project board** support the **project team**. The board is made up of the programme and project manager, senior officers, and community representatives. The Multi User Community Hub Project Board meets monthly and is responsible for quality control, strategic direction and project control.

Decisions made by the project board are fed through to the **Norfolk County Council Cabinet, Town Deal Programme Board** and **Town Deal Board** for sign-off and approval as appropriate.

**The Town Deal Programme Board** is made up of senior officers from both KLWN and NCC, alongside representatives from the LEP.

**The Town Deal Board** is made up of representatives from all tiers of local authority, Members of Parliament, local businesses, the Local Enterprise Partnership, Business Improvement District, Queen Elizabeth Hospital, College of West Anglia and the community.

As sponsor of the Town Investment Plan – the Town Board will continue to play an active and ongoing role in assuring transparency in and oversight of delivery.

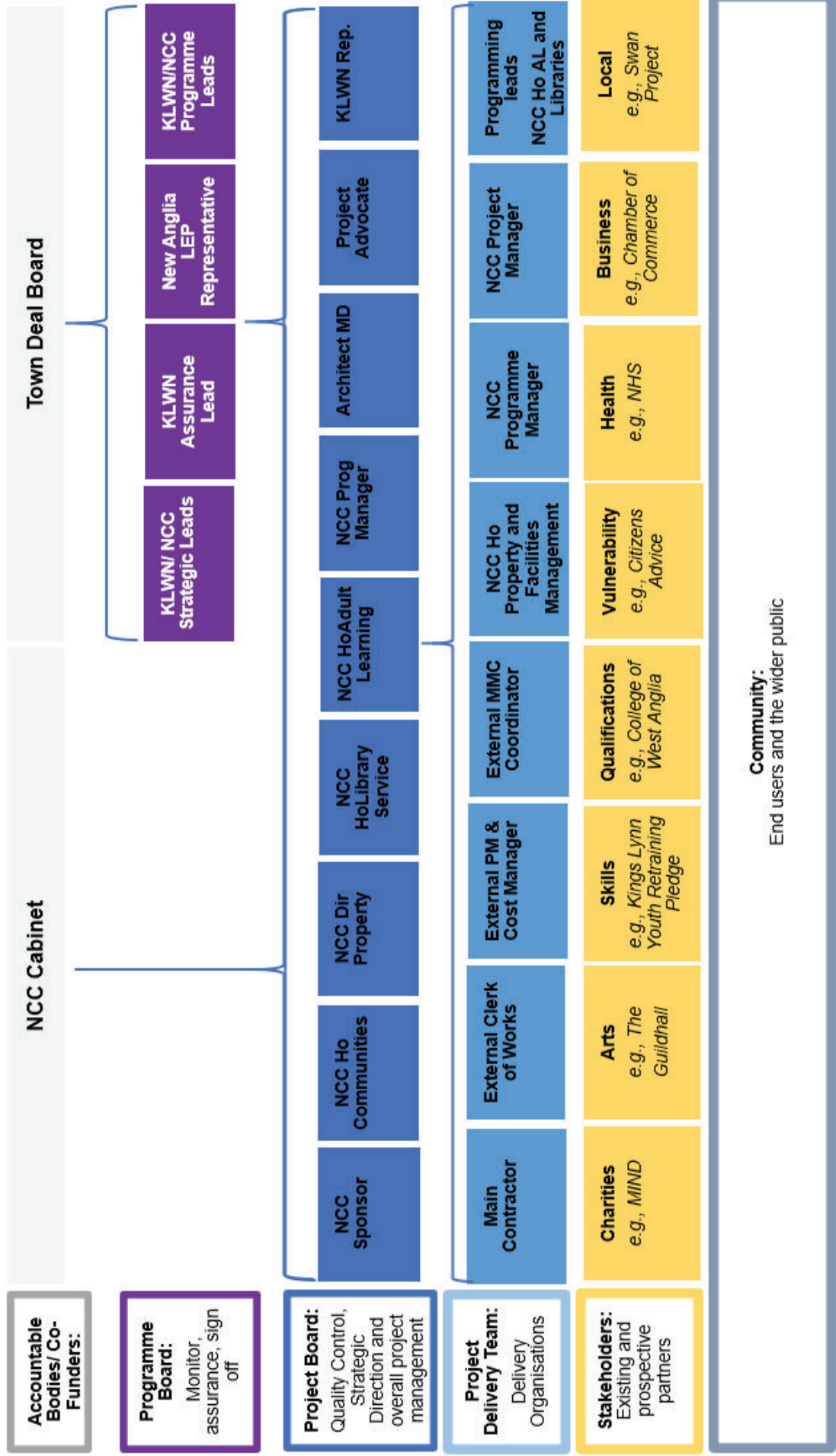
As co-funder, **Norfolk County Council's Cabinet** acts as the second decision making body. Key phases are reviewed and signed off by Cabinet. As with the Town Deal Board, the Cabinet will assure transparency in and oversight of delivery.

**BCKLWN act as the accountable local authority and BCKLWN's** cabinet and regeneration and development panel act as assurance bodies, providing advice and guidance at key stages..

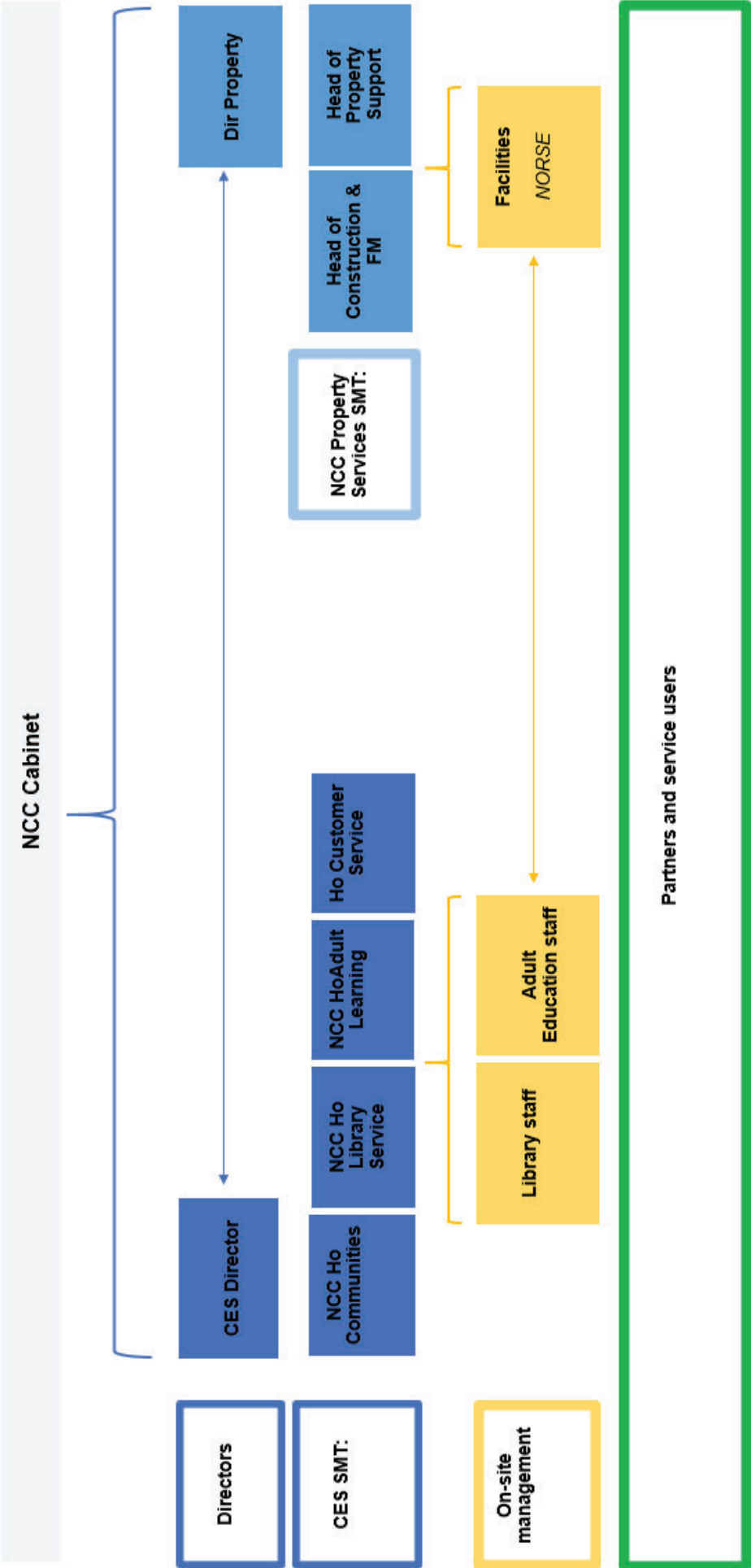
Ongoing stakeholder and political support are fundamental to the successful delivery of the MUCH, and in addition to the above, at key phases open briefing sessions will be held for impacted members.

Organisation	Role	Responsibility
DLUHC - Towns Fund	Funder	
NCC	Funder	
NCC Cabinet	Approval	Monitor, assurance, sign off
Town Deal Board	Approval	Monitor, assurance, sign off
Town Deal Programme Board	Accountable Body	Monitor, assurance, sign off
MUCH Project Board	Executive Board	Monitor, assurance, sign off
Project Team	Delivery	Project delivery
BCKLWN	Accountable Body	Ensure delivery of project vision and compliance in accordance with funders and statutory requirements

**MUCH Town Deal Capital Programme Delivery Governance:** Governance and reporting structures in place for the capital build phase



**MUCH Town Deal Operational Programme Governance:** Governance and reporting structures in place for operation of the hub post launch.



## PROJECT MANAGEMENT

### Development and delivery management

Management of the development and delivery of the community hub will use traditional models of RIBA for design and build and Prince2 for governance, communications and reporting.

The King's Lynn Multi User Community Hub project will be managed by Norfolk County Council. A multi-disciplinary Project Team from across the council has been formed to manage and deliver the project. The experience of the key delivery Project Team members is set out in the Project Team Roles and Experience (Annexe 5).

### Programme reporting:

Reporting operates on a monthly, 6 monthly and annual cycle:

Monthly: A monthly highlight report will be submitted to the Programme and Town Deal Boards. The report will cover delivery to budget, scope, timeline and quality, alongside a high level overview of key risks, and outlining of agreed changes and any escalated decisions from the Project Board.

At the monthly Project Team and Project Board meetings, highlight report detail will be agreed and confirmed – along with any mediatory action required, and agreements on escalations.

6-Monthly: As part of the Monitoring and Evaluation (M&E) reporting plan a 6-monthly report on key project targets will be provided, as laid out in the M&E paragraph below and attached M&E plan.

Annual: Post launch, annual M&E reporting will be conducted, as laid out in the M&E paragraph below and attached M&E plan.

### Change management:

The project change request register will record all project changes that are to be managed in a formal manner. It will contain information such as an explanation of the change, the individuals involved in dealing with it, and an evaluation of its priority and severity.

The change request process will be as follows:

- Project Manager to examine an issue and assess the impact it can have on the project if change is initiated. This will include the evaluation of alternatives and recommendation of the proposed action necessary to handle the issue
- Project Manager to submit a Change Request Form – This form details the change to be made, specifying the exact details of the proposed change and the reasons for the request, including any problems that will be resolved by the change. This change request will be logged on the project change request register.
- Initial Review - The Programme Manager shall undertake an initial review of the change request to ensure that it is viable, potentially acceptable and has the support of key officers involved in the delivery of the project concerned.
- Detailed Assessment - The Programme Manager shall arrange for the detailed assessment of the change request evaluating its implications on all aspects of the Business Case in consultation with key stakeholders and appropriate experts.
- Recommendations - After evaluating the effect of the proposed change, the Programme Manager shall recommend either the approval, rejection or postponement of the change
- Decision – The Project Board will make a decision regarding the action to be taken,
- Escalation - Should a threshold have been exceeded and escalation be required, the decision will be escalated to Town Deal Board and NCC Cabinet Members for approval

- Implementation - The Project Manager shall co-ordinate the implementation of the authorised corrective action and update the appropriate Logs and Registers
- Reporting – All changes will be recorded within the highlight reports shared with Town Deal Programme Board, Town Deal Board, and NCC Key Cabinet members.

## **ASSURANCE**

### Project assurance:

Ceri Sumner (NCC Director of Community Information and Learning and MUCH Project Sponsor) will have ultimate responsibility for overall project assurance, authorising expenditure within delegated levels of authority and act as the ultimate client representative for the scheme on behalf of the Town Deal Board.

The Project Sponsor, Project Board, NCC Cabinet Members, Town Deal Programme Board and Town Deal Board will receive regular progress updates from the Project Team via highlight report to enable assurance and scrutiny of project delivery to be undertaken. This will include:

- Financial monitoring, of spend against the agreed schedule and budget
- Timeline monitoring, the delivery of the project against the agreed schedule
- Scope monitoring, the delivery of the project against defined scope and quality
- Objective monitoring, delivery of the project in line with the vision, purpose and objectives
  - Output monitoring, the physical delivery of the project against the project's outputs
  - Outcome monitoring, the delivery of the project against the project's outcomes

### Technical assurance:

Director of Property Simon Hughes sits on the Project Board and will have ultimate responsibility for technical assurance of the build. Technical updates will be provided to Simon, The Project Sponsor, and Project Board by the Project Team to enable assurance and scrutiny of the build to be undertaken. This will include:

- Plan comparisons
- Plan or material changes
- Quality assurance status reports
- Building inspections

## **SCOPE MANAGEMENT**

The current scope of the Multi User Community Hub project at RIBA1 is set out below, with the RIBA1 Overview report attached as an appendix.

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 NCC Cabinet, the Town Deal Board and DLUHC. Once the final scope is agreed it will be for the council to manage and there will be no scope for project adjustment from DLUHC.

## **Scope of Works**

### The build

The project is following an MMC route and once the stage 1 design has been formally signed off the tender process for the main contractor, Project Manager, Cost Manager, Clerk of Works, MMC Coordinator will commence.

RIBA 1 Design concept:

- The proposed massing allows for a building of 1,800 sqm of internal library, adult learning and flexible use space which aligns with the drawn briefing areas.
- The building will be arranged over three floors, with the library over two and community and adult learning areas over a single floor.
- To redefine the edge of the existing building and create a new, public destination and plaza in front of the new Community Hub.
- Existing structural frame retained from ground to second floor with third floor demolished. Bay of existing frame to southeast corner demolished and stair core rebuilt.

### **Managing build requirements**

The project scope will be developed through the Royal Institute British Architects (RIBA) plan of works which organises the process of briefing, designing, constructing and operating building projects into eight stages and explains the stage outcomes, core tasks and information exchanges required at each stage. Stage 1 has been completed and Stages 2-4 will continue to develop the scope as per the schedule below.

Between each stage of RIBA there will be a formal **gateway review and sign off**, involving formal sign off by the Project Board, assurance and approval reviews by the Norfolk County Council Cabinet, Town Deal Programme Board, and Town Deal Board.

### **Defining the full programming**

From 2023-2025 NCC will work with partners and communities to co-design services, activities and programmes which are truly representative of community need and interest.

Defined operating models exist for both Libraries and Adult Learning programming as shown in the Financial and Commercial Cases, these will form a significant part of the offer, and can be replicated in the space based on best practice.

### **Risk and opportunities management**

The Multi-User Community Hub will be fully owned by Norfolk County Council, who will carry the risk during the development and operational phases. All risks can be seen in the Risk Register (Annexe 6)

The Construction appointed project manager will develop a risk management approach to complement the existing risk registers. The process will be set out following appointment of the project manager in the form of a project execution plan (PEP). The construction project management team, appointed in line with the procurement strategy, will take responsibility for the planning, management and mitigation of risks, and for reporting and escalating 'hot risks' as appropriate to the Project Board. A comprehensive 'live' project Risk Register, which identifies specific project risks and the approach that will be used to mitigate each, is being maintained.

The Risk Register will be reviewed regularly by the Project Delivery Team and updated with input from the Project Board on a monthly basis. If any of these risks or opportunities require escalation, they will initially go to 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 Town Deal Board.





## Stakeholder engagement

An overview of all stakeholders identified, and activities delivered to date is included in the strategic case and the Stakeholder Feedback and Project Change (Annexe 2). The full strategy can be found in the Stakeholder Engagement Strategy (Annexe 7)

### Approach summary:

The objectives of the communications and engagement are:

- To inform and empower knowledge around the new hub;
- To counter misconceptions and allay concerns through the provision of clear and accessible information;
- To encourage proactive participation through timely and meaningful opportunities for engagement;
- To co-design services and programming that will truly meet the needs and interests of;
- To engender confidence and assurances through regular, consistent, and transparent communications;
- To develop an audience and inspire enthusiasm and an appetite for use in advance of the hub opening.

### Key engagement milestones:

- **Build**
  - Business case sign off
  - RIBA stages to develop and review the design of the build, to ensure it meets the needs and expectations of stakeholders and the community
  - Use of old library incl. process for communities to apply to take on the Carnegie building
  - Launch
- **Programming**
  - Co-design sessions held throughout 2023 and 24 to develop services with key stakeholders, community groups and representatives
  - Pilot sessions to trial and gain feedback on new programming elements
- **Partnerships**
  - Partnership announcements
  - Partnership programming announcements
- **Branding and Positioning**
  - Naming of the building

### Unless otherwise specified milestones will be marked with the combination of the following:

- Presentations to members, governance bodies and communities.
- Interactive workshops, surveys and feedback sessions.
- Press releases and long form magazine articles, emails to stakeholders and VKL mailing list, updates on Vision King's Lynn website

## Benefits, monitoring and evaluation

The current monitoring and evaluation plan can be found in the M&E Plan annexe. All baselining, data collection and reporting will be conducted in line with M&E indicator guidance.

During project delivery targets will be monitored by the project manager and monthly highlight reports shared with the MUCH project board.

At project completion a report will be provided to the Town Deal Board and Norfolk County Council Cabinet to confirm delivery of all outputs.

After project completion, monitoring and evaluation of outcomes will transfer to the Community, Information and Learning team, and an annual report will be provided to Norfolk County Council's Cabinet as part of a full review of 'Levelling Up Communities' across the County.

As noted in the subsidy review above, minimal financial assistance will be tracked through the venue space booking form and terms and conditions. If required, the process will evolve based on requirements/ statutory instruments regarding transparency published as part of the Subsidy Control Act when it comes into force later this year.

The key indicators are as follows:

Outputs:

Output	Target	Measured:	Measured by:
Number of new cultural facilities	1	Project delivery and completion	Delivery of the build to scope and quality
Number of derelict buildings refurbished	1	Project delivery and completion	Delivery of the build to scope and quality
Number of public amenities / facilities created	1	Project delivery and completion	Delivery of the build to scope and quality
Amount of new office space – meeting rooms and hot desking	400sqm	Project delivery and completion	Delivery of meeting rooms and hot desk space within the build to scope and quality
Amount of floor space repurposed (commercial) – spaces available for commercial hire	425sqm	Project delivery and completion	Delivery of hireable exhibition, meeting and multi-purpose space within the build to scope and quality
# of transport nodes with new multimodal connection points	1	Project delivery and completion	Delivery of bike storage / bike rental space
Outcome	Target		
Amount of capacity of new or improved training or education facilities	5,200	From project completion and annually ongoing	Annual spaces available at all groups/ classes/ workshops/ partner events
Number of learners enrolled in new education and training courses	100pa	Post project completion – annual review	Annual enrollees at new adult education or partner classes not currently offered in the Carnegie
Number of learners / trainees / students enrolled at improved education and training facilities	350pa	Post project completion – annual review	Annual enrollees at adult education or partner classes within the new facilities (currently provided in the Carnegie Library)
Number of learners / trainees / students receiving certificates or qualifications at improved education and training facilities, or on new courses	100pa	Post project completion – annual review	Learners receiving qualifications or certificates at adult education or partner classes within the new facilities (currently provided in the Carnegie Library), or on new courses
# of potential entrepreneurs assisted to be enterprise ready	32	Post project completion – annual review	% of learners self-reporting that they considered themselves 'enterprise ready' after taking a course, or using business services and facilities
Improved perceptions of place by residents, visitors, and businesses	70%	From project completion and annually ongoing	% Residents reporting an improvement to the immediate area + % visitors saying they like the space
Increased footfall to the town centre	200,000 pa	Post project completion – annual review	Annual footfall into the MUCH facility: libraries sensor on the main door