

**Outline Business Case -
Boston, Mablethorpe and Skegness Towns Fund.**

Project Name	Development of a "Culture House" & Lighting installation
Project Location	Grand Parade, Skegness, PE25 2UG
Site ownership	East Lindsey District Council
Planning Application Ref	Presently not applied for as not deemed required for proposed changes of use.

Total Project Value (£)	£1,430,000	Town Funding Sought (£)	£1,350,000
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Lead Applicant	Magna Vitae – Charitable Trust for Leisure & Culture		
Organisation Type	Charity & Company Limited by Guarantee		
Applicant Address	Meridian Leisure Centre, Wood Lane, Louth, LN11 8SA		
Main Contact Person	Aeneas Richardson, Executive Director – Operations		
Contact Email	Aeneas.richardson@mvtlc.org	Telephone	07920 799253

Project Summary (this will be used for publicity purposes and uploaded onto the GL LEP website)	<p>i) Economic Impact</p> <p>The economic value of the Culture House will be delivered by enhancing the level of visitor experience for those (80,000+ annual theatre visits) wishing to continue to participate & engage in a 'traditional' theatre offer. That said, the principle economic impact will be delivered by increasing our partnership development and collaboration with educational partners and other agencies such as Department for Work & Pensions (DWP). This will allow the venue to start to become a true community hub for educational and skills training with a firm bias towards the creative industries. The project will look to inspire and direct young and old into careers within the creative industries, generating new local business and enterprise. The project will also consider the provision of flexible, "state of the art" office space so as local and regional partner agencies can utilise use the 'culture house' as a base from which they can engage with their customers and partners. In doing so, this will increase the venue's local economic influence.</p> <p>ii) Delivery of Towns Fund Priorities</p> <p>This project is designed to proactively support the intention of the Connected Coast Transformation Plan to maximise the potential of the local area's significant heritage assets. The development will cement the Embassy Theatre as a key coastal focal point linking the adjacent high street, pleasure gardens, promenade, and beach. The development will increase the amount of time and money that is spent in the resort, providing increased business activity and enterprise opportunities around a diversified visitor economy with new activities and events</p>
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	being provided throughout the year to increase participation in the arts and culture.
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Project Start Date <i>date from which eligible expenditure will be incurred</i>	Financial Completion Date <i>date by which eligible costs will have been defrayed</i>	Practical Completion Date <i>date by which all Outputs/Results will be achieved</i>	Activity Completion Date <i>the date by which all the operation's activities described in the application will be completed</i>
January 2022	May 2022	May 2022	May 2022

Funding Summary					
	Town Fund Funding (a)	Public Match Funding (b) – please state	Private Match Funding (c) Please state	Totals (d)	Contribution Rates (if applicable) (a)/(d) x 100
Capital	1,350,000	80,000	NA	1,430,000	94%
Revenue	NA	NA	NA	NA	NA
Totals	1,350,000	80,000	NA	1,430,000	94%

Delivery Partners				
Will you work with other organisations to deliver this project?	YES	X	NO	
<p>If YES, please state which other lead partners will be involved in delivery.</p> <p>East Lindsey District Council (Building owner and Strategic Partner to Magna Vitae)</p> <p>Helsingør Theatre, Denmark (Lead Artistic Partner)</p> <p>Arts Council England (National Portfolio Organisation - Partner)</p> <p>Other partners Magna Vitae will collaborate with on this project include DWP, The Mighty Creatives, David Ross Educational Trust, numerous Local Schools, East Lincolnshire Arts Forum, SO Festival, Leicester Comedy Festival and the Bid Difference Company.</p>				

1. Deliverability

1.1 What is the Project?

(Please summarise in 100 words or less. More specific details can be provided in other sections of the form)

The project will establish the only UK based 'Culture House' which is based on the concept started in Scandinavia. Inspired by our Danish Artistic Director Jens Frimann Hansen we plan to redesign the existing theatre to allow culture to lead educational, well-being and community projects that will encourage debate, learning, business and tourism opportunities. It will be a place for children and young people to learn, meet and do homework. It will be a catalyst for business in the creative industries and will provide our local community with a space to improve their health and well-being. The project will destigmatise access to government information, support and services which would previously have been sited in more formal, less attractive government buildings. Additionally, we will deliver an artistic led light 'installation' that will compliment other foreshore lighting projects currently being planned in other connected coast bids. The installation will be a beacon of cultural activity and bring attention and inspiration to the Culture House and Skegness.

1.2 How will the project be delivered to and by whom?

Briefly explain:

- The specific activities that will be undertaken as part of the project
- Who are the target beneficiaries?

Where the project's activity will take place.

The specific activities that will be undertaken as part of the project are:

- The Theatre is to become an educational partner and 'active' education classroom to DRET & other such local educational partners.
- Community wellbeing projects through Culture (MV has a track record in this area and has won national awards.)
- Development of places and spaces within the building to give opportunities for local people to develop digital industry skills.
- Partnership with organisations such as ELDC, DWP and Mighty Creatives for office space, promoting local services in a 'new' inspiring & destigmatising environment.
- Development of international learning opportunities in partnership with Helsingør Theatre for young people.
- Ensure the 'Culture House' is the hub of the areas cultural offer, linking to NPOs, Creative People and Places Partnerships, local artistes and creatives. The venue will become a centre of excellence that helps increase cultural engagement via using culture as a tool not only to access the arts but as a window into other community support and services.

Who are the target beneficiaries?

- 11-16 year olds;
- 16-25 year olds;
- People with life limiting conditions;
- The wider local community.

Where the project's activity will take place?

Skegness, East Lindsey district.

2. Project Need

2.1 Why is the project needed?

The project is needed as the area is classified as one of the English districts with the least engagement in the arts. Due to this disengagement the area also meets the Arts Councils' criteria for the Creative People and Places Programme (CPP) which further illustrates the level of local disengagement in the arts. The area also has significant health and social economic challenges that the Culture House project will look to try and address whilst linking closely to other Town deal projects.

East Lindsey is based in the bottom 33% of places according to the [Active Lives Survey](#) November 2015 to May 2017. These places are parts of the country where involvement in the arts is significantly below the national average.

As stated, East Lindsey is an area of low arts engagement, further compounded by a low number of cultural organisations. Magna Vitae has established itself as the local foundation of the cultural sector & also supports neighbouring districts, facilitating development, collaboration and communication. Magna Vitae will use this as a basis for the Culture House to increase networks into those less engaged arts and cultural areas. Acting as a catalyst to encourage increased footfall into the venue.

2.2 What research or evidence has been undertaken to demonstrate the need, demand or impact of this project? Please attach or provide links to completed studies and impact assessments where available.

The 'Culture House' is looking to support young people by offering training and career support to the creative industries. Magna Vitae is already fully engaging with the DWP KickStart programme offering an initial 15 new employment opportunities.

The local Skegness employment needs, specifically within the 16-24yrs cohort, is clear from the data (February 2021) below:

- Monthly register increase on Universal Credit was 3.32% and now stands at 1,431.
- The annual number of 16–24-year-olds on Universal Credit was up by 55.88%.
- The total Claimant Count has gone up to 8,463 representing an annual increase of 68.31%.
- Youth unemployment in Skegness in Feb 2020 was 445 and in Feb 21 was 655 representing an increase of 47.19%.
- UC Claim in the whole EL district was 675 in Feb 2020 and by Feb 21 was 1,055 representing an increase of 56.3%.
- In East Lindsey those on UC for over a year and searching for work continues to rise...this is now at 360.

Cultural and foreshore infrastructure developments for the visitor population we clearly highlighted in the ELDC commissioned Skegness Masterplan refresh in December 2018: Author FOCUS.

2.3 Please explain how the project will deliver the strategic objectives of the Town Fund. How will the project support the key principles of sustainable development – including Equality and Diversity assessments?

This project supports the intention of the Connected Coast Transformation Plan to maximise the potential of the local area's significant cultural and heritage assets. The development will renew the unique setting of the Skegness Foreshore as the key focal point linking the adjacent high street, foreshore, promenade, beach and Coastal Path. The development will increase the amount of time and money that is spent in the resort, providing increased business activity and enterprise opportunities around a diversified visitor economy. This project will link with other connected coast development projects throughout the year to increase participation in arts, culture and heritage as a fundamental driver for enhancing individual health and wellbeing within a safe environment.

This project supports the intention of the Connected Coast Transformation Plan to maximise the potential of the local area's significant heritage assets. The development will cement the Embassy Theatre as a key focal point linking the adjacent high street pleasure gardens, promenade, and beach. The development will increase the amount of time and money that is spent in the resort, providing increased business activity and enterprise opportunities around a diversified visitor economy with new activities and events throughout the year to increase participation in arts and culture.

The project will deliver:

The development of arts and events as a driver for increased footfall, dwell time and expenditure in the resort.

Increase the participation in arts, culture, and events within a safe coastal environment to enhance skills and experience for a wide audience.

It will also ensure that:

Increased investor confidence in Skegness Town Deal Area.

Improved perceptions of the place by residents, businesses, and visitors

Increased national recognition of the East Coast of Lincolnshire as offering a trail of linked visitor attractions.

Increased footfall and value of visitor expenditure drawn into the local economy.

Increased number of visitors to arts, cultural heritage events and venues

Renewed sense of community pride in local built environment and increased awareness and celebration of local heritage.

3. Project Timeline and Milestones

Please outline the key steps that have been, or will be, completed to ensure delivery of the project

Milestone	Forecast Date	Comments
Initial scheme design complete	June 2021	Fee proposal (via professional quotation) for architectural works based on a traditional building contract 6% = £55K. Could be 14% if local framework utilised via ELDC.
Feasibility work completed	June 2021	3 months.
Acquisition of statutory powers		
Detailed design completed	July 2021	4 months.
Planning Permission submitted	TBC	May not be required. Building Control approvals will likely be required for building reconfiguration and change of use. Minimum 8 -12 weeks required.
Match funding secured	Sept 2021	£80K
Procurement process issued	Sept 2021	2 months
Procurement contracts Awarded	Nov 2021	November 2021 (Governed by framework decision).
Start of construction	Jan 2022	January 2022 as building is traditionally closed January – March.
Completion of construction	April 2022	April 2022.
Start of activity	April 2022	April 2022

Please provide details on any other key work or stages that need to be completed (by when) to ensure delivery:

Milestone	Forecast Date	Comments
Preparation & Brief; Initial Concept Design; Scoping Masterplan.	July 2021	3 months
Concept Design & Developed Design includes Technical Design	August 2021	5 months with assumption that Planning Application is not required.
Production information / Tender details	November 2021	Procurement to be complete by November 2021.
Construction Phase	January 2022 – April 2022.	Handover and Close out April 2022.

4. Options Analysis

4.1 Rationale for Town Fund funding?

The Government's Town Deal prospectus identifies that cultural facilities bring people together and contribute to the quality of life. It is crucial to grow the economy of towns to retain and enhance these facilities and drive improvements in living standards. Perception of place is an important 'draw' factor and can affect a place's capacity to attract and retain workers and consumers. Many towns already have a strong heritage and sense of place, and benefit from their cultural and civic assets which may make places more attractive to live, work, visit and invest in. This is a key challenge within Skegness and coastal areas and the planned investment in new modern facilities –such as the Culture House - will help to address an overall sense of decline and withdrawal of key services to improve civic pride and community wellbeing. Health, wellbeing and economic prosperity are intrinsically linked. So too, are deprivation and health inequalities. We cannot improve economic prosperity or commit to 'levelling up' without understanding that our efforts to drive growth require us to create opportunities but critically, create an environment in which everyone will benefit from them.

The needs and challenges facing our coastal towns are significant and rising to these challenges requires a collaborative approach, and a shared commitment to think differently for our place. Doing nothing is not an option, nor is doing more of the same. We cannot escape the fact that Covid19 risks accelerating and intensifying challenges in already deprived and vulnerable places. There is a raft of evidence to tell us the extent to which this risks disproportionately affecting our coastal economy, our businesses and our people.

For Skegness the evidence, via community engagement and feedback, is clear that health, community wellbeing, aspiration, opportunities, skills, employment, recruitment and retention are key themes that will drive economic growth, prosperity and recovery. Many lead partners (including local authorities and the NHS) have a strong strategic interest and priority on reducing inequalities on the coast through increased investment and coordinated initiatives that are targeted on improving community health and wellbeing. Health indicators in the local area are staggering - including highest rate of diabetes, poor life expectancy, high numbers of people living with poor mental health and ongoing chronic conditions.

All health indicators are flashing red and will be further exacerbated through Covid alongside continued, inadequate access to local health services and fit for purpose leisure provision. The Greater Lincolnshire LEP's COVID Recovery Plan highlights that encouraging coastal investment through the towns fund will be key to enhancing local trading, with the Connected Coast investment plan central to economic plans. Within this context, the Recovery Plan supports the need to deliver a series of new projects to empower our coastal areas, further recommending the effective utilisation of the towns fund to aid in the regeneration of designated towns and secure additional investment in local skills provision to address challenges of inequality.

4.2 What other funding or delivery mechanisms were considered to deliver the proposed activity?

- i) **Do nothing** – Doing nothing over the medium to long term will reinforce a sense of decline in the resort and fail to maximise the opportunities to support a key growth sector in line with increasing visitor numbers to East Lindsey (as evidenced by the annual STEAM reports);
- ii) **Deliver an alternative design mix** – the current design solution responds to the key themes identified whilst researching Scandinavian Culture Houses. It also provides a variety of new commercial elements that respond to the strategic imperative to diversify the current visitor offer and attract a higher value of visitor spend within the local economy throughout the year.

4.3 Additionality: What will the project deliver above and beyond what would happen anyway?

The Culture House project will improve effective community engagement at every stage, including reaching out to groups of people seen as disengaged from mainstream cultural activity, it will also further develop:

- strong partnership – public, private and community organisations working together, combining their resources, knowledge and expertise.
- a project steering group which includes representatives from key organisations and target audiences; co-production models used where possible;
- engendering pride and interest in a place in order to raise the confidence and aspirations of its people;
- attracting investment into the cultural sector to achieve outcomes related to health (physical and mental), the local economy (jobs and training) or quality of life;
- bringing people together for cultural experiences as a way of achieving other outcomes, such as community cohesion or education;
- ensuring that there are champions for a project within the local council (Councillors / Senior Managers) and in partner organisations;
- using success to unlock further funding opportunities and form additional new partnerships.

4.4 Scalability: What would happen if reduced Towns Fund funding was available?

If reduced funding was available, two main options would need to be explored by the applicant:

1. Providing through alternative means – this would delay the project timeline whilst additional funding was sought and secured. It may be dependent upon alternative match funding programmes being available for which the project would be eligible to bid under.
2. Value engineer the build cost to meet the available budget – this may impact on the future sustainability of the project. It may involve removing aspects of the scheme which would impact on the stated aims and intended impact of the scheme. It may also further delay the project whilst revised planning consent and procurement documents are updated.

5. Proposed Costs						
5.1 Funding Profile						
	Previous years	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Future Years	Total
i) Capital		1,430,000				1,430,000
Towns Fund		1,350,000				1,350,000
Public		80,000				80,000
Private		0				0
Total Capital		1,430,000				1,430,000
ii) Revenue Costs						
Total revenue						
Total Project Costs		1,430,000				1,430,000
Total Towns Funding		1,350,000				1,350,000

5.2 Please provide more detail on what Towns Fund funding will be spent on
<ul style="list-style-type: none"> ➤ Architectural works and Project Management to Completion £100,000 ➤ Relevant Statutory Authority Permissions £10,000 ➤ Construction & Building Works £500,000 ➤ Redecorations £50,000 ➤ Fixtures & Furnishings £100,000 ➤ Equipment £50,000 ➤ Digital installations & relevant security (firewalls etc) £150,000 ➤ Electrical, iconic lighting works & infrastructure £320,000 ➤ Contingency £150,000 ➤ TOTAL PROJECT BUDGET £1,430,000
5.3 Please detail the key assumptions used in the development of your budget and the research completed to prepare it, including how you ensure that the costs are commensurate with the required quality.
<p>The project budget is based on a cost estimate following site visits and proposal supplied by a local reputable architectural consultancy. It includes provisions for preliminaries, contractor overheads, main construction works and a contingency. Additional brief discussion has also been held with the relevant department of the Local Authority.</p> <ul style="list-style-type: none"> ➤ Clear Client brief / spec from the outset, initial appraisal, project risk assessment ➤ Scoped Masterplan, consider all site opportunities ➤ Fully professionally prepared project brief

- Relevant discussion with Planning Authority
- Appropriate liaison with other relevant consultant, established outline project strategies i.e. structural; services, construction methods, environmental and sustainability, Health & Safety. Prepared concept 3D model
- Costs check by others as necessary; further develop project costs and programme
- Professionally developed concept design
- Prepared Design & Access Statements
- Planning Permissions applied for if necessary
- Professional drawings prepared for Building Regs approval & specification.
- Further develop design & coordinate work of consultants, specialist contractors & suppliers
- Professionally prepared tender docs including drawings, schedule, details & specification of materials & workmanship.
- Invite tenders from approved contractors or price negotiated and agreed with contractor
- Appoint contractor, prep building contract and arrange for signatures
- Professionally project manage & monitor – inspect quality of work being undertaken
- Professionally administer and close out handover – practical completion, defect liabilities and issue final certificates.

5.4 State the source(s) of your match funding, whether it is in place and if not, when is it likely to be confirmed?

Arts Council England (ACE) to support National Lottery Project Grants (ELDC need to apply, Magna Vitae do not qualify).

Meetings with ELDC and ACE representative have taken place w/c 12/04/21.

6. Forecast Outputs							
6.1 Output Profile							
	2021/22	2022/23	2023/24	2024/25	2025/26	Future Years	Total
i) Core Outputs (Strategic Economic Plan)							
Public Investment Leveraged (£)	80,000						80,000
Private Sector Investment Leveraged (£)							
Number of new Jobs Created (gross)		2		2			4
Number of Jobs Safeguarded (gross)	10						10
ii) Local Strategic Outputs							
Commercial floorspace refurbished/constructed and occupied (sqm)	3000sqm						3000sqm
Number of businesses assisted to improve performance		6					6
Number of learners supported		200	200	200	200	200	
Number of new businesses created		1					1
iii) Others (please list) *							
New, upgraded or protected community centres, sports or athletics facilities, museums, arts venues, theatres , libraries, film facilities, prominent landmarks or historical buildings, parks or gardens.		1					1
Delivery of quality residential or commercial space in key locations (town centres, gateway areas, employment sites).		1					1
Remediation and/or development of abandoned or dilapidated sites.		1					1
Increase in capacity and accessibility to new or improved skills facilities;		1					1

6.2 Please describe the rationale and assumptions you have made in establishing the outputs and results which will be achieved. This must link clearly to the project's activity and objectives. Please explain your method for calculating the target levels.

- Public Sector investment leveraged is a measure of the confirmed match funding to be provided by Arts Council England (ACE);
- The physical construction outputs relate to the build specification which is currently being developed;
- The new business created relates to those businesses being attracted to use the Culture House facilities; there are currently three businesses that have expressed an interest to utilise the venue;
- The job outputs provide an assessment of the Full Time Equivalent posts to be created to establish the Culture House.

6.3 Please outline how the project will gather and assess evidence of outputs.

The physical construction outputs will be monitored and evidenced as part of the building works contract.

MV understands that the Council has purchased a licence for the Social Value Engine to accurately forecast and calculate the outcomes delivered by the project. The 'Social Value Engine' is one of the leading methods for calculating social value and wider project benefits and communicating tangible project value to society (which may not be recorded by other means). This engine identifies social value by setting out: (1) the monetary value of each outcome; and (2) the contribution of the outcome to the sustainability of the community (the engine presents social value via the eight indicators of a sustainable community produced by the UK government in 2005 known as the Bristol Accord). Consequently, the methodology enables outcomes to be grouped in a manner that allows comparison on more than just monetary terms. MV will partner with the Local Authority in order to benefit from such forecasting.

7. Management & Control

7.1 Please describe whether or not the necessary team is in place to carry out the proposed activity and if not what the plans are to recruit the relevant expertise? Please insert structure chart, if available.

MV to work with professional architectural (LK2) partners, established for over 25 years. MV has previous experience of joint working & collaboration with LK2. A highly experienced & qualified architectural practice that exhibits both creative and commercial flair. A local Lincolnshire practice optimises investment & deliver ground-breaking developments. Familiar with specific site due to engagement on several previous projects successfully completed over the last decade. A recognised, reputable and award-winning practice, familiar with leisure development projects, vast sector experience & specialisms. Specialist planning consultants. Other relevant case study / testimonial material available, all involving successful completion of similar projects.

Additional support will be procured, as required, on a specific and time limited basis to commission external expertise and resources in order to deliver the project on time and within budget. Where appropriate services will be procured via existing frameworks (where these provide value for money) or via competitive tender. We will also look to maximise engagement with local suppliers in the external procurement processes.

7.2 Please explain the key risks identified for the project and how these will be managed and mitigated throughout the project. Please attach separate risk register, if available.

Risk	Owner	Probability	Impact	Mitigation
Partnership funding	ELDC	Medium	HIGH	Searching for additional funding options.
Construction timescale slips	MV	Medium	HIGH	Reschedule project build timetable.
Increased project cost	ELDC	Medium	V HIGH	Work with experienced project teams with proven track record on delivery.

Our approach will ensure the prompt escalation of risks and allow for necessary actions to be taken to ensure the project continues to be delivered on budget, to time and to a high, quality standard. Consideration of risks will also be a standing agenda item for project meetings. The overall project risk is considered to be moderate.