

Executive Summary: New Town's Heritage Centre

*Prepared for the Stevenage Development Board
Full Business Cases are available on request*



Contents

Executive Summary from Business Case Assurance Panel	3
Overview	4
Strategic Case	8
Economic Case	11
Financial Case	16
Commercial Case	17
Management Case	18

Executive Summary from Business Case Assurance Panel

Project Title
New Town's Heritage Centre
Assurance Panel Feedback
<p>Assurance Panel discussion was held on the 13th January 2022 and a summary of comments is provided below.</p> <p>Overall the panel discussion was very positive and supportive of the business case.</p> <p>The Panel unanimously supported the business case, with the following minor amendments to be incorporated:</p> <ul style="list-style-type: none">- Ensure that the 'national' opportunities are suitably emphasised, with the potential for international visitors relating to the New Town movement- Enhance the economic benefits of the operating/running cost savings relating to providing the new facility in a shared building; this supports both value for money and the operation of the building- Need to promote the 'cultural package' that this intervention provides the platform for; new experience-focused garden square, evening economy/entertainment, events and pop-up activation, improve the overall offer of the museum aspects- Future branding exercise required in conjunction with public and stakeholders to co-produce the facility's identity- Need to recognise the work carried out to date to look at other examples as precedent projects, but also recognise that there is still much more to learn from existing facilities, especially those that have been delivered more recently.
Recommendations for Stevenage Development Board
<p>To acknowledge and endorse the progression of this business case to Accountable Body processes.</p> <p>To endorse recommendations set out in the business case to:</p> <ul style="list-style-type: none">- Progress commercial exploration activities- Progress scoping and ultimate creation of audience development plan within the next 12-18 months- Progress and update the business plan within the next 12 months

Overview

Project Title
New Town's Heritage Centre
Project Location
Stevenage Town Centre (Civic Hub Building)
Partner/Co-Funding Organisations
TBC
Total Project Costs (£)
£2,936,636
Total Town's Fund Allocation (£)
£2,000,000
Other Public Sector Investment (£)
£936,636 directly to the project (Stevenage Borough Council) A further £3 million of match funding will be provided from Stevenage Borough Council with the construction of the whole building.
Total Third Sector Investment (£)
N/A
Total Private Sector Investment (£)
N/A

Project Description

The scheme being supported by the Towns Fund will involve the construction of an allocated space within the new Civic Hub into a New Town's Heritage Centre with the opportunity for adjoining culture and leisure space. It will deliver a combination of heritage interpretation, culture and education uses together at site, integrating with local public and community services within the new hub. This facility will epitomise Stevenage's strategic aspirations to regain its status as a place destination for leisure, culture and heritage by taking current assets and celebrated heritage and positioning them within the heart of the regeneration and cultural story for the town, in a vibrant, accessible facility. This forms one key component of the broader cultural strategy for the town, alongside the development of an improved theatre and leisure offer.

The Stevenage National New Town's Heritage Centre project will comprise two key spaces:

- A modern cultural, arts, heritage and education centre
- Adjacent flexible space providing a key resource for events, performances, education and leisure activities.

The New Town's Heritage Centre will include the relocation of the current museum depicting the history of Stevenage's pioneering role in leading the New Town movement and its context in the postmodern era. The content of the museum will build on the existing collection with the aim of exhibiting the story of Stevenage in a new and dynamic way by creating interactive, exciting activities that attract families and visitors. The new facility will provide the opportunity to present and interact with heritage in a modern innovative way, whilst continuing to provide learning spaces for handling collections to meet the demand for schools and education providers. The facility has the potential to become a destination for a wide variety of audiences (nationally and internationally), including students researching urban planning, professionals and policy makers learning from the New Town impact plus residents and visitors.

The flexible spaces available will be curated by Museum and Cultural teams to provide a key venue for the town's cultural activities which might for example include musical, film and other live performances, dancing classes, special interest talks and events, conferences, and meeting space to support the town's key public services and community support groups. Furthermore, with the library being co-located within the Hub, this enhances the opportunity to continue and strengthen partnership working and broaden educational and community activity. This facility aims to widen the cultural opportunities for performance within the town and simultaneously provide an event space, in conjunction with the proposed café, that can provide revenue to sustain the business model and support economic spend by driving footfall within the town centre.

There is an exciting opportunity to capitalise on the growing national and international recognition of the importance of the New Towns movement, and the influence that New Towns and Garden Cities still have over 'good practice' in the field of Town Planning today,

from community cohesion and creating a successful social fabric within sustainable neighbourhoods, to the role of design, architecture and art in creating vibrant and engaging places. The project team will work with key stakeholders to explore these opportunities and maximise the wider appeal of the facility.

A key focus will be linking the old and new aspects of Stevenage, exploring and curating culture and art of the period when Stevenage was first conceived and developed, showcasing the New Town and Modernist movements and linking this to current ideas and developments emanating from within the town, such as inventions of global significance like the Mars Rover.

In addition, the project is included in a phase of SG1, a £350 million development scheme which covers two of the Major Opportunity Areas in the town (see Strategic Case for more detail). Accompanying the Hub is a new public space, Garden Square, which supports the development of 200 new homes on Plots F & G which lie to the rear of the Hub, the site of the facility.

Key Purposes of the Project

The purpose of this project is to bring a combination of heritage interpretation, culture and education uses together onto one site, integrating with local public and community services within the new Civic Hub so that:

- Visitor numbers in the town centre will grow thereby increasing patronage of and in the longer term more investment in good quality retail, food and beverage outlets and leisure amenities.
- An increase in younger people engaged in learning activities is conducive to higher levels of motivation and aspiration; a more accessible asset that has a broader appeal, especially for hard to reach groups
- Major synergies and cost efficiencies will be achieved by co-locating these activities; this supports providing value for money for the capital build of the project, as well as providing a more sustainable operational business model
- Stevenage can become more attractive to a broader range of people considering moving to and working in Stevenage due to the creation of a stronger culture offer.
- A broader range of visitors will utilise the multi-purpose space
- Part of an enhanced, integrated cultural offer within the town centre, including a new experience-based 'Garden Square', pop-up event space, and more diverse town centre events spaces

Configuration of the Project

By creating a high-quality heritage and dedicated culture and leisure space, the project would significantly enhance the cultural offer of the town centre leading to higher visitor numbers, levels of participation in learning, cultural activities and events. Learning opportunities, particularly for young people would be enhanced, helping to raise aspirations.

Higher visitor numbers would increase footfall and spending in the town conducive to higher levels of investment in retail, food and beverage and level and leisure amenities. An enhanced cultural offer and higher quality outlets in the town centre would attract people to live in Stevenage and in so doing would accelerate the sales and buildout of planned residential developments.

Key activities will involve:

- Scoping series of engagement and consultation events to inform audience development plan
- Creation of audience development plan for the new facility
- Market engagement with commercial and cultural opportunities
- Design (RIBA 1-4) and appraisal of space size as part of the Hub design workstream
- Construction of a museum and cultural centre with a total minimum size of 750sqm.
- Relocation of the existing museum collection and the development of modern interactive and experiential displays for depicting the town's history.
- Development of 200 new mews style homes on Plots F & G as part of the SG1 scheme

Strategic Case

Indicate how this project meets the Town Investment Plan Vision (<i>tick</i>)		
	Reflecting and Re-Interpreting our New Town Heritage for future generations	✓
	Embracing Sustainable Travel to maximise the benefits of our strategic location and link our communities with jobs and leisure	
	Transforming our Town Centre as a key place of opportunity and integration for business, residents and visitors	✓
	Upskilling and providing opportunities for all our people to benefit from innovation & growth	
	Supercharging the growth of National and International Business Base	
Indicate which <i>challenge(s)</i> this project intends to meet (<i>tick</i>)		
	Challenge 1: Ageing Infrastructure – Urban Disconnections and a Brake on Growth	✓
	Challenge 2: Bridging the Skills Gap and Raising Aspirations	✓
	Challenge 3: Town Centre Transformation	✓
	Challenge 4: A Resident Population Being Left Behind	✓
	Challenge 5: Lack of Suitable Modern Space for Growth	
Indicate which <i>opportunity(ies)</i> this project supports (<i>tick</i>)		
	Opportunity 1: National and International Gateway for UK PLC	
	Opportunity 2: Innovation Hub, High Growth Potential and STEM City	
	Opportunity 3: The Untapped Potential of Stevenage People	✓
	Opportunity 4: Building Wealth and Reclaiming Expenditure	✓
	Opportunity 5: Reviving Stevenage’s Sustainable Travel Network	

Policy Alignment (List only, 2.3)

National Policy	Local Policy
<ul style="list-style-type: none"> Arts Council England Strategy 2020-30 Heritage Fund Strategic Funding Framework 2019-24 Town Centre Initiatives (Grimsey Reviews) 	<ul style="list-style-type: none"> Stevenage's Arts & Heritage (Cultural Strategy, Stevenage Re-Imagined) Hertfordshire Covid Recovery Plan Hertfordshire LEP Strategic Economic Plan Local Industrial Strategy Grand Challenges Stevenage Local Plan 2019-2031 Stevenage Central Framework

Expected Outputs/Outcomes (2.5.11)

Jobs Created	3
Museum, Arts, Cultural, Education Floorspace Developed sqm	550
Flexible Leisure Floorspace Developed sqm	200
Total New Floorspace	750
Net Increase in Heritage museum and flexible leisure space sqm	200
Additional homes brought forward	200
Additional GVA Generated per Annum	£1,269,914
Number of public facilities collocated	3

Wider Outcomes and Benefits (2.5.12)

<p><u>Economic</u></p> <ul style="list-style-type: none"> High quality culture and leisure facilities will attract a wider range of new residents to the area, providing a good choice of high-quality workers to the advanced high value industries Stevenage is seeking to attract. This should increase demand for high quality commercial space in the town centre. Expanded demand will help assure long term commercial viability of the centre. More people will visit the town centre increasing demand for retail and food and beverage facilities and thereby investment in these facilities. Higher profile generated by the new museum and cultural centre Acceleration of the redevelopment of key housing sites in the town centre. Improved town centre environment. Stronger perception of Stevenage as a place to invest.
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Environmental

- Enhanced scope for living and working in the town centre, thereby reducing the need to travel.
- Cleaner air and healthier lifestyles.

Social

- Meets anticipated demand from population growth.
- Broadens scope for engaging more people in cultural activities and for raising aspirations.

Economic Case

Economic Benefits (3.3.1)

See table of outputs/outcomes above.

Benefits have been monetised by projecting:

- the GVA per head for each of the new jobs to be created
- income generated from space for hire in the new leisure space
- income from shared gate takings from events
- income from catering services to service meetings, conferences and social events taking place within the new space
- Additional spending in the town centre that would be generated as a result of visits to the museum and flexible leisure space.

Projected annual revenue streams from the above are summarised as follows.

Increase in GVA from new jobs		£177,317
Income from Space for Hire		£161,000
Income from Events Gate Proceeds		£282,500
Income from Local Catering		£311,800
Increase in Town Centre Spending		£337,297
Total		£1,269,914

These have been discounted over 30 years to arrive at the Benefit Cost Ratio (BCR)

Value for Money Assessment	Present Value	Undiscounted
	30 Years	30 Years
Cost	£2,612,775	£2,936,636
Benefits	£17,622,599	£17,622,599
Net Present Value: Benefits Less Cost	£15,009,825	£14,685,963
BCR Calculation	6.74	6.00

Non-quantified impacts and benefits are summarised below:

Project	Impact	Assessment of Benefits
Museum	Upgraded accommodation	Museum's collection, archives, and

		assets are better protected
	Larger audience reach	Enhances heritage learning and appreciation
	Opportunity to engage and co-create with marginalised communities and youth	Improved learning, creativity, confidence, skills development, and community cohesiveness
	Increased opportunities for partnership working; initiatives to inspire higher levels of learning, creativity and critical thinking can be leveraged	Will help reach more people to build knowledge and skills
Flexible Leisure Space	Creates a more innovative, collaborative, and attractive offer	
	Enables cultural services that can work across local government, public, and VCSE services/agendas	Enables greater outcomes, such as improved social cohesion, wellbeing, and a boost to the local economy
	Enhanced capacity for daytime and night time culture and leisure activity	Increased footfall boosting prospects for revived retail, leisure and hospitality sector
	Will help reprofile Stevenage as a cultural destination	Enhances the appeal of living in the town centre, accelerating sales and development of new homes
Development of 200 new homes	Increased demand for town centre retail and leisure, cleaning, maintenance, security and delivery services	Generation of indirect employment

Place Based Analysis (3.6.1)

Target Area	Central Core, Stevenage Town Centre, SG1
External Dependencies	<p>The main dependencies are:</p> <ul style="list-style-type: none"> • The development of the new Civic Hub as this project forms an integral part of the Hub's structure and operational arrangements and • Continued house building in the town centre to assure demand for the facilities is maintained.
Benefits to the Target Area: Quantified	As above
Benefits to	<ul style="list-style-type: none"> • Enhances heritage learning and appreciation

the Target Area: Qualitative	<ul style="list-style-type: none"> • Increased scope for engaging marginalised groups • Improved learning, creativity, confidence, skills development, and community cohesiveness • Will help reach more people to build knowledge and skills • Enables greater outcomes, such as improved social cohesion, wellbeing, and a boost to the local economy • Increased footfall boosting prospects for revived retail, leisure and hospitality sector • Enhances the appeal of living in the town centre, accelerating sales and development of new homes
Possible collateral effects in the target area or wider spatial area	<ul style="list-style-type: none"> • Higher level of engagement of local residents in cultural and education activities • Raising of aspirations of more local residents • Will help reprofile Stevenage as a cultural destination • Will help generate greater footfall for Stevenage • Stronger attraction of well qualified home buyers to live and work in Stevenage • Increased investor confidence • Acceleration of sales of new homes and transformation • Generation of indirect employment
Adverse effects on protected groups	<p>None identified</p>
Different impacts by income group	<p>Enhanced museum and leisure space will widen the audience reach and enable more of those who are marginalised on low incomes and in high areas of deprivation to become engaged in cultural and education activities and to raise their aspirations.</p>
Views of local stakeholders	<p>Desire to create aspiring communities and opportunities that create a lasting legacy.</p> <p>Please see view stakeholder report from heritage consultant Claire Alder.</p>
Alignment with wider public policy in the relevant area/s and the UK as a whole/s	<p><u>Arts Council England Strategy 2020-30: Key Outcomes</u></p> <ul style="list-style-type: none"> • Creative People: an opportunity co-create with marginalised communities and youth in particular to nurture skills, confidence, creativity, and critical thinking to ensure that everyone has access to creativity and cultural sector career paths. • Cultural Communities: greater outcomes through a higher-quality, accessible facility that enables a more innovative, collaborative, and attractive offer. • A Creative & Cultural Country: museum’s strong track-record of working with and nurturing artists, flexible spaces within the Hub will also provide opportunities for collaborations with creative industries to

	<p>realise creative and business innovations, which will boost local skills and economies.</p> <p><u>Heritage Fund Strategic Funding Framework 2019-24:</u></p> <p><u>Strategic Objectives</u></p> <ul style="list-style-type: none"> • Continue to bring heritage into better condition: a new facility with high building specifications, including environmental controls, will ensure the Museum’s collection, archives, and assets are protected. • Inspire people to value heritage more: a purpose-built facility will support a more engaging, accessible, inclusive, and relevant offer that enhances heritage learning and appreciation. • Ensure that heritage is inclusive: working with marginalised communities, new exhibitions and programmes will be co-created with communities to ensure that communities are better included and represented by the museum’s collections/stories. More people will therefore be involved in heritage. • Support the organisations we fund to be more robust: will enable increased partnership working and audience reach for greater outcomes and will generate increased opportunities to leverage funding. • Demonstrate how heritage helps people and places to thrive: a more accessible, attractive, and engaging museum will enable greater audience reach and help to reprofile Stevenage, which unfairly suffers from negative perceptions. • Grow the contribution that heritage makes to the UK economy: a redeveloped museum within will help reprofile Stevenage as a cultural destination, reach more people to build knowledge and skills and generate greater footfall for Stevenage. <p><u>Grimsey Reviews</u></p> <ul style="list-style-type: none"> • The project will help drive footfall and create experiential shopping and spaces within the town.
<p>Dependency on the successful delivery of other proposals</p>	<p>Continued house building in the town centre to assure demand for the facilities is maintained.</p>

Link of Benefits Estimated Link to Theory of Change and Strategic Case	<ul style="list-style-type: none">• The scheme will make Stevenage more attractive to well qualified workers.• Increased footfall boosting prospects for revived retail, leisure and hospitality sector.• More high quality and high value businesses will be attracted to Stevenage.• Recognition of Stevenage Town Centre as a high prestige business location.• Increased investor confidence.• Acceleration of transformation of other SG1 major opportunity areas and sites.
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Financial Case

Funding Profile (4.2.6)					
		Funding Profile	Total		
		SBC	£936,636		
		Town's Fund	£2,000,000		
		Total	£2,936,636		
Funding Schedule (4.2.7)					
Source	22/23	23/24	24/25	25/26	Total
SBC	£23,925	£38,464	£354,458	£519,789	£936,636
Towns Fund	£92,070	£86,490	£790,470	£1,030,970	£2,000,000
Total	£115,995	£124,954	£1,144,928	£1,550,759	£2,936,636

Commercial Case

Delivery Model (5.2.4-6)

The proposed delivery model is for the Council to take the lead as the developer, working with a construction partner Mace to develop the scheme as part of SG1 scheme.

The delivery approach for the SG1 area (14.2acres / 5.75ha) was agreed by decisions taken through four previous Executive committee meetings (2016-2019). An OJEU compliant Competitive Dialogue tender process appointed “Mace” as developer with a contractual partnership governed by a Development Agreement (DA), signed in March 2019. The SG1 proposals will deliver the regeneration of a significant proportion of the town centre, across multiple development sites, and include circa 1800 homes, public spaces including a new Garden Square adjoining the Town Square, Public Services Hub, school, and new boulevard route connecting the rail station and new Bus Interchange with the Town Square.

The partnership commits the Council and Mace to four broad sequential Phases of work, comprising ten development plots in total. The baseline Programme to deliver all four Phases is over ten years, assuming a successful hybrid planning permission in summer 2020.

These arrangements have a number of advantages. The Council needs to be the initiator and owner of the project because of the need to:

- a) widen participation in heritage appreciation, culture and education active pursuits conducive to increasing the quality of life and aspirations of the population
- b) achieve this by offering an improved facilities offered to maximise patronage and make the facilities accessible to those on low incomes and in high areas of deprivation
- c) provide an important building block for the regeneration of the town centre
- d) utilise expertise and funding need to be deployed to stimulate leveraged investment and transformation.
- e) engage and consult with the Stevenage community to co-design programme of events, exhibitions and activities which will enhance community vibrancy within the town centre and continue to uphold the strong pride in Stevenage, its unique history as well as its bright and innovative future.

For these reasons, the Council is best placed to initiate and deliver the scheme, utilising the expertise of construction and development management from Development Partner Mace.

Risks (5.2.11)

Risks	Likelihood	Mitigation
Renewed risk of Covid-19 Outbreak and possible introduction of lockdown measures	High	Scenario planning to assess the impact of the close-down and reduced output levels and advise clients accordingly to ensure timely completion. Bring in additional temporary labour. Review planning conditions and seek changes where possible to enable sites to operate in shifts over longer working hours. Manage cash flow.

Failure to achieve planning approval	Medium	Outline planning permission has been granted for the totality of SG1, which includes the Hub. Project is moving into design stage where appropriate engagement with planning will support the progress of the project. This will be accompanied by public consultation.
Labour shortages in construction, freight transport and supply industries delay construction progress	High	In development agreement with Reef and with public realm contractors, incorporate commitment to bring in additional temporary labour and stocks of materials to ensure projects are completed on time.
The construction cost exceeds the limit for the project or other issues arising during the design and development phase	Low	A cost consultant will be involved from an early stage of the project to ensure contractor's proposals are realistic and within budget.
Commercial opportunities cannot be achieved through this model	Medium	Initial benchmarking work has been undertaken by reviewing potential venue hire rates to ascertain what similar facilities achieve. Outline business plan to be robustly updated and tested over the next 12 months with commercial and cultural experts to support.

Management Case

Next steps and project organisation

Subject to Stevenage Development Board endorsement of the project, there will be a number of activities that will form the next steps of the project's development.

These include:

- Scoping a series of engagement and consultation events with stakeholders and residents to form an audience development plan and design of the space
- Creation of audience development plan for the new facility
- Market engagement with commercial and cultural opportunities
- Progress and update outline business plan
- Design appraisal of space size as part of the Hub design work streams

Organisation	Functions	Key Roles	Capability	Competences and Resourcing
Stevenage Borough Council	Orchestration of regeneration strategy and projects	Stakeholder consultation Project scoping Sourcing of funding Initiation of delivery partnerships Formalising approvals	Well-developed stakeholder engagement strategy, organisation and processes Devising high impact regeneration solutions Delivery through partnership and contract	Expert and experienced regeneration team Town Fund award and match funding for key projects Delivery partnerships
Mace	Contractor and Development Partner for the construction of the Hub as part of the SG1 scheme	Main contractor responsible for the design and the construction of the Hub Coordinating and sub-contracting Ensuring Health and Safety onsite	Well-developed company Track record of delivering complex and high quality schemes	
Stevenage Borough Council	To act as the Accountable Body ensuring robust processes are followed for the delivery of the project	Monitoring and evaluation Assurance Financial security	Well-developed Council processes to be adhered following the endorsement from the Development Board Capital Programme experience	Expert Finance Team with knowledge of capital schemes Shared learning with LEP

Image below shows The Hub where the new facilities will be placed, adjacent to the new Garden Square



Image below shows artist impression of the new facility

