



Spilsby Sessions House Phasing Study

Report

October 2020



Contents

1. Introduction	1
2. Phasing study project team	1
3. Phasing study summary	2
3.1 A PROJECT IN THREE ACTS	2
3.2 CAPITAL WORKS	2
3.3 BUSINESS PLAN	2
3.4 ECONOMIC IMPACT ASSESSMENT	2
3.5 ACTIVITY PLAN	2
3.6 PHASE ONE FULL PROJECT COSTING	3
3.7 FUNDRAISING STRATEGY	3
3.8 VAT ADVICE	3
3.9 CONSULTATION & STAKEHOLDER SUPPORT	3
4. Covid -19	3
5. Initial considerations	4
6. Project visits, research and advice	4
6.1 PEOPLE AND PROJECTS	4
6.2 ADVICE	4
7. Working process and phasing options	5
7.1 ASSESSMENT FACTORS	5
7.2 MICRO PHASING	6
7.3 FIVE PHASES	6
7.4 CAPITAL WORKS COST REDUCTIONS	6
7.5 FIRST IDEA FOR A THREE PHASE PROJECT	7
7.6 IDENTIFYING THE PROPOSED THREE PHASE PROJECT	7
8. Conclusion	7
9. Action plan	9
10. Appendices contents	10

1. Introduction

Spilsby Sessions House (SSH) is a limited company with a pending application for charitable status. Spilsby's grade II listed Sessions House (Spilsby Theatre) is a building in need of significant repair and since 2015 it has been on the Theatres Trust 'Theatre Buildings at Risk Register'.

Following the completion of a viability study in 2018, SSH took advice from the National Lottery Heritage Fund to understand how to proceed with a capital project that would restore the heritage site and transform the building into a cultural venue for the benefit of the public. SSH concluded that a phased project would be the most likely way to attract the necessary funding.

This phasing study has been funded by the National Lottery Heritage Fund and the Theatres Trust and all aspects of the study have been overseen by SSH. Further details about the SSH organisation, governance and management can be found on pages 3 and 29 of the business plan (appendix 2).

The purpose of this study is to build the capacity of the organisation and understand the feasibility of phasing the project.

2. Phasing study project team

With funding from the National Lottery Heritage Fund and the Theatres Trust, it was possible to appoint an experienced professional team of consultants to work with SSH on specific aspects of this study:

Architectural: Adam Goodfellow of Tim Ronalds Architects (TRA) has led the architectural team for this study. Adam and TRA have considerable experience in heritage conservation and arts facility projects and have received a collection of awards for work, including: Wilton's Music Hall; Ironmonger Row Baths; Hackney Empire; The Colyer-Fergusson Building; Sevenoaks School Performing Arts Centre.

Business and activities planning: Culver Dodds Cultural Consultancy (CDCC) was created by William Culver-Dodds in 2008. William is an expert in the cultural sector, working with heritage and cultural organisations and venues on strategic planning, feasibility studies and options appraisals. William is a former Chief Executive of Harrogate International Festivals and transformed the organisation from a stand-alone summer music event into a year-round cultural powerhouse. He has provided consultancy services for several organisations in Lincolnshire, including the National Centre for Craft and Design in Sleaford.

Fundraising strategy: Cynthia Wainwright is a development and marketing professional with an expertise in fundraising and relationship building for arts and cultural organisations. She has worked for leading institutions, including Tate and the British Library and is a former Head of Development at the Hepworth Wakefield. Fundraising campaigns have included the capital campaigns for Tate Britain's renovation and Tate Modern's extension. Cynthia is also a National Lottery Heritage Fund Committee Member for Yorkshire and the Humber.

3. Phasing study summary

3.1 A PROJECT IN THREE ACTS

SSH has worked closely with consultants and undertaken thorough research to identify a viable phased capital project. A three-phase approach has been agreed and comprises:

Pre works & Phase one - building purchase and temporary repair pre works to prevent further deterioration during development stage. Phase one delivers full roof repair, making the building watertight. This enables temporary 'meanwhile' use of the courtroom and smaller rooms for a combined arts and heritage engagement and events programme, including audience and partnership development work.

Phase two - provides a fully operational cultural venue, including fit-out of the main space and creation of the cafe, bar foyer, kitchen and new toilet facilities. There will be dedicated heritage display/exhibition space in the building's three police cells and office/studio workspaces on the first floor (west side). The barn at the rear of the building will be used as making space for arts and crafts and set construction and will support the delivery of activities.

Phase three - final project work, including preservation of the historic facade and forecourt, and the provision of the function room, additional office/studio rental spaces and additional toilets (east side works).

More detail is provided in the architectural report (appendix 1) and the business plan (appendix 2).

3.2 CAPITAL WORKS

Full consideration has been given to the cost profile, feasibility and order of construction works. A full architectural report, produced by Adam Goodfellow (TRA), is provided in the appendices of this study (appendix 1).

3.3 BUSINESS PLAN

Each phase will grow and develop the operational capacity of the Spilsby Sessions House organisation and will enable a fully sustainable future. The business plan produced by CDCC is provided in the appendices of this study (appendix 2). An Audience Agency report was commissioned to inform the business plan and this is also provided in the appendices of this study (appendix 3).

3.4 ECONOMIC IMPACT ASSESSMENT

A high level assessment of the economic impact of the project, produced by CDCC, is provided in the appendices (appendix 4) and demonstrates the potential benefit the project could bring to the local economy.

3.5 ACTIVITY PLAN

SSH worked with CDCC to scope an activity plan for phases one and two of the project. The plan focuses on heritage activities that would be delivered as an integral part of the capital project and also combines the scope of future arts

activities SSH aims to deliver as part of an all encompassing programme. Public and stakeholder consultation also informed the plan. All activities have been incorporated into project costings and forecasts detailed in the business plan. The full activity plan is provided in the appendices of this study (appendix 5).

3.6 PHASE ONE FULL PROJECT COSTING

An estimate of the full phase one project cost is provided in the appendices (appendix 6). This costing has provided essential information for the fundraising strategy.

3.7 FUNDRAISING STRATEGY

The fundraising strategy (appendix 7) is predominantly focused on phase one and the next immediate stages of the project. It also provides some indication of longer term strategy.

3.8 VAT ADVICE

Advice has been provided by Chiene & Tait via the Heritage Trust Network. A report is provided in the appendices (appendix 8).

3.9 CONSULTATION & STAKEHOLDER SUPPORT

Specific heritage sector advice and other project visits are detailed in section 6 of this study. Details of stakeholder consultations and statements of support are provided in the appendices (appendix 9). We have received significant support from the East Lindsey District Council (ELDC) Vital & Viable Market Towns Team, from the ELDC Heritage Officer and from Spilsby Town Council.

4. Covid -19

Whilst no scenario planning or full assessment of the impact of Covid-19 on the project is provided within this report, consideration has been given to how future activities could be delivered with social distancing measures remaining in place.

- Phase one - All activities and development work detailed in phase one of the project could still be delivered in line with current social distancing legislation and government guidance for venues and heritage sites. Risk assessment and implementation of measures would be required.
- Phases two and three - Scenario planning and reassessment of design and use of space may be required during development stages if there has been no improvement in the Covid-19 situation.

For these reasons we believe the project could proceed, provided funding schemes are able to be reopened for applications.

We would like to thank NLHF for allowing a grant extension, providing additional time to produce this report. Due to Covid-19 and the UK lockdown, it was necessary to temporarily pause work on this study and the number of project visits

had to be reduced. When the project was reconvened, essential meetings were held via video conferencing.

5. Initial considerations

An initial project team meeting was held to establish priorities and to understand any specific advice required.

A key question was how activities and income generation could be maintained throughout a phased programme of capital works to ensure sustainability. It was established that to achieve this, the logistics of undertaking construction work in stages and the effect this would have on operational activity would require careful consideration.

6. Project visits, research and advice

6.1 PEOPLE AND PROJECTS

The following people/organisations and projects visits provided essential advice to inform this study. This included:

- Sarah Dowd - Viva Arts (Soham) Project Manager and Director of Tricolor Heritage Development and Design
- Kathryn Moore - Heritage at Risk Solutions Officer, Heritage Lincolnshire; Greyfriars restoration project, Lincoln
- Claire Appleby - Architecture Adviser, Theatres Trust
- Emily Knight, Architectural Heritage Fund
- Emilie Wales - East Lindsey District Council Historic Environment Officer and Trustee of Great Grimsby Ice Factory Trust
- Jeremy Stone - Associate Director, Greenwood Projects
- Heritage Trust Network

6.2 ADVICE

A broad range of very beneficial advice was received. This included useful guidance on fundraising and costing and a variety of ideas in regard to the challenge of phasing the project. Some key points were:

- *the starting point for deciding how to implement phasing should be understanding funders' outcomes*
- *establish an arts/community led approach*
- *making the building water tight is a priority*
- *consider how phase one could provide some development of sustainable income as a result of capital works*

- consider “Micro Phasing” i.e with activities and community need as a starting point, think how rooms and spaces could be used and developed on a small scale project by project basis to create phases
- the least number of phases the better
- it would be beneficial, in terms of fundraising, if the full project cost for each phase could be maintained at around £1m or less
- if the cost of the main space capital work is unavoidably over £1m perhaps undertake a series of small under £1m phases first and place that phase later
- consider how activities could be in line with County/District council policies for community development e.g. economic development plans, tourism plans. Having a District/County Councillor on the board or closely connected to the project could be very helpful.
- consider the skills and network that already exists with the organisation. As a theatre/arts organisation how can creativity, experience and practical knowledge be applied, particularly in delivering solutions for ‘meanwhile use’.
- could outdoor spaces be used to provide a programme of events, in temporary tented venues, to generate income during construction.
- consider how phasing could provide scaled capacity building of the Spilsby Sessions House organisation.

7. Working process and phasing options

7.1 ASSESSMENT FACTORS

Taking all advice into consideration, the project team explored options for phasing the project. It was very clear from research, project visits and the advice received that there is no standard or accepted process for assessing how a project should be phased. However the project team identified the following assessment factors to consider in phasing the project:

How could each phase:

- engage more people in heritage?
- deliver activities of social/community benefit?
- grow the capacity of the organisation?
- enable income generation and develop sustainability?
- support stakeholders and local/regional strategic plans?
- use the building’s spaces (perhaps even temporarily) to achieve the above?
- enable parts of the building to remain in use whilst construction took place elsewhere?
- prevent further deterioration of the building (particularly in early phases)?
- enable an overall realistic cost profile (with an ‘ideal’ cost target of £1m or less per phase)?

7.2 MICRO PHASING

A 'micro phasing' approach to the project was explored. The exercise identified 8 phases - a series of community focused projects that would open up the use of the building one step at a time. The architectural team provided a rough costing of the phased capital works and an architectural assessment of smaller phases (see appendix 1 p4).

Whilst this approach did produce phases all well under £1m, it was determined that 'micro phasing' the project was untenable for several reasons:

- timescale (the project could take 16 years or more to complete)
- the overall project cost would rise significantly. The estimated total just for capital works was £4.4m (this did not include VAT or activities costs)
- maintaining momentum, the interest of funders and the interest of the public, over such a timescale could be very difficult
- there would be an administrative burden of constant fundraising alongside operational management over a long period. This could result in either a need for additional staff at further additional cost, or a reduction in the quality of activities being delivered
- practical and safety concerns in regard to maintaining operation during construction (see appendix 1 p4)
- micro phasing did not answer the urgent need for restorative building work to prevent further deterioration across the heritage site, which could also create additional cost (see appendix 1 p4)

However, the exercise did provide some indication of how operational delivery of heritage, arts and community activities could be scaled. As an exercise it also stimulated further ideas of how the project could deliver public benefit and social impact.

7.3 FIVE PHASES

Phases identified in the "micro phasing" exercise were combined to create a scenario of a five phase project. Again rough costings were produced. However the project team still had serious concerns on timescale for delivery, prevention of deterioration and the consequences both presented.

7.4 CAPITAL WORKS COST REDUCTIONS

It became apparent that some overall cost reduction of the capital works would be beneficial. The team assessed whether any of the capital costs could be reduced without changing the overall project aim of creating a 'Community Arts Centre with Cinema Screenings, Cafe and Workspaces'. A re-evaluation of the design plans from the 2018 viability study was undertaken. The following was considered:

- what was essential
- what was needed practically to achieve the envisaged end use
- what was beneficial but not essential

Several reductions to capital works were identified and are detailed in the architectural report (appendix 1, p4)

7.5 FIRST IDEA FOR A THREE PHASE PROJECT

Having explored other options, the project team decided a three phase solution was required. The core aims and vision of the project were then revisited. A first idea for a three phase solution was then devised, based on providing the fastest route to a fully operational arts venue; phase one brought the majority of the building into use and left only small scale works in phases two and three. Rough capital works costings were produced. However, this phased solution was problematic for the following reasons:

- the project lacked any scaled organisational capacity building
- the cost profile was top heavy with phase one being £3m+

7.6 IDENTIFYING THE PROPOSED THREE PHASE PROJECT

A balance was required between answering urgent need for restorative work and the need to build the capacity of the organisation with each phase. By completing no more than roof works in phase one, a temporary 'meanwhile use' of the building could be achieved and deterioration could be halted. The project team concluded this would provide the most cost effective beginning to the project.

Phase two would bring the main space into use and therefore needed the supporting facilities (foyer, toilets, bar, office) situated on the west side, as a minimum requirement for functionality. It was therefore logical to leave the additional facilities on the east side until phase three, together with final restorative work.

The final proposed three phase approach to capital works, including design plans and costings, is detailed in the architectural report (appendix 1 p5 to p27).

8. Conclusion

Based on the research and evidence provided in this study, SSH is proposing the three phase capital project as the most effective solution to maintaining the heritage site and ensuring long term sustainable operation of the cultural facility. The approach to phasing also enables SSH to maintain operations through continued use of parts of the building throughout construction (see appendix 1 p5).

The fundraising strategy (appendix 7) suggests the project can be delivered provided SSH can meet the task of managing the capital fundraising campaign as described in section 4.2 of the strategy.

Section 5 of the fundraising strategy indicates there is strong case for need that would appeal to a broad range of potential funders. The project answers funding criteria and outcomes in the following ways:

- the project will involve a wider range of people in heritage and the arts through implementation of the activity plan (appendix 4). The potential audience has been

identified in the business plan (appendix 2 section 6) and evidence from ACE (appendix 2 page 26) and the Audience Agency report (appendix 3) indicates that although the project is situated in a rural area, in a town with a small population, there is a wide catchment area containing more than 580,000 people who could potentially benefit from this project

- phase one will create an opportunity to build the capacity of the organisation and develop people's skills through the delivery of project based activities before scaling up to full operation of a venue in phase two.
- heritage will be restored and maintained. The phased project will ensure the immediate need to halt further deterioration is met through full roof repairs in phase one and less urgent restoration would be completed in phases two and three (see appendix 1)
- the programme of activities (appendix 5) will enable Spilsby's heritage to be more fully understood and explained. The SSH approach of combining arts and heritage will encourage learning and changes in ideas and actions through the full implementation of the activity programme. Audiences and participants will benefit from greater wellbeing
- establishing the use of prison cells as permanent heritage exhibition space in phase two will also ensure the project provides a legacy of heritage education and engagement
- SSH aims to deliver high quality art and culture in a rural part of the UK and could play a significant role in stimulating the regional arts sector. Strong partnerships are already being developed with regional stakeholders (see appendix 9 - p2 to p7) and SSH has played a key role in establishing Spilsby Light Night
- the business plan (appendix 2) provides clear evidence of how the organisation would become resilient as result of the phased project. Forecasts (business plan section 8) indicate that the organisation would become self-sustaining as a consequence of the phased project and would no longer be dependent on funding after phase three
- as a result of this project, Spilsby will be a better place to live. The project will deliver a high quality cultural offer, provide a hub for the community and will also boost the local economy through increased footfall. The net additional expenditure anticipated to be produced is estimated at approximately £511,566 per year (appendix 4 section 2). In addition, the organisation is projected to employ a total of 5 staff (1 x full time and 4 x part-time) which equates to 2.4 FTE jobs. Volunteering opportunities will also abound.
- the project has town and district council support and has been highlighted as an integral project for the revitalisation of Spilsby in the recent Institute of Place Management "Vital and Viable Spilsby" report commissioned by East Lindsey District Council (See Appendix 9 p1, p3 and p4)
- the project has been developed as a direct result of listening to the community and engaging with regional stakeholders (see appendix 9)

9. Action plan

SSH will take the following actions in the next twelve to eighteen months

	Timescale	Action	Notes
1	Immediate	Consult with National Lottery Heritage Fund and the Theatres Trust to obtain feedback and advice.	
2	Immediate	Meet with ELDC and Town Council to update on progress, discuss next steps and maintain support for project	Provide full access to phasing study. Also create a summary document of key points.
3	Immediate	Complete establishment of legal agreement with current owners in regard to property ownership	Legal advice is being taken. N.B. A legal agreement is required in regard to property ownership prior to charity registration.
4	Immediate	Complete Charity registration process	Legal advice is being taken.
5	January 2021	Form Capital Development sub-committee. Recruit additional sub-committee members volunteers/new trustees.	See Fundraising Strategy Section 4.2
6	Early 2021	Begin 'Quiet Phase' of funding plan. Applications to Trusts/Public Sector . Raise (Development match) target of £37,500	See Fundraising Strategy Section 5.1 Applications to trusts can only be made by SSH if it has charity status
7	Early 2021	Begin work on NLHF application (Development) £328,500 Aim to submit mid/late 2021	See Fundraising Strategy Section 5.1
8	End of 2021	Applications to Trusts & Foundations Raise (Delivery match) Target £123,750	See Fundraising Strategy Section 5
9	2022	Commence development work including temporary repairs, design development and planning permissions	Provided fundraising targets are met. See Fundraising Strategy Section 5
10	2022	Begin work on NLHF application (Delivery) £622,220	See Fundraising Strategy Section 5.1
11	2022	Begin work on 'Public Phase' of funding plan	See Fundraising Strategy Section 5.1

10. Appendices contents

Appendix 1. Architectural report

Appendix 2. Business Plan

Appendix 3. Audience Agency Report

Appendix 4. Activity Plan

Appendix 5. Economic Impact Assessment

Appendix 6: Phase 1 Estimated full project costing

Appendix 7. Fundraising Strategy

Appendix 8. VAT advice notes

Appendix 9. Stakeholder consultation and support

All appendices are provided as separate documents.