

Project Documentation - Initial Project Proposal Document

Project: Guildhall Improvements

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1. Purpose of Document

The purpose of this document is to justify the undertaking of the project based on the estimated cost of delivery and the anticipated benefits to be gained. The proposal outlined in this document will be used as part of the process for prioritising future projects.

2. Project Description

The proposed project is to carry out a scheme of installing heating and lighting and 3 phase power to the Guildhall to enable it to be hired out as an income generating wedding, business meeting, exhibition and performance venue throughout the year.

3. Background

Income generation for the Novium service and public demand.

The Guildhall has recently been licensed for as a wedding venue. The Novium team have already secured 12 summer wedding bookings at £1,500 per booking and are dealing with many more enquiries. Requests are coming in for winter bookings but this is not currently feasible due to the absence of heating and lighting in the building, however they have already received one enquiry. The electricity supply also needs upgrading to 3 phase power.

Public demand for the use of the Guildhall as a wedding, performance, meeting and exhibition venue is increasing. Established local wedding venues such as Southend Barns are handling up to 180 weddings per annum. The Guildhall is a truly unique venue in a city centre location. With effective marketing and all year round use there is nothing to suggest the venue could not aim to host 100 weddings per year. This could eventually generate an annual income of £150,000.

The project would support economic development in the city and surrounding area by encouraging greater use of the venue and supporting hospitality services. The project also supports the main aim of the Novium's business strategy to generate income for the service to maintain its accessibility.

Loss of income. If the Guildhall cannot be hired out all year round by losing 12 winter wedding bookings and 12 days of meeting bookings alone the council could be losing an estimated £20,000 per annum. It would also represent a lost opportunity for the city of Chichester that such a wonderful central venue is not available for hire to the public all year round.

4. Outcomes to be Achieved

Income Generation – ultimately £150,000pa.

Meet public demand.

Support economic development and the visitor economy.

Provide a service to the local community.

5. Timescales

This work to be completed by May 2016.

6. Project Costs and Resources

Costs (£)		Source
One-Off	c. 30k (25k heat and lighting, 5k 3 phase power supply)	Capital reserves
Revenue	Utility and maintenance costs – Estimated at £5,000 pa (offset by the estimated income set out in paragraph 7 which will create net revenue growth)	
Savings		
Services to be involved in the project delivery	Museum, Historic Buildings Advisor (Planning) H&S, Building services, Public Relations. Consultation with English Heritage and with Friends of Priory Park.	

7. Benefits vs. Cost

Year	Out	In	Balance	Payback
1	£35,000	£7,500	-£27,500	
2	£5,000	£15,000	-£17,500	
3	£5,000	£22,500	£00,000	Year 3
4	£5,000	£30,000	£25,000	
5	£5,000	£45,000	£65,000	
5 Year Total			£45,000	

This is based on the impact of an estimated 5 winter wedding bookings in year 1, 10 in year 2, 15 in year 3, 20 in year 4 and 30 in year 5. It takes no account of the existing income from the summer bookings already secured.

8. Identify Risks

The main risk is that it would take longer to recoup the £30,000 investment. This is however unlikely given the current shortage of city centre wedding venues and the unique offer of the Guildhall.