

Reviving an Artist's Birthplace

A NATIONAL CENTRE FOR GAINSBOROUGH



Appendix IX: Economic Impact

HLF First Round Application
June 2016

GAINSBOROUGH'S HOUSE



APPENDIX IX

THE ECONOMIC IMPACT

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1. INTRODUCTION

It is one of the key outcomes of *Reviving an Artist's Birthplace: A National Centre for Gainsborough* to spearhead the regeneration of a market town. The increased visitors and increased profile that the project will deliver will encourage real growth within the town. Specifically it aims:

- To develop its role as a centre for Heritage in the town and region**
(Current initiatives around cultural tourism for Sudbury led by Gainsborough's House, including the *Gainsborough's Sudbury* trail and marketing brochure have had a positive effect)
- To bring more people to Sudbury and to encourage use of the town and local businesses**
- To instigate a greater sense of local pride**
- To change negative perceptions.**
- To make Sudbury a better place to live**
- To be a positive economic model in a climate of reduced local authority funding**

2. PROJECT ECONOMIC IMPACT SUMMARY

Reviving an Artist's Birthplace: A National Centre for Gainsborough will have a marked impact upon employment and economic benefit. Specifically:

2.1. Jobs Created

60 temporary FTE

9 permanent FTE

20 indirect jobs FTE

2.2. GVA (Gross value added)

Gainsborough's House has been keen to calculate the economic value of the project, both in terms of employment and its GVA (Gross value added which measures the

contribution to an economy), based on Association of Independent Museums and ALMAUK (Archives, Libraries and Museums Alliance UK) economic value toolkits.

The Project GVA (2016/17 to 2020/21) is £8,656,684 in total including £5.36m in visitor impact, £1.33m in employment impact; impact of spend on goods and services £1.02m.

Once completed, the GVA of the expanded museum per annum will be £2.93m (£2.07m in visitor impact pa, employment impact of £425,920 and spend on goods and services £200,832. This is an overall increase of 72% on 2015/16.)

3. OUTPUTS

Outputs	When will these be achieved	Data Sources	How often would these be measured and by whom
Gainsborough's House currently employs and trains around 200 volunteers – following completion of this project, this number would increase to 250.	6 months after project completion	Gainsborough's House employment figures	Monthly by Gainsborough's House
During the development phase of the project, it is anticipated that around 60 temporary FTE jobs would be created.	From start of construction to end of construction	Project monitoring	Monthly by project manager
Currently Gainsborough's House employs a number of staff on temporary contracts. As a direct result of the project, 9 new permanent FTE jobs would be created, including 4 high level FTE jobs.	6 months after project completion	Staff employment figures	Monthly by Gainsborough's House
Increase in GVA – currently Gainsborough's House attracts around 22,500 visitors per annum bringing in an estimated £952,200 to the local economy every year. It is anticipated that visitor numbers will double following completion of this project bringing in around £2.07million per annum to the local economy. This, added with the impacts of employment and spend on goods and services,	One year after project completion	Calculation based on DC Research, Commissioned by the Association of Independent Museums.	Quarterly by Gainsborough's House

make a total GVA of £2.93m per annum.			
This project will enable Gainsborough's House to be a major hub for the region – encouraging visitors to explore West Suffolk and beyond, not just Sudbury. As a result of this project it is envisaged that jobs will also be created in the local area as a direct result of the increase in visitor numbers. To support this vision, Gainsborough's House is working closely with the Town Council and Local Authorities to develop a promotional campaign to encourage visitors to spend more time in the Sudbury area. Transport providers, local hotels, B&Bs, cafes and restaurants will benefit, and the retail operations of the local Silk Mills.	One year after project completion	Market Research and External Consultants advice	Sudbury Town Steering Committee
Community groups already hire facilities of Gainsborough's House. It is expected that the new landscape gallery will provide more opportunities to hire facilities to local community groups and also attract bookings from further afield.	First quarter after project completion	Market Research and External Consultants advice	Quarterly by Gainsborough's House
Gainsborough's House spends around 73% of its annual turnover within the region. The current turnover will be £546k, giving a regional spend of £400k. Turnover will increase to £722k per annum as a result of the project with £527k spent within the region.	One year after project completion	Gainsborough's House Finance Reports	Quarterly by Gainsborough's House and Project Manager
The project will create five apprenticeships per annum	During project and continuing after project completion	Staff records	Annually by Gainsborough's House
The project will create 20 indirect jobs in the surrounding town and to suppliers.	One year after project completion	Sudbury Chamber of Commerce and Sudbury Steering Committee, as well as suppliers to	Gainsborough's House

		Gainsborough's House	
Low carbon footprint, with a new building that has high insulation qualities and using low emissions power.	Upon completion	Project monitoring and Babergh Council inspections.	Annually by Gainsborough's House
Specialist skills in developing and running visitor attractions, as chargeable Business Consultancy.	During project and continued after completion	Gainsborough's House	Director, Gainsborough's House.

4. THE BACKGROUND

This project will be transformational not only to the museum, but will also be a catalyst for the regeneration of the market town of Sudbury, attracting significant levels of tourism and engendering a greater pride of place. It will be a major visitor attraction in East Anglia, providing a significant boost to the local and regional economy in terms of additional tourist spending and employment.

Sudbury is a special town with real assets to attract cultural tourism but it has not reached its potential. This is now key to the town's vision for future prosperity. Gainsborough is one of the greatest artists of all time, the landscape setting is supremely beautiful, there are historic churches and old wool mills in and around town and Sudbury has the only three commercial silk weaving factories in the country. Gainsborough's House is taking a lead role with Sudbury Town Steering Committee to be instrumental in drawing up a plan to maximise the heritage offer with a dynamic marketing strategy. This has already begun with billboard advertising at Liverpool Street Station and 'Gainsborough's Sudbury' leaflets, a promotion with Brewers Fare restaurants and plans for marketing to visitors to Constable Country and the Stour Valley.

The charitable trust was set up in 1959 to operate the childhood home of Thomas Gainsborough as a museum. Just recently, a neighbouring empty former labour exchange building became available for sale. Babergh District Council has got behind this vision for a National Centre in Sudbury by buying the building to give Gainsborough's House time to raise funds to purchase it. The offer is time-limited. The plan is to remove the building, and build an extension that is fit-for-purpose, with an estimated 526m sq.

Gainsborough is one of the most significant figures in British art. His portraiture and landscape painting were critical in developing the 'national school of British painting', later known as the Royal Academy. Gainsborough's House has the most extensive collection of his paintings, prints and drawings in the world. The museum is now at a critical moment in its history and has a rare chance to achieve its potential, to transform into the national centre for Thomas Gainsborough that the collection and place merits. The aim is for the museum to be on the international art museum map, attracting the

sort of profile of its comparators - Rembrandt House in Amsterdam and Rubens House in Antwerp.

The Grade I-listed Georgian townhouse has been operating as a museum for more than 50 years. In 1977, the coach house was converted into a print workshop – Gainsborough was also an important early printmaker – and in 2004, two adjacent cottages were rebuilt to provide a new entrance, visitor facilities and the Hills Room education centre. However, it cannot display some of Gainsborough’s finest full-length paintings in its confined space, there is no café and limited exhibition, learning and visitor facilities. A major expansion to increase the visitor offering and capacity will help the museum become more sustainable.

Gainsborough’s House is unique in the area; there are no competitors. The expansion will create business for surrounding enterprises and will not detract from any current business offering. At present, 46% of visitors to Gainsborough’s House are day visitors, 20% are overnight visitors and 34% are local visitors. Research published by the Association of Independent Museums suggests the spend per head of visitors is £30.36, and overnight visitors is an additional £60.02. Overall, the economic value to the area of Gainsborough’s House at present is estimated at £952,200. We anticipate that this figure would more than double as a result of this project to £2.07m.

5. ALIGNMENT WITH LEP STRATEGIC ECONOMIC PLAN

This project supports the LEP through direct and indirect job creation, creation of apprenticeships and an increase in productivity (GVA).

It also supports skills development as Gainsborough’s House works closely with schools in the local area and supports internships through Higher and Further Education providers across Suffolk and offers five apprenticeships a year.

The project creates business support by the senior management sharing experience through the project in supporting other audience reliant visitor venues in the region.

Sudbury is a growth location in New Anglia LEP.

6. ADDITIONAL BENEFITS FOR SUDBURY

Existing visitors to Gainsborough’s House are 22,500 annually. Our business planning is based on marketing campaigns that will draw at least 50,000 visitors to an expanded museum, although we will be working to attract as many as 75,000 visitors, which will all lead to the regeneration of the surrounding town of Sudbury with job creation and increased spend into the local economy.

The project fits strategically within the plans for the region. Tourism is key to Babergh District Council’s growth plans and a regenerated tourist offer in Sudbury will strengthen the West Suffolk tourist identity. Creating a more significant tourist

attraction in Sudbury will encourage new visitors to explore West Suffolk and generate real interest in overnight and extended stays in the region, both in the town itself and in nearby towns and villages. It will add further interest to those already visiting historic Bury St Edmunds and Lavenham. *'Part of the Town Council's vision for the future of Sudbury is to encourage and promote tourism in order to promote the long term viability of the town and its economy. Gainsborough's House is a very important catalyst in future plans and any improvements to this nationally important site should be welcomed and supported.'* Mrs Jacqueline Howells, Town Clerk, Sudbury.

Suffolk is already a county famed for its associations with the arts and this project will build on this. This project will complement the already strong Suffolk Coast brand attracted by Pears/Britten at Aldeburgh and the surrounding coastal landscape and townscapes. The programme in the new galleries will have a strong music element, illuminating Gainsborough's passion for music, and appealing to those who already visit Snape Maltings to extend their stay in the county. It will encourage 250,000 visitors to Constable Country around Dedham and Flatford to explore further the Stour Valley, which extends the 11 miles to Sudbury, and extend and enrich their visit.

7. WIDER ECONOMIC IMPACT

Gainsborough's House will be a major visitor attraction in the East of England as a world-class museum, art gallery, arts and study centre. It will include four new exhibition galleries to display blockbuster historic and contemporary exhibitions, vastly expanding its ability to attract audiences regionally, nationally and internationally. They will provide a significant boost to the local and regional economy with additional employment, tourist income and the museum's spend on goods and services.

Museums have a major impact to local and national economies in the UK. A new report commissioned by Arts Council England found museums in England generate £2.64 billion in income, contribute £1.45 billion in economic output to the national economy, employ a minimum of 38,165 people and are estimated to generate £3 of income (including earned income, income from investments, grants from charities and foundations, and donations etc.) for each £1 of public sector grant.¹

Museums are a core part of our cultural life. Figures from the Department for Culture, Media and Sport (DCMS) show that over half of adults (53%) had visited a museum or gallery in the last year, more than at any time since 2005. Data also show that overseas visitors increased from 13.9m in 2008/9 to 18.7m in 2011/12, further demonstrating the strong and continued demand for, and use of, our museums.

Oxford Economics research commissioned by the HLF found that 'for every £1 spent as part of a heritage visit, only 32p is spent on site. The remaining 68p is spent away from the attraction itself – but as a direct result of visiting heritage – in restaurants, cafes, hotels and shops, for example. This 'heritage motivator' is what produces the substantial economic-impact results that we find through the research. Overall, the total amount of money spent within the local economy, by all visitors to the funded

heritage attractions in the research, was found to more than double following the completion of an HLF project.²

Research published by the Association of Independent Museums³ estimates that a day visitor in South East England is worth at least £30.80 to the local economy and if staying is worth an additional £60.02. The expectation is that overnight visitors are about 20% of the total number of visitors to Gainsborough's House. Applying these calculations, the economic benefit in terms of visitor spend of the expanded museum is £2.07m. Further to this, a significant amount of the £7.5m spend on the capital project will benefit the local economy, in terms of local employment the build itself generates and the project's spend on local goods and services as well as the employees spend locally. Furthermore, once the expanded museum is opened, it is anticipated that the annual value of employment and spend on goods and services would add a further £1.2m pa.

NOTES

1. The Economic Impact of Museums in England for Arts Council England, Prepared by TBR's Creative & Cultural Team in partnership with Pomegranate LLP and Scott Dickinson & Partners Ltd.
2. Investing in Success, The Economic Impact of the UK Heritage Tourism Economy, Oxford Economics.
3. The Economic Value of the Independent Museum Sector, AIM/DC Research.

Appendix A Letters of support



The High Sheriff of Suffolk

Dear Sir Peter,

I would like to add my support to Gainsborough's House in Sudbury's application to the H. L. F. for a major project grant. I have been involved in a number of significant arts projects in recent years and this one seems to meet a larger number of expectations than most. Gainsborough has widespread, international appeal so creating an appropriate centre to celebrate his life and work seems timely in his home town. The developed house and galleries

William Kendall DL

By The Crossways, Kelsale, Saxmundham, Suffolk, IP17 2PL

Home: 01728 602044 • Mob: 07768 764941

Email: suffolkhighsheriff@gmail.com • william@bythecrossways.co.uk

Will deliver an asset which will provide an educational boost to the region from pre-school through to third age provision. I was most impressed by the near universal support for the Project from the town of Sudbury and the wider community and region. An enhanced Gainsborough centre can hardly fail to bring in significant extra tourism to the area and to expand opportunities for the local economy well beyond the investment required.

I realise that you will be considering many excellent and competing applications but truly hope that this one is successful as, with its strong governance and economic potential, it will, in my view, represent an excellent investment.

Yours sincerely,
William Kendall

*Stephan Shakespeare
Tanglewood
Lower Road, Borley
Sudbury CO10 7AB*

23rd May 2016

To: Sir Peter Luff, Chairman
Heritage Lottery Fund

Dear Sir Peter,

I hope you are well!

I write to you as a strong supporter of Gainsborough House. I live near Sudbury and a visit to this lovely museum forms a pleasurable part of many a relaxed cultural weekend. In recent years it has become increasingly interesting and ambitious, and I am thrilled by the possibility of their big project to revive Gainsborough's birthplace.

Among the many reasons for HLF to support this project, I would highlight two:

- 1) Sudbury has been working hard to make itself more attractive to visitors, and this project would create a major cultural destination for the area.
- 2) The nation owns so many wonderful paintings by Gainsborough that are not accessible to the public – this would be a great way to bring them into the lights.

I love Gainsborough (and am myself the lucky owner of one of his beautiful Bath watercolours). Now, much as I love visiting Los Angeles, it's slightly sad that the Huntingdon Museum in Arcadia is currently the most atmospheric setting of a great Gainsborough collection anywhere in the world. His birthplace, housing a number of his best works currently in our national vaults and private collections (I will happily offer my own little gem), would surely become a serious rival!

This could be a really significant development and I commend it to the National Heritage Fund with all my heart.

Yours,



Stephan Shakespeare

*Stephan Shakespeare
2 Walside
London EC2Y 8BH*

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Yours,



Stephan Shakespeare

James Cartlidge MP
Member of Parliament for South Suffolk



HOUSE OF COMMONS
LONDON SW1A 0AA

Sir Peter Luff, Chairman
Heritage Lottery Fund
7 Holbein Place
London
SW1W 8NR

26th November 2015

RE: LETTER OF SUPPORT FOR GAINSBOROUGH'S HOUSE

I am writing to voice my full support for Gainsborough's House proposed major project: *Reviving an artist's birthplace: A National Centre for Thomas Gainsborough*. As the Member of Parliament for South Suffolk I would like to emphasise the importance of this project to my constituents.

Gainsborough's House is of utmost significance to Sudbury, the biggest town in my constituency. Sudbury has a rich heritage of which Thomas Gainsborough is a very important part. As a former resident, Gainsborough is already treasured by the local community and this major project could help to nurture the town's collective pride and identity. Sudbury has long been working towards a revival and I believe that this capital project would be an important catalyst for change within the town.

With Gainsborough as its inspiration, the project seeks to bring to life the art and ideals of the artist to inspire a new generation of visitors with enjoyment and learning. In addition to an exhibition gallery that will deliver large-scale exhibitions of national standing, the project includes plans for a community gallery. This space is where visitors can view a vibrant, contemporary response to Gainsborough, Sudbury and Suffolk, by artists in the region, created in the Gainsborough print studio and in outreach projects.

I hope that you will agree that the Gainsborough House project has the potential to make a significant contribution to the cultural life and community spirit of the town.

Yours sincerely,

James Cartlidge
Member of Parliament, South Suffolk

PS - you Success
is doing an
excellent job!