



Ministry of Housing,  
Communities &  
Local Government

Barker Langham  
1 Naoroji Street  
London  
WC1X 0GB

12 December 2018

Contract Ref. CPD/004/119/047

Dear Contractor,

**CONTRACT FOR BARKER LANGHAM  
Assistance with Business Case Development - Holocaust Memorial.**

Please find attached an amendment to the above mentioned contract. Please confirm acceptance of this amendment as soon as possible by signing and returning this document to the undersigned.

MHCLG will accept a signed hard copy or a PDF version.

I look forward to hearing from you.

Yours faithfully

Andrew Sternberg  
Procurement Manager  
MHCLG



### **AMENDMENT TO CONTRACT**

The details contained in this document form a binding amendment to the Contract referenced below between the Contractor and the Secretary of State for the Ministry of Housing, Communities and Local Government (“MHCLG”).

Contract title : Assistance with Business Planning for Holocaust Memorial

Contract reference : CPD004/119/047

Purchase order no. : 4500334769

Contractor : Barker Langham

Amendment no. : 001

Effective date of amendment : 24/07/2018

Details of amendment : MHCLG amend the contract as follows;

The Contract Term will be extended for a further six months and will now expire on 31 January 2019.

The value of the contract shall be increased to cover the cost of delivering additional service requirements to MHCLG detailed in Annex A.

Contract value prior to this amendment : £12,500 (ex VAT)

Maximum value of this amendment : £2,000 (ex VAT)

Revised value for the Contract : £14,500 (ex VAT)

Terms and conditions : All other terms and conditions remain the same for this Contract.



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<b>FOR AND ON BEHALF OF THE SECRETARY OF STATE FOR HOUSING, COMMUNITIES AND LOCAL GOVERNMENT</b>	<b>FOR AND ON BEHALF OF THE CONTRACTOR</b>
Name:	Name:
Title	Title:
Signed:	Signed:
Date:	Date:



## Annex A

## MHCLG Requirements

The Outline Business Case for the Holocaust Memorial & Learning Centre includes an estimate of future running costs and estimates of possible income streams. The OBC notes that one option for closing the gap between income and expenditure would be to charge visitors an entrance fee. Applying a charge would rule out the option of recovering VAT. The OBC makes clear that a firm decision on whether to apply entrance fees does not need to be taken at this point. A fuller assessment is needed of the implications of charging, including the effect on visitor numbers, on visitor profile, and on the reputation of the Learning Centre. The implications for VAT also need to be explored in greater depth. This additional work will be carried out through 2019 so that the Full Business Case, to be considered towards the end of 2019, can support a decision on charging. However to strengthen the OBC we wish to set out more clearly the key risks around running costs. Specifically, we need to illustrate **2 scenarios**: first, a charging scenario with an assessment of the plausibility of charges set at a level which would cover costs; and second, a scenario in which entry is free and VAT is recovered.

### Scenario A: entrance fees

Questions to address:

- a. What level of charges would be necessary to cover running costs?
- b. What evidence is there (eg from other Westminster/London museums, or other Museums across the world covering similar content) on the willingness of visitors to pay and the effect of charges on visitor numbers?
- c. What evidence is there from other comparable Museums or exhibitions to indicate the level of charges that could realistically be applied?
- d. What would be the maximum plausible charge consistent with achieving 500,000 visitors per year? What surplus would this generate?

### Scenario B: free entry

Questions to address:

- e. What would be the likely annual running cost gap?
- f. If VAT were recoverable, what impact would this have on the running cost gap?

### Assumptions

The Learning Centre will be the recommended option at 3258m<sup>2</sup>



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500,000 visitors annually, with a ticketing strategy (not necessarily involving fees) to manage numbers at that level.

No café. Possibly a small shop mainly selling books.