



**REPORT of
CHIEF EXECUTIVE**

**to
COUNCIL
26 MARCH 2026**

OUTLINE BUSINESS CASE FOR MALDON MUSEUM EXTENSION PROJECT

1. PURPOSE OF THE REPORT

- 1.1 To present the Outline Business Case (OBC) for the Maldon Museum Extension Project and to seek Council approval to progress to a Full Business Case (FBC).

2. RECOMMENDATIONS

- (i) That the Outline Business Case at **APPENDIX 1** for the Maldon Museum Extension Project be approved;
- (ii) That a Maldon Museum Extension Project Board (the Project Board) be set up and Councillors J Driver, A M Lay, R H Siddall, W Stamp and M E Thompson be appointed to it;
- (iii) That the Project Board Terms of Reference as set out at **A6** of **APPENDIX 2** be agreed;
- (iv) That delegation is granted to the Chief Executive, in consultation with the Project Board, to finalise and submit the planning application for this project;
- (v) That the Council supports the development of the Full Business Case to be brought back to a future meeting of the Council, including detailed proposals on capital cost, design, construction programme, and proposed operational management arrangements;
- (vi) That subject to the approval of (v), a revenue budget of up to £329,200 to progress the Full Business Case be agreed.

3. SUMMARY OF KEY ISSUES

- 3.1 The Promenade Park Management Plan (PPMP), and associated appendices, were approved by the Strategy and Resources Committee on 12 June 2025 (Minute No. 85 refers) along with a detailed range of projects that are being delivered to improve existing facilities and provide new attractions in the park. Within this, a concept business case for the Promenade Park Museum Development was approved.
- 3.2 Since the PPMP adoption, officers have been progressing the concept business case for the Promenade Park Museum Development to OBC as detailed at **APPENDIX 1**. This identifies that an extension to the existing museum, fits within the PPMP to recognise the park area as a destination, capitalising on the tourist market, visitor attractions and heritage that curate our local history.

3.3 The Outline Business Case for the Maldon Museum Extension Project **APPENDIX 1** clearly sets out the project against a standardised business case model of:

- **Strategic Case** - alignment with Maldon District Council's (MDC) Corporate Plan, priorities and strategies;
- **Economic Case** - ability to demonstrate value for money;
- **Socio-Economic Case** – ability to demonstrate social viability;
- **Financial Case** - the funding arrangements required to support the project;
- **Management Case** - capacity of MDC to deliver this project .

3.4 **Strategic Case**

3.4.1 Maldon District Council's Planning and Licencing Committee in September 2017, adopted the Central Area Masterplan (CAMP) 2017 which identified the opportunity to create new visitor attractions within Maldon's Promenade Park and Hythe Quay, including specifically a "Destination Hub" and the "PPMP". This was identified via intermediate studies, and support was given to providing a new regional restaurant/cafe within Promenade Park (providing much needed under cover seating) which would be combined with a visitor centre and destination point.

3.4.2 The brief for the building has been developed by the Strategic Assets Working Group (SAWG) between October 2025 (concept designs) and February 2026, leading to the formation of the OBC. The core strategic brief demands the following:

- Progression of Option 3 (largest floor area) concept design for the extension, forming three distinct spaces, exhibition/multi-use space; central arrival hub; café
- That the café provides snacks, cold food/hot sandwiches, hot & cold drinks, treats/ice-creams etc. circa 50-55 covers
- The exhibition space must be multi-functional i.e. capable of being reorganised to allow different community use
- The site becomes a destination space and focus to the Promenade Park asset
- Modernisation of the museum facility provide educational/learning opportunities and links to the wider district community including schools and other museums
- The extended facility will be seen as a community use asset and not a commercial enterprise.

3.5 **Economic Case**

3.5.1 The business objective for this project is to improve the visibility and use of a much under-used asset, whilst enhancing the culture and heritage offer in the district. The museum asset sits within the Promenade Park, which is the most important community asset in Maldon, being a destination for district-wide visitors and a substantial tourist attraction, accommodating some half-million visitors per annum.

3.5.2 The Council has debated the economic benefits for this facility and determined that the overriding requirement is to provide a community facility, which provides long term socio-economic value and benefit to the community that also supports the ongoing sustainability of Promenade Park. The operating and management model will be worked up as a part of the FBC, to be brought back to a future meeting of the

Council, based on a shortlist of management options that may include in-house, national or local brand outsourced, local or regional charity models. The FBC will define the contract to be let and the procurement process which, where possible, will utilise existing frameworks.

- 3.5.3 The expectation is that income from the café should offset operational costs and the SAWG recommended, having discussed the overall operating model for the new museum extension, it should combine income-generating activities with community use. Members acknowledged that being operationally cost-neutral is unrealistic. Members recommended that the wider community benefit is the core purpose.

3.6 Socio-Economic Case

- 3.6.1 The Vision is that the site will be developed with culture, heritage and arts attributes at the heart of its viability. Anecdotally, there is evidence that there would be wide interest for the centre to be seen as a site for learning opportunity if it is presented to deliver that feature. Future learning capability will develop as a result of collaboration with schools and like-minded museums once the operational. This collaboration will start as part of the stakeholder engagement during the FBC development.
- 3.6.2 Similarly, there is evidence that an indoor covered, seated cafe experience is missing as a feature within Promenade Park. CAMP and PPMP consultation responses show an improved range of the catering offer, and covered seating are needed. The Action Plan within Promenade Park Management Plan identifies the need to improve and widen catering and seating provision, evidencing that an indoor covered café experience is currently missing from Promenade Park.
- 3.6.3 The Council is currently developing its first Culture and Heritage Strategy and has engaged consultants Cultural Engine to assist with the delivery. They have undertaken a review of the museum project to date and provided valuable feedback (see **APPENDIX 2 - A3**) and their immediate feedback is that “*It represents a major opportunity for heritage development in a town/District with a wealth of history – interpretation and improved exhibitions, engagement, audience development and participation (for example volunteers)*”. This is affirmation that the project is the right thing to do for the district.

3.7 Financial Case

- 3.7.1 If the OBC is approved by the Council to progress to an FBC (also requiring Council approval), the likely funding route will be to use external borrowing. Current estimates suggest that there will be a capital financing requirement of c£3.2m. This is within the Authorised Limit for the Council approved by the Council as part of the February 2026 Capital Investment and Treasury Management Strategy and within Minimum Revenue Provision tolerance in the revenue budget.
- 3.7.2 The outline operating model for the purpose of this document is described. The model assumes an outline operating model which separates different elements of the cost of the facility. The model is only provided in outline and will need to be tested further as part of the preparation of an FBC.
- Capital (build) costs are estimated to be £3.2m. It is assumed that this will be funded through external borrowing, with a circa 5% interest rate. The amount will be repaid through annual amounts set aside equal to 1/25th of the total capital cost, being the Minimum Revenue Provision. This will mean that at the end of the 25 years expected life of the asset (the museum) that the full amount of £3.2m plus 5% per annum (fixed) interest will have been repaid.

- Core operating costs describe the necessary costs of maintaining the infrastructure and functions of the new facility. The proposed operating model assumes that the management of the facility is provided through a third party contractor, either on a commercial or a not-for-profit basis (to be decided through the FBC development). The income to the Council from the contractor will be assumed to meet the running costs incurred by the Council as landlord.
- One-off operating costs describe the necessary costs of occasional events; for example, education or artistic events, community events, or food retail. For the purpose of the financial model, it is assumed that the occasional cost of events is covered through the income generated. There may be cross subsidy between product lines, events, or different customer groups.

3.8 Management Case

- 3.8.1 The project is being delivered by experienced officers who understand and use recognised management tools and techniques to ensure successful outcomes. The key principles covered are time, cost, quality, resource and risk and the approach to each is summarised below. In addition, communications and stakeholder management are an essential element of this project and strategies for managing this are in development.
- 3.8.2 The external project team, designers and specialists, are engaged in project governance through specifics for the Council and their own professional standards. A draft project structure chart, which includes the formation of a Project Board, can be found at **APPENDIX 2 - A5**. This will evolve as detail emerges.
- 3.8.3 The Project Board is a vital component through which recommendations can be acted upon and decisions pertaining to the project be made at executive level. The Project Board will report to Council and a verbal update provided at each meeting throughout the municipal year.
- 3.8.4 The project team will work closely with the Council's Lead Specialist for Procurement to develop an overall procurement strategy to support the project. Where possible, procurement frameworks will be utilised for efficiencies and delivery assurance.

3.9 Risks

- 3.9.1 There is a clear risk acknowledged in the proposals relating the time constraints arising from Local Government Reorganisation (LGR) and the related preparatory arrangements. The Council is able to make this decision under current rules, but subsequent decisions may require wider agreements to be secured. Similarly, the timescales are currently planned to secure full delivery before LGR takes place, which is a reasonable objective if challenging. More detailed planning may identify shorter timescales which will help to secure the completion within the lifetime of the Council.

4. CONCLUSION

- 4.1 There is a clear opportunity to fulfil a long-held ambition for the district with an improved offering, that the addition of a substantial extension and refurbishment of the existing museum, which will enhance the Promenade Park asset, creating wider interest and attraction to the area.

5. IMPACT ON PRIORITIES AS SET OUT IN THE CORPORATE PLAN 2025 - 2028

5.1 Investing in our District

- 5.1.1 The agreement to the development of this business case provides an opportunity to enhance visitors' experience and contribute to their perception of quality which will encourage longer stays and increase spending within the park.
- 5.1.2 If this project proceeds it will allow the Council to modernise an asset and make it fit for purpose to meet our stakeholders needs.

5.2 Growing our economy

- 5.2.1 To enhance visitors' experience and contribute to their perception of quality which will encourage longer stays and increase spending within the park.

5.3 Protecting our environment

- 5.3.1 The proposal will use environmentally considerate materials but also be mindful of impact on the ecology within the park and taking action to protect this

6. IMPLICATIONS

- (i) **Impact on Customers** – No immediate impact at this outline stage.
- (ii) **Impact on Equalities** – No immediate impact at this outline stage.
- (iii) **Impact on Risk (including Fraud implications)** – As set out in the business case at **APPENDIX 2 - A8**.
- (iv) **Impact on Resources (financial)** – In total, the full project is estimated to cost £400,000 to complete the Full Business Case and £2.8m for the capital build. If the project does not continue, there is a risk of writing off the costs associated with the developing the Full Business Case. The borrowings to deliver the project are deemed affordable.
- (v) **Impact on Resources (human)** – The budget includes costs to procure additional resources to support Council officers to deliver the business case.
- (vi) **Impact on Devolution / Local Government Reorganisation** - The Outline Business Case will not impact on Devolution or LGR. Any final decision may require the consent of any new strategic authority. This will depend upon the total cost of the project and the terms of any limits set by Section 24 Local Government and Public Involvement in Health Act 2007.

Background Papers:

- [Central Area Master Plan Supplementary Planning Document](#)
- [Promenade Park Management Plan](#)
- [Minutes of Strategy and Resources Committee June 2025](#)
- **APPENDIX 1** Outline Business Case Maldon Museum Extension Project

- **APPENDIX 2** Background Papers as detailed below:
 - A1 Detailed Construction / Cost Breakdown
 - A2 A25726 ABA Design Statement (images)
 - A3 Cultural Engine Feedback
 - A4 Economic Impact of Tourism - Maldon 2024 Report
 - A5 Resource structure chart
 - A6 Maldon Museum Extension Project Board Terms of Reference
 - A7 Master Programme (Gantt Chart)
 - A8 Risk Management Plan
 - A9 2025 Concept Design Business Case
 - A10 ABA Museum Presentation Concept Design November 25
 - A11 Promenade Park Management Plan Project Delivery Design Catalogue
- Agenda Item 13 to this meeting - A12 Museum Extension - OBC Financial Breakdown REV_2 March 26 - Private and Confidential by Virtue of Section 100 (4) Schedule 12A of the Local Government Act 1972 as defined in Paragraph 3 of Part 1.

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