**REPORT of**
**CHIEF EXECUTIVE**

**to**
**COUNCIL**
**2 JULY 2026**

**OUTLINE BUSINESS CASE FOR MALDON NEW ARTS AND CULTURE CENTRE PROJECT**

## 1. PURPOSE OF THE REPORT

1.1 To present the Outline Business Case (OBC) for the design, construction and operation of a New Arts and Culture Centre (NACC) Project and to seek Council approval to progress to a Full Business Case (FBC).

## 2. RECOMMENDATIONS

That the Council:

(i) approves the Outline Business Case at **APPENDIX 1** for the New Arts and Culture Centre Project;

(ii) approves that a New Arts and Culture Centre 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) approves the Project Board Terms of Reference as set out at **A5** of **APPENDIX 2**;

(iv) delegates to the Chief Executive, in consultation with the Project Board, to finalise and submit the planning application for this project;

(v) 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) subject to the approval of (v) approves a revenue budget currently estimated up to £330k (including contingencies) to progress the Full Business Case. This includes internal and external resources to develop the design work, for example, project management, architecture, engineering and quantity surveying and subject to procurement

**OR**

(vii) does not approve to take this project forward and officers do no further work on this.

(viii) subject to the approval of (vii) Members consider, and agree, for officers bring an Outline Business Case for the renovation of the Maldon Museum back to the Council for consideration.

## 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 for the Promenade Park NACC to OBC as detailed at **APPENDIX 1**. This identifies that the NACC 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 Timeline summary of key milestone dates is:

- OBC decision.............................2 July 2026
- Planning application...................3 August 2026
- Complete design process...........March 2027
- FBC ..........................................April 2027
- Start on site................................November 2027
- Completion / Handover ..............December 2028

3.4 If no decision is made or the decision is not to proceed then no further work will be undertaken by officers on the NACC.

3.5 The OBC for the Maldon NACC **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;
- **Management Case** - capacity of MDC to deliver this project;
- **Socio-Economic Case –** ability to demonstrate social viability;
- **Financial Case** - the funding arrangements required to support the project.

3.6 **Strategic Case**

3.6.1 MDC’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”.

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

- Progression of Option 3 (largest floor area) concept design for the new stand-alone building, forming gallery, exhibition/multi-use space; central arrival hub; and subject to public consultation, the inclusion of a café or not.
- 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.
- The new facility can provide educational/learning opportunities and links to the wider district community including arts groups, schools and other museums.
- The extended facility will be seen as a community use asset and not a commercial enterprise.

3.6.3 The Council has recently approved Culture and Heritage Strategy which identifies there is 'no major publicly funded art gallery, theatre, performance venue or arts collaboration space (like an arts centre or studios). This limits the scope and scale of cultural programming across the district, but it also means that activity is very often community-focused and therefore accessible (or potentially so). Cultural activity takes places in many different spaces including village and church halls, pubs and breweries, libraries and in the open'. This new facility would fill that gap.

3.7 **Economic Case**

3.7.1 The economic case is based on the proposed asset being an enhancement of the overall culture and heritage offering, particularly in Promenade Park. It would be viewed as an important addition drawing visitors into the park thereby indirectly supporting visitor spend.

3.7.2 The SAWG has debated the economic benefits for a NACC 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.

3.7.3 The expectation is that any income should offset operational costs and the SAWG recommended, having discussed the overall operating model for the NACC building, it should combine income-generating activities with community use. Members of SAWG acknowledged that being operationally cost-neutral is unrealistic. SAWG Members recommended that the wider community benefit is the core purpose.

3.8 **Socio-Economic Case**

3.8.1 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.

3.8.2 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 PPMP identifies the need to improve and widen catering and seating provision, evidencing that an indoor covered café experience is currently missing from Promenade Park.

3.8.3 A public engagement exercise is currently being undertaken, scheduled to close on 26th June 2026. The survey has been developed with input from the SAWG and seeks to capture public views on the existing museum and proposals for its future development.

3.8.4 To date, the public engagement feedback indicates that there is majority support for a facility, as envisaged by the NACC, that can provide gallery/event space and multi-purpose community use space. There is also concern and substantial support for retention and investment in the Maldon Museum. Details of the survey, responses statistics are contained at **APPENDIX 2 - A11**.

3.9 **Financial Case**

3.9.1 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£2.71m. 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.

3.9.2 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 £2.71m. It is assumed that this will be funded through external borrowing on a prudential basis, with a circa 5% interest rate. The amount will be repaid through annual amounts set aside equal to $^{1}/_{25}{}^{th}$ 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 £2.71m 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.

3.10 **Management Case**

3.10.1 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.

3.10.2 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 - A4**. This will evolve as detail emerges.

3.10.3 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 the Council and a verbal update provided at each meeting throughout the municipal year.

3.10.4 The project team will work closely with the Council's Procurement team to develop an overall procurement strategy to support the project. Where possible, procurement frameworks will be utilised for efficiencies and delivery assurance.

3.11 **Risks**

3.11.1 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 funding for full delivery before LGR takes place, which is a reasonable objective if challenging. Current timescales indicate that the completion and handover would extend to the end of 2028.

3.11.2 The logistics of building the NACC require any work to the museum to be undertaken towards the end of the NACC delivery, since most of the museum site will be occupied under construction and requires the demolition of the single storey extension and out-building to the museum.

## 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 NACC and refurbishment of the existing museum as a separate project, 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 create this new asset and welcome addition to Promenade Park.

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 £330k to complete the FBC and £2.71m for the capital build. If the project does not continue, there is a risk of writing off the costs associated with the developing the FBC. 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 OBC 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 for NACC Project
- **APPENDIX 2** Background Papers as detailed below:
  - A2 A25726 ABA Design Statement (images)
  - A3 Economic Impact of Tourism - Maldon 2024 Report
  - A4 Resource structure chart
  - A5 Maldon Arts and Culture Centre Project Board Terms of Reference
  - A6 Master Programme (Gantt Chart)
  - A7 Risk Management Plan
  - A8 2025 Concept Design Business Case
  - A9 ABA Museum Presentation Concept Design November 25
  - A10 PPMP Project Delivery Design Catalogue
  - A11 Public Engagement Exercise
- Agenda Item 15 to this meeting:
  - A1 Detailed Construction / Cost Breakdown
  - A12 Museum Extension - OBC Financial Breakdown REV_1 June 26; -

  Please note 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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