

MALDON DISTRICT COUNCIL

APPENDIX 1: Outline Business Case

FOR

NEW ARTS AND CULTURE CENTRE

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Introduction

This document provides an outline business case to create a New Arts and Culture Centre (NACC) adjacent to the Museum within Promenade Park. It is proposed that the Museum building itself would be renovated, possibly with a small extension, as a separate project. The new NACC building is not a particularly complex project, time-consuming or expensive in construction terms. The Council is considering this project as it will help ensure that the Maldon Town area continues to be a vibrant centre for residents and visitors of all ages. It will provide multi-functional, flexible space, primarily as a gallery and for community use for a wide range of activities. While the practicalities of the scheme explicitly acknowledge Local Government Reorganisation (LGR), they are not driven by the LGR timetable – these proposals have been under discussion for several years and are now being prioritised ahead of LGR.

This document is based on a recognised business case model, considers and is aligned to the Treasury 'Five Case' approach:

1. Strategic fit; alignment with Maldon District Council's (MDC) Corporate Plan, priorities and strategies
2. Economic fit; ability to demonstrate value for money
3. Management fit: capacity of MDC to deliver this project and other resources expected to be needed
4. Socio-Economic fit; ability to demonstrate social viability; evidence that those active in those markets have a track record or success; compatibility with other comparable offers in the local vicinity
5. Financial fit; the funding arrangements required to support the project based on current information and assumptions

This document also outlines the next steps required to progress the project including:

- The recommendations on 02 July 2026 to the Council being:
 - (i) That the Outline Business Case at **APPENDIX 1** for the New Arts and Culture Centre be approved.
 - (ii) That a Maldon NACC Project Board (the Project Board) be set up and as nominated at SAWG, 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 **A4 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 currently estimated of up to £330k (including contingencies) to progress the Full Business Case be agreed. This includes internal and external resources to develop the design work, for example, project management, architecture, engineering and quantity surveying services, subject to procurement
- Background of previous discussion with the Strategic Assets Working Group
 - LGR context and dependencies arising
 - Development of the full business case in late 2026 to be brought back to a future meeting of Council, to include detailed proposals on cost, design, construction programme and proposed operational management arrangements.

Outline Business Case (OBC) and Full Business Case (FBC) Objectives

The following table sets out what each business case seeks to achieve

Outline Business Case (this report)	Full Business Case
Sets out the background, vision and brief to the project	Will seek approval to the final design and operational management arrangements of the facility
Identifies project development funding requirements at key stages	Will seek approval to funding based on the Stage 4 detailed design
Sets out key milestones and dates	Will seek approval to procure a works contract
Seeks approval to early-stage funding of up to £330k to commence FBC stage	Will recommend the decision to award a works contract where appropriate
Seeks approval to the establishment of a governance project board reporting to Strategy & Resources Committee	Will consider the LGR context and dependencies arising
Sets out the project governance and strategic risk profile of the project	Will consider other recommendations that may be apparent at the time
Confirms the steps taken to date and member engagement on these Strategic Asset Working Group (SAWG) as well as confirming their preferred route forward for Council consideration.	Will include the overall procurement strategy for the project.
Identifies the proposed funding route	Identifies the preferred funding route

Outline Business Case (this report)	Full Business Case
based on current cost estimates.	based on latest cost estimates, including revenue costs (one-off and ongoing) and capital costs.
	Will include proposed future management arrangements consistent with the new asset and its objectives.

Programme

The timescale for delivery is constrained by LGR agenda due to take effect in April 2028, with a minded to decision from Government in March 2026. The current programme indicates that it is possible to achieve completion and handover of the asset by this time however, this is a very challenging timetable, and there is risk in terms of the Council being able to make rapid decisions and agree a procurement process consistent with the programme, as any delays will affect the delivery date. (see **Appendix 2 - A7 Risk Management Plan**)

Key Milestone dates: The following table sets out the key milestones based on the project programme which can be found at **Appendix 2 - A6**

Milestone	Planned Completion Date
Outline Business Case to Council	2 nd July 2026
Stage 3 Planning Submission	3 rd August 2026
Stage 4 Design Procurement	End-October 2026
Planning Decision	1st November 2026
Stage 4 Technical Design	End-March 2027
Full Business Case Submission (following Stage 4 Design & Cost)	April 2027
Full Business Case Review (following 2027 Works Procurement & Cost recommendations)	October 2027
Contract Award	Nov 2027
Start on Site	November 2027
Completion & Handover	December 2028

Strategic Case - Background to the Project

Maldon District Council's Planning and Licencing Committee in September 2017, adopted the Central Area Masterplan (CAMP) 2017 as a Supplementary Planning Document. The CAMP identified the opportunity to create new visitor attractions within Maldon's Promenade Park and Hythe Quay, including specifically a "Destination Hub" and the "Promenade Park Management Plan (PPMP)". This was identified via intermediate studies^{1 2}, and support was given to providing a new regional restaurant/cafe within Promenade Park providing much needed under cover seating, which would also be combined with a visitor centre and destination point.

The PPMP, agreed on 12 June 2025, referenced the CAMP and the opportunity to bring forward a project for a Destination Hub – combined visitor centre and restaurant.

The PPMP was informed by a robust public consultation, which highlighted that food outlets are in top 5 of things that public come to Promenade Park for, and a wider range of food outlets appear in the top 3 improvements the public would like to see.

Consequently, this outline business case has a strong policy basis, and the proposed project is supported by a recent public consultation.

The Council is producing a Promenade Park "Project Delivery Design Catalogue" (see **Appendix 2 - A10**) that sets out a cohesive strategy for corporate design within the park and is scheduled to be approved at operational level imminently future following inclusion of peer review comments. This document will assist in the design development of the Arts & Culture Centre project, particularly around branding and marketing. The following extract sets out the rationale for this work:

The Promenade Park Management Plan – Project Delivery Design Catalogue provides design guidance to ensure consistency, quality, and coherence across all projects delivered within Promenade Park. The document supports the implementation of the Promenade Park Management Plan by setting out clear design principles, standards, and approved specifications to guide future improvements and investment.

The catalogue establishes a strong strategic context aligned with the Maldon and Heybridge Central Area Masterplan and the Council's Corporate Plan, embedding core principles of sustainability, inclusivity, accessibility, heritage preservation, and user experience. It provides practical guidance on branding,

¹ [Maldon and Heybridge Central Area Intermediate Study](#)

² [Options for Regeneration of Maldon Historic Waterfront](#)

materials, spatial layout, sustainability, safety, planting, and asset selection, alongside approved furniture and fittings to be used across the park.

Overall, the document acts as a practical reference tool for officers, designers, and contractors, helping to deliver high-quality and visually cohesive projects that protect the park's historic character and enhance visitor experience.

Due to the forthcoming LGR affecting Essex, it would be desirable for the Council to conclude any substantial improvements before LGR takes effect in April 2028. During this period, we anticipate working with the Shadow Authority, from May 2027, in developing the NACC scheme, to ensure a smooth transition of the improved asset into the new unitary authority. The intention is that a viable management and operational model is in place and running at the time of transition to the new unitary authority in April 2028 to enable the new authority to focus on its medium-term financial strategy priorities.

Development of the Business Case

Progress on developing a business case in 2025 led to a concept design with agreement to develop the selected Option 3 large plan design, to RIBA (Royal Institute of British Architects) Stage 3 Planning application. Current funding of £48,000, approved by the Strategy and Resources Committee on 12 June 2025³, only allows for the architectural input and additional funds of £97,000 are required for input by other consultants to reach the next phase, RIBA Stage 3 Planning submission. This sum is included within the £330k amount to fund FBC.

The original brief was for an extension to the existing museum to create a destination hub in the park. Since October 2025, the concept drawings have been developed, and the Council had designed a scheme to provide a café, additional exhibition/flexible space and an arrival hub with small retail point, garden access, reception and wayfinding. This design can be adapted to disconnect with the existing Edwardian building; the arrival hub will remain located centrally within the open gallery space.

Since March 2026 debate has been held within the Strategic Asset Working Group as to the best purpose of the new building and agreement has been reached that it should be a stand-alone “Arts and Culture Centre”, providing gallery style space with complete flexibility for community use for a wide variety of events, for example community workshops, art presentation, art and craft fairs, indoor markets etc.

The existing museum building would be refurbished as a separately commissioned and funded scheme. Engagement is needed with stakeholders to determine a range of issues, such as what artifacts would continue to be presented and priorities around the building being fit-for-purpose into the future. This would all be subject to a separate business case.

³ [Minutes of Strategy and Resources Committee 12 June 2025](#)

A public engagement exercise has been undertaken, supported by a survey developed with the input of the Strategic Assets Working Group. The survey seeks views on what the existing Museum means to residents and on proposals such as the introduction of a cafe. The engagement period runs until 26th June 2026 and at the time of writing, it is estimated that at least 80% of likely responses have been received. Early indications suggest majority support for a facility, as envisaged by the NACC proposal, that can provide gallery/event space alongside flexible, multi-purpose community use space. The survey questions and interim results are set out in Appendix 11.

The new building would act as a multi-use hub for the town's attractions as a whole and particularly for community functions. The gallery space will comprise moveable walls capable of being reorganised to allow the space to be easily repurposed for community activity. Depending on the exhibition, the site can provide a focus for tourists, for example telling the story of the town and maritime history and providing orientation to sites of interest. This could include interpretation and orientation for the Battle of Maldon AD991 designated site and Northey Island to support the National Trust's strategy for these important but sensitive assets. The multi-use space could include facilities for exhibition and conference space; a café if determined as being a requirement, would offer simple food and drinks but will not be a full restaurant facility as this would significantly alter the size and scope of the building and be a potential competitor to local trade.

The arrival (reception) hub may contain associated retail, seating, wayfinding and entry to the café and gallery spaces but equally, could be seen and used as a continuation of the gallery or community use space on each side. The completed site should enhance the quality of the Promenade Park offering to tourists, leisure vessels to the sailing community and create a unique space presenting Maldon's maritime heritage and association with Thames Barges.

Those most recent discussions that consider the original brief, to focus on the purpose of creating an extension to the museum, is missing an opportunity to take advantage of the new building's ability to deliver a broader cultural agenda, one that includes provision for the arts, music, local and district heritage. The current designs can be adapted to ensure that heritage, culture and the arts are the focus of the building's purpose. It is a realistic idea that the building could for example host a range of music and art events, linking the amphitheatre and other areas of the park. There are successful venues in Essex and these are worth the Council's consideration. Two such venues are within easy access to Maldon, being the Braintree District Museum and Firstsite Colchester.

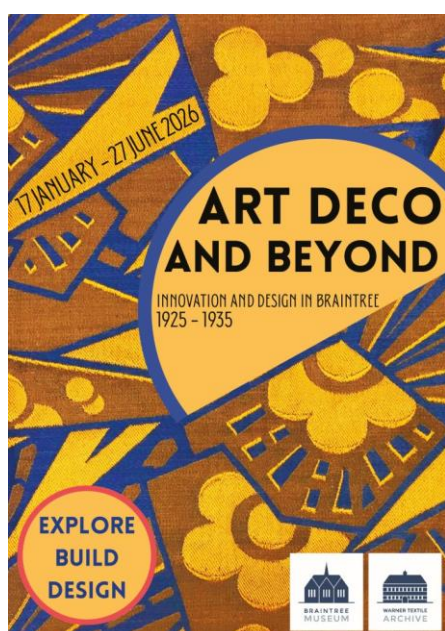
Links to the websites and some images of events and exhibitions are offered below:

Braintree District Museum

IMG 1 Braintree Museum Displays⁴



IMG 2 & 3 – Braintree Exhibitions & Events⁵



⁴ Copyright Braintree District Museum Trust

⁵ Copyright Braintree District Museum Trust

Firstsite, Colchester

IMG 4, 5 & 6 – Exhibitions & Events⁶



Exhibitions

FREE

Tim Noble & Sue Webster: Love and Hate at Firstsite

THURSDAY 09 NOVEMBER 2023 - SUNDAY 27 SEPTEMBER 2026

In this presentation, seven light sculptures by Noble & Webster illuminate areas of the Firstsite building with pops of glimmering colour.

[FIND OUT MORE →](#)



Courses, Clubs & Classes

Origami Workshop

FRIDAY 13 MARCH 2026
7:00 PM
MORE TIMES AVAILABLE

In our Origami Workshop, Lu Yu will guide you step by step through the creation of specific origami shapes in this ancient art form!

[FIND OUT MORE →](#)



Talks & Events

The Firstsite Art Fair

SATURDAY 18 APRIL 2026
10:00 AM - 5:00 PM

The Firstsite Art Fair brings together a diverse range of artists, collectors, art lovers and all who are simply curios about art.

[FIND OUT MORE →](#)

⁶ Copyright Firstsite Limited

IMG 7 – Firstsite Building⁷

It is important to understand that changing focus of the Council's Vision does not mean abandoning the historic links to the old museum.

Strategic Brief and Vision

The revised 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 this outline business case. The core strategic brief demands the following:

- Progression of Option 3 (largest floor area) concept design, forming a single clear space that can be divided as required
- The gallery 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 extended facility will be seen as a community use asset and not a commercial enterprise. It needs to be capable of covering its operating costs and a management structure will be created that allows the facility to be handed over to the new LGR unitary authority at the appropriate time

The New Vision: A new Arts and culture Centre building within the grounds of the old Museum, providing new facilities has the potential to provide a substantial positive impact for the district; its cultural importance and fulfilment of a long-term project within CAMP cannot be overstated. To this end the brief will encompass the approved Culture and Heritage Strategy and its integration into this project will help develop the branding, promotion and publicity, ensuring the community and tourists see a positive benefit from its creation. If the OBC and the Town of Culture application are approved, the activation of the site will be incorporated into the

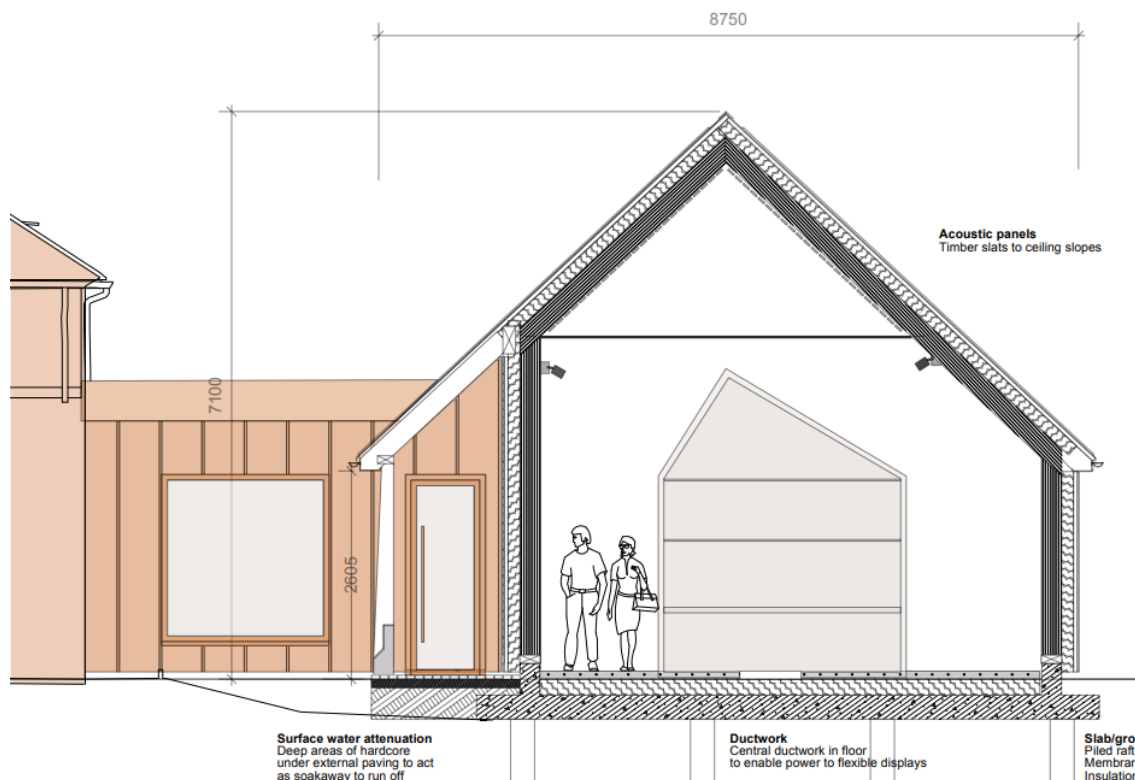
⁷ Copyright Firstsite Limited

Council's Town of Culture submission, which will be delivered in the same year, 2028. In addition, the wider ambition for the scheme should set out how the building can attract and host arts and music events, alongside showcasing the district's unique heritage and history. This broader cultural role will help ensure the project delivers long-term community and visitor benefits.

Through consultation with SAWG, the following images (IMG 8 to 13) demonstrate design development of the Vision so far, up to the end of February 2026, Feasibility Design Stage. These drawings were based on the original museum extension brief but can be easily adapted to show how a separate Arts and Culture Centre building would work. Design work will continue to reach sufficient detail for the next stage, full Planning application in August 2026. IMG6 is based on the preferred concept design for comparison and reference further to SAWG discussions.

Further information and images are presented in the architects Design Statement at **Appendix 2 - A2** and the original concept options and images at **Appendix 2 - A9**.

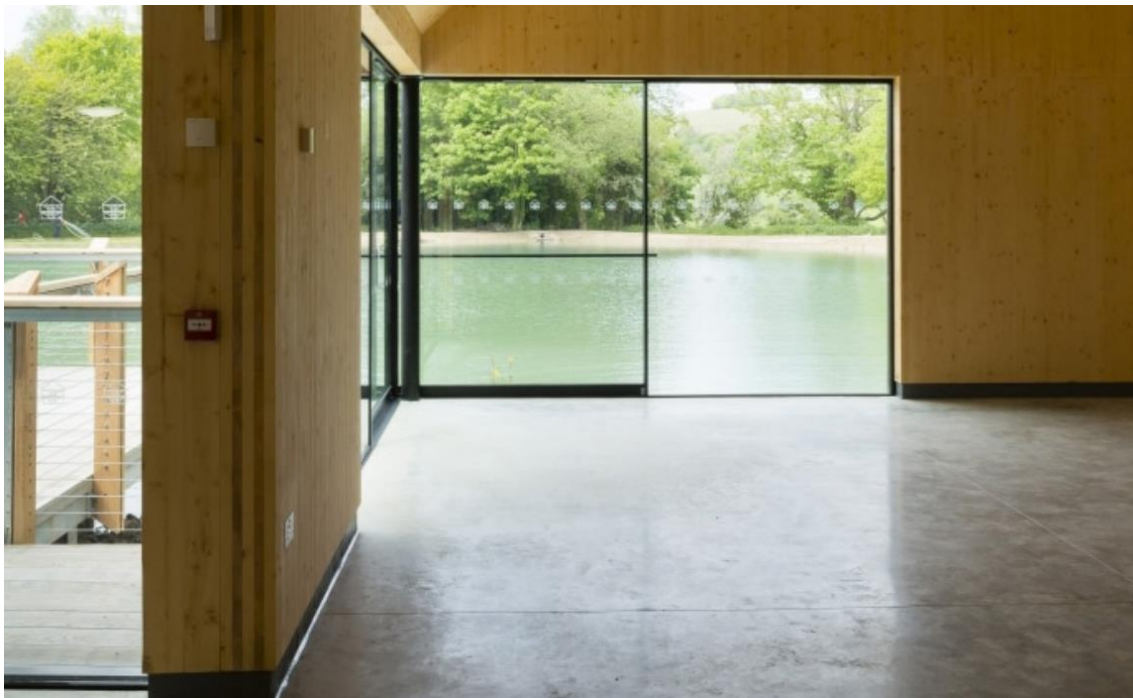
IMG 8 - Section through Exhibition space



IMG 9 – Axonometric (3D) projection



IMG 10 - Example interior finish & outlook



IMG 11 – Axonometric (3D) projection looking at south elevation (from river)



IMG 12 – Example cafe interior



IMG 13 – Option 3 Concept



Background and timeline of development of proposed scheme

Date	Key milestones/ actions
12 June 2025	PPMP approved with this project as a potential project
12 June 2025	Strategy and Resources Committee considered a report to allocate budget to develop this project to RIBA Stage 2/3 with concept designs
October 2025	Concept Designs Presented to SAWG
November 2025	SAWG meeting focused on progressing concept design, and providing a steer on progressing of design
January 2026	SAWG meeting to focus on key elements of the scheme to inform development of an outline business case.

The concept design brief (October 2025) looked at three options broadly comparing plan area as a small, intermediate and large design. (see **Appendix 2 A9**).

An additional SAWG meeting was held on 14 November 2025 to focus specifically on the development of the Concept designs. SAWG Members selected the large design and instructed officers to develop this to planning submission by end April 2026. The images above and referenced in this document are a development of the original concept drawings and in essence retain the broad arrangement of space and style envisaged in the concept. The rationale for this selection was based on the recognition that for the site to be truly functional and answer to public feedback on the future of Promenade Park and its assets, it needs to provide a café, visitor centre

and modern flexible space for schools or other groups to use for events and generate income. Since that time, the results of a public engagement survey have demonstrated that a cafe is not a priority and that flexible community/gallery space is the preferred functionality. The original concept designs can be easily adapted to meet that requirement. The small and medium size schemes, Options 1 & 2 would be physically unable to deliver that level of spatial functionality. The options were discussed at SAWG on 14 November 2025 and identified that only option 3 would be able to deliver those outcomes and importantly, would demonstrate that the Council has listened to public feedback on the future of Promenade Park and its assets.

Economic Case - Business Purpose & Corporate Objectives

The business objective for this project is to enhance the culture and heritage offer in the district. The NAAC will sit 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.

The SAWG has debated the economic benefits for this facility and determined that the overriding requirement is to provide a community space, that 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.

The expectation is that any income from community use should offset operational costs and SAWG recommended, 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.

The design of the building will answer to current legislative demands for energy efficiency and will include proportionate additional measures for further improvements where they are affordable. Together these measures will minimise the Council's exposure to the ongoing financial contribution of the asset. Modelling of the operational cost will be presented at FBC.

The NACC, when considered alongside other improvements being delivered as part of the PPMP, is a logical to the wider culture and tourism of the district and will add to the economic potential measured in the Economic Impact of Tourism report 2024 (see **Appendix 2 - A3**).

There is a clear opportunity to fulfil a long-held ambition for the district with an improved offering in that the addition of a substantial new building and refurbishment of the existing museum will enhance the Promenade Park asset, creating wider interest and attraction to the park. The new building will offer a modern flexible gallery, capable of being reorganised as a multi-use community space with a central visitor arrival hub. The breakdown of expenditure for day visitors is evidenced to be 44% on food and drink, with an average overall daily spend of £40.59.

In this way value for money can be demonstrated by its popularity and use rather than on the basis of income generation and/or profitability. This translates into success measures which are best presented as follows:

Measuring Success

Success measures	
Benefit	Potential Measure
Increased footfall to Promenade Park	Surveys and visitor count
Increased learning opportunities for schools	Engagement with schools and visits hosted (number of visits, number of students per visit)
Provision of community/event space and local events being held in Promenade Park	Year on year improvement in numbers of events held on the site
Wider appeal to arts groups across Maldon and the district	Extended use, profile and visibility of the facility
Under cover café and seating, if demand requires	New provision, footfall
Improved museum exhibition facility, as a separate scheme	Number of visitors
Improved public perception of Maldon	Yearly resident survey data
Improved public perception of Promenade Park	Yearly resident survey data
Shadow authority confidence of the Council's ability to successfully create assets and maintain sustainable/viable facilities	Encapsulated within measured benefits
Financial	The measurable financial results will include - Cost of construction and financing, depreciated over the expected life of the museum - Core running costs (management and core staffing, utilities, routine site repairs and maintenance) - Periodic running costs (staffing and supplies for educational

Benefit	Potential Measure
	purposes, food preparation/retail, events or exhibitions etc)

Corporate Priorities

HOW THIS PROJECT SATISFIES OUR CORPORATE PRIORITIES		
Priority	Outcome	Meeting the outcome
Investing in our district	Providing a better place for residents, businesses and visitors	Investing in the Parks assets for long term use (including pre-emptive investment to safeguard public assets into the years following LGR)
	Investment in culture, improving our offering to residents, businesses and visitors	Modernising an asset to ensure it remains fit for purpose and meets our stakeholders needs i.e. ability of the space to provide learning opportunities, flexibility and improve the building fabric of the original museum including regulating the atmospheric conditions to prevent damage to vulnerable exhibits
Growing our economy	An increase in visitor numbers who stay longer and spend more	- To enhance visitors' experience and contribute to their perception of quality which will encourage longer stays and increase spending within the park. - Providing another opportunity which will be supported by local people who will be needed to staff, cater and service the premises once operational
Protecting our environment	Limits the impact of climate change and improves sustainability	Using environmentally considerate materials
	Shows Climate Leadership to our residents and businesses	Being mindful of impact on the ecology within the park and taking action to protect this

Benefits Summary

Financial

- Increased footfall to Promenade Park and town centre and tourist interest; promoting additional expenditure from seasonal visits to benefit the high street and other local businesses; sustaining and supporting the local business base
- Attracting tourist revenue by acting as a destination point for Promenade Park; promoting additional visits to Maldon Town and other parts of Maldon district
- Provides a small number of employment opportunities.
- Minimise building energy and maintenance costs through design

Socio-Economic

- Engagement with wider district culture and heritage destinations and assets including other museums, to promote and publicise heritage, history and tourism
- Engagement with local schools to offer learning opportunities
- The project aligns with two of the Government's Pride in Place aims of "Build Stronger Communities" (fostering belonging, safety, and social trust) and "Create thriving places" (improving high streets, public spaces, and local amenities).
- Overall, the project will lead to improving perceived quality of the area and surroundings and to a general raising of standards

Measurement

- Public and stakeholder surveys to provide feedback identifying successes and opportunities for improvement and/or changes
- Data relating to footfall, visits etc. Engagement with local stakeholders (e.g. schools, community groups etc).

Socio-Economic Case

Local Context

If the facility were to lead as a "Arts and Culture centre" it would add a substantially beneficial, different and extended dimension to the tourist and Promenade Park landscape. It could a gateway to the wider district coastline and maritime heritage, the idea of the facility as a destination point becomes reality.

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.

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 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.

The Council's recently approved Culture and Heritage Strategy 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'. Delivery of the NACC would support the development and programming of arts and culture activities in the district.

The location is a critical position connecting the historic town of Maldon to the wider landscape of the Blackwater Estuary, a Site of Special Scientific Interest (SSSI), a Special Protection Area (SPA) and bears the International Designation as a RAMSAR site; this is a landscape famous for salt, oysters and rich, ancient history, especially Viking invasions. The Promenade Park is well used by families, dog walkers and joggers and offers a range of paid, and free activities. During the summer it is home to well-known music events, such as Soultasia. Whilst the proposed NACC sits high above the water level the eastern corner provides glimpses of this estuary and the views towards Northey Island.

An Arts and Culture Centre with reference to heritage and the museum location is a unique opportunity for Maldon, in addition to its local history, to capitalise on its maritime heritage which will strengthen and showcase the area's unique identity across the region. Public perception data, TripAdvisor⁸, lists the top similar attractions to visit in Essex which includes the Combined Military Services Museum at nr. 3 and being the only district museum in the top 10. None of the museums listed focus on maritime heritage. Maldon Museum sits at nr. 41 of 123 (so is in the top third).

A direct physical connection between the New Arts and Culture Centre and the museum building, would likely constrain the new building's ability to be seen as anything other than an extension of the Museum, making it difficult to physically transition to any other use. Museum artifacts are difficult to hide and reorganise therefore it seems unlikely that this part of the new building would ever be repurposed on a regular basis. The natural conclusion to this line of thought is that

⁸ THE 10 BEST Essex History Museums (2026) – Tripadvisor

the two buildings should be separate and provide distinct cultural and community offerings.

Financial Case - Breakdown & Analysis

This OBC seeks to approve the following actions and expenditure:

- Formation of the NACC Project Board (the Project Board) in accordance with the Terms of Reference, **Appendix 2 - A4**
- The Project Board will be required to assess recommendations and respond to decision requirements within short timescales
- The Project Board will comprise of five Members proposed from the Strategic Asset Working Group: Councillors J Driver, A M Lay, R H Siddall, W Stamp and M E Thompson be appointed to it and three senior officers, in accordance with the Terms of Reference, **Appendix 2 - A4**
- Initial authorisation for the project team to proceed as far as FBC requiring a budget of up to **£327,200** in total, including contingency, and the costs for Stage 3 Planning Application by **end-August 2026** of **£97,000** (see table at Fig 1)
- Total funding package estimated as **£2.71m** as per A12 Financial Analysis (private and confidential and at Agenda Item 13 to this meeting) Fig.1. Full costs will be included in the FBC to be brought back to a future meeting of the Council. The access to funding is included in the February 2026 Capital Investment Strategy but the capital strategy requires separate permission to proceed for each scheme.
- Approval sought for global budget envelope and to be managed by the Project Board including change control within budget parameters and escalation of issues to Council where they fall outside of the Project Board Terms of Reference.
-

The following table simplifies and summarises how the required capital is apportioned at OBC stage (excluding amounts previously authorised for the concept design business case)

Fig. 1

Activity	Cost
Construction Cost	£1,952,000
Design & Project Management	£515,000
Contingencies	£237,000
Total	£2,703,000 (c. £2.71m)

With deeper analysis at a later stage, officers believe there could be further reduction in capital required.

Capital Funding

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 at Council in the February 2026 Capital Investment and Treasury Management Strategy and within Minimum Revenue Provision tolerance in the revenue budget.

Approval of the FBC will include a clear financing strategy that will require simultaneous approval.

As previously mentioned, initial project preparation costs of £48,000, were already approved at Strategy and Resources Committee 12 June 2025. A further £97,000 is required, as outlined in this OBC to develop from concept to planning application.

The worksheets in **APPENDIX 2 Museum Extension - OBC Financial Breakdown REV_2 March 26⁹**, detail the following:

- OBC Full Breakdown – full stage breakdown of the OBC costs
- Stage 3-4 Costs - the breakdown of total costs for milestones Stage 3 Planning and Stage 4 FBC

Figures for Stage 3-4 indicative based on industry data - no procurement work has yet been done for later design stage services or construction.

The outline operating model for the purpose of this document is described below and in the following table. 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.

- 1) Capital (build) costs are estimated to be £2.71m. 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 £2.71m plus 5% p.a. (fixed) interest will have been repaid.
- 2) Core operating costs describe the necessary costs of maintaining the infrastructure and functions of the new facility. The proposed operating model

⁹ Private and Confidential by Virtue of Section 4 Schedule 12A of the Local Government Act 1972 Paragraph 3 and found at Agenda Item 13.

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.

- 3) 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.

cost type	assumptions	overall £000s	annual £000s
1) capital costs			
build costs	based on fig 1 £3,021k	3,021	121
finance costs	assumed 5%	151	6
capital costs	assumed 25 year asset life, so annual cost of capital will be 1/25th of the total (£3.172m/25)	(3,172)	(127)
2) core operating costs			
core operating costs	assumes a manager plus 2 part-time support staff, assumes local govt terms and conditions (prudent) so may be lower cost or different staff mix		150
core operating incomes	income from operating contract holder		(150)
<u>net core operating costs</u>			<u>0</u>
3) one-off operating costs			
one-off costs	assumed costs of educational, artistic, or food retail activities		20
one-off incomes	net retained receipts arising from income-generating activity		(20)
<u>net one-off operating costs</u>			<u>0</u>

Management Case

Project Governance

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.

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.

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. It is recommended that Members who are appointed to The Project Board do not take part in determination of the planning application so not to prejudice process.

Risk

Risk management extends across the entire project at strategic and operational level.

Work has been undertaken to assess strategic risk, and this is detailed **at Appendix 2- A7**. A summary of the main risks is included below:

Significant risks to this timetable are:

- Ability to secure member decision through OBC and FBC at Maldon District Council.
- Ability to navigate the developing position regarding LGR, including emerging spending controls and joint management of material spending through shadow authorities (expected 2027/28); also restrictions on revenue, capital and asset sales arising from pre-LGR guidance ('s24' requirements)
- Ability to agree the future business model of the asset as part of FBC
- Timely stakeholder engagement
- Adverse public relations or social media events
- Ability to promptly procure professional teams for the detailed design stage
- Ability to identify suitable construction partners that are willing to tender for the work
- Ability to design a suitable procurement process for all work which aligns to both project timelines and procurement rules
- Geo-political events leading to supplier cost inflation

Risk analysis will be undertaken across design and construction elements as this work progresses.

The current economic outlook is substantially volatile with uncertainty over future bank rates and levels of inflation. This is most likely to lead to short term price

increases. At present, contingency levels in the cost estimates are believed sufficient to mitigate this risk, but the risk will be held under review.

Programme

The timescale for delivery whilst cognisant of the LGR timetable, is not constrained by the LGR agenda due to take effect in April 2028. . The current programme indicates that it is possible to achieve completion and handover of the asset by the end of 2028 however, there is risk in terms of the Council being able to make rapid decisions and agree a procurement process consistent with the programme. (see **Appendix 2- A7 Risk Management Plan**)

Key Milestone dates: The following table sets out the key milestones based on the project programme which can be found at **Appendix 2- A7**.

Milestone	Planned Completion Date
Outline Business Case to Council	2 nd July 2026
Stage 3 Planning Submission	3 rd August 2026
Stage 4 Design Procurement	End-October 2026
Planning Decision	1st November 2026
Stage 4 Technical Design	End-March 2027
Full Business Case Submission (following Stage 4 Design & Cost)	April 2027
Full Business Case Review (following 2027 Works Procurement & Cost recommendations)	October 2027
Contract Award	Nov 2027
Start on Site	November 2027
Completion & Handover	December 2028

The programme is subject to adjustment and update as new information arrives.

With regard to any project developed for the museum, the NACC works would require the partial closure of the museum to allow for demolition of the out-building and single storey extension, constraining the museum to the two-storey property. It is unlikely any work on refurbishing the museum, could take place until the site has been made safe circa mid 2028.

Procurement

The project team will work closely with the Council's Head of Procurement to develop an overall procurement strategy to support the project. Where possible, procurement frameworks¹⁰ will be utilised for efficiencies and delivery assurance.

Stakeholders and Communication Strategy

Within the OBC, a total of £10,000 has been allocated to cultural engagement during RIBA Stage 3 and 4. This amount will deliver cover collaboration with stakeholders, such as schools and other museums. We will also use the approved Culture and Heritage Strategy for targeted engagement with appropriate groups.

Public engagement will also be encouraged through the planning application process where comments and objections can be recorded on the planning portal. The public engagement exercise already undertaken should be extended during the planning process to build on the earlier engagement.

A full marketing and communication plan will be developed in collaboration with Head of Communications if the OBC is approved. All project communications will be led by the Project Director.

¹⁰ A structured, pre-approved list of suppliers established by a buyer (often in the public sector) to streamline purchasing goods or services.

Background Papers:

These documents are attached as **APPENDIX 2** to the report:

- A2 A25726 ABA Design Statement (images)
- A3 Economic Impact of Tourism - Maldon 2024 Report
- A4 Resource structure chart
- A5 Maldon Arts & 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 Promenade Park Management Plan Project Delivery Design Catalogue
- A11 Public Engagement Survey Results

The following documents are attached at Agenda Item 15 to the Council agenda (2 July 2026) and are **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:

- A12 Arts & Culture Centre - OBC Financial Breakdown REV_2 March 26
- A1 Detailed Construction / Cost Breakdown