

Project Documentation - Initial Project Proposal Document
Project: The Novium Museum option appraisal
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1. Purpose of Document

The purpose of this document is to justify the undertaking of the project based on the estimated cost of delivery and the anticipated benefits to be gained. The proposal outlined in this document will be used as part of the process for prioritising future projects.

2. Project Description

To conduct an option appraisal for the Novium Museum and TIC service to establish the feasibility of alternative delivery mechanisms and any potential service savings, taking into account the current plan to generate additional income to cover the service delivery costs and the advantages and disadvantages of each option.

In scope:

The Novium Museum, including the Guildhall (within Priory Park) and TIC service.

3. Background

The Novium museum opened to the public in July 2012 in premises built by CDC in Tower Street, Chichester. It relocated from its former premises in Little London and incorporated the Tourism Information Centre which occupied its own premises in South Street, Chichester. The premises cost £6.9m to construct. The Council has sold the former museum building and adjoining Tower Street site for a combined figure of £2,465,000 in order to supplement the capital costs of the new premises. It has also leased the former TIC building generating an additional £46,500 pa increasing to £49,500 in July 2016.

After an initial period of charging for entry the museum reverted to free entry in November 2014. The museum has since been operating to a plan (reported to Cabinet in September 2014) to generate additional income to replace the lost entry fee income and eventually generate additional income to subsidise the operating costs. The current budget 2015/16 indicates an annual cost to the council of £832,700 including capital depreciation and support costs.

There remains some concern with regard to the level of subsidy required to support the service.

The option appraisal will consider but not be limited to:

- No change – to continue to operate the services in- house
- Establish an in house trust to manage the facilities
- A management contract with an established trust
- A management contract with a private contractor

It will also seek to identify the socio-economic benefits that the Museum brings to the city and district.

4. Outcomes to be Achieved

Retention of a District Museum and TIC service at reduced cost to the authority.

5. Timescales

Request for funding to appoint a consultant to conduct an option appraisal February 2016 cabinet.

Report back results of Option Appraisal and any further resources required for subsequent stages if appropriate. September 2016.

Project Costs and Resources

One-Off	£30,000 to appoint a consultant to conduct an option appraisal.	
Revenue	-	
Savings	-	
Services to be involved in the project delivery	Museum and TIC employees. Commercial services employees. Financial services.	

6. Benefits vs. Cost

The option appraisal work will inform of any potential savings that could be achieved by different delivery mechanisms.

7. Identify Risks

- Unable to identify a suitable consultant in the timescale indicated – low risk
- Internal resources unable to support the project – low risk