



**Swindon & Wiltshire**  
LOCAL ENTERPRISE PARTNERSHIP

**ROYAL ARTILLERY MUSEUM  
A NEW VISITOR ATTRACTION ON SALISBURY PLAIN**

**UPDATED OUTLINE BUSINESS CASE**

**10 FEBRUARY 2020**



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# 1 SUMMARY

## Introduction

- 1.1 In September 2018, the Swindon and Wiltshire Local Enterprise Partnership (SWLEP) renewed its commitment to award a grant of £1.35 million to the Royal Artillery Museum (RAM). This grant will enable RAM to create a new home for the Royal Artillery's nationally-important collection and an important new museum/visitor attraction on Salisbury Plain.
- 1.2 The present document updates, and supersedes, the Outline Business Case (OBC) that RAM submitted to SWLEP in August 2018. It seeks to address questions raised by SWLEP; in particular, it proposes a revised approach to procurement, as well as more rigorous project governance and management. It also clarifies a number of issues raised during consultation with local communities and other stakeholders.
- 1.3 This OBC also replaces the Outline Business Plan that RAM presented to the Regiment in October 2018, ensuring absolute consistency, coherence and transparency as to the information provided to the two major funders of the project.
- 1.4 The updated OBC provides an update on a number of areas in which the project has matured as a result of ongoing consultation with the Regiment, the SWLEP, local communities and other stakeholders. In particular, greatly improved designs have been developed for the main museum building. It is also intended that the Initial Capital Project should more quickly deliver a commercially attractive visitor offer than was suggested in the previous OBC. The museum would continue to develop following this initial project, with ongoing enhancement of exhibitions and activities, but there is no longer a reliance on such development to create a viable business.
- 1.5 As with its predecessor, the focus of this OBC is a highly cost-effective Initial Capital Project, which can be delivered swiftly with capital funding that is available or committed (subject to the continued support of the SWLEP). This will enable the new museum to be built and opened without the need for a capital fundraising campaign.
- 1.6 As before, the project will deliver a new museum building housing large exhibition spaces and a range of supporting functions. However, the building now provides space for a learning centre, lecture theatre and archive research centre, and the project also includes the initial exhibitions and displays, a large display arena and features such as a recreated WW1 trench system, contemporary Forward Operating Base, conservation workshop and children's play area.
- 1.7 Unlike the previous proposals, there will be no extended pre-opening or "soft opening" periods after the build has been completed, since the aim is now for the museum to be fully open to the public (and generating revenue and economic impact) as quickly as possible.

## Strategic Case

- 1.8 The Strategic Case demonstrates that RAM has a clear purpose and objectives, and a compelling vision for the future, based around its new visitor museum on Salisbury Plain.
- 1.9 RAM's Board of Trustees has the expertise necessary to guide the successful delivery of the project. Its members have a broad range of skills and experience in the fields of museums, heritage, visitor attractions, tourism, marketing, retail, commerce, finance, property, law, procurement and project management. Four new trustees joined the RAM

Board in 2019; two of them bring extensive experience of managing heritage sites and attractions, and two are serving Gunners (reflecting a closer relationship between RAM and the Regiment).

- 1.10 An extensive analysis of the strategic policy context demonstrates that the development of the new museum offers a very strong fit with a range of key policy documents, most importantly the SWLEP Strategic Economic Plan and the 2019 Royal Artillery Heritage Strategy. The latter concluded that the new museum is likely to be the only means of ensuring that the aims of the Strategy are met in full and that Gunner heritage can be properly cared for and made accessible. The analysis of the policy context also establishes ten key strategic needs that will be met by the project.
- 1.11 The Initial Capital Project has been developed specifically to address key strategic risks identified in relation to previous proposals. It requires no new fundraising (subject to the continued support of the SWLEP) and creates a viable business within a short timescale, with a flexible and efficient operation which can respond to variations in visitor numbers.
- 1.12 Good progress has been made in addressing the three strategic dependencies that are common to many such projects:
  - Land – the Chief of the General Staff (head of the British Army) has confirmed that the Army is content for the ACW site to be allocated for the new museum, and lease negotiations are well under way;
  - Planning – extensive work (including transport, environmental, archaeological, and landscape assessments) has not identified any reasons why the proposed development should not achieve consent, and there is strong support from the local planning authority at a strategic level.
  - Funding – the Initial Capital Project will be funded from a combination of the SWLEP grant, Regimental charities and RAM's own reserves so, with the support of the SWLEP, the project can proceed without delay in 2020.

## **Economic Case**

- 1.13 The Economic Case sets out the critical success factors necessary for the project to meet the identified needs, and describes how these would be addressed by the proposed scheme.
- 1.14 An assessment of alternatives considers these proposals alongside a more expensive capital project, a less expensive project and a “do nothing” option. It demonstrates that the current proposals represent the best balance of an achievable Initial Capital Project and a business that is financially viable from the first year of operation.
- 1.15 Modelling of income and expenditure indicates that the new attraction will be self-sustaining with around 35,000 paying visitors each year, but independent research (and benchmarking against other attractions) suggests that much higher numbers will be achieved. As before, RAM's target visitor numbers are based on the “pessimistic” forecast from visitor attraction and tourism specialists Trajectory. This predicts 91,000 paying visitors in year one of opening, growing to 153,000 in year seven. RAM's financial model also allows for a number of free admissions each year, as well as education groups, special activities and events.

- 1.16 An economic impact assessment commissioned from the South West Research Company has predicted that the development and operation of the new attraction will result in substantial benefits for Swindon and Wiltshire's economy. Although the assessment originally considered impacts based on a range of possible visitor numbers, for the sake of consistency, this OBC focusses only on the target visitor numbers described above. Taking into account annual visitor spend as well as the anticipated capital expenditure over a ten year period, the following approximate outputs were forecast:
- 200 FTE jobs created;
  - £50 million net additional spend in the local economy;
  - £17 million GVA contribution;
  - 176,000 additional staying visitor nights in Wiltshire;
  - 304,000 additional day visits to Wiltshire.
- 1.17 RAM will work in partnership with VisitWiltshire and other attractions to encourage visitors to stay longer and therefore spend more in Wiltshire. Much of the benefit will be experienced in the key Salisbury-A303 Growth Zone, providing a clear opportunity to contribute to the continued recovery of the visitor economy in Salisbury and South Wiltshire. However, there will also be linkages with attractions in the north of the county, and to the new "Great West Way" Tourism Corridor.
- 1.18 Alongside these economic impacts there are a range of positive social impacts for Wiltshire and its communities that are harder to quantify, but which are equally important. These include:
- An important focus for Military Civilian Integration;
  - New jobs for local people in a rural area;
  - Opportunities for volunteering and participation;
  - Outreach projects to engage new audiences with heritage;
  - Learning programmes for schools and other groups;
  - Partnerships with other museums to engage people with Salisbury Plain;
  - A nationally-important Army collection displayed in Wiltshire.

### **Commercial Case**

- 1.19 The majority of project requirements will be procured through a single Design and Build contract. This is considered to be the best means of ensuring value for money, minimising expenditure on fees, and facilitating an efficient delivery process. It will also enable RAM to make most effective use of its staff resources since the contractor will take on most management tasks. A fixed lump sum price will be agreed, minimising financial risk to RAM and other project funders.
- 1.20 Considerable preliminary work has already been produced, including site surveys and archaeological, environmental, landscape and transport assessments. Initial building designs produced in 2018 formed the basis of consultation with statutory bodies, local communities and other stakeholders, and their feedback has informed a substantial re-design of the main building and other improvements to the proposals.

- 1.21 New Concept Designs have been produced, with further consultation informing continuing refinement of the scheme.
- 1.22 RAM is now nearing completion of Developed Designs and preparing the planning application. These designs will also form the basis of the tender documentation for procurement of the Design and Build contract.
- 1.23 The scope for the Design and Build contract is now clear and comprehensive. The “Design” element includes all technical/production design work. The “Build” element comprises all of the main construction and external works, including site works, access, ground works, finishes, services and commissioning.
- 1.24 There is also a clear understanding of the items excluded from the Design and Build contract, which will be procured separately by RAM; these include the café and shop fit-out, furniture, small goods, IT systems, exhibition fit-out and interpretive activities.

### Financial Case

- 1.25 The cost of the Design and Build contract, currently estimated at around £5.5 million is now set within a total budget for the Initial Capital Project estimated at £8.15 million. An outline breakdown of this total is set out in Table 1A, below.

Design and Build contract	£5,500,000
Interpretation, exhibitions and activities	£500,000
Other capital costs	£400,000
Fees and surveys	£464,000
Contingency (approximately 10% of the above capital costs and fees)	£686,000
Sunk costs (2018 – April 2019)	£150,000
Allowance to offset RAM operational costs prior to opening	£450,000
<b>TOTAL BUDGET</b>	<b>£8,150,000</b>

*Table 1A: Project budget summary*

- 1.26 The capital costs will continue to be refined as design development work progresses, but it is considered that the work undertaken to date provides a high degree of certainty that the project can be delivered within the budget.
- 1.27 At around 10% of all capital costs and fees, the level of contingency is much higher than in the previous OBC; it is anticipated that this allowance will prove to be generous in view of the intention to transfer much of the construction cost risk to the contractor.
- 1.28 The model of operational costs and income (described below) confirms that RAM will be operating with a financial deficit during the construction, fit-out and pre-opening period; an allowance of £450,000 has been included in the budget to offset this.
- 1.29 As described above, funding will be from a combination of the SWLEP grant and Royal Artillery sources. In addition to RAM’s existing reserves and private donations already received, the Regimental charities will contribute a mixture of grants and interest-free loans (to be repaid from a percentage of the net annual surplus generated by the museum). The proposed breakdown is set out in Table 1B, below.

Source	Amount
SWLEP (subject to approval of the updated OBC)	£1,350,000
RAM funds (including investments and existing donations)	£3,500,000
Royal Artillery charities - grants	£800,000
Royal Artillery charities – interest-free loans	£2,500,000
<b>TOTAL</b>	<b>£8,150,000</b>

Table 1B: Proposed capital funding breakdown

- 1.30 RAM has created a detailed financial model to predict the operational income and expenditure for the new visitor attraction. It has been revised in line with the approach set out in this updated OBC, and now covers a nine year period: two years pre-opening, and the first seven years after opening.
- 1.31 RAM has modelled income from admissions, catering, retail, meeting room hire, archive research services, activities, events and educational visits. Estimates have been made for a limited amount of revenue fundraising and sponsorship, and continued annual grants from the MOD (with this support assured until at least 2030). Operational expenditure includes staffing, premises, utilities, facilities, administration, maintenance and other overheads, with annual budgets for marketing and for the Collections Management and Archive teams.
- 1.32 The model demonstrates that the business would be viable with annual visitor numbers of 35,000, as summarised in Table 1C, below.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
<b>Paying admissions</b>	35,000	35,000	35,000	35,000	35,000	35,000	35,000
<b>Total income</b>	£770k	£795k	£814k	£837k	£889k	£919k	£954k
<b>Total expenditure</b>	£743k	£779k	£797k	£815k	£833k	£851k	£870k
<b>Total surplus</b>	£27k	£16k	£16k	£22k	£56k	£68k	£85k

Table 1C: Summary of operational income and expenditure - 35,000 paying visitors  
(Note: all numbers rounded to the nearest 1,000)

- 1.33 As stated above, the “pessimistic” forecast from Trajectory remains RAM’s target for annual visitor numbers, and Table 1D, below, is based on that forecast, indicating that a significant annual surplus would be generated if those visitor numbers can be achieved.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
<b>Paying admissions</b>	91,000	82,000	87,000	106,000	130,000	143,000	153,000
<b>Total income</b>	£1,417k	£1,344k	£1,428k	£1,685k	£2,098k	£2,302k	£2,476k
<b>Total expenditure</b>	£980k	£1,080k	£1,108k	£1,366k	£1,492k	£1,623k	£1,758k
<b>Total surplus</b>	£437k	£263k	£320k	£319k	£605k	£680k	£718k

Table 1D: Summary of operational income and expenditure - target visitor numbers  
(Note: all numbers rounded to the nearest 1,000)

- 1.34 With the support of the SWLEP, the project is not only affordable but fully funded and able to proceed without delay in 2020. Investment in the Initial Capital Project will enable RAM to achieve a high degree of financial resilience, creating the conditions necessary to achieve long-term sustainability for the museum. Furthermore, by enabling RAM to build a business that will be self-sustaining on a permanent basis, the project will secure both the future of the collection and the new museum's ongoing contribution to Swindon and Wiltshire's economy.

### **Management Case**

- 1.35 Clear and effective structures are in place for the governance and management of the project. RAM's Development Committee, comprising four trustees, acts as the project board, with delegated authority from the RAM Board to take forward the project and authorise its progress. It will be responsible for ensuring that all SWLEP requirements are met, and that specific, agreed outputs are signed off by the RAM Board and the Regiment.
- 1.36 At present, RAM's Executive Chairman has overall responsibility for project delivery, but this will pass to the Museum Director, when appointed (this will be during 2020). This will ensure that delivery of the new attraction is led by the person who will be responsible for running it, and who has the necessary operational experience to ensure that the needs of all end users are met.
- 1.37 RAM's Programme Manager is responsible for the day to day management of the project, and has 20 years of experience in heritage and museums projects. He will be supported by consultants including a Client Quantity Surveyor and Employer's Agent, providing technical advice with a particular focus on successful implementation of the Design and Build contract.
- 1.38 The Design and Build contractor will be responsible for management and coordination of the main construction project from technical/production design through to practical completion. It will be responsible for appointing and managing any sub-consultants or sub-contractors, and will be accountable for the delivery and quality of their work.
- 1.39 RAM's existing Design and Planning Consultants have responsibility for completing the Developed Designs and preparing the planning application. RAM's Procurement Consultant has also been retained, and will manage the tender process leading to the selection of the Design and Build contractor.
- 1.40 Other specialist consultants will assist with the further development of specific elements (for example the café and exhibitions). All of these fees are included in the project costs.
- 1.41 RAM's Development Committee comprises trustees with extensive commercial and marketing experience; they will work with RAM's Communications Consultant to produce an initial Marketing Strategy. Around one year before opening, a dedicated Marketing Manager will be appointed to develop and implement a detailed Marketing Plan, ensuring that a high level of public awareness is achieved by the time the attraction opens.
- 1.42 RAM's other staff will all assist with the project, and their work will increasingly be focused on preparations for opening the new museum. A professional Curator will be appointed shortly after the Museum Director, and will contribute to the interpretation proposals and exhibition content. The Collections Management Team will prepare the collection for display and plan and deliver its transportation and installation.

- 1.43 RAM's approach to delivering the project is to adopt a conventional staged project plan, facilitating proper control of the project, management of risk and efficient decision making. The Management Case describes the stages and summarises the main outputs for each.
- 1.44 While there are no specific procurement procedures that apply to registered charities (such as RAM), the SWLEP grant is funded by Central Government and a competitive tender process will therefore be required in line with the Public Contracts Regulations 2015. This is not only to ensure value for money, but to demonstrate openness and transparency.
- 1.45 The contract will be advertised publicly including (due to the contract value) the Official Journal of the European Union (OJEU). Bidders will be issued with the planning application drawings and other information providing a full understanding of the contract requirements. Evaluation of tenders will consider both cost and quality.
- 1.46 Robust and effective procedures are in place for project management, change management, benefits realisation and evaluation, the former modelled on accepted best practice and PRINCE2 project management methodology.

## **2 INTRODUCTION**

### **This document**

- 2.1 In September 2018, the Swindon and Wiltshire Local Enterprise Partnership (SWLEP) renewed its commitment to award a grant of £1.35 million to the Royal Artillery Museum (RAM). The grant will enable RAM to create a new home for the Royal Artillery's nationally-important collection and an important new museum and visitor attraction on Salisbury Plain. It will attract visitors from across the country, generating a significant tourism boost for Swindon and Wiltshire, in particular the Salisbury and South Wiltshire area.
- 2.2 This document updates, and supersedes, the Outline Business Case (OBC) that RAM submitted to SWLEP in August 2018, and seeks to address questions that were raised in response to the earlier version.
- 2.3 This OBC also replaces the Outline Business Plan presented to the Regiment in October 2018, ensuring absolute consistency, coherence and transparency as to the information provided to the two major funders of the project.
- 2.4 The updated OBC provides an update on a number of areas in which the project has matured over recent months as a result of ongoing consultation with the Regiment, the SWLEP, local communities and other stakeholders. In particular, greatly improved designs have been developed for the main museum building, and these are discussed further in Section 5 of this document. It is also intended that the Initial Capital Project should more quickly deliver a commercially attractive visitor offer than was suggested in the previous OBC. While it is intended that the museum should continue to develop following this initial project, with ongoing enhancement of exhibitions and activities, there is no reliance on such capital development (or on further capital funding from the Regiment) to create a viable business.
- 2.5 At the same time, the Regiment has requested further modelling of income and expenditure to demonstrate that the business would be financially sustainable with annual visitor numbers of around 35,000 (although RAM's target figure remains much higher than this). The present document also responds to the publication in 2019 of a new Royal Artillery Heritage Strategy, and describes the critical role that RAM's project will play in achieving the Regiment's vision for its heritage.

- 2.6 The remaining paragraphs of this Introduction section provide background information relating to the Royal Artillery, its historical collection and museum, RAM's engagement with SWLEP to date and the evolution of the project. It also describes the proposed new museum and how it would be delivered, and summarises the benefits that it would bring.
- 2.7 The subsequent sections of this document follow the structure of the HM Treasury "Green Book" five case model:
- **The Strategic Case.** This sets out the strategic vision, the strategic need for the project and its fit with the strategic policy context.
  - **The Economic Case.** This demonstrates that the proposed project is the best way of addressing the need, and considers the benefits that will result.
  - **The Commercial Case.** This summarises the approach to procuring the project and ensuring best value for money.
  - **The Financial Case.** This summarises the capital costs, funding arrangements and overall affordability of the project.
  - **The Management Case.** This summarises the project management framework, procurement strategy and approach to risk management and mitigation.

### Engagement with SWLEP

- 2.8 The OBC builds on RAM's engagement with SWLEP over a five year period during which the proposals have been developed and refined. Indeed, members of the SWLEP Board were among those who, in 2014, helped to convince the Royal Artillery to bring its museum collection to Wiltshire.
- 2.9 In 2016, SWLEP made its original commitment to provide RAM with funding of £1.35 million to support an ambitious project, costing around £30 million, which would have created a major new visitor attraction at Knighton Down East (KDE) near Larkhill. However, RAM did not secure the very large grant from the Heritage Lottery Fund (HLF) which was required for that project to move forward.
- 2.10 RAM subsequently proposed a new approach which would deliver similar benefits, but was based on a more cost effective initial build with phased development of the museum thereafter. This was considered to be a more achievable project which could be delivered quickly and at lower financial risk.
- 2.11 Following extensive consultation with SWLEP a new OBC was submitted, and in September 2018 the SWLEP Board renewed its commitment to award a grant of £1.35 million towards the cost of the new museum.
- 2.12 This updated OBC builds on, and supersedes, the previous version, and in many areas little has changed. However, the present document seeks to address a number of questions raised by SWLEP, the Regiment and local communities, in response to the earlier version. In particular, the Management Case now proposes a revised approach to procurement, as well as more rigorous project governance and management.
- 2.13 As before, the grant of £1.35 million sought from the SWLEP is critical to the success of the project and to the creation of a new visitor attraction on Salisbury Plain. RAM will recognise this important contribution publicly, including a plaque displayed prominently in the building and acknowledgement in guide books and other literature.

## **The Royal Regiment of Artillery**

- 2.14 The Royal Regiment of Artillery, commonly known as the Royal Artillery or the “Gunners”, is the artillery arm of the British Army. It comprises a number of individual regiments, batteries, the Royal School of Artillery, the ceremonial King’s Troop Royal Horse Artillery and associated support elements; it is manned by Regulars and Reservists. English artillery had been seen on battlefields since the 14th century, but a permanent body of artillery was first established by George I in 1716 at Woolwich.
- 2.15 The Regiment grew significantly over the next two centuries, and in World War Two around a million men and women served in 960 Gunner regiments. The Royal Artillery was based at Woolwich until 2007 when its Regimental Headquarters was relocated to Larkhill on Salisbury Plain. Gunners had already been training on the Plain since the late nineteenth century, with the School of Artillery being established there in 1915.
- 2.16 Today, the Royal Artillery’s connection with Salisbury Plain is stronger than ever, with around half of the serving Regiment being based here following the final withdrawal of units from Germany. The Regiment also retains strong royal connections: Her Majesty Queen Elizabeth is its Captain General, and is also the Patron of the museum.

## **The Royal Artillery Museum**

- 2.17 The Royal Artillery’s museum collection was established in 1778 as a teaching resource for the instruction of the officers and soldiers of the Regiment. It first opened to the public in 1820, originally housed in the Rotunda on Woolwich Common. In 2000 it moved to a new museum, Firepower, in the Royal Arsenal at Woolwich.
- 2.18 Firepower achieved Accredited Museum status, and the collection was Designated for its national importance under the scheme now administered by Arts Council England. (Of 148 such Designated collections only three are held by the Army, the other two being those of the Tank Museum and the Royal Engineers). However, Firepower’s site (with a constrained footprint and very little outdoor space) made it difficult to develop a dynamic, modern museum, and limited RAM’s ability to bring the collection to life through activities, events, re-enactments and armoured vehicle rides. The listed historic buildings were expensive to heat and maintain, and precluded extensive redevelopment.
- 2.19 The Woolwich location, surrounded by construction sites for many years, did not prove attractive to tourists, compared with nearby destinations such as Greenwich (a World Heritage Site with museums, historic buildings, parks and the Cutty Sark). Within Central London, the museum had to compete with two major military museums with national collections (and therefore offering free entry).
- 2.20 Firepower was never able to generate the visitor footfall required to cover its high operating costs. Furthermore, the museum had lost its previously close relationship with the Regiment, which now had its headquarters, and its centre of mass, on Salisbury Plain. The training function for which the collection had originally been established was greatly diminished, and it was difficult for the museum to engage with the large community of Gunner veterans, many of whom had settled in the Wiltshire area familiar from their time serving in the Regiment.
- 2.21 Extensive research and studies commissioned from expert consultants led RAM to conclude that a museum in Woolwich was not sustainable in the long term. A number of alternatives were considered, including co-location with other attractions. However, following discussions with Wiltshire Council, VisitWiltshire and the SWLEP, RAM’s Board of

Trustees decided to seek a site on Salisbury Plain where the new museum could be developed.

- 2.22 The Firepower museum closed in 2016. The majority of the collection is currently in storage at the Science Museum site in Wroughton, and at the RA Barracks, Larkhill.
- 2.23 RAM's staff and volunteers continue to care for the collection while it is in storage, and have undertaken the conservation and restoration of a number of important items. An interim display of artillery has also been established "behind the wire" at Larkhill, where it is visited by officers and soldiers in training, including courses from the Royal School of Artillery. Recent successes include securing a small grant from the National Lottery Heritage Fund (formerly HLF) for the conservation and re-display of two World War 1 artillery pieces used in Royal funeral ceremonies. However, there is no regular public access to the collection.
- 2.24 There is a broad consensus that this Designated collection must be returned to public display for the benefit not just of the Gunners, but of the nation as a whole. This requires a new museum which is financially sustainable in the long term, and with the support of the SWLEP, this is what RAM's current proposals seek to achieve.

### **Evolution of the project**

- 2.25 As mentioned above, proposals put forward by RAM from 2015 to 2017 focussed on the KDE site, just north of Larkhill. However, a number of risks were identified in relation to that site, some of them emerging late in the development of the scheme.
- 2.26 In 2017, following a training review, the MOD and Army Training directed RAM to consider an alternative site, still on Salisbury Plain and just over a mile away at Avon Camp West (ACW); a map is attached at **Annex A**. The ACW site is around four miles north of the A303, a journey time of around six minutes, and around twelve minutes from the Stonehenge visitor centre. It is truly at the heart of Wiltshire, less than half an hour from both Salisbury and Devizes, and around 50 minutes from Swindon.
- 2.27 The ACW site offers stunning panoramic views in all directions over Salisbury Plain's rolling chalk grassland, Army training areas and live firing ranges, as well as features of interest such as the Alton Barnes White Horse, the Bulford Kiwi and the historic airfields at Netheravon and Upavon. With better access, utilities connections and more space for activities, the potential offered by the ACW site greatly exceeds that of KDE.
- 2.28 At the same time as identifying this excellent site, the failure to secure HLF funding presented an opportunity for RAM to review its approach to delivering the project. In particular, two key concerns were identified in discussions with stakeholders:
- The difficulty of raising large capital sums in a short space of time in the current fundraising climate;
  - The need for a flexible visitor operation and business that could respond to the demands of the visitor numbers achieved.
- 2.29 These factors led RAM to develop proposals to create the new attraction through a phased development programme, as set out in the previous OBC. The initial capital build would be highly cost-efficient, so that it could be taken forward without the need for a fundraising campaign. Following this, there was to have been a two year pre-opening period and then a further two years of "soft opening" before the full launch of the new attraction. Subsequent capital projects would have added features and activities to increase visitor numbers, with the visitor operation expanding accordingly.

2.30 However, ongoing consultation with the Regiment identified a concern that this approach would take too long to deliver a financially sustainable business with a balanced operating budget. As a result, RAM and the Regiment have now developed revised proposals that will provide a more attractive visitor offer at the outset. There will still be continued development of the museum through subsequent capital projects as fundraising permits, primarily the ongoing enhancement of exhibitions and activities, but these are not critical to the viability of the business.

### **The new attraction**

2.31 The overall aim and objectives for the new attraction remain unchanged from the original proposals:

- An exciting new museum and visitor attraction based around the Royal Artillery's heritage;
- The Royal Artillery's unique historical collection returned to public access;
- An unprecedented opportunity for public engagement with Salisbury Plain;
- A major focus and geographical hub for military-civilian integration;
- Substantial benefits for Wiltshire's communities and economy.

2.32 This will be a family-oriented attraction for visitors of all ages and backgrounds, with a strong commercial approach and an annual programme of military, civilian and community activities. It will appeal equally to non-military family groups, tourists, schools, serving Army personnel and veterans.

2.33 An immersive visitor experience will feature armoured vehicle rides, recreated WW1 trenches, a contemporary Forward Operating Base, conservation workshop and exceptional views over Salisbury Plain, alongside the Royal Artillery's unique museum collection. A large café and children's play area will be accessible without paying for a museum entry ticket. There will also be space for a learning centre, lecture theatre and new archive research centre (to replace the current facility located behind the wire at Larkhill).

2.34 In developing these proposals RAM has researched in detail exactly what it takes to make a successful and sustainable visitor destination, drawing on a wealth of expertise including that of its own Board (an organisational overview is provided as part of the Strategic Case). RAM is also refining its approach to presenting the collection and its stories, based on stakeholder consultation and feedback from visitors to the display at Larkhill.

2.35 The new museum will be professionally operated by a commercially-focused team, which will drive revenue and local economic impact. Led by a director with a proven track record of running successful attractions, the visitor operation and business will expand in a controlled and sustainable way.

2.36 Modelling of income and expenditure (described in the Financial Case) indicates that the new attraction will be self-sustaining with around 35,000 paying visitors each year. However, RAM is aiming to achieve more than this number from the first year of opening. The study commissioned in 2018 from visitor forecasting specialists Trajectory (attached at **Annex B**) produced three forecasts; in view of RAM's modest marketing budget, the most "pessimistic" of these forecasts has been adopted as the target, with annual paying visitor numbers starting at 91,000 and reaching 153,000 after seven years. Benchmarking against

comparable attractions confirms that this is the most realistic forecast, and that Trajectory's higher forecasts should be discounted.

### **Benefits for Swindon and Wiltshire**

- 2.37 An independent study commissioned in 2018 from the South West Research Company (attached at **Annex C**) estimated the economic benefits that would result from the Initial Capital Project and the first seven years of opening the new attraction. Although the assessment considered impacts based on a range of possible visitor numbers, for the sake of consistency (and to avoid over-stating the benefits), this OBC focusses only on the target visitor numbers described above. The economic benefits for Swindon and Wiltshire will nonetheless be substantial:
- 200 FTE jobs created;
  - £50 million additional spend in the local economy;
  - £17 million GVA contribution;
  - 176,000 additional staying visitor nights in Wiltshire;
  - 304,000 additional day visits to Wiltshire.
- 2.38 From the first year, the benefits will be felt across the whole of the Swindon and Wiltshire area. There is a clear opportunity to contribute to the continued recovery of the visitor economy in Salisbury, Amesbury and South Wiltshire, and the attraction will be based just north of the A303 corridor, creating the prospect of a compelling tourism offer linking it to other attractions such as Stonehenge, Old Sarum, Salisbury Cathedral and Salisbury Museum. However, there will also be potential links to attractions further north, such as the Wiltshire Museum in Devizes, the STEAM railway museum in Swindon and the new "Great West Way" Tourist Corridor.
- 2.39 Whilst the opportunity created by the new attraction will help to drive the investment required to grow overnight accommodation capacity in South Wiltshire, the anticipated number of additional overnight stays in the area will also see some visitors staying in and around Swindon, which has far greater total hotel capacity. The demand created will provide a sizeable opportunity to develop the bed and breakfast offer across Swindon and Wiltshire, and also to generate increased trade for local restaurants and pubs, and other businesses.
- 2.40 The non-financial benefits of the project are just as important, with opportunities for employment, volunteering and participation that will be welcomed by Wiltshire's communities. The Army Basing Programme has resulted in 20 per cent of the British Army being based in Wiltshire, and with Army Headquarters nearby at Andover this represents a concentration of personnel that is unequalled anywhere in the country. At the centre of all this, the new museum will be a major focus and geographical hub for military-civilian integration, and an unrivalled opportunity for the Army to interact in a positive way with local communities.

### **Initial Capital Project**

- 2.41 As with its predecessor, the focus of this OBC is a highly cost-effective Initial Capital Project which can be delivered swiftly using only capital funding that is available or committed (subject to the support of the SWLEP). This will enable the new attraction to be built and opened without the need for a capital fundraising campaign.

- 2.42 As well as providing extremely large exhibition spaces, and a range of supporting functions (café, shop, meetings rooms, ticketing and visitor amenities), the building will now provide space for a learning centre, lecture theatre and archive research centre.. Greatly improved designs for the building have been produced since the preliminary designs shown in the previous OBC, and this process is described in more detail below.
- 2.43 The Initial Capital Project will also now deliver a more attractive visitor offer than was previously proposed, in order to deliver a balanced budget from the first year of opening, even if RAM does not meet its target visitor numbers. The project now includes initial exhibitions and displays, along with a large arena and features such as a recreated WW1 trench system, contemporary Forward Operating Base, conservation workshop and a children’s play area.
- 2.44 Unlike the previous proposals, there will be no extended pre-opening or “soft opening” periods after the build has been completed, since the aim is for the museum to be fully open to the public (and generating revenue and economic impact) as quickly as possible.

### **Design development**

- 2.45 Preliminary design work was completed in 2018, with initial design concepts (the “Field Gun” design) featured in the previous version of the OBC. This work formed the basis of consultation with the planning authority, local communities and other stakeholders. Their feedback has informed a thorough review of the design brief, with the key requirements driving the design process confirmed as:
- A Salisbury Plain gallery that maximises the views of the Plain, ideally in all directions;
  - Sufficient space in the museum to do justice to the “living memory” part of the story (WW2 to the present day) and the associated vehicles and equipments (many of them being much larger than the exhibits from earlier periods);
  - The existing Forward Operating Base / compound incorporated into the main visitor route as a venue for outdoor activities and immersive experiences (including the WW1 trench experience);
  - A flat display arena surrounded by a circuit for tracked vehicles, and beyond that space for a more extensive and varied vehicle driving course;
  - The arena to be “open-sided” rather than fully enclosed, with spectators viewing displays against a backdrop of Salisbury Plain including visibility of potential live firing positions and the impact area;
  - A substantial children’s play area that is easily accessible without a museum ticket;
  - A café that is easily accessible without a museum ticket and which provides outdoor seating close to the children’s play area, as well as a pleasant environment and views of the Plain for customers who may not wish to overlook the play area;
  - Space within the building to provide a learning centre to accommodate visits by schools and other education groups;
  - Space within the building to provide an archive research centre to replace the current facility at Larkhill (the full archive storage building would be deferred to a future development phase);
  - Opportunities to enhance the initial offer, including space for an additional museum gallery (if required in the future) and store for the historical archive.

- 2.46 New building designs have now been produced. With the constraint of the “Field Gun” concept removed, the new designs offer a more effective response to the site and topography, and to the analysis of key project requirements set out above. The appearance of the proposed building is simpler now, and more in keeping with military structures and other functional buildings typically found on Salisbury Plain.
- 2.47 Cost efficiency remains a priority, with the majority of the building again formed of steel portal frame structures in a relatively simple arrangement. The main functions are provided in one building, with the ground floor at a single level (not stepped) and the number of vertical movements on the core visitor journey have been reduced (this is also better in terms of accessibility).
- 2.48 As with the 2018 scheme, a “core” area containing the reception, visitor facilities and primary vertical circulation is flanked by two wings providing the exhibition spaces. However, analysis of the collection and interpretive objectives has resulted in a greater understanding of the size and sequence of spaces required.
- 2.49 Most of the gallery spaces in the first wing of the building do not need to be more than a single storey in height, and this has created space above for other functions, minimising the overall footprint of the building. The learning centre, meeting rooms, archive research, lecture theatre and offices accommodated on this first floor are easily accessible, but benefit from being separated from the main visitor route.
- 2.50 In contrast, the second wing contains a single large artillery hall in a double-height space with mezzanine viewing. To accommodate more of the post-WW2 collection, this hall is around 50% larger than the equivalent space in the 2018 design, providing a spectacular display for visitors.
- 2.51 With the main building being two storeys high or equivalent (6m to the eaves), the only element taller than this is the Salisbury Plain gallery, which provides views in all directions over the Plain. This is in the form of an enlarged “watchtower” around 18m square, which is very much smaller than the second-floor restaurant, kitchens and meeting rooms proposed in 2018.
- 2.52 RAM’s multi-faceted catering requirements have led to a split-level design for the café. The main café is easily accessible without a ticket, close to the entrance and to outdoor seating alongside an extensive children’s play area. A second indoor seating area is on the first floor, and offers views out over the Plain.
- 2.53 The new designs are much more effective in the way that they address the project brief than those presented in 2018. Just as important, RAM has taken steps to reduce the visual impact of the building:
- The building has been moved closer to the existing tree line, with the ground floor level dropped by around one metre;
  - The top floor of the building, now containing only the Salisbury Plain gallery, has been reduced in size by around 75%;
  - A simple, functional style has been adopted, similar to other military buildings on the Plain, with the earlier “gun barrel” feature removed;
  - A green cladding material will be chosen, to help the building blend into the landscape;
  - Grass banks and new planting have been introduced to provide additional screening.

2.54 Consultation with Wiltshire Council, local communities and other stakeholders has also continued to inform proposals for the wider site. Work currently in progress includes relocation of the site entrance and changes to the junction design to improve visibility and safety, at the same time reducing the length of new access road. The bus stop closest to the new site entrance will be improved, and site fencing proposals are being reviewed in order to minimise any impacts on pedestrian routes and connectivity.

### **Future capital development**

2.55 It is a fundamental principle that a fundraising campaign is not required in order to deliver the Initial Capital Project. It is equally important that the viability of the museum does not rely on further capital funding from the Regiment once the Initial Capital Project is complete. However, it is considered that there is great potential to secure the capital fundraising required to deliver a number of additional projects over a programme of some ten years.

2.56 RAM will seek funding for subsequent capital projects from a range of sources, such as grant applications (including regional level bids to the National Lottery Heritage Fund and bids to Arts Council England and DCMS), commercial sponsorship opportunities and donations from individuals and charitable bodies. The Initial Capital Project will provide the best possible basis for securing this further funding by offering a clear demonstration of what RAM can achieve; it is also anticipated that the new museum will generate a financial surplus that can contribute to future projects.

2.57 These subsequent projects will be much smaller than the Initial Capital Project, presenting funding targets that are realistic and achievable. Over a period of around ten years the capital development programme could include:

- Improved exhibitions, interpretation and learning resources;
- New permanent and temporary exhibitions;
- New immersive exhibits, for example WW2 gun battery and Air Defence position;
- Enhanced conservation workshop;
- Royal Artillery assault course feature;
- Recreated Armstrong Hut reflecting the military and social history of the Plain;
- Additional museum display gallery;
- Purpose built archive storage facility and research centre;
- A domed cover for the Railway Gun (which will initially be displayed outdoors);
- Improved storage facilities for the reserve collection.

2.58 While these additional projects are not essential for the financial viability of the business, they would improve its performance by attracting new and repeat visitors. This in turn would enable the attraction to develop greater financial resilience, to more effectively preserve and promote Gunner heritage, and to deliver more jobs, spending and economic benefits for Wiltshire.

### 3 STRATEGIC CASE

#### Strategic Vision

- 3.1 RAM's aim is to celebrate the Royal Artillery's heritage and return its nationally-important historic collection to public display at an exciting new museum/visitor attraction on Salisbury Plain where Gunners have trained for over a century. It will place the 300-year history of the Regiment, and the inspirational stories of the men and women who have served in it, alongside the evolution of artillery technology and the British Army's remarkable relationship with the Plain.
- 3.2 This will be a commercially operated and family oriented attraction for visitors of all ages and backgrounds. An immersive visitor experience will feature armoured vehicle rides and driving, recreated WW1 trenches, a contemporary Forward Operating Base, assault course and a children's play area. The collection and its stories of bravery, sacrifice and innovation, will be brought to life through inspiring interactive interpretation, live storytelling and hands-on activities. An extensive programme of military, civilian and community activities will include an annual Artilleryfest event featuring modern capabilities and historical re-enactments. All of this will take place at a location with spectacular views over Salisbury Plain's unique landscape, military training areas and live artillery ranges.
- 3.3 The original purpose of the collection as a teaching resource will be revived, with the new attraction conveniently situated close to the Royal School of Artillery and in the heart of the Army's largest garrison. The guns and equipment will be placed alongside the enormously important historical archive, creating a unique resource for study and research by academics, military personnel and the general public. Educational programmes and resources will support curricula from primary school to university, encompassing history, STEM (Science Technology Engineering and Maths) subjects, English literature, and creative cross-curriculum projects.
- 3.4 A multi-faceted centre for all aspects of Gunner heritage, the new museum will provide a hub for serving personnel, veterans and their families to meet and to share their personal stories. By engaging broader audiences with those stories, it will help to recruit and inspire the next generation of Gunners. Serving soldiers and officers will also be able to volunteer to play a part in the dynamic daily life of the attraction, with world-class gunnery experts contributing to the restoration and maintenance of modern and historic artillery pieces, and the men and women of the Regiment sharing their stories and experiences with visitors.
- 3.5 The new museum will be a major focus and a geographical hub for military-civilian integration, with diverse programmes of engagement, participation and volunteering. It represents an unrivalled opportunity for the Army to interact in a positive way with local communities; it will be the most accessible such centre on Salisbury Plain, and the only significant facility which will not be based behind the military's security barriers.
- 3.6 There will be substantial benefits for Swindon and Wiltshire's tourism industry and economy, with RAM working in partnership with VisitWiltshire and local attractions to bring more people to the area, to encourage them to stay longer and spend more in the local economy. There will be benefits for local communities, with the new attraction providing facilities and opportunities for employment, volunteering and participation.
- 3.7 The new attraction will be recognised within the museums and heritage sector as an example of best practice, among the very best in the country and a nationally-renowned visitor destination. A strong commercial focus will ensure the museum generates the revenue needed to continue investing in the visitor experience, care for the Royal Artillery Collection and preserve an exceptional part of our nation's heritage for future generations.

## Organisational overview

3.8 The Royal Artillery Museum (RAM) is a charity that exists in order to:

- Secure the long-term care and conservation of the Royal Artillery Historical Collection on behalf of the Royal Regiment of Artillery;
- Make that collection publicly accessible by operating a financially self-sustaining visitor attraction, with interpretation and activities that educate, entertain and inspire;
- Engage the widest possible public with Gunner heritage in its broadest sense – not just the artefacts but the 300-year history of the Royal Regiment, its culture, its traditions, and the individual stories of its men and women.

3.9 To achieve the overarching aims set out above, RAM's objectives may be summarised as follows:

- **Conservation** - To preserve and develop the Royal Artillery's Designated collection, delivering the highest standards in accordance with accepted best practice for museums, and thereby ensuring that the collection we pass on to future generations is better conserved and managed than the one we inherited.
- **Engagement** – To share the Royal Artillery's collection and heritage with the widest possible audience through engaging and inspirational interpretation, activities and events, encouraging participation and creativity.
- **Education** – To promote the Royal Artillery's collection and heritage as a resource for the training of Royal Artillery personnel, and to encourage learning through enjoyment for educational groups and the wider public.
- **Research** – To facilitate and encourage the use of the collection for academic, military, family and personal research into artillery systems and technology, the history of the Regiment, and the service and lives of its Servicemen and women, and its families.
- **Civil-Military Relations** – To provide a focus for the integration of the Royal Artillery, and the British Army more widely, with civilian society, and to contribute to the recruitment and retention of Army personnel.
- **Sustainability** – To develop the organisational and financial resilience necessary to secure the future of the collection and ensure RAM can continue to meet its strategic objectives in the long term.

3.10 The RAM Board of Trustees currently has twelve members. Its Executive Chairman is a Major General in the Royal Artillery, who served as General Officer Commanding Scotland and before that Director Royal Artillery, and a former Chairman of the Royal Artillery Historical Trust. The remaining eleven trustees encompass a broad range of expertise and experience:

- A House and Events Manager at a large country estate, previously General Manager of one of the largest heritage attractions in the UK (responsible for daily visitor operations and large-scale events) and before that Head of Commercial Operations for a large visitor attractions group.
- A qualified museum curator and heritage attraction manager, currently Director of a historic mill responsible for all aspects of site and visitor management, income generation and strategic planning.

- A former Director of one of the world's largest visitor attraction operators, responsible for marketing, retail and catering across 100 attractions, previously holding a number of senior roles in marketing and retail.
- The Chairman of destination management company VisitWiltshire and Board Director of SWLEP, previously the owner of a country house hotel and before that holding a number of Director-level posts in marketing and commercial sales.
- A senior commercial real estate solicitor, specialising in structured investment, development, infrastructure and property finance.
- A partner in a major finance and accountancy firm, with experience of complex procurement, finance raising, outsourcing, and a range of strategic and financial projects which focus on infrastructure, procurement, corporate finance, transformational and PPP related issues.
- A senior Executive leader with 35 years of experience in executive, planning and operational roles within the commercial and retail sector.
- A former Brigadier in the Royal Artillery, who served as Director Change in Army HQ and is now working in large-scale project and programme management.
- A former Brigadier in the Royal Artillery, who served as Chief of Staff to the Adjutant General and has extensive experience in senior management, operational planning and human resources.
- A serving Lieutenant Colonel currently commanding a regular Royal Artillery regiment.
- A serving reservist Lieutenant Colonel with extensive experience of Gunner heritage matters.

3.11 Following the most recent additions to the RAM Board, it is considered that all of the key areas are covered, ensuring that the Board has the necessary expertise to guide the successful delivery of the project and to provide feedback on work produced by staff and consultants.

3.12 RAM Board meetings are also attended by the Regimental Controller (who oversees the activities of the Regimental charities) and the Chairman of Royal Artillery Historical Trust (the body that has formal ownership of the Royal Artillery historical collection).

3.13 Reporting to the RAM Board are five sub-Committees, as shown in Figure 3A, below. A Development Committee is responsible for taking forward the Initial Capital Project, as well as the other work necessary for the successful delivery of the new attraction and proposals for long-term capital development (the project framework is discussed further in the Management Case). The Interpretation Committee is responsible for the themes, storylines and content of the museum's exhibitions and other interpretive material. The structure is completed by the Collections Management Committee (which oversees management and conservation of the collection), Finance and Risk Committee, and Audit, Human Resources and Remuneration Committee.

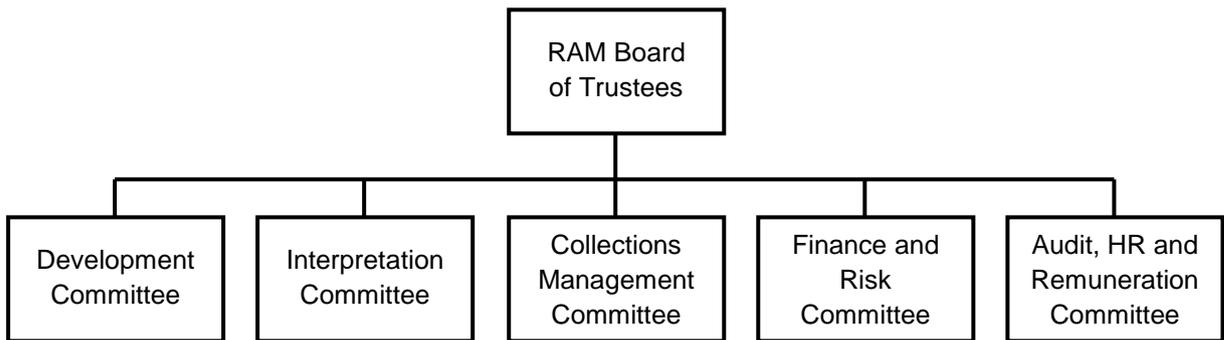


Figure 3A: RAM committee structure

- 3.14 The RAM Board has close relationships with the Royal Artillery, and with a number of groups representing Regimental stakeholders, including the Royal Artillery Institution, the Master Gunner’s Committee and the Royal Artillery Historical Trust. However, the RAM Board acts independently and has full responsibility for the governance of the organisation and for the development, delivery and operation of the new museum.
- 3.15 With the collection having moved into storage (as described above), RAM does not at present operate a public museum in the conventional sense. As a result, RAM’s current activities can be considered in two broad categories:
- Development of the project to deliver the new museum;
  - Management and conservation of the collection, including the display at the RA Barracks, Larkhill and the archive, which also currently operates from Larkhill.
- 3.16 Collections Management represents the greatest proportion of RAM’s current staff activity, with a team of five led by the Operations Manager, and a growing number of volunteers dedicated to this purpose. During 2020 this team will be joined by a Curator who will provide professional leadership for the care of the collection. The Curator will also be responsible for developing the new museum’s educational offer and will contribute to exhibition and interpretation planning.
- 3.17 There is one full-time staff member (the Programme Manager) supporting trustees working on the development and delivery of the new museum (the project framework is discussed further in the Management Case). During 2020, a Museum Director will be appointed, and will take responsibility for the management of all staff and the delivery of the Initial Capital Project. Around a year before opening, a Marketing Manager will be appointed to ensure there is strong public awareness of the new attraction.
- 3.18 The RAM staff structure for the period prior to opening the new attraction is set out in Figure 3B, below. (The project management structure is discussed in the Management Case.)

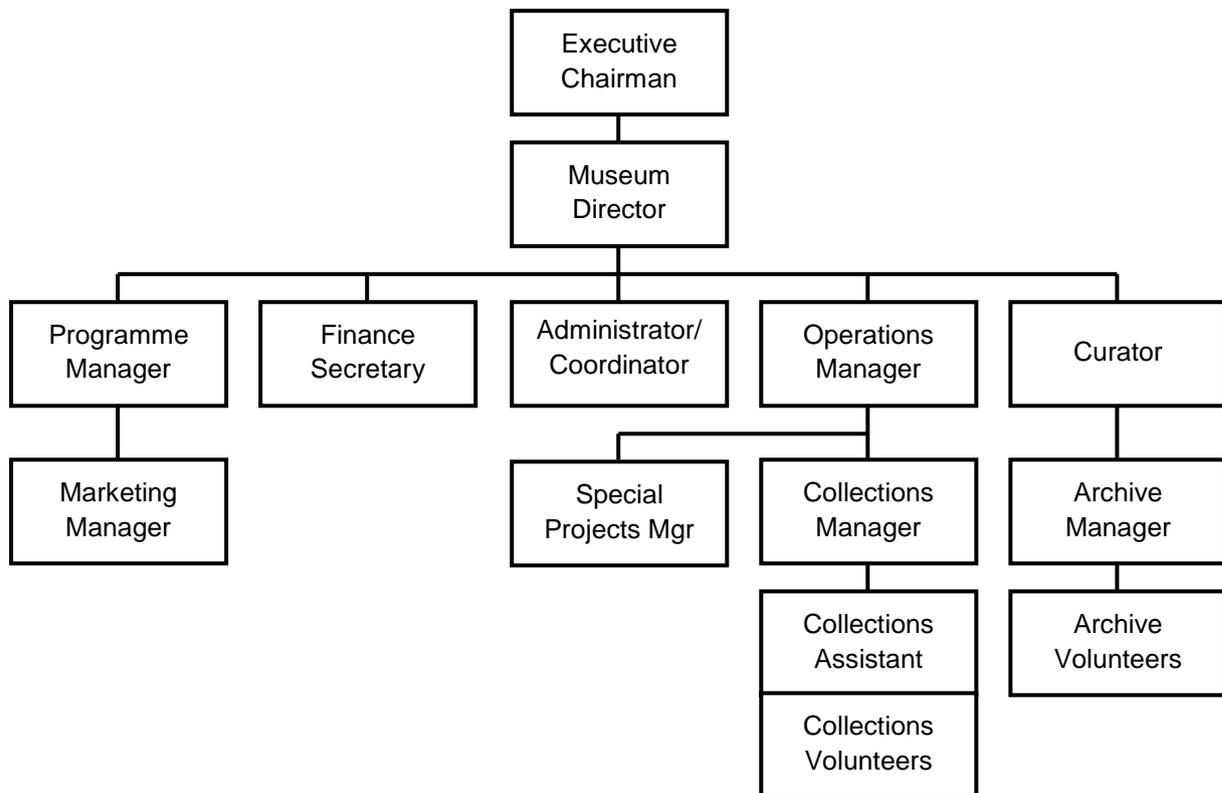


Figure 3B: RAM staff structure

### Strategic Policy Context

3.19 The development of the new museum offers a very strong fit with the strategic policy context including, most importantly, the SWLEP Strategic Economic Plan and the 2019 Royal Artillery Heritage Strategy. The following paragraphs highlight key elements from a number of different policy documents that are particularly relevant to RAM's project.

#### *SWLEP Strategic Economic Plan*

3.20 The SWLEP Strategic Economic Plan (SEP) of 2016 sets out a vision for Swindon and Wiltshire and a programme for economic growth.

3.21 Significantly, the SEP's Overall Vision identifies six strands forming the basis of Swindon and Wiltshire's "competitive advantage", of which two reflect the underlying themes of RAM's project:

- A resilient and attractive rural economy with world class landscape, heritage and visitor attractions;
- An economically significant military presence.

3.22 The creation of an important new visitor attraction with a military theme north of the A303 corridor will make a significant contribution to two factors identified as critical to economic growth:

- Restructure the Salisbury-A303 Growth Zone's economic base, leveraging the opportunities provided by the presence of the Military, Life Sciences and Defence Technologies specialisms at Porton, and building on its world class reputation as a visitor destination;
- Use our military unique selling point (USP) as an enabler in achieving the economic growth we intend to deliver.

- 3.23 Of the SEP's five strategic objectives, the new visitor attraction will directly address number four:
- Place Shaping – we need to deliver the infrastructure required to deliver our planned growth and regenerate our City and Town Centres, and improve our visitor and cultural offer.
- 3.24 The new museum will address three of the Priority Actions identified in relation to Place Shaping:
- Develop a strong visitor economy resulting in new investment as well as increased trade, visitor spend and national and international staying visitors.
  - Deliver the Army Basing Programme as an exemplar of successful military-civilian integration.
  - Support the sustainable development of market towns and rural communities to ensure the right economic, social and visitor infrastructure is in place to ensure their long term resilience and safeguard their attractiveness.
- 3.25 A new attraction that complements Swindon and Wiltshire's existing assets, helping achieve the "critical mass" required to increase visitor stays and spending, addresses a specific target action identified for Place Shaping in relation to the Salisbury-A303 Growth Zone (as stated above, the new attraction will be situated just north of the A303):
- Invest in diversification of visitor economy opportunities in the area, complementing our existing assets and maximising visitor spend and stay duration.
- 3.26 The new museum will have a strong emphasis on learning, in particular STEM subjects, and will also help both Army families and military service leavers to develop new skills, whether as staff or volunteers. This will bring significant benefits in relation to the SEP's strategic objective number one:
- Skills and talent – we need an appropriately skilled and competitive workforce to achieve our growth ambitions.

#### *Royal Artillery Heritage Strategy 2019*

- 3.27 The Royal Artillery Heritage Strategy forms one of the key outputs from the Royal Artillery Strategic Review initiated in the spring of 2018. It defines Royal Artillery heritage in terms of the value that it brings to the Regiment, stating that the aim of activity and expenditure in support of Gunner heritage is to sustain the Royal Regiment of Artillery's past, present and future; RAM's project will make a major contribution to the stated aims of the strategy in all three of these areas.
- 3.28 Through its exhibitions, interpretation material, activities and events, the new museum will:
- Publicly recognise the past service and sacrifice of members of the Regiment (*Our Past*);
  - Provide a major focus for volunteering, participation and engagement with veterans, learning from them, providing support and enabling them to add to the physical and intangible heritage (*Our Past*);
  - Contribute to enhanced professional and operational effectiveness through the exploitation of RA heritage (one of six Decisive Conditions for the Royal Artillery

heritage vision to be realised) and greater understanding of the science and history of artillery (*Our Present*);

- Contribute to heightened esprit-de-corps and regimental identity by promoting greater awareness, understanding and pride in Gunner heritage (*Our Present*);
- Contribute to attracting and retaining personnel, by illustrating the excitement, inspiration, physical challenge, teamwork and professional and technical opportunities of life as a Gunner (*Our Future*);
- Maintain support for what the Royal Artillery does from the general public and across Defence by promoting an understanding of the context and importance of artillery (*Our Future*).

3.29 The Royal Artillery Heritage Strategy sets out a framework for action under four lines of development: Governance; Accessibility; Curation; and Coherence & Information. RAM's project will address fundamental elements of each of these lines of development:

- It will ensure that the collection is protected, not only by providing it with a physical home, but by maintaining an appropriate organisation to care for it and by generating revenue to fund its ongoing conservation (*Governance*).
- It will create a public access museum, which is acknowledged as the principal output of Gunner heritage. This will in turn provide a focus for recording and sharing the Regiment's history over the past 25 years, supporting the implementation of a comprehensive Collections Development Plan and ensuring that the collection can maintain its Arts Council England designated status (*Curation*);
- It will support professional training, primarily by maintaining an effective training support collection near Larkhill. It will also make Gunner heritage available to the broader nation through STEM subjects (one of the six Decisive Conditions for the Royal Artillery heritage vision to be realised), using the science of artillery as a vehicle to encourage STEM learning for schools, colleges and universities (*Accessibility*).
- It will act as a focus for effective communication and engagement at all levels with all stakeholders, greatly enhancing support for Royal Artillery heritage (*Coherence & Information*).

3.30 It is only through the creation of a new public access museum that Gunner heritage can be made fully accessible; this is not only an aim of the Royal Artillery Heritage Strategy and of the Arts Council England designation scheme, but is necessary to justify continued public funding (also a requirement of the Royal Artillery Heritage Strategy). A self-sustaining museum is the only way in which the care of the collection can be safeguarded against any potential reduction in MoD museum funding in the future.

3.31 If the project does not proceed it is unlikely that a public access museum could be created by other means, and as a result there would be significant impacts on the ability to care for the collection and make it accessible. It is unlikely that the designated status of the collection would be retained, and the collection itself might be dispersed with individual items sold to other organisations (and many being lost to public access entirely). The impact of this on regimental pride and esprit-de-corps should not be underestimated; every other significant corps and regiment of the British Army successfully maintains a regimental

museum, and the loss of a designated collection (one of the finest held within the Army) would bring widespread public criticism.

#### *Wiltshire Council Business Plan 2017 - 2027*

- 3.32 RAM's project offers a strong fit with the priorities identified in the Wiltshire Council Business Plan (WCBP), and would make a major contribution to achieving some of the goals that the Council has set for itself.
- 3.33 By creating, and supporting, new jobs in a rural area, the project will contribute to the WCBP priority of Growing the Economy, in particular the following Goal for Employment:
- More sustainable tourism and rural jobs.
- 3.34 Goals for Sustainable Development include:
- Successful return of the British Army from Germany to Wiltshire.
  - Public land released for homes and jobs.
- 3.35 The project will see the new jobs delivered through the release of public land (the WCBP goal specifically mentions MOD sites). As noted above, the museum will make a major contribution to military-civilian integration and, as a result, the successful return of Germany-based Army units to Wiltshire.
- 3.36 Military-civilian integration, along with extensive opportunities for volunteering at the new museum, will contribute to the Council's priority of Strong Communities, in particular two of the Goals for Community Wellbeing:
- More volunteers and work with the voluntary sector.
  - Military and civilian communities are well integrated.

#### *The Great West Way*

- 3.37 VisitWiltshire has been leading on the development of the Great West Way. Its vision is to create one of the world's premier touring routes, joining up destinations and attractions along a corridor between London and Bristol, and aimed at tourists who want to "explore further, delve deeper and uncover the essence of England".
- 3.38 The Great West Way highlights heritage and history as well as contemporary culture. It talks of how the past is "what makes us what we are today and it has left a lasting and spectacular impression on our landscape". The underlying concept is based on making connections between different sites and attractions, and between those places and the story of our nation. For visitor experiences to be true to the Great West Way brand, they should help reinforce seven key messages:
- Variety;
  - Narrative;
  - Independence;
  - Contrast;
  - Authenticity;
  - Experience;
  - Englishness.

- 3.39 RAM's new museum will provide a great opportunity to contribute to this important initiative. It will be located within easy reach of the Great West Way corridor, just a few minutes away from Stonehenge (the most famous destination in the area) and overlooking the quintessentially English landscape of Salisbury Plain. Indeed, the rolling chalk grassland familiar to the people who built Stonehenge is better-preserved within the military training area than anywhere else in Western Europe. The museum will show how the Royal Artillery fits into this landscape, but also how 120 years of Army training has helped preserve the evidence of the preceding 10,000 years of human life, as well as the unique ecology of the area.
- 3.40 It will add to the variety visitors can experience along the Great West Way; there is no comparable military attraction anywhere along, or close to, the route. It will offer its own variety and contrasts too: a modern visitor attraction with a museum collection that ranges from medieval canon to the latest technological developments; a narrative that places the 300-year history of the Regiment alongside the individual stories of its men and women; the peace of the countryside returning just moments after the excitement of artillery fire. It will help visitors make connections to other destinations in the area too, for example by highlighting thematic links to the museums at Salisbury and Devizes, both of which hold strong collections relating to Salisbury Plain.
- 3.41 It will also offer experience and authenticity. Visitors could experience riding in an armoured vehicle or exploring a Forward Operating Base on the ground where soldiers trained for recent conflicts in the Middle East and Afghanistan. They will hear first-hand stories from people who were there, with many of our staff and volunteers drawn from the large community of Royal Artillery and other Army veterans. Visitors will be immersed in the sights and sounds of a WW1 trench system, and they will learn about the less well known story of the thousands of soldiers who travelled to Salisbury Plain from across the Commonwealth to prepare for action in the First World War. The museum will not only explore the Royal Artillery's intimate connection with Wiltshire, but will show how the Regiment played a major role in shaping British history over the last three centuries, and in so doing will add greatly to the experience of tourists following the Great West Way.

*Wiltshire & Swindon Destination Management and Development Plan 2015-2020*

- 3.42 The Wiltshire and Swindon Destination Management and Development Plan (DMDP) is a plan for managing and investing in the visitor economy. This is enormously important to Wiltshire and Swindon, with the visitor economy worth £1.6billion, supporting over 29,000 jobs and generating £875m in GVA (Gross Value Added).
- 3.43 The aim is to maintain this level of economic contribution, and to accelerate growth, by getting stakeholders and partners in the visitor economy to work together. The following paragraphs highlight how the new museum would address a number of the key priorities identified in the DMDP (which are quoted in italics).
- 3.44 A new attraction focused on the county's best-known heritage assets - its military history and the unique landscape of Salisbury Plain – will contribute to "*A stronger identity for Wiltshire as a destination*":
- *The image and reputation of Wiltshire are vital components in the destination's competitive positioning. The way in which Wiltshire is perceived has an impact on its ability to attract investment and visitors.*

- 3.45 A museum at the heart of the county, working in partnership with attractions to the north and south will strengthen the case *“To improve transport services and connectivity”*:
- *Seasonal congestion on main roads, limited rail access and poor connectivity between different parts of Wiltshire discourage visitors from stopping and exploring. In particular there is a need to improve road and rail links between the north and the south of the County.*
- 3.46 A new attraction linked to Wiltshire and Swindon’s best known heritage and natural assets, its military history, the archaeology of the training areas and the exceptionally well-preserved landscape and ecology of Salisbury Plain, offers visitors *“More to see and do”*:
- *To encourage visitors to stay longer and visit more frequently, Wiltshire & Swindon needs to develop additional visitor attractions that create more choice and make more of the area’s significant heritage and natural assets.*
- 3.47 An important new attraction, with a display arena and the ability to host a varied programme of different activities throughout the year, will help *“To create reasons to visit now”*:
- *To compete effectively Wiltshire & Swindon needs to provide reasons for visitors to select this County over other destinations. Festivals, events, food & drink experiences and shopping all provide opportunities.*
- 3.48 A new year-round visitor destination with plenty to do indoors and a programme of activities and special exhibitions across the whole year will help *“To address seasonality issues”*:
- *Wiltshire & Swindon attracts visitors throughout the year but there are seasonal peaks in the summer months, which lead to overcrowding at popular attractions and road congestion, bringing associated management issues. The Visitor Accommodation Study identified shortage of capacity during the peak season. Conversely seasonality creates under-use of assets at other times and that has adverse impacts on business cashflow and employment. The business case for investment and expansion is stronger if the return on investment will be supported by stronger year-round trade.*
- 3.49 Being located close to Stonehenge means that during the summer peak periods there will be a nearby alternative for visitors who, arriving at Stonehenge without a ticket, find that there is a long wait for an available entry time.
- 3.50 A new attraction with the highest standards of visitor experience and strong thematic links to other attractions in Wiltshire and Swindon will help *“To deliver a consistent quality of visitor experience”*:
- *The visitor experience must be excellent in every way to encourage visitors to explore further with confidence.*
- 3.51 The new museum will not only help visitors appreciate Salisbury Plain, arguably the most important landscape in the County, but will have the potential to relieve visitor pressure at Stonehenge. A high quality new visitor destination that complements Wiltshire’s existing offer and works in partnership with other attractions, it will help create *“Reasons to come, things to do and places to stay”*:
- *There is a need to enhance the experience at Wiltshire’s most important sites.*

- *There is a need for experiences that add to the range of things to do, appeal to higher spending target audiences and which help encourage longer stays throughout the year.*
- *New visitor attractions to create further reasons to visit, to stay longer and come back and which will have a transformational impact on the visitor economy, accelerating growth and job creation directly and by creating hubs of visitor activity stimulating other business investment in the immediate vicinity.*

3.52 As stated above, the new museum will work in partnership with other visitor attractions to support improvements to transport, contributing to “Getting here and getting around”:

- *Travel is an integral part of the visitor economy. Visitors need to travel to get to Wiltshire & Swindon and then to travel around the destination once they have arrived. It is recognised that 'Better transport would encourage tourists to stay longer, to travel around the county and to spend more in the local economy'. The visitor economy has much to gain from supporting major infrastructure improvements and can help provide further reasons for that investment.*

#### *VisitWiltshire Brand Positioning Plan*

3.53 The Brand Positioning Plan was produced following extensive consultation, and provides overall strategic positioning of Wiltshire as a destination. It is intended to inspire confidence, set Wiltshire apart from other destinations, be relevant to all sectors, and be meaningful and credible to both domestic and international visitors.

3.54 The concept that the Brand Positioning Plan is built on is “Timeless”; a focus on history and provenance, time and place. History is at the core of RAM’s new museum, with a narrative encompassing the 300 year history of the Royal Artillery, the evolution of artillery over 800 years and the Salisbury Plain landscape where 120 years of Army training has preserved the evidence of 10,000 years of human life.

3.55 One of the four groups of Products and Experiences that are developed in the Plan is of particular relevance: Timeless Nature features “big skies, rolling downland, areas of outstanding natural beauty, WHS, flora and fauna, wildlife, nature’s bounty”. There is perhaps nowhere better to experience this than Salisbury Plain. The new attraction will offer unrivalled views across rolling chalk grassland, home to rare species of birds, animals and plants and just a short distance from the World Heritage Site of Stonehenge.

#### *VisitEngland Strategic Framework for Tourism 2010 - 2020*

3.56 The Strategic Framework for Tourism highlights the importance of tourism to the UK and its economy, with a value estimated (in 2010) at £97billion and supporting over two million jobs. To thrive, the tourism industry must remain competitive, and “must offer visitors great experiences in great destinations.” This is exactly what the new visitor attraction will do, creating a new kind of military heritage experience beside the most famous Army training area in the country.

3.57 Of the Framework’s four key objectives, Objective 2 is of particular relevance, being “to offer visitors compelling destinations of distinction.” The Strategic Framework identifies the English tourism industry’s key assets as being its “cultural experiences, historic environments and natural landscapes.”

3.58 The new museum will be a new high-quality destination based on a cultural experience – the presentation and interpretation of an internationally-important museum collection and a diverse range of related stories, with regularly changing temporary exhibitions and activities. This will be set on Salisbury Plain, a landscape of enormous environmental and historic importance. It will be well placed to not only contribute to this national strategy, but to highlight the value and potential of Wiltshire as a compelling destination in its own right.

#### *Army 2020*

- 3.59 Army 2020 was initiated in response to the Strategic Defence and Security Review, and is based on a future British Army comprising an integrated force of around 82,000 Regular personnel and 30,000 trained Reservists (the latter increasing from previous levels of around 19,000). This will be a smaller but more adaptable force, better able to meet likely future threats. It will also see troops withdrawn from Germany, with the Army almost completely UK-based for the first time in many generations.
- 3.60 Wiltshire's long association with the British Army will be strengthened, with more troops (and Army families) based here including many of those relocating from Germany. The Salisbury Plain Training Area will be of huge importance, becoming home to all three future Armoured Infantry Brigades and the UK's main focus for battlegroup training. Around half of Royal Artillery regiments will be stationed here, with the Larkhill Garrison expanded substantially to accommodate more personnel. It will also remain the home of the Royal School of Artillery and the Regimental Headquarters Royal Artillery.
- 3.61 As well as the physical infrastructure this programme requires, it will see the Army engage with civil society in different ways. The need to engage with civil society is identified as one of three key strands in establishing a "Firm Base" for the Army. It includes all activities with the wider public that generate mutual understanding, focus support to the Army community (current, future and past) and by which the Army community fulfils its responsibilities to society. The outcomes of successful Civil Engagement include public support and better recruitment for both Regulars and Reserves. The new visitor attraction represents a great opportunity for Civil Engagement, in particular through its contribution to military-civilian integration, which is discussed further below.
- 3.62 There are clear benefits to locating RAM's new museum close to the present and future home of the Regiment. It will increase access to the Royal Artillery's historical collection by serving personnel, with an improved sense of ownership and understanding of their heritage. It will offer improved opportunities for the collection to be used for teaching and training of soldiers and officers - the original purpose for which it was established. Army families will benefit from new jobs, volunteering opportunities, educational programmes, and activities and events for all ages.
- 3.63 It will also make a major contribution to the public perception of the Royal Artillery, and of the British Army, offering insights into military life and activities on Salisbury Plain that are currently unavailable to the general public. In short, the public will gain a better understanding of the way in which public money is spent on defence. The serving Regiment will contribute to some activities, most notably an annual Artilleryfest event.
- 3.64 In summary, RAM's new visitor museum will be highly compatible with the Army 2020 strategy, with a particular opportunity to make a major contribution to Army 2020 aims for Civil Engagement. The project is strongly supported by the British Army, with the former Chief of the General Staff, General Sir Nick Carter (now Chief of the Defence Staff)

directing in 2018, and his successor General Sir Mark Carleton-Smith confirming in 2019, that the land at ACW will be allocated to the Royal Artillery for this purpose.

### *Military Civilian Integration*

- 3.65 The Military Civilian Integration Partnership was established in 2006 to shape and positively influence changes in military presence for the benefit of both military and civilian communities. MOD, Defence Infrastructure Organisation, Wiltshire Council, SWLEP, The Homes and Communities Agency and other educational and voluntary organisations are represented on the Partnership Board.
- 3.66 The aim of the Military Civilian Integration Partnership is to improve the economic and social benefits of the military presence in the County. By working together the Armed Forces personnel, their families, veterans and local communities will all benefit. The Partnership has seven main objectives:
- To identify and respond to the changing military ‘footprint’ in Wiltshire;
  - To maximise the economic contribution of the military to the County;
  - To ensure the council and its partners can meet the needs of military personnel, their families and veterans as changes occur;
  - To capitalise on opportunities for regeneration and building sustainable communities;
  - To ensure the County continues to remain an attractive location for our Armed Forces and long-term investment by MOD;
  - To encourage local communities to support the Armed Forces through the Community Covenant Grant Scheme;
  - To assist service leavers in career transition and into employment in the area, helping soldiers back into civilian society.
- 3.67 RAM’s new museum will be a major focus for this important initiative, providing a venue and geographical hub for military-civilian integration in the Army’s largest garrison. RAM will work in partnership with Wiltshire Council and other stakeholders to maximise its contribution to meeting the needs of military personnel, their families and veterans. Key elements of this would include the creation of local jobs, volunteering opportunities and educational and training programmes. Many of these will help service leavers in career transition in the area, creating pathways for their integration into civilian society.
- 3.68 Activities at the new museum will be aimed at both military and non-military families, and many will be led by former Service personnel. This will contribute to social integration, foster improved understanding and lead to improved public support for the Armed Forces.
- 3.69 Although RAM is an independent charity and is not managed by MOD, it would add to the overall “military-related” economic contribution to the County. The economic impact of the new attraction is discussed in more detail in the Economic Case. There is also the potential to provide facilities – including the museum’s demonstration arena – that could be used by defence industry and sales organisations, further enhancing the importance of Salisbury Plain to both the MOD and to the British economy as a whole.

3.70 In summary, the project is highly compatible with the aims of the Military Civilian Integration Partnership, and will make a significant contribution to the specific objectives of the Partnership.

#### *Army Review of Regimental Museums 2017*

3.71 In 2017 the British Army conducted a wide-ranging review of its Regimental museums. It aimed to clarify the strategy, purpose, outputs and operating models of Army museums, the scale of MOD investment, and how value for money could be demonstrated. It also considered how the museums could develop for the future, and how the benefits to the Army might be enhanced.

3.72 Following the review it is clear that RAM will continue to be one of the highest priority museums for Army funding, with its current Grant In Aid arrangements confirmed to continue until at least 2030. This underlines its importance to the Army and also the need to return the collection to public access. However, it is also clear that it will become increasingly important for all Army museums to deliver tangible contributions to the recruitment, training and retention of personnel. They will also need to create the conditions to become increasingly self-sustaining in the future as the overall trend is likely to be for decreased funding for the Army in general and for its museums in particular.

3.73 In this context there is a strong argument for the Royal Artillery's museum collection to be located close to both the home of the Regiment (the Regimental Headquarters is just two miles away at Larkhill) and the Royal School of Artillery, where it can contribute to training and to the general culture and ethos of its soldiers and officers. It will also contribute to recruitment by creating a focus for positive public engagement with the Regiment. At the same time serving soldiers and officers will be encouraged to play their part in the life of the attraction, sharing their world-class gunnery expertise and extensive operational experience with our visitors.

3.74 Unlike its predecessor at Woolwich, RAM's new museum will have the location, space and flexibility it needs to create a viable business. RAM's visitor research indicates that with the proposed activities and experiences, the museum will achieve the visitor numbers needed for financial sustainability. This will, in turn, ensure the resilience of the organisation and secure the care of the collection.

#### **Strategic needs**

3.75 Analysis of this strategic policy context not only confirms that the project offers a strong fit with a wide range of policies, but also establishes ten key strategic needs that will be met by the project. There is a clear need for:

- 1) A major new visitor attraction at the heart of Wiltshire and linking to the Great West Way corridor, complementing the county's other assets and creating the "critical mass" needed to increase visitor stays and spending.
- 2) A museum that can develop partnerships, helping drive up visitor numbers at Swindon and Wiltshire's other attractions and relieve peak-time visitor pressure at Stonehenge.
- 3) An attraction that will bring a nationally-important museum collection to Wiltshire, creating a high-quality visitor experience in a unique location.

- 4) A new home for the Royal Artillery's historic collection, close to the home of the Regiment, contributing to regimental esprit-de-corps and the recruitment, training and retention of personnel.
- 5) A place where tourists and local communities can experience unrivalled views of Salisbury Plain and find out how Army training has preserved Wiltshire's most important landscape and its extraordinary ecological and archaeological legacy.
- 6) A business that will regenerate a rural area with few facilities, creating new jobs for local communities and, through its wider economic impact, supporting many more jobs across Swindon and Wiltshire.
- 7) A major focus and geographical hub for military-civilian integration in the area most affected by the Army Basing Programme, and for positive public engagement with the Royal Artillery and the Army as a whole.
- 8) A place that will encourage and inspire learning for all ages, from STEM subjects and creative cross-curricula projects for schools to training for service leavers.
- 9) A centre for volunteering, with opportunities for veterans and people from all walks of life to get involved in a wide range of different activities, gain confidence, learn new skills and play a part in safeguarding their national heritage.
- 10) A visitor attraction that is financially self-sustaining, securing the future conservation and care of the collection, and substantial and lasting economic benefits for Swindon and Wiltshire in the long-term.

### **Meeting RAM's objectives**

- 3.76 In addition to these ten strategic needs, there is an urgent need for the project as a means for RAM to meet its own strategic objectives, as set out earlier in this section, and in particular to achieve the financial sustainability necessary to secure the future of the Designated collection. (While there is some repetition and crossover between the two sets of requirements, it is important to acknowledge RAM's objectives, and how they will shape the new museum project.)
- 3.77 Without an operational museum, RAM's ability to meet its objectives is at present severely constrained, to a degree that threatens the future of both the organisation and the collection in its care. The following paragraphs summarise the current status and the need for the proposed project in relation to each of those objectives.

### *Conservation*

- 3.78 The collection is being well cared for, and has retained its Designated status while in storage. Although a small interim display of historic artillery has been established in Larkhill camp, few elements of the collection are readily accessible to the general public. The collection is dispersed across different sites, with limited spare capacity and no central museum facility. This constrains opportunities for new acquisitions, recording projects (such as oral histories) and for the continued development of a dynamic living collection. There is also no means of funding conservation work or improving conservation facilities.

### 3.79 Conservation needs:

- Return of the Designated collection to public display in an appropriate museum environment;
- Improved storage, workshop and conservation facilities;
- A sustainable source of revenue to fund conservation projects and the continued development of the collection;
- Capability to reflect the recent experiences of Gunners, through new acquisitions and oral history/recording projects.

### *Engagement*

3.80 The current storage locations, and the display at Larkhill, are all within security-controlled facilities with no general public access. There is the potential for very limited access for a small number of group visits, but there are no facilities for visitors and relatively little interpretation material to explain the objects or to engage people with the themes of artillery, the Regiment and their home on Salisbury Plain. RAM has no venue at which to host demonstrations, activities or events to support its core purpose.

### 3.81 Engagement needs:

- A museum with sufficient space to display a significant proportion of the collection, and where the broadest possible public audience can be engaged with the collection and its stories, with the wider heritage and culture of the Royal Artillery and with the individual stories of the men and women of the Regiment;
- A focus for engaging the local communities and the general public with the story of the Royal Artillery, and the Army as a whole, on Salisbury Plain;
- Properly planned and designed interpretation using a range of different approaches and media, and reflecting current thinking and best practice;
- A venue that can host activities, demonstrations, displays and events related to the collection and its stories, from expert lectures to fun learning experiences for families.

### *Education*

3.82 The ability to host educational visits from school groups or Royal Artillery personnel in training is extremely constrained by the present arrangements, and opening to the general public would be impossible. The collection is held in security-controlled facilities which lack the basic facilities required for such visits. No comprehensive teaching collection is available, and there are no targeted learning resources or materials.

### 3.83 Education needs:

- A new home for the historical collection which is conveniently located for use as a teaching and training resource by the Royal School of Artillery and for other groups of soldiers and officers;
- Dedicated facilities for schools and education groups;
- Educational programmes and materials for school groups, developed with local schools to respond to curricula and other user needs;

- A museum that provides engaging interpretation and activities that encourage learning through enjoyment for education groups, the Regiment and the wider public;
- A source of income to fund the staff and development of resources and materials that are required to maximise learning opportunities for visitors of all ages.

### *Research*

3.84 Only a small proportion of the archive and library is currently immediately accessible, and working space is limited. As a result, opportunities to promote the archive more widely are severely constrained. There is very limited scope for research into the physical objects in the collection, and the potential for researchers to achieve a more rounded understanding, by bringing together the archive with the physical objects, is lost with the collection and archive separated.

3.85 Research needs:

- A site where the archive can be brought together with the physical objects in the collection, enhancing the understanding of both resources;
- A site where high quality archive storage can be provided, with the archive material made accessible in reading and research rooms;
- A museum that can provide a focus for promoting the use of the whole collection for academic, military, family and personal research into artillery systems and technology, the history of the Regiment and the service and lives of its men and women.

### *Civil-Military relations*

3.86 With no public-facing facility, there is little potential for RAM to contribute to the integration of military and civilian communities, to Army and Royal Artillery recruitment or to the Army's engagement with the general public.

3.87 Civil-Military relations needs:

- A place that can become a public face for the Royal Artillery, and encourage positive public engagement with the Army as a national institution;
- A venue that can bring together military and civilian communities for a programme of activities throughout the year;
- A centre for volunteering, bringing together Army families, veterans and civilian communities to help care for the collection and present it to visitors.

### *Sustainability*

3.88 With no museum or venue for activities, the opportunities for RAM to generate revenue are severely constrained. The majority of operational costs are currently met from MOD and regimental funding, but any costs over and above this drain RAM's reserves and, therefore, have an impact on the long-term financial resilience of the charity.

3.89 Sustainability needs:

- A museum that can offer the high-quality interpretation, hands-on activities and immersive experiences that will attract visitors and generate revenue;

- A venue that can host special exhibitions and a programme of other activities throughout the year to attract new and repeat visits and generate revenue;
- A building that provides a café, shop, meeting rooms and flexible spaces for private hire and other special activities to generate revenue;
- A place where the majority of the collection can be brought together for more efficient management, and where an army of volunteers can be recruited, minimising operational costs.

## Transport

- 3.90 Transport is a key strategic issue for the project, and an important one for local communities. A full Transport Statement is being developed for submission with the planning application, and this will consider the proposed development in relation to relevant transport policies and strategies and in the context of the existing transport conditions and anticipated future traffic growth.
- 3.91 The proposed museum site is accessed directly from an “A” road (the A345), providing better accessibility than any of the alternative sites considered. In response to consultation with the Wiltshire Council highways team and local communities, RAM has moved the proposed site entrance to provide maximum visibility and reduce impact on local communities, and has also revised the junction designs to include a turning lane / refuge for vehicles turning right into the museum site.
- 3.92 Traffic surveys have been undertaken to provide baseline information on traffic flows and speeds on this section of the A345. While some local residents have expressed concerns about the speed of traffic on the A345, the safety records do not indicate any pattern of accidents that would suggest a particular road safety issue on the road adjacent to the proposed museum site.
- 3.93 Initial work on likely vehicle trip generation indicates that the additional journeys generated by visitors to the museum will be a very small proportion of the overall use of the A345. The Transport Statement will show that the museum is expected to have no significant adverse effect on the operation of the local highway network.
- 3.94 Alongside the Transport Statement, RAM will also submit an outline Travel Plan with the planning application, and this will set out a long-term framework for reducing single occupancy private car journeys to the museum, increasing awareness of alternative more sustainable modes of travel, and facilitating visits by people with different mobility needs. RAM is committed to developing and implementing a more detailed Travel Plan prior to the operation of the new museum.
- 3.95 There are two bus stops immediately adjacent to the site, which represents better provision than any of the alternative sites considered for the museum. Following consultation with local communities, RAM is now proposing to enhance the bus stop closest to the museum entrance, to facilitate safer use by museum visitors and local residents alike.
- 3.96 The bus service is at present hourly throughout the day on six days of the week, with a reduced service on Sundays. While it is hoped that the development of the museum would encourage the bus companies and Wiltshire Council to consider enhancing this service, the existing level of provision is typical for most rural parts of the county. Once the museum is established, there may be opportunities to develop partnerships with other attractions and stakeholders in the county to explore ways of improving connectivity.

- 3.97 There are no public rights of way across the site, but parts of the site are used by local communities as part of informal pedestrian routes providing connectivity between villages and other residential areas. In response to consultation with those communities, RAM is revising its proposals for site fencing and security to allow such informal use to continue where possible. Once the museum is established, there may be opportunities to work with local authorities and other stakeholders to explore ways of improving connectivity for pedestrians and cyclists. This may include potential links to the network of byways, bridleways and footpaths that already existing in and around the Salisbury Plain Training Area.
- 3.98 RAM's designs for the parking area reflect the aspirations that will be set out in the outline Travel Plan, by including a generous provision for coach parking, motorcycles, covered cycle parking and a drop-off point facilitating taxis from local railway stations. There will also be a generous provision of disabled parking spaces situated in the section of the car park closest to the museum entrance.

### Strategic risks and dependencies

- 3.99 Moving the location for the new visitor attraction from KDE to ACW was a decisive step in managing project risk at a strategic level. It eliminates or downgrades substantially all of the significant risks relating to the KDE site. These are summarised in Table 3A, below.

Risk	KDE scheme	ACW proposals
Site access	Required a new access road from The Packway, a distance of some 2km.	Immediately adjacent to the A345 with direct access from the road.
Services and utilities	No services were present at the KDE site, requiring new connections to the main networks some 2km away.	All essential services exist on site, with the main utilities networks running within the adjacent A345 corridor.
Bylaws and byways	The KDE site was within the "red flag" area, and would have required a change to the Salisbury Plain bylaws. Site access was likely to require changes to a public byway.	The ACW site is outside the restricted "red flag" area, and there would be no impact on public byways.
Army training	Concerns were raised by MOD/Army Training in spring 2017 that a museum at KDE could significantly constrain future training capability.	The ACW site was identified by MOD/Army Training as it was not considered critical to future training capability.
Shared use of the site	The KDE scheme would have required RAM to share the site, and its visitor facilities, with a number of equestrian users, creating additional capital costs and operational constraints.	It is anticipated that the entire ACW site (other than the area occupied by MOD contractors Landmarc) would be leased to RAME.
Archaeology	Close to Stonehenge World Heritage Site and adjacent to the potential WHS extension area, close to important Scheduled Ancient Monuments including the Knighton Barrow.	Distant from Stonehenge World Heritage Site and any known Scheduled Ancient Monuments. Large parts of site already disturbed by existing military development.

Table 3A: risks reduced by moving project location from KDE to ACW

- 3.100 Furthermore, RAM's strategic approach to delivering the project has been developed specifically to address the other key risks that were raised in relation to the project. The Initial Capital Project requires no new fundraising (subject to retaining the support of the

SWLEP) enabling progress to be made within a short timescale, and it creates a flexible and efficient operation facilitating controlled and sustainable expansion which can respond to variations in visitor numbers.

- 3.101 Good progress has been made in addressing the remaining three strategic dependencies that are common to many such projects:
- Land;
  - Planning permission;
  - Funding.
- 3.102 The land at ACW is owned by MOD (and managed by the DIO), with the decision to allocate the land resting with the Army. The Chief of the General Staff (the head of the British Army) has written to the Royal Artillery confirming that the Army is content for the land to be allocated for the new museum. Detailed lease negotiations with the DIO are underway; it is anticipated that Heads of Terms will be signed in March 2020, with the full lease to be signed as soon as planning permission is achieved.
- 3.103 With regard to planning permission, extensive work has already been undertaken. Transport, environmental and archaeological surveys have not identified any reasons why the proposed development should not achieve consent.
- 3.104 Consultation with local communities has identified the key areas of concern; these will be addressed in the planning application, and where possible the proposals are being revised to mitigate such concerns.
- 3.105 At a strategic level, Wiltshire Council (the local planning authority) has expressed strong support for the proposals (and was from the start highly influential in the decision to bring the Royal Artillery Museum to Salisbury Plain.)
- 3.106 With regard to funding, the grant from SWLEP remains critical to the project. The additional funding required is available from a combination of RAM reserves and regimental charities, so with the support of SWLEP, the project can proceed without delay. On this basis, it is anticipated that construction work would commence in the summer of 2020, with the SWLEP grant drawn down and spent towards the end of the year.

### **Strategic Support**

- 3.107 Since 2014, the proposal to bring the Royal Artillery's historical collection to Salisbury Plain has generated an exceptional level of enthusiasm from both military and non-military stakeholders at local, regional and national levels. This started with Wiltshire Council and VisitWiltshire, both of which were instrumental in persuading the Royal Artillery to consider Salisbury Plain as the site for the new museum.
- 3.108 There has been an equally positive reaction at a national level, with many local MPs expressing their support for RAM's relocation to the Plain.
- 3.109 The heritage and tourism sector has also been supportive; organisations which have expressed their support for RAM's relocation to Salisbury Plain have included:
- VisitWiltshire;
  - English Heritage (Stonehenge);
  - Royal Armouries (Fort Nelson);

- Museum of Army Flying;
- BAPTY (the leading supplier of artillery and weaponry for film and theatre).
- Wiltshire Museum, Devizes;
- Salisbury Museum;
- Imperial War Museum;
- National Army Museum;
- Association of Leading Visitor Attractions;
- Visit England;
- South West Tourist Alliance.

3.110 Just as important, the project has the full backing of the Royal Artillery, as well as key regimental stakeholders, such as the Royal Artillery Institution and the Royal Artillery Historical Trust. It has gained the backing of Lieutenant General Sir Andrew Gregory KBE CB, who as the Master Gunner St James's Park, acts as the link between the Regiment and its Captain General, Her Majesty the Queen (who is the museum's Patron and who has been briefed on the Regiment's intention to create a new museum near Larkhill).

3.111 The Regiment's support for the project is reflected in the firm commitment made by regimental charities to provide funding in the form of grants and interest-free loans.

## **4 ECONOMIC CASE**

### **Critical success factors**

- 4.1 In order for the project to successfully meet the identified needs (as set out in the Strategic Case), the following are critical:
- To deliver the project using funds already secured or pledged (subject to the support of the SWLEP), without the need for a capital fundraising campaign.
  - To include all of the major construction works, which is more cost-effective and avoids the need for disruptive building work after opening.
  - To create total display and storage space sufficient to enable the majority of the Royal Artillery's collection to be brought together on one site.
  - To deliver a commercially attractive visitor offer that can form the basis of a viable and sustainable business from the first year of opening.
  - To facilitate an efficient and flexible operation that builds on the existing staff and volunteer team, allowing controlled and sustainable expansion of the business to respond to variations in visitor numbers.
  - To facilitate further development projects delivering additional interpretation, activities and attractions, which can proceed as and when additional capital funding is secured.

### **Proposed way forward**

- 4.2 The proposal is for an Initial Capital Project with a total budget of around £8.15 million, including fees, contingency and an allowance to offset RAM's anticipated operational deficit

prior to opening the new museum. This total budget has been increased from that proposed in 2018, based on a review of what was needed to achieve the critical success factors set out above. As a result of this, a higher capital funding contribution has been committed by RAM and the regimental charities. With the support of the SWLEP, the project will proceed in 2020 without additional fundraising, enabling progress to be made within a short timescale.

- 4.3 As with the 2018 proposals, the largest proportion of the budget would be used to deliver a large and cost-efficient building, using a steel frame and insulated panel construction, along with basic external works and infrastructure. The latest design work and cost estimates confirm that by adopting this approach the available budget will be sufficient to create a building considerably larger than that proposed for the previous scheme at KDE.
- 4.4 Delivering all of the main construction works in a single project will enable considerable economies of scale, as well as saving on the building inflation that would otherwise accrue if part of the main building was to be deferred to later phase. It will also avoid the need to undertake any of the main museum construction works after the museum has opened, which would result in additional disruption to local communities and museum operations, and impact on the quality of visitor experience.
- 4.5 The display areas will be able to accommodate a large proportion of the collection, allowing it to be centralised on one site, improving management and eliminating the cost of leasing storage space elsewhere. It will allow impressive displays to be created with even the largest objects housed indoors, resulting in enormous benefits for the conservation and care of the collection. There will also be enough space for all supporting functions including a café, shop, education rooms, meeting rooms, ticketing and visitor facilities.
- 4.6 The Initial Capital Project will see the collection installed with simple but effective interpretive material, primarily information panels and video screens. Interpretation planning work will build on the experience gained from developing the displays at Larkhill, with RAM undertaking further consultation with stakeholders, user groups and subject matter experts. There will be diverse opportunities to supplement fixed interpretation with hands-on activities, demonstrations and guided tours.
- 4.7 The updated proposals significantly enhance this basic visitor offer, with the WW1 trench experience, contemporary Forward Operating Base, conservation workshop and children's play area all included in the Initial Capital Project. With a large display arena, RAM can initiate a programme of exciting activities without requiring additional infrastructure.
- 4.8 As set out above, the new museum will be financially viable with around 35,000 paying visitors each year, but is expected to achieve higher numbers than this. The scheme described here corresponds closely to the proposals used as the basis for visitor research in 2018; the forecast visitor numbers are discussed later in this section of the OBC, along with an assessment of the very significant benefits for Swindon and Wiltshire's communities and economy.
- 4.9 An efficient and flexible operation will facilitate controlled and sustainable expansion of the business in line with visitor demand. Starting with a small team, led by a Director experienced in operating successful attractions, new staff will be recruited as required. At first these will mostly be seasonal staff (Gallery Assistants, Retail Assistants and Catering Assistants) but there will also be an increasing number of new full-time roles, with the overall numbers expected to reach around 40 FTE (Full Time Equivalent) staff.

- 4.10 In taking forward the Initial Capital Project, consideration will be given to how it facilitates future enhancements, including improved interpretation, activities and displays. There will also be improvements to storage and conservation, including a fully featured archive storage facility capable of housing the entire historic archive and library. The Initial Capital Project will create a solid foundation to support RAM in fundraising for subsequent projects, facilitating a long-term programme of investment that will refresh and renew the visitor offer and bring continued economic benefits to the Swindon and Wiltshire area.
- 4.11 By comparing this Initial Capital Project with alternatives – more expensive, less expensive and a “do nothing” option – the following paragraphs demonstrate that the proposed way forward is the best way of addressing the identified needs.

### **Consideration of alternatives**

#### *A more expensive alternative*

- 4.12 One alternative to the proposed Initial Capital Project would be a more expensive initial project, broadly equivalent to the previous KDE scheme. This would deliver a more sophisticated building and exhibitions, but would present difficulties in terms of both capital funding and operational sustainability. This option was explored in considerable detail over a period of three years as part of the process of arriving at the current scheme.
- 4.13 The KDE project had a budget of over £30 million. In 2017 RAM undertook a study, working with an architect, exhibition designer, business planner, project manager and cost consultants, to determine whether an equivalent scheme could be delivered at lower cost. With the benefits and reduced risks offered by the new site at ACW, and adoption of a simpler design and construction for the main building, it was assessed that an equivalent scheme could be delivered for around £19 million.
- 4.14 A project with a cost of £19 million, while considerably less expensive than the KDE scheme, would still present an enormous challenge in terms of fundraising. The National Lottery Heritage Fund (formerly HLF), for example, has made it clear that it will be awarding fewer, and smaller, major grants than was the case in the past.
- 4.15 Even if RAM were to spend all of its reserves, and with a large contribution from regimental charities and the support of SWLEP, there would be a funding gap in excess of £10 million. RAM has commissioned a report from an experienced fundraising consultant who has concluded that in the current climate it would take several years to raise that amount; the resultant delays to the project would see inflation and other annual costs add substantially to the overall capital requirement. It is in any case likely that with no operational museum to provide a foundation from which to undertake fundraising, such a large target could simply be unachievable.
- 4.16 The KDE project included a large building, but this was not as large as the more cost-effective one currently proposed, so with the former option there would still be some requirement for storage to be leased elsewhere at considerable annual cost to RAM. The KDE proposals also required a relatively large and complex operation and staffing, meaning that operational costs were high from the first year of opening. Since RAM would need to spend all of its reserves to deliver such a scheme, it would retain no investments to provide annual income to off-set higher operational costs.
- 4.17 All of the above means that the KDE scheme equivalent would have to achieve very high visitor numbers from the first year of opening. There would be no opportunity to grow the

business in a realistic and sustainable way, and without significant cash reserves any operating deficit would quickly make the museum insolvent. There is a serious risk that in this alternative scenario the museum would never have a chance to become financially self-sustaining.

#### *A less expensive alternative*

- 4.18 A second alternative would be an Initial Capital Project with a reduced budget. The project would be deliverable using funds that are already available, but it would have some very serious shortcomings that could ultimately make the operation unviable. This option has been explored in considerable detail as part of the process of arriving at the current proposals.
- 4.19 It has already been established that it is critical to deliver not just a museum, but a financially sustainable one. It is therefore considered essential for even a reduced capital project to retain features such as the WW1 trench system, display arena, Forward Operating Base, Railway Gun and children's play area.
- 4.20 Since the proposed building is already highly cost-efficient in design and construction, the only way of making significant savings is to greatly reduce its size. This would be far less cost-efficient than a larger building, with a significant impact on overall value for money. Since it would still be necessary to provide facilities such as the receptions, toilets and offices, it is estimated that to achieve significant savings the size of the museum galleries would need to be reduced by as much as 75%.
- 4.21 With much less space for the collection, storage space would need to be leased elsewhere, at a significant annual cost to RAM. It would also mean the omission of other elements such as the arena, education rooms, meeting rooms and cafe; these would affect not only the ability to deliver a satisfactory visitor experience and to generate revenue, but also the potential benefits for local communities.
- 4.22 There would be an immediate need for a subsequent project to extend this initial building as soon as funds allowed. However, this would be far less cost-effective than delivering the main construction works as a single project and, being delivered later, would incur substantial building inflation costs. It would also cause significant disruption to the operation of the new museum and to the local population, and would be likely to require large objects in the collection – recently installed – to be moved again with additional cost and further disruption. Without first addressing the need for adequate display space, it would be impossible to make progress on improving interpretation or adding the other features and activities needed to attract more visitors.
- 4.23 With a relatively small display area, no café and only the most basic of supporting facilities, it is highly likely that the visitor offer on opening would be underwhelming. Any construction work to extend the building after opening would also have a major impact on the quality of the visitor experience. All of this would affect the critical period when the museum was becoming established as a visitor destination, and when negative reviews can have a disastrous effect on the business. Furthermore, such a starting point would not create a sound foundation for the fundraising required to proceed with further capital development, making it difficult to progress from this low baseline.
- 4.24 The effect of all this would be not only to reduce initial visitor numbers but also to make it extremely difficult to grow the business any further. The desired benefits for Wiltshire's tourism and economy would never be realised. There is also a serious risk that the visitor

attraction would never become financially self-sustaining, leading to an uncertain future for the Designated museum collection.

#### *A “do nothing” option*

- 4.25 There is no acceptable or meaningful “do nothing” option for this project, for a number of reasons. With no museum, the Designated collection would remain in storage and be inaccessible to the public. This is unacceptable for a nationally-important heritage asset, and would also fail entirely to address the Royal Artillery’s Heritage Strategy or RAM’s objectives for public engagement, education and research. There would be no way of funding the care, conservation and development of the collection in the long term. A “do nothing” option would not deliver any benefits at all for Wiltshire’s communities or economy.
- 4.26 Most seriously, even this undesirable situation would not be sustainable beyond a few years. With no museum or visitor attraction to generate revenue and secure continued Army funding, and annual costs continuing to be incurred for the storage and care of the collection, RAM’s reserves would be rapidly depleted, and it would not be financially viable for the organisation to continue. The unique historic collection would be dispersed, with much of it sold off and made inaccessible to the public, and the nation would have lost an irreplaceable cultural asset.

#### *Conclusions*

- 4.27 The above consideration of alternatives demonstrates that the current proposals represent the best balance between the requirements for an achievable Initial Capital Project and a business that is financially self-sustaining from the first year of operation. As a result, the project provides the most effective way of meeting the needs set out in the Strategic Case while minimising risks to RAM, project funders and other stakeholders. It also offers the best opportunity to secure the future of the Royal Artillery’s heritage and to deliver the desired benefits for Swindon and Wiltshire’s economy and communities.

#### **Visitor numbers**

- 4.28 The key to the success, financial viability and economic impact of the new visitor attraction is the number of people who visit it each year. Modelling of income and expenditure (described in the Financial Case) indicates that the new museum will be self-sustaining if it attracts around 35,000 paying visitors each year. However, RAM is aiming to achieve much higher numbers than this, and all indications are that this is entirely realistic.
- 4.29 Over the last five years, RAM has commissioned a number of market appraisals, quantitative research (using visitor surveys) and qualitative studies (using focus groups). The most recent such work was carried out in 2018 by independent visitor attraction and tourism specialists Trajectory, and this is generally consistent with the findings of the previous studies. Trajectory based its study on a new survey of 1,000 people, together with benchmarking across the sector and analysis of tourism trends and the wider economic context.
- 4.30 Trajectory developed three potential forecasts for the annual number of paying visitors over the first seven years after opening: a central forecast with “pessimistic” and “optimistic” variations. These depend on a number of variables including tourism and economic trends, and the level of public awareness of the new museum. Marketing activity is a key factor here, and RAM has allowed only a modest level of expenditure on this. It is therefore

considered realistic to discount the higher forecasts, and to adopt Trajectory’s “pessimistic” forecast as the target number of paying visitors, as set out in Table 4A, below.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
<b>“Break even” visitor numbers</b>	35,000	35,000	35,000	35,000	35,000	35,000	35,000
<b>Target – Trajectory pessimistic forecast</b>	<b>91,000</b>	<b>82,000</b>	<b>87,000</b>	<b>106,000</b>	<b>130,000</b>	<b>143,000</b>	<b>153,000</b>

*Table 4A: Forecasts for annual paying visitors at the new attraction*

4.31 In addition to the daily paying visitors, RAM’s financial model also allows for free visits, for example visitors who have gift-aided their entry fee in return for a one year entry ticket, or people who wish to use only the café without visiting the museum galleries. These free visits have been estimated as an additional 10% on top of the number of paying visitors. The financial model also includes additional admissions for special activities and events and for education group visits, which are calculated separately from the daily admissions. Based on the target numbers of paying visitors, these additional admissions are shown in table 4B, below.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
<b>Target paying visitor numbers</b>	<b>91,000</b>	<b>82,000</b>	<b>87,000</b>	<b>106,000</b>	<b>130,000</b>	<b>143,000</b>	<b>153,000</b>
<b>Free admissions (10% of above)</b>	9,100	8,200	8,700	10,600	13,000	14,300	15,300
<b>Events total admissions</b>	1,500	3,000	4,500	6,000	7,500	9,000	10,5000
<b>Schools and education groups</b>	240	360	480	600	720	720	720
<b>Meeting room bookings</b>	240	320	400	480	480	480	480
<b>Other activities / experiences</b>	28	52	76	100	124	144	144
<b>TOTAL VISITORS</b>	<b>102,108</b>	<b>93,932</b>	<b>101,156</b>	<b>123,780</b>	<b>151,824</b>	<b>167,644</b>	<b>180,144</b>

*Table 4B: Total visitor numbers (target)*

4.32 Benchmarking against comparable attractions, in particular military museums in rural locations, confirms that it is realistic to base the target figures on the pessimistic forecast from Trajectory, and that their central and optimistic forecasts should be discounted. The Army Flying Museum at Middle Wallop achieves around 35,000 visitors each year, while Fort Nelson (Royal Armouries) in Hampshire and the Fleet Air Arm Museum in Somerset are attracting around 100,000 visitors. The Tank Museum in Dorset benefits from a strong tourism base around the south coast, and as a result achieves around 200,000 visitors each year.

## Economic Impact Assessment

- 4.33 Following completion of the 2018 visitor research, RAM commissioned a new economic impact assessment from the South West Research Company (attached at **Annex B**) to determine the benefits for Swindon and Wiltshire's economy that would result from the development and operation of the new attraction. The South West Research Company is an independent consultancy bringing many years of experience of research and statistics in the tourism industry. Their previous clients include VisitWiltshire, the South West Tourism Alliance, the National Trust, Somerset County Council, Destination Bristol, Visit Cornwall and the Eden Project.
- 4.34 The study was based primarily on the ALMAUK model, and the methodology is set out in the ALMAUK Economic Impact Toolkit attached at **Annex C**. Wavehill UK, who designed the ALMAUK model, were contacted prior to the research being undertaken to confirm the suitability of their model for this purpose.
- 4.35 The Cambridge model was also used (as set out in the report) to provide an alternative and more detailed view of potential impacts, and this largely confirmed the impacts estimated using the ALMAUK model. It is a computer-based model developed to calculate estimates of the volume, value and economic impact of tourism on a county, district or other area. It provides a standard methodology capable of application throughout the UK, offering the potential for direct comparisons with similar destinations throughout the country.
- 4.36 The Cambridge model has been used extensively, and its findings accepted across the UK for over thirty years. It draws on the combined experience and expertise of PA Cambridge Economic Consultants, Geoff Broom Associates and the Regional Tourist Boards. The model was the subject of independent validation (R. Vaughan, Bournemouth University) in December 1994, and was judged robust and the margins of error acceptable and in line with other modelling techniques. More recently, the model has been recognised as a suitable method for measuring the impact of tourism by the ONS Tourism Intelligence Unit.
- 4.37 The Cambridge model is a commercial model operated under license by four providers in England, with the South West Research Company being the only such provider with access to the South West specific model used here. As a result, while this model is widely respected within the sector, its inner workings (for example the exact multipliers used) are considered commercially sensitive and are not available for release.
- 4.38 A ten year assessment period was modelled, comprising three years pre-opening, and the first seven years after opening. Calculations for the impact of capital expenditure over the assessment period were based on an indicative programme of phased development with total investment of around £12 million over ten years. The present proposals would increase the level of expenditure for the Initial Capital Project (to around £8.15 million). Subsequent projects are not yet defined in detail, and the level of expenditure would, as always, depend on the rate at which further capital funds could be raised. However, it is considered that the overall level of investment used for the original study still provides a sound basis for the calculation of the economic impacts.
- 4.39 In calculating the impact of visitor spending, the economic impact assessment produced values based on the range between Trajectory's pessimistic and central visitor number forecasts. However, as explained above, it is considered most realistic to adopt the pessimistic forecast as the target, and to discount any higher figures. Therefore, to ensure

that the economic benefits of the project are not overstated, and for consistency, the present OBC refers only to the figures based on RAM's target visitor numbers (the Trajectory pessimistic forecast).

- 4.40 As discussed above, the present proposals seek to move more quickly to the public opening of the museum, with sufficient visitors to achieve a balanced operating budget. In contrast, the 2018 OBC described a two year pre-opening period following construction during which RAM would have been operating at a significant loss. The present proposals would achieve higher levels of economic impact more quickly than was estimated in the economic impact assessment. However, for the purposes of this OBC it is considered that the existing study provides an adequate (and conservative) indication of the economic effects that would result from the project.
- 4.41 Over the assessment period, the following approximate outputs were forecast (based on the target visitor numbers):
- 200 FTE jobs created;
  - £50 million net additional spend in the local economy;
  - £17 million GVA contribution.
  - 176,000 additional staying visitor nights in Wiltshire;
  - 304,000 additional day visits to Wiltshire.
- 4.38 Overall, gross visitor spend in the local economy by visitors to the museum is estimated at £102 million over the assessment period, generating £154 million in local business turnover when supplier and income induced spend are considered. Altogether, this gross visitor expenditure and supplier/induced spending would create or support a total of around 367 FTE jobs.
- 4.39 The opportunity to turn day visitors into staying tourists was highlighted to the researchers in feedback from local tourism experts and the local tourism industry, based on knowledge of current visitor dwell times in the area. RAM will work in partnership with VisitWiltshire and other attractions in the county to maximise this opportunity. This will include developing joint marketing and other initiatives aimed not only at increasing visitor numbers for all partners, but encouraging visitors to stay longer and therefore spend more in Wiltshire.
- 4.40 With a focus on increasing the overall dwell time in Wiltshire, the aim would be to minimise any significant displacement of visitors from other attractions in the county. Furthermore, the new museum would be different, and complementary, to those other attractions, making it attractive to visit two or more of them in a single trip to Wiltshire. As an example, earlier research commissioned by RAM found that there was a high level of interest in visiting the new museum from visitors at Stonehenge, with considerable potential for "overspill" with people visiting the new museum in addition to, not instead of, Stonehenge. While RAM has chosen to take a cautious approach to such overspill when conducting its own business planning work, it is considered that there is great potential to encourage visits to different combinations of Wiltshire attractions.
- 4.41 With the new museum located close to the A303 corridor, much of the economic benefit will be experienced in the key Salisbury-A303 Growth Zone. This area already contains Wiltshire's two best known attractions – Stonehenge and Salisbury Cathedral. There is

enormous potential to develop a compelling tourism offer that links the museum to these sites and to others such as Old Sarum and Salisbury Museum (with its Designated collection and strong links to Salisbury Plain). With this approach there is a clear opportunity to contribute to the ongoing recovery of the visitor economy in Salisbury, Amesbury and South Wiltshire following recent events.

- 4.42 There will also be potential links to attractions further north, such as the Wiltshire Museum in Devizes (another Designated collection), Avebury, Lacock and the STEAM railway museum in Swindon, and to the new “Great West Way” Tourism Corridor. Swindon itself is only a 50 minute drive from ACW, and provides many facilities and attractions that are unavailable elsewhere in Wiltshire. All of this will help encourage visitors to Wiltshire to explore the northern part of the county. It will also maximise the potential of the M4 corridor as a means to access Wiltshire’s attractions.
- 4.43 While the opportunity created by the new attraction will help to drive investment in overnight accommodation capacity in South Wiltshire, the anticipated number of additional overnight stays in the area will see some visitors staying in and around Swindon, which has far greater total hotel capacity. The demand created by the new attraction will provide a sizeable opportunity to develop the bed and breakfast offer across Swindon and Wiltshire, and to generate increased trade for local restaurants and pubs, and other businesses.
- 4.44 While the economic impact study considers the benefits that could be derived from the addition of the new museum to the overall tourism offer in Wiltshire, it is difficult to model or quantify the total potential impact of new partnerships and synergies that do not yet exist, and which could be developed between attractions in the county over the coming months and years. RAM has already initiated discussions with a number of potential partners, and it is considered that the assessment is cautious in relation to the potential benefits that could be derived from such synergies.

#### *Benefit Cost Ratio*

- 4.45 The current proposals achieve an extremely high Benefit Cost Ratio of 8.52 (using economic impact figures based on the target visitor numbers) in relation to the estimated total public sector funding contribution over the length of the assessment period. This Benefit Cost Ratio is over three times higher than the figure that had been calculated for the KDE scheme. The reason for this is that the total capital expenditure is lower, with a greatly reduced total public funding requirement. At the same time, the scheme is considered to retain all of the elements that are required to achieve the target visitor numbers, thereby delivering the associated levels of spend in the local economy.

#### **Social Impact**

- 4.46 Alongside the very significant economic impact that will be delivered by the new museum there are a range of social impacts for Wiltshire and its communities that are harder to quantify or monetise, but which are equally important. In many cases these relate directly to key strands of policy identified in the Strategic Case. Some of these are summarised in the following paragraphs.

#### *Military-Civilian Integration*

- 4.47 The Army Basing Programme will result in 20 per cent of the British Army being based in Wiltshire, and with Army Headquarters also nearby at Andover this represents a

concentration of personnel that is unequalled anywhere in the country. At the very centre of all this, and within a location that will experience the greatest degree of change as a result of the Army Basing Programme, the new attraction will be an important focus for Military Civilian Integration and an opportunity for the Army to engage in a positive way with local communities.

- 4.48 There will be diverse opportunities for participation, bringing together serving soldiers, veterans, military families and civilian communities. High profile activities will return the Royal Artillery, and the Army as a whole, to the public eye in Wiltshire and beyond. Visitors will have a chance to engage with real stories of Army life and service in every corner of the world, told by those who have experienced it first-hand.

### *Employment*

- 4.49 RAM's new museum will create new jobs for local people, with the aim of recruiting within Wiltshire as far as possible, and the benefits of this are not only economic ones. The attraction will be an important employer within a rural area dotted with small villages, enabling many people to work closer to their home than they would otherwise be able to do. There will be a range of full-time and part-time opportunities, including many that will be suitable for people with families or who have other commitments, with the new attraction aiming to employ around 40 FTE staff within the first seven years.

### *Volunteering*

- 4.50 The attraction will be a major centre for volunteering, building on RAM's current highly successful programme which has provided opportunities for volunteers to undertake archive research projects and to help conserve and restore pieces from the collection, including historic vehicles, artillery pieces, medals and models. The aim will be to recruit an army of volunteers from all walks of life, including from the many veterans who settle in Wiltshire after leaving the Army. Feedback from RAM's existing volunteer team confirms that this is an activity that brings communities together, and has an important social dimension.
- 4.51 Volunteers at the new museum will be able to fill a range of different roles with the volunteer programme expanding to include museum guiding, welcoming visitors, live storytelling and demonstrations, gardening and archive research. The conservation and maintenance of the collection will also remain a central element in the volunteering programme.
- 4.52 This will be an opportunity for people to enjoy a sociable and socially useful activity while gaining confidence, experience and new skills. Volunteers will benefit from training (in conservation techniques and Health and Safety, for example) and will receive a uniform or protective clothing as well as discounts in the café and shop. They will also be given access to concessionary tickets for family members.

### *Outreach*

- 4.53 RAM's new museum will be developed to have a broad appeal with something for everyone regardless of their age, interests or background. However, particular attention will be paid to sections of the community that are not considered the traditional audiences for heritage and museums, and special outreach projects will be developed with local communities and "hard to reach" groups. Local people, many of whom will have had friends or relatives in the Royal Artillery, will have a chance to engage with heritage through stories to which they have a personal connection, whether this is the personal experiences of individual Gunners or the social impact of the Army on Salisbury Plain.

## *Learning*

- 4.54 The new attraction will provide dedicated facilities for Wiltshire's schools and other education groups, and will aim to become a destination for groups from every school in the county. Educational activities and resources will be developed in close consultation with local schools and other user groups. There will be a strong focus on the curriculum, in particular history and STEM subjects, but this will be balanced by a creative approach to cross-curricular projects. The aim will be not just to help young people learn, but to challenge and inspire them. Opportunities for links to higher education will be broader still, encompassing heritage, conservation and tourism. Lifelong learning will be addressed through outreach and volunteering programmes.

## *Heritage*

- 4.55 The heritage benefits for Wiltshire are significant. The nationally-important Designated collection will be returned to public display at the heart of Wiltshire; of the 148 Designated collections in the UK, just two are currently displayed in the county – those at the Salisbury Museum and the Wiltshire Museum, Devizes.
- 4.56 As discussed above, the new museum will be complementary to, not competitive with, the museums at Salisbury and Devizes, both of which hold strong collections relating to the earlier history of Salisbury Plain. Engaging visitors with the story of the Army on Salisbury Plain creates a new opportunity to direct people to the local museums where they can find out more about the history of this unique landscape which has been preserved by 120 years of Army training. This is a chance to create a true partnership with those museums, with mutual promotion, joint ticketing and cooperation on special exhibitions.
- 4.57 Two prized aspects of Wiltshire's heritage, its proud association with the Army and the uniquely preserved landscape of Salisbury Plain, will be brought to the attention of the public in this modern new visitor attraction. The Royal Artillery's historical collection will be presented close to the home of the Regiment, overlooking the rolling chalk downland where Gunners have trained for over a century.

## **5 COMMERCIAL CASE**

### **Procurement approach**

- 5.1 The Economic Case has described a need for the Initial Capital Project to deliver not only the museum building and associated infrastructure, but also the exhibitions, activities and experiences that will contribute to the creation of a financially sustainable visitor attraction.
- 5.2 The majority of the project requirements, including the main building and external works, will be procured through a single Design and Build contract. This is considered to be the best means of ensuring value for money, minimising expenditure on fees, and facilitating an efficient delivery process. It will also enable RAM to make most effective use of its staff resources since the contractor would take on most management tasks associated with the main construction works.
- 5.3 Substantial design work (approximately equivalent to RIBA Stage 3) will be completed in advance of procuring the contractor, forming the basis of a comprehensive tender information package and at the same time allowing a planning application to be submitted without delay. The Design and Build contractor, once appointed, will take those designs as the starting point for technical/production design work.

- 5.4 The tender process through which the Design and Build contractor will be appointed is described in the Management Case. A fixed price will be agreed for the Design and Build contract. Changes to the scheme will be avoided as far as possible, but there will be an agreed means by which any unavoidable variations can be managed and accounted for without undue financial impact.
- 5.5 Discussions between RAM's team of expert consultants and advisors have not identified any risks that would discourage RAM from delivering the majority of works through a single Design and Build contract. Indeed, it is considered that this approach, based on a fixed price and a clear and agreed specification, presents an opportunity to greatly reduce the level of risk carried by RAM. Furthermore, a substantial amount of work has already been undertaken to ensure that the designs will deliver RAM's aspirations for the project, and a strict change control process will be in place to minimise the risk of cost increases.
- 5.6 As with any large contract, there would be a risk to the delivery of the work if the contractor were to go out of business or otherwise experience financial difficulties. This risk will be mitigated by having independent expert consultants undertake a thorough check of financial capability and organisational capacity as part of the tender evaluation process. RAM will be seeking to further mitigate any risk by appointing a contractor with a proven track record of delivering this type of steel frame building, ideally within the Wiltshire area.
- 5.7 For contractors specialising in cost-efficient steel frame buildings, the construction of a new museum will be viewed as an interesting project with considerable prestige attached to it, and therefore a significant opportunity for their business in terms of profile and publicity. It is therefore considered that there is minimal risk of the contractor "losing interest" in the project when they take on other contracts, even if the newer work is of greater financial value than the museum.
- 5.8 The assessment of risk is discussed in the Management Case section. Further risk assessment will be undertaken prior to signing the contract to ensure that all risks are recognised and responsibilities agreed between the client and contractor. Where there is agreement to transfer specific risks to the contractor this will be written into the contract.
- 5.9 The scope of the Design and Build contract is set out in more detail below.
- 5.10 A number of items such as furniture, IT equipment, and exhibition fit out will be excluded from the Design and Build contract. These will be procured and delivered separately by RAM, and are also set out in more detail below.

### **Preliminary work**

- 5.11 The Introduction to this OBC explains how new Concept Designs for the museum were developed in response to feedback from local communities, the Regiment and other stakeholders. Given the adoptions of a highly cost-efficient steel frame building design, and the requirement for confidence in initial costings, RAM's design team is led by Nationwide Engineering, who are based in Salisbury and at Solstice Park, Amesbury. Nationwide's engineering and cost expertise is underpinned by their extensive experience as contractors delivering steel framed buildings across Wiltshire, including Solstice Park. Nationwide have put together a comprehensive team including architects, planning consultants, transport engineers and ecologists.

- 5.12 The designs are now being refined following further public consultation in December 2019 and January 2020, and review by specialist fire, building regulations, safety and catering consultants. RAM's consultants are also in discussion with utilities suppliers with regard to the capacity of existing services (including drainage/foul water disposal).
- 5.13 Considerable work has also been undertaken in relation to preparation for a planning application, including:
- Pre-application consultation with the planning authority;
  - Preliminary landscape and visual appraisal;
  - Historic Environment Desk-Based Assessment;
  - Archaeological geophysical survey;
  - Ecological surveys;
  - Traffic surveys;
  - Flood Risk Assessment.
- 5.14 An extensive programme of archaeological trenched evaluation is being undertaken by Wessex Archaeology during February 2020. With this work being completed in advance of the planning application submission, this is a significant step in further reducing project risk. Additional ecological surveys are also ongoing, and will continue alongside the planning process into the spring of 2020.
- 5.15 The scheme is now being progressed to the level of Developed Design (coordinated drawings equivalent to RIBA Stage 3, with accompanying cost plan). Tender documentation is also being prepared for the procurement of the Design and Build contractor.
- 5.16 Based on the Developed Design information, RAM's consultant team will finalise the planning application for submission to Wiltshire Council, including completion of the Planning Statement, Landscape and Visual Impact Assessment, Transport Statement and Outline Travel Plan.
- 5.17 This work is informed by ongoing consultation with the planning authority and other statutory bodies. Meetings have taken place with Wiltshire Council's Planning Officer, Design Officer, Landscape Officer and Ecologist. Detailed comments have been received from the Wiltshire Council Highways team in response to initial design work and a draft Transport Statement. Potential planning conditions and any Section 106 agreement will be discussed in advance of submitting the planning application, to enable RAM to mitigate any risk of unforeseen costs..
- 5.18 The tender process for the Design and Build contract will run in parallel with the submission and determination of the planning application. If the contractor is selected before the end of the planning application determination period, then a contract will be signed "subject to planning permission".

### **Design and Build contract**

- 5.19 RAM has developed a clear and detailed scope for the Design and Build contract. The "Design" element includes all technical design work (including architectural and structural engineering plans for production), and all drawings and documentation required to meet building regulations (with the contractor identified as the principal designer).

5.20 The “Build” element of the contract comprises all of the main construction and external works, including:

- Site preparation, temporary fencing and site hoarding and site facilities.
- All site and health and safety management.
- Site levelling and ground works including dealing with all arisings, which will be re-used within the site.
- Surface water drainage.
- Construction of museum building – a fully-insulated steel frame structure.
- Internal finishes.
- Fit out and commissioning (excluding exhibition fit out, which will be procured and installed separately by RAM).
- All staircases and lifts.
- Connection and commissioning of all internal and external services, including electricity, water, waste, communications and data.
- Installation and commissioning of heating and cooling systems.
- Installation and commissioning of general ambient lighting and infrastructure to facilitate the easy connection of exhibition and display lighting.
- Installation and commissioning of data, fire alarms, security and CCTV systems.
- External works including the parking area, access road, paths, fencing and gates.
- A new junction with the A345, forming the main site access for the museum.
- Display arena and viewing areas.
- All activities necessary to comply with building regulations and any other statutory approvals and completion certificates.
- Provision of all Operations and Maintenance information, including all source information, manuals, commissioning information, completion certificates, warranties, all design files in native format, and in end user formats to be agreed for free and unrestricted use by RAM and others acting on RAM’s behalf, with the intellectual copyright for such work passing to RAM.

#### **Items excluded from the Design and Build Contract**

5.21 The Design and Build contract does not include removal of any unexploded ordnance that may be present on the site. Surveys for unexploded ordnance are being carried out by specialist contractors in conjunction with the archaeological trenched evaluation work, and will enable RAM to assess the overall level of risk across the site.

5.22 Subject to the findings of the archaeological evaluation, there is likely to be a requirement for archaeological mitigation works to be undertaken prior to construction. This will be excluded from the Design and Build contract, and RAM will retain the services of Wessex Archaeology for this work. The extensive pre-planning archaeological work commissioned by RAM will allow any risks to be identified and mitigated, and the approach to pre-construction archaeology will be agreed in advance with the County Archaeologist.

- 5.23 Other items excluded from the Design and Build contract, which will therefore need to be procured and installed separately by RAM, include:
- Catering fit-out, including furniture, furnishings and small goods for the restaurant and meeting rooms, trays, crockery, cutlery, glasses, and all kitchen equipment (specialist catering consultants are already appointed to help RAM plan the catering offer and associated fit-out elements).
  - Retail fit-out, including all furniture, display units and shelving for the shop and store.
  - Furniture for the learning centre, including tables, chairs, lockers or other storage arrangements for bags, and storage for learning resources and equipment.
  - Furniture for the office/staff room and cash room, including staff lockers, cash safe and any other cash management equipment.
  - Ticketing system (hardware and software) and tills for ticketing/retail and catering (careful coordination will be required between RAM, any specialist consultants, and the Design and Build contractor, to ensure that layouts and services support this system).
  - Computers, telephones, IT and communications equipment.
  - Moving or installation of the collection, other than the Railway Gun.
  - Exhibition fit-out, and any other materials associated with interpretation, learning and activities.
  - Activities and immersive experiences, such as the recreated WW1 trench system and FOB;
  - Children's play area equipment and installation;
  - External furniture, including benches and picnic benches.
  - Wayfinding and internal/external signage.
  - Any donor or sponsor recognition features.
  - Workshop and conservation equipment.
  - Repair works to any of the existing buildings on the site.
- 5.24 The procurement of IT and communications equipment separately from the main Design and Build contract is considered to be more effective as it allows for RAM to directly engage with specialist suppliers. It is acknowledged that careful coordination will be required between RAM, specialist consultants and suppliers, and the Design and Build contractor, to ensure that layouts and services allow for all such equipment. Power cabling and location of power points will be designed to provide maximum flexibility for the continued enhancement of the exhibition displays over a period of many years. In another key area – the café and kitchen – initial layouts have already been produced for the main working areas and equipment, allowing proper consideration of power requirements. The approach to data connectivity across the building has not yet been finalised, but is expected to reflect the increasing use and viability of wi-fi systems.

### **Timescales**

- 5.25 The timetable for the Initial Capital Project is discussed under the Management Case, in relation to a staged plan for delivering the project. The work required to finalise designs and

prepare the planning application will be completed by early March 2020. While the subsequent planning and procurement processes are governed by statutory timescales over which RAM has little or no control, it is considered that any risk of delays has been mitigated through the production of comprehensive and detailed planning and tender information.

- 5.26 RAM's consultant team has advised that once the Design and Build contractor is appointed, the majority of technical design work could be completed in around two months; it is likely that the contractor will complete any remaining detailed design work in parallel with the start of ground works on site. The largely prefabricated building will be quick to construct in comparison with a more traditional building, and it is anticipated that construction works could be completed within 12 months. The SWLEP grant would be spent during the early part of the construction period, and it is anticipated that it would be drawn down in its entirety before the end of 2020. A detailed timetable will be developed by the Design and Build contractor as soon as they are appointed.
- 5.27 Following construction, a six month period has been allocated for client fit-out works and the installation of the collection with accompanying interpretive material. This target is considered to be achievable, albeit challenging, and is driven by the desire for the museum to open to the public as soon as possible. A delay to the museum opening would not have a significant impact, since RAM will retain adequate working capital to mitigate the risk of reduced operational revenue in the first year.

### **Accountancy and charging**

- 5.28 The present proposals will be relatively simple to manage in accountancy terms, with most of the project expenditure channelled through a single Design and Build contractor. A programme of regular invoicing will be agreed with the contractor, against agreed and measurable milestones in the construction timetable. These will be monitored by RAM's consultant Quantity Surveyor and Employer's Agent, who will provide monthly reports for RAM and the SWLEP.
- 5.29 The detailed budget and expenditure profile will be approved by the RAM Board in advance. All invoices will be accompanied by detailed progress reports, and will be approved for payment by the chair of RAM's Development Committee, which is also responsible for ensuring that the Initial Capital Project stays within the agreed budget.
- 5.30 The grant from SWLEP will be administered through Wiltshire Council, which as the Accountable Body for the SWLEP provides its accountancy function. RAM's Finance Team will provide Wiltshire Council with full visibility of all payments made in relation to the Design and Build contract. A programme of grant drawdowns will be agreed with Wiltshire Council, along with requirements for monitoring and recording. Each drawdown application will be accompanied by all of the associated supplier invoicing and reports, and any other supporting information required by the Council.

### **Personnel implications**

- 5.31 By procuring a large proportion of the project requirements through a single Design and Build contract, it is possible for the Initial Capital Project to be delivered by a relatively small team of RAM staff and trustees, supported by additional consultants where required. At present, the project is the main focus for the part-time Executive Chairman, while the full-time Programme Manager works solely on the project. They are supported by members of the Collections Management Team as required.

- 5.32 During 2020 RAM will appoint a Museum Director to lead the team, ensuring that the delivery of the museum is informed by a full understanding of its future operation. A professional museum curator will also be appointed, and will play a major role in the development of content for the exhibitions and other interpretation elements.
- 5.33 RAM's Communications Consultant is developing a high-level strategy for communications and marketing, and later in 2020 will take forward a branding exercise for the new museum. Around one year before opening, a Marketing Manager will be appointed to devise and implement a Marketing Plan, with the aim of achieving a high level of public awareness by the time the new attraction opens. Closer to the opening date, additional staff will be recruited, including a catering team to run the cafe and a dedicated Learning Manager to deliver the education programme.
- 5.34 There will be both full-time and seasonal Museum Assistants and Catering Assistants. The number of staff (in particular the Museum Assistants and Catering Assistants) will grow in line with visitor numbers.
- 5.35 As part of RAM's initial business planning work, an indicative staffing and management structure has been developed, and this will be refined by the Museum Director, when appointed. It is anticipated that by year seven after opening, the total number of staff will be around 40 FTE.
- 5.36 RAM's team of volunteers, which has already contributed to archive research, conservation projects and the development of the Larkhill displays, will continue to grow, both before and after the museum opens. Volunteer roles will include welcoming and guiding visitors, storytelling, archive research, assisting with education groups, gardening, maintaining historic vehicles and conserving artefacts ranging from medals to missiles.

## 6 FINANCIAL CASE

### Capital costs

- 6.1 The total budget for the Initial Capital Project is estimated at around £8.15 million. An outline breakdown of this total is set out in Table 6A, below, and the broad cost headings are discussed further in the subsequent paragraphs.

Design and Build contract	£5,500,000
Interpretation, exhibitions and activities capital costs	£500,000
Other capital costs	£400,000
Fees and surveys	£464,000
Contingency (approximately 10% of the above capital costs and fees)	£686,000
Sunk costs (2018 – April 2019)	£150,000
Allowance to offset RAM operational costs prior to opening	£450,000
<b>TOTAL BUDGET</b>	<b>£8,150,000</b>

*Table 6A: Project budget summary*

- 6.2 This cost breakdown provides a more complete and realistic picture of the total project costs than that presented in the 2018 OBC. With a more comprehensive cost base and much greater contingency, it is considered that risks to the budget are significantly reduced.

### *Design and build contract*

- 6.3 The majority of the capital costs will be allocated to the Design and Build contract. This will be based on a single fixed price; as discussed above, this is considered to minimise financial risk to RAM and other project funders.
- 6.4 The capital cost estimate is based on the design work produced to date, and will be continuously refined alongside the design development process.
- 6.5 The production of Developed Designs (which will form part of the planning application) will be accompanied by a full cost breakdown. It should be noted that the exact costs will not be set until the tender process is complete and RAM is ready to appoint the Design and Build contractor. Nonetheless, with an experienced contractor leading the design team it is considered that the substantial amount of work undertaken to date provides a high degree of certainty that the project can be delivered within the budget allocated.

### *Interpretation, exhibitions and activities*

- 6.6 In addition to the main construction work, the capital cost estimate also contains an allowance for delivering the initial exhibitions and interpretation provision, including:
- Basic exhibition gallery fit-out and interpretation;
  - Contemporary FOB feature, fit-out and interpretation;
  - WW1 trench, briefing room and command bunker construction;
  - WW1 trench experience fit-out and interpretation.
- 6.7 RAM will explore opportunities to apply for grants and sponsorship to enhance this basic interpretation provision. However, this will be taken forward as a parallel exercise; if the timescales for securing this additional funding prove to be longer than anticipated this does not need to delay the Initial Capital Project or the opening of the new museum.

### *Other capital costs*

- 6.8 The capital cost estimate also includes an allowance for a number of other items that are excluded from the Design and Build contract. These include:
- Any pre-construction archaeological mitigation works required by Wiltshire Council;
  - Client fit out, furniture and IT equipment;
  - Catering, retail and reception fit-out;
  - Transportation of the collection to ACW;
  - Children's play area;
  - Signage;
  - Any works to the conservation workshop or other existing buildings on the site.
- 6.9 During the next stage of the project more detailed specifications and, where necessary, designs will be developed for these additional elements.

### *Fees and surveys*

- 6.10 A large proportion of the design work required to complete the project will be included in the Design and Build contract, which greatly reduces the budget required for consultant fees.

6.11 The budget allocated to fees includes:

- All design work required to progress the scheme to the Developed Design stage;
- Construction, engineering and cost advice to support the design process;
- Other specialist advice and consultancy;
- Preparation and submission of the planning application, including all specialist reports (it should be noted that much of the survey work has already been completed);
- Wiltshire Council planning fee and building regulations;
- Legal fees in relation to negotiation and preparation of lease and contracts;
- Procurement, Employer's Agent and Client Quantity Surveyor support to the Programme Manager and Development Committee;
- Interpretation and exhibition planning and design fees.

### *Contingency*

6.12 £686,000 has been included as contingency, which represents around 10% on top of the total capital costs and fees described above. This is a much higher percentage than the 5.1% shown in the previous OBC. Based on discussions with RAM's expert consultants and advisors, this is considered to be an appropriate amount of contingency to carry at this stage, and a typical amount for projects of this nature.

6.13 The majority of identified risks (see Management Case and attached Risk Register) relate to potential impacts on the successful operation of the future museum. Of the identified risks to the capital project, the following would require use of contingency funds if they occurred:

- Discovery of significant archaeological remains, estimated impact of £50,000;
- Discovery of unexploded ordnance, estimated impact of £30,000;
- Discovery of asbestos or other contaminant within the main development area, estimated impact of £60,000;
- Unforeseen problem with on-site utilities infrastructure and connections, estimated impact of £50,000.

6.14 It is noted that all of these risks are considered to be highly unlikely given the surveys and other preliminary work already completed. While it is anticipated that Wiltshire Council will require pre-construction archaeological mitigation work, it would not require use of contingency funds since an allowance has already been made for this within the capital budget. However, as noted above, contingency funds would be used if there is a requirement for additional mitigation due to the discovery of significant archaeological remains.

6.15 The primary purpose of RAM's contingency is to mitigate the risk of tender price increases, together with the uncertain market conditions created as a result of Britain's exit from the European Union. It is difficult to place a precise sum against this risk, but given the early input of an experienced contractor it is considered that the current contingency allocation is more than sufficient.

6.16 Notwithstanding the adoption of a more cautious attitude with regard to contingency than was previously the case, it is expected that the current allowance will in fact prove to be generous in view of the intention to transfer the majority of construction cost risks to the contractor. RAM will develop an approach by which a dynamic assessment of risk at key project milestones will allow for the potential release of unspent contingency to enhance the initial capital project and provide the best possible value for money in relation to the SWLEP grant.

#### *Sunk Costs*

6.17 For the sake of transparency, RAM's total budget now shows "sunk costs" that were expended between 2018 and April 2019. These relate to the earlier scheme developed for ACW (as shown in the 2018 OBC), but are considered to form part of the overall cost of developing the present proposals.

#### *Allowance to offset operational deficit*

6.18 RAM's model of operational costs and income (described below) confirms that it will be operating with a financial deficit during the pre-opening period (which includes the construction and fit-out of the new museum). While it is not strictly a capital cost, an allowance of £450,000 to offset this deficit has been included in the budget in order to understand the true cost of delivering the project.

#### **Capital funding**

6.19 Following unsuccessful efforts to raise large capital sums for the previous (KDE) project, RAM has taken specialist advice from an experienced fundraiser. While it is considered that the present project represents a greatly improved prospect for attracting funding, it is unlikely that a very large sum could be achieved within the timescale proposed for the delivery of the Initial Capital Project.

6.20 It is particularly difficult for RAM to fundraise without an operational museum as a foundation, and as a venue for fundraising events, meetings and donor cultivation. For this reason it is a fundamental principle that the Initial Capital Project can be delivered using funding that is already available (subject to the support of the SWLEP).

6.21 The funding for the project will come from a combination of the SWLEP grant and Royal Artillery sources (in the form of the Regimental charities and RAM's existing reserves, including donations already secured). The proposed funding breakdown is set out in Table 6B, below.

<b>Source</b>	<b>Amount</b>
SWLEP (subject to approval of this updated OBC)	£1,350,000
RAM funds (including investments and existing donations)	£3,500,000
Royal Artillery charities - grants	£800,000
Royal Artillery charities – interest-free loans	£2,500,000
<b>TOTAL</b>	<b>£8,150,000</b>

*Table 6B: Proposed capital funding breakdown*

#### *Regimental funding (including RAM)*

6.22 The majority of capital funding for the Initial Capital Project will come from a combination of grants and interest-free loans from Regimental charities and RAM's existing reserves

(including donations already received). At a total of £6.8 million, this represents around 83.5% of the project cost.

#### *The SWLEP grant*

- 6.23 The grant from SWLEP is critical to the project, and at £1.35 million, it represents around 16.5% of the total cost for the Initial Capital Project.
- 6.24 SWLEP's contribution will enable RAM to create a building of the size required and with appropriate facilities, not only to care for the collection but to support the exhibitions and activities necessary to achieve a financially sustainable business.
- 6.25 SWLEP is the most important non-Royal Artillery funder for RAM's Capital Build Project. RAM will recognise this important contribution publicly, including a plaque displayed prominently in the building and acknowledgement in guide books and other literature.

#### *Funding subsequent capital projects*

- 6.26 As discussed above, capital fundraising is not required for the Initial Capital Project to proceed. However, RAM will seek to secure funding to improve the basic exhibitions and interpretation provision and for other projects to enhance the museum. These will be smaller than the Initial Capital Project and the funding targets will be realistic and achievable.
- 6.27 Funding for subsequent projects will be sought from a range of sources, such as grant applications (including regional level bids to the National Lottery Heritage Fund and bids to Arts Council England and DCMS), commercial sponsorship opportunities, donations from individuals and charitable bodies, and legacies from former Gunners. The anticipated financial surplus generated by the museum each year will also provide a potential source of capital funds. The Initial Capital Project will provide the best possible basis for securing future funding by offering a clear demonstration of what RAM can achieve and a potential opportunity for donors to get involved with a successful and popular new museum.
- 6.28 The capital development programme set out in the previous OBC was based on expenditure of around £12 million over a ten year period. This is still considered to be a reasonable estimate, but with a larger proportion of this sum spent on the Initial Capital Project, subsequent capital expenditure is likely to be reduced accordingly.

#### **Capital spend and funding profile**

- 6.29 Subject to planning and procurement, it is estimated that the Design and Build contract would commence in May 2020, with construction work on site from August 2020 until July 2021.
- 6.30 The SWLEP grant would be drawn down during the earliest stages of the construction period, enabling the total grant to be spent during the second half of 2020 (it is noted that the grant must be spent by March 2021 at the latest).
- 6.31 An indicative spend profile for the construction period, together with the proposed drawdown for the SWLEP grant, is set out in Table 6C, below. This will be developed in more detail on completion of the RIBA Stage 3 designs and cost plan. The detailed construction timetable and invoicing programme will be agreed with the contractor prior to signing the contract.

<b>Timetable</b>	Apr-Jun 20	Jul-Sep 20	Oct-Dec 20	Jan-Mar 21	Apr-Jun 21
<b>Financial Year and quarter</b>	2020-21 Q1	2020-21 Q2	2020-21 Q3	2020-21 Q4	2021-22 Q1
<b>Design and Build contract spend by quarter</b>	£200,000	£800,000	£1,500,000	£1,500,000	£1,500,000
<b>Exhibitions and other capital costs spend by quarter</b>	£0	£100,000	£100,000	£100,000	£100,000
<b>SWLEP grant drawdown by quarter</b>	£0	£900,000	£450,000	£0	£0

Table 6C: Indicative spend and funding profile

### Operational income and expenditure

6.32 RAM has created a detailed financial model to predict the operational income and expenditure for the new museum. It has been revised in line with the approach set out in this updated OBC, and now covers a nine year period: two years pre-opening, and the first seven years after opening. This reflects the requirement to more quickly achieve an operation with a balanced budget.

6.33 Visitor admissions are critical to the overall viability of the attraction. Adult admission fees have provisionally been set at £12 (including VAT) for the first four years of opening, rising to £13 thereafter. The visitor research conducted by Trajectory indicates that while there is some sensitivity with regard to ticket pricing, the proposed ticket prices will be perceived as good value for money. This is consistent with the findings of earlier quantitative and qualitative research commissioned by RAM, all of which indicates that visitors would not be discouraged by ticket prices of up to £15. RAM's proposed pricing is further supported by benchmarking of admissions prices against other attractions in the area, as summarised in the table below.

<b>Attraction</b>	<b>Adult price (walk-up entry)</b>	<b>Adult price (online / advance ticket)</b>
Stonehenge	£21.10 / £23.30 (Gift Aid)	£19.00 / £20.90 (Gift Aid)
Fleet Air Arm Museum	£17.00	£13.50
Army Flying Museum	£14.00	£14.00
Tank Museum	£14.00	£13.00
Salisbury Cathedral	£7.50 (donation)	-
REME Museum	£8.00	-
Haynes Motor Museum	£15.50	£15.50
Stourhead	£18.40 / £20.40 (Gift Aid)	-
STEAM Museum	£9.80 / £19.70 (one year entry)	-
Longleat	£34.95	£29.70

Table 6D: Admission Price Benchmarks

- 6.34 This work suggests that prices could be raised further than is currently assumed, particularly in the later years of the financial model when inflation will inevitably result in price increases across the benchmark attractions. However, RAM has instead opted to take a cautious approach in this regard. It is therefore considered that the modest price rise shown in year five of the model would have no negative impact at all on visitor numbers.
- 6.35 RAM's model allows for discounted family tickets and other concessions, as well as for a percentage of tickets each year to be significantly discounted as part of special promotions or marketing campaigns. This discounting is included in every year of the model, facilitating ongoing initiatives to generate continued interest in the museum after opening.
- 6.36 The financial model includes a modest level of income from Gift Aid on a percentage of admission tickets. It is anticipated that Gift Aid will be based on the "one year admission ticket" model, and that this will prove particularly popular with residents of Wiltshire and the surrounding areas. The programme of special exhibitions and activities, combined with the children's play area and good quality café are expected to make repeat visits an attractive proposition.
- 6.37 RAM has modelled income from a number of secondary spend sources including catering, retail, meeting room hire, archive research services, educational visits and a mixture of activities and annual events. These will continue to be refined over the two years before opening, in particular the catering model, for which specialist advice will be commissioned during the next stage of the project.
- 6.38 Estimates have also been made for limited revenue fundraising and sponsorship, and continued annual grants from the MOD. The support of the latter is secured until at least 2030, by which time it is anticipated that the new visitor attraction will be generating sufficient annual surplus to operate independently of military funding if it is necessary to do so.
- 6.39 By far the largest proportion of operational expenditure relates to staffing, and RAM has modelled this in detail, including salary costs, National Insurance, pension contributions and allowances for annual inflation. The model shows overall staffing levels increasing year on year in line with growing visitor numbers, and includes additional seasonal staff for the busiest summer months of the year.
- 6.40 Other operational expenditure has been modelled equally carefully, and includes premises, utilities, facilities, administration, maintenance and other overheads. Annual budgets have been included for marketing and for the Collections Management and Archive teams, ensuring that they will be able to continue the important work of caring for and conserving the collection.
- 6.41 As an example, Table 6E, below, summarises the operational income and expenditure predicted for Year 1 of operation if RAM's target of 91,000 paying visitors is achieved.

<b>Income</b>	
Admissions and Gift Aid	£773,341
Activities, events and education visits	£16,360
Catering (net)	£192,645
Retail (net)	£80,269
Other trading	£20,520
MOD funding and Grant in Aid	£286,181
Revenue fundraising, grants and sponsorship	£33,000
Government renewable heat incentive	£15,000
<b>TOTAL INCOME</b>	<b>£1,417,315</b>
<b>Expenditure</b>	
Staffing and governance	£703,225
Premises, facilities and administration	£186,329
Marketing	£60,000
Collections management costs	£30,476
<b>TOTAL EXPENDITURE</b>	<b>£980,030</b>
<b>TOTAL SURPLUS</b>	<b>£437,285</b>

Table 6E: Example summary of operational income and expenditure

- 6.42 It should be noted that the models for catering and retail allow for the cost of sales, so the table above shows figures for net income and does not need to show expenditure on cost of sales, which is already accounted for. However, staffing has been calculated separately, so retail and catering staff are included within the overall staffing expenditure shown above.
- 6.43 Table 6F, below, summarises operational income and expenditure for the first seven years after opening if RAM achieves its target visitor numbers. This indicates a substantial annual surplus which increases broadly in line with growing visitor numbers; where this is not the case it is largely because the financial model allows for likely increases in the operational cost base. The overall level of surplus predicted is considered to be very positive for a museum of this scale, and would ensure that the museum is extremely financially resilient in future years. Some of this surplus is likely to be used to fund further capital development.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
<b>Paying admissions</b>	91,000	82,000	87,000	106,000	130,000	143,000	153,000
<b>Total income</b>	£1,417k	£1,344k	£1,428k	£1,685k	£2,098k	£2,302k	£2,476k
<b>Total expenditure</b>	£980k	£1,080k	£1,108k	£1,366k	£1,492k	£1,623k	£1,758k
<b>Total surplus</b>	£437k	£263k	£320k	£319k	£605k	£680k	£718k

Table 6F: Summary of operational income and expenditure - target visitor numbers  
(Note: all numbers rounded to the nearest 1,000)

6.44 The modelling of operational income and expenditure also demonstrates that the business would still be viable with annual visitor numbers of around 35,000, as summarised in Table 6G, below. This has been done as a “worst case scenario” analysis, to address any concerns as to what would happen if RAM does not achieve its target visitor numbers.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
<b>Paying admissions</b>	35,000	35,000	35,000	35,000	35,000	35,000	35,000
<b>Total income</b>	£770k	£795k	£814k	£837k	£889k	£919k	£954k
<b>Total expenditure</b>	£743k	£779k	£797k	£815k	£833k	£851k	£870k
<b>Total surplus</b>	£27k	£16k	£16k	£22k	£56k	£68k	£85k

*Table 6G: Summary of operational income and expenditure - 35,000 paying visitors  
(Note: all numbers rounded to the nearest 1,000)*

6.45 The same financial model confirms that prior to opening there would be an annual deficit, which is unsurprising since even without an operational museum RAM already has annual staffing and premises costs. With no revenue from visitors, the primary source of income during this period will be the MOD funding. This operational deficit is estimated at around £400,000 over the two year pre-opening period included in the model. As stated above, RAM has taken into account the need to fund this deficit, and to allow for a period of slightly longer than two years, an allowance of £450,000 has been included in the overall budget for the Initial Capital Project.

### **Overall affordability and impact on RAM finances**

6.46 With the support of the SWLEP, the project is not only affordable but fully-funded and able to proceed in 2020, without any detriment to RAM’s overall financial stability.

6.47 RAM holds sufficient capital reserves to ensure that delivery of the Initial Capital Project does not cause any problems in terms of cashflow, allowing for the requirement to pay contractor invoices before drawing down SWLEP funding.

6.48 RAM’s detailed financial model shows that once the new attraction is open, an annual surplus will be generated, and this will be invested in the continued conservation of the collection and the further development of the attraction. This in turn will increase its ability to attract both new and repeat visitors, with visitor numbers and revenue expected to grow in subsequent years.

6.49 Investment in the Initial Capital Project will therefore enable RAM to achieve a high degree of financial resilience, creating the conditions necessary to achieve long-term sustainability for the museum. Furthermore, by enabling RAM to build a business that will be self-sustaining on a permanent basis, the project will secure both the future of the collection and the new attraction’s ongoing contribution to Swindon and Wiltshire’s economy.

## **7 MANAGEMENT CASE**

### **Project framework**

- 7.1 Clear and effective structures are in place for the governance and management of the project. RAM's Development Committee acts as the project board, with delegated authority from the RAM Board to take forward the Initial Capital Project, authorising its progress from one stage to the next (subject to the project remaining within agreed tolerances with regard to cost, time, scope and quality). The Development Committee comprises four RAM trustees, and is chaired by RAM's Executive Chairman.
- 7.2 Before authorising a project stage, the Development Committee is responsible for ensuring that all of the necessary conditions have been met, the SWLEP grant requirements are followed and that specific, agreed outputs have been approved by the RAM Board and the Regiment. It will also oversee the various other related activities that need to be coordinated with the project.
- 7.3 The RAM Board has signed off the new Concept Designs, and will authorise the appointment of the Design and Build contractor. At that point there will be a shared understanding and agreement as to the course of the project and what it will deliver, and the Development Committee will be authorised to progress through subsequent stages, subject to the project remaining within the agreed tolerances. However, an update report will be provided to every meeting of the RAM Board, and individual trustees will remain involved in developing the detail of specific elements of the project.
- 7.4 The Regiment has also signed off the new Concept Designs. RAM will continue to work closely with the Regiment (which will be well represented at RAM Board meetings) and its nominated subject matter experts as the detailed plans are developed, and will provide regular update reports.
- 7.5 At present, RAM's Executive Chairman has overall responsibility for project delivery, but this responsibility will pass to the Museum Director on appointment. This will ensure that delivery of the new attraction is led by the person who will be responsible for running it, and who has the necessary operational experience to ensure that the needs of all end users are met. The Museum Director will also have line management responsibility for the Programme Manager (this currently rests with the Executive Chairman) and will also manage RAM's legal advisors.

### **Project team**

- 7.6 A full-time Programme Manager is responsible for the day to day management of the project, including the Design and Build contractor and a number of other consultants and contractors. The Programme Manager also undertakes a wide range of work in relation to communications, stakeholder management, business planning, exhibition and interpretation planning, funding and grant applications.
- 7.7 RAM's Programme Manager has 20 years of experience in heritage and museums projects. He joined RAM from English Heritage where he played a key role in the team delivering the Stonehenge Visitor Centre, with responsibilities including the initial options appraisal and site selection, development of the design brief, management of consultants and contractors, and achieving planning permission and other statutory consents.

- 7.8 RAM's existing Design and Planning Consultant has responsibility for progressing the scheme to the Developed Design stage. They will complete the reports and other documentation required for the planning application, and will produce tender information for the procurement of the Design and Build contractor.
- 7.9 RAM will also retain its existing Procurement Consultant, since the Board is satisfied that they continue to offer good value for money and a high quality of service. They will manage the procurement of the Design and Build contractor, ensuring an open, transparent and fully compliant process.
- 7.10 The Design and Build contractor will be responsible for management and coordination of the main construction project from technical/production design through to practical completion. It will be responsible for appointing and managing any sub-consultants or sub-contractors, and will be accountable for the delivery and quality of their work.
- 7.11 Day to day management of the Design and Build contractor will be the responsibility of the Programme Manager. However, Rider Levett Bucknall has been appointed as Employer's Agent and Client Quantity Surveyor, providing technical expertise and support to the Programme Manager throughout the project. They will have a particular focus on the successful implementation of the Design and Build contract, agreeing specifications, inspecting materials and completed works, advising on payments and checking documentation.
- 7.12 Rider Levett Bucknall works across the UK and provides a multi-disciplinary service with a focus on project delivery and cost management. The team working on the RAM project brings extensive experience of this type of construction, including Wiltshire sites such as Solstice Park.
- 7.13 Additional consultants or contractors will be appointed where necessary to provide advice or to undertake other specialist work that is not included in the Design and Build contract, for example the development of the catering offer and exhibition layouts. These consultants and contractors will report to the Programme Manager.
- 7.14 RAM's Development Committee includes trustees with extensive commercial and marketing experience, and they will work with the Communications Consultant to produce an initial Marketing Strategy. Around one year before opening, an experienced Marketing Manager will be appointed to develop and implement a detailed Marketing Plan, ensuring that a high level of public awareness is achieved by the time the attraction opens.
- 7.15 RAM's other staff will all assist with the development and delivery of the project in different ways, and the focus of their work will increasingly be influenced by the needs of the new attraction. In particular, a professional Curator will be appointed in mid-2020. They will contribute to the interpretation proposals, and to the development of the exhibition content. Alongside the Curator, the Collections Management Team, led by the Operations Manager, will prepare the collection for display (including conservation and restoration work where necessary) and will plan its transportation and installation at the new museum.
- 7.16 The salaries for all RAM staff, including those involved in delivering the project, are included in RAM's model of operational expenditure. Fees for consultants and contractors appointed as part of the project are all included in the capital costs for the project.
- 7.17 The project management structure described above is summarised in Figure 7A, below.

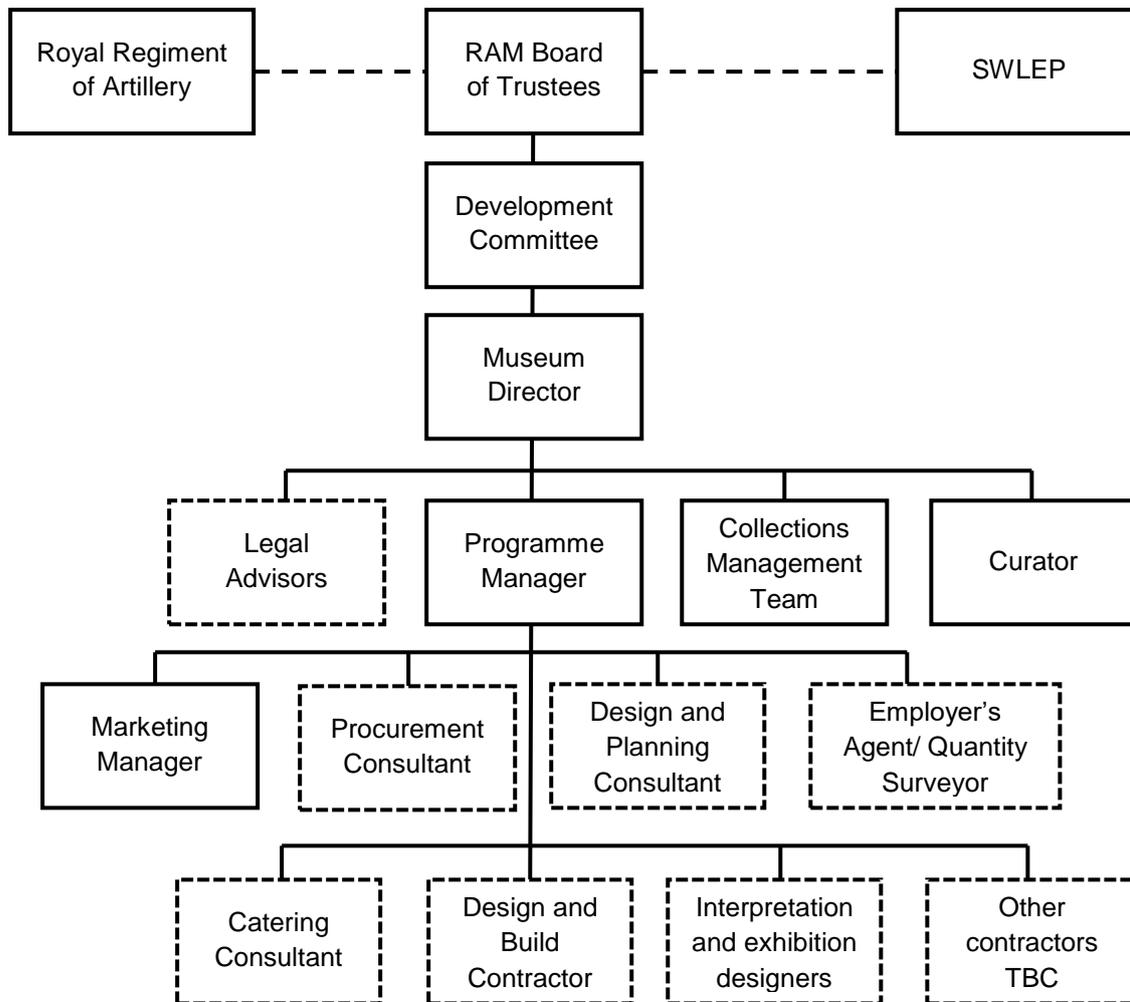


Figure 7A: Project management structure (note: dotted outline indicates consultant or contractor)

## Project approach

7.18 RAM's approach to delivering the project is to adopt a conventional staged project plan, facilitating proper control of the project, management of risk and efficient decision making. The project plan stages are broadly those of the standard RIBA plan of work (although RAM has split Stage 3, to better reflect its own decision-making process). The project plan is summarised in Table 7A, below.

Stage	Key outputs
1) Preparation & Brief	Updated Project Brief and design options
2) Concept Design	Concept designs (site, building, internal layouts)
3a) Developed Design	Developed designs (site, building, internal layouts) and cost plan Planning application documentation
3b) Planning & Procurement	Submission and determination of planning application Procurement of Design and Build contractor
4) Technical Design	Technical/production designs Mobilisation for construction Discharge of planning conditions
5) Construction	Construction External works
6) Fit Out	Fit out and exhibit installation Staff recruitment and training
7) Opening	Museum opening and preparations for VVIP launch event

Table 7A: Project plan summary

- 7.19 RAM is currently nearing the completion of Stage 3a, which includes the Developed Design work for the building, site and internal layouts, with associated cost breakdown. Reports and other documentation required for the planning application will be completed, based on the Developed Designs. Tender documentation will be prepared for the procurement of the Design and Build contractor.
- 7.20 Stage 3b will commence with the submission of the planning application. This will be taken forward in parallel with the tender process for the selection of the main Design and Build contractor.
- 7.21 Stage 4 comprises technical/production design work (which will be undertaken by the Design and Build contractor), along with all other tasks to be completed before starting work on site. It may be most efficient for some of the detailed design work to overlap with the following stage, and this option will need to be explored with the contractor, once appointed.
- 7.22 Stage 5 comprises all site works, construction and external works. It is anticipated that it will also include the fit out elements to be completed by the Design and Build contractor. It may be most efficient for some of these fit out elements to overlap with the following stage, and this option will need to be explored with the contractor, once appointed.
- 7.23 Stage 6 comprises a number of activities to be delivered by RAM separately from the Design and Build contract. In parallel with the client fit out and installation of the collection, new staff and volunteers will be recruited and trained in preparation for opening.
- 7.24 Stage 7 is equivalent to the “In Use” stage from the RIBA plan of work. It will be important to ensure that all project documentation is updated, and that RAM undertakes proper post-project review / post-occupancy evaluation.

### **Procurement strategy**

- 7.25 Procurement of the main Design and Build contract has been discussed at length with the SWLEP, leading to the agreed approach set out here.
- 7.26 There are no specific procurement procedures that apply to registered charities (such as RAM), other than a requirement for trustees to act in accordance with Charity Commission guidelines. However, the £1.35 million grant from SWLEP will form part of the funding for the Design and Build contract. Since the SWLEP grant is funded by Central Government, a competitive tender process will be required in line with the Public Contracts Regulations 2015. This is not only to ensure value for money, but to demonstrate openness and transparency.
- 7.27 RAM has appointed Faithorn Farrell Timms (FFT) as procurement consultant to provide independent advice, manage the tender process, prepare documentation and oversee the assessment of bids. This will help RAM to ensure a rigorous and compliant procurement process, and to identify any risks that may emerge.
- 7.28 FFT is a multi-disciplinary consultancy with extensive experience in public sector procurement. FFT have managed previous procurements on behalf of RAM, providing an exemplary service and standard of documentation.
- 7.29 The Design and Build contract will be advertised publicly through the “myTenders” online portal and, because the contract value is expected to be in excess of the EU threshold (£4,551,413), it will also be published in the Official Journal of the European Union (OJEU). FFT has advised that in order to advertise the contract in this way, an estimated contract value must be provided, and this will be stated as £5.5m in line with the current project cost breakdown.

- 7.30 All bidders will be issued with the drawings and other design information included in the planning application, which will be developed to a level of detail broadly equivalent to RIBA Stage 3, along with other information about the contract and scoring criteria. This will provide them with a full understanding of the contract requirements, and enable them to produce thorough and competitive tender submissions.
- 7.31 The selection criteria are currently being developed, but it is anticipated that the assessment of tenders will be based on a 50/50 cost/quality split. RAM will be seeking a contractor with a proven track record in the successful delivery of this type of building, ideally within the Wiltshire area. It is possible that interviews will be held as part of the tender evaluation process, and this will be confirmed nearer the time.
- 7.32 The contract will, as far as possible, be prepared in advance. It is RAM's intention to utilise a standard JCT (Joint Contracts Tribunal) Design and Build contract with the absolute minimum of variations to the standard form. Final contract negotiations will commence as soon as a preferred contractor has been selected, and if these are concluded in advance of planning consent, the contract may be signed "subject to planning" (if this is agreed to be beneficial by both parties).
- 7.33 An indicative timetable for the procurement of the Design and Build contract is summarised in Table 7B, below.

Dates	Key outputs
February 2020	Advertise contract online (including OJEU)
April 2020	Tender opening and compliance checks Evaluate tender submissions
May 2020	Hold interviews (if required) and final evaluation Select preferred contractor Provide feedback to all bidders Prepare and sign contract

*Table 7B: Indicative timetable for procurement of the Design and Build contract*

- 7.34 It should be noted that the process is starting in February and thereby avoiding the Christmas and New Year period when some suppliers find it more difficult to produce a response. This is considered to be an important factor in ensuring a fair, transparent and competitive procurement process.
- 7.35 Project requirements that are not included in the Design and Build contract (see below) will be procured and delivered separately by RAM. RAM will take appropriate steps to ensure that good value for money is achieved in all aspects of its capital programme, such steps being proportionate to the value of the individual element being procured.

### **Project management**

- 7.36 RAM's project management approach is modelled on best practice, using an adapted form of the PRINCE2 methodology.
- 7.37 RAM's Development Committee is acting as the project board, responsible for ensuring controlled initiation and closure of the project, and for authorising project stages. It is responsible for committing resources to the project, within the framework and tolerances agreed with the RAM Board and project funders. It will also approve many of the project's outputs on behalf of the RAM Board and its stakeholders.

- 7.38 As chair of the Development Committee, RAM's Executive Chairman is ultimately responsible for the project, ensuring that it remains focused on achieving its objectives and delivering the forecast benefits. In doing this, the Executive Chairman is supported by the other members of the committee, who are focused on the needs of the business and of its users. Where necessary, the Development Committee will identify areas where additional "project assurance" roles are required to provide specific expertise which is required to enable the committee to satisfy itself that the desired outcomes will be achieved.
- 7.39 The Programme Manager will support the Development Committee in its decision making and with the management of stage boundaries, checking that all deliverables have been completed as defined and providing any information needed to assess the continuing viability of the project. An important aspect of this process will be to record any lessons learnt which might help later stages of this project or future projects.
- 7.40 The production, and agreement, of this updated OBC is vital to the management of the project. It provides the basis for a shared understanding of the justification for the project and, in particular, for the SWLEP funding contribution. The SWLEP will also require a Project Initiation Document to be prepared and agreed prior to the works commencing.
- 7.41 The Programme Manager has day to day responsibility for the management and monitoring of the project, ensuring it produces the required products to the agreed quality within the specified constraints of time and cost. He will be the main point of contact for all parties involved in creating those products, including RAM trustees, staff, consultants and contractors. The Programme Manager, supported by the relevant consultants, is also responsible for project documentation including the Risk Register, Issue Register and Change Register.
- 7.42 The Design and Build contractor will be responsible for the project management and coordination of the main construction project, from technical/production design through to practical completion. It will also be responsible for construction cost management within the agreed budget, the scheduling of construction work and overall construction timetable, and for construction risk management.
- 7.43 The consultant Employer's Agent will produce regular project reports detailing progress in relation to the agreed timetable, risk management, expenditure and change management. These reports will be made available to the Development Committee, to the RAM Board and to project funders including SWLEP.

### **Change management**

- 7.44 RAM's approach to change management is modelled on accepted best practice and the PRINCE2 project management methodology. Where any changes to scope, scale, quality or cost are proposed, these must be recorded in a Change Register setting out the nature of the change, an assessment of the likely impact on project delivery and suggested management actions. Change management will form a key element of all regular project monitoring and reporting.
- 7.45 If changes are proposed by the Design and Build contractor, it will be required to seek formal approval for them from the Programme Manager. If such changes exceed agreed tolerances, the Programme Manager will be required to seek authorisation from the Development Committee. If any change exceeds the overall project tolerances, then authorisation from the RAM Board will be required, and the matter will also be brought to

the attention of all project funders. In general, RAM will expect any proposals for changes to be cost-neutral, or offset by identified cost savings.

### Project timetable

7.46 Based on the project plan summary and stages discussed above, an indicative timetable for the project is set out in Table 7C, below.

Dates	Stage	Key outputs
November 2019 – February 2020	3a) Developed Design	Developed designs (site, building, internal layouts) Detailed cost plan Planning application documentation Interpretation Plan
February – June 2020	3b) Planning and Procurement	Procurement of Design and Build contractor Submission and determination of planning application
June – July 2020	4) Technical Design	Technical/production designs Mobilisation for construction Discharge of planning conditions
August 2020 – July 2021	5) Construction	Construction External works
August 2021 – February 2022	6) Fit Out	Client fit out Exhibit and collection installation Staff recruitment and training
February 2022	7) Opening	Museum opening Preparations for VVIP launch event
April 2022	Launch event	VVIP launch event

*Table 7C: Indicative project timetable*

7.47 A detailed timetable for construction and related activities will be developed by the Design and Build contractor, once appointed.

### Benefits realisation and evaluation

7.48 Responsibility for benefits realisation rests with RAM's Development Committee. A Benefits Realisation Strategy will be developed, based on the ten key Strategic Needs set out in the Strategic Case and on the Critical Success Factors set out in the Economic Case. The Programme Manager will monitor and record the realisation of the project benefits throughout the delivery of the project, reporting regularly to the Development Committee.

7.49 The Benefits Realisation Strategy will provide a baseline against which the project can be evaluated. Together with progress against the agreed timetable, expenditure against budget, risk management and change management, this forms the basis for RAM's ongoing monitoring of the project. This provides the RAM Board and project funders with the reassurance that the project is being properly managed and is on course for successful delivery.

7.50 Comprehensive post project evaluation will be carried out 12 months after completion of the Initial Capital Project, with a report being completed by the Programme Manager or other RAM staff. This will assess the delivery of the project against the agreed budget and timetable, and will include a review of benefits realisation. The report will also reflect on

lessons learnt, including a review of the project management reports completed during the delivery of the project.

## Risk management

- 7.51 Risk management is at the heart of the project; indeed, the strategic decision to move the site of the project to ACW was taken on risk management grounds. As discussed in the Strategic Case, it practically eliminates all of the significant risks that were encountered in relation to the KDE site.
- 7.52 The Strategic Case also explains how RAM's new approach to delivering the project has been conceived specifically to address other key risks. Most importantly, with the support of the SWLEP, the Initial Capital Project requires no new fundraising, enabling progress to be made within a short timescale. It also creates a flexible and efficient operation facilitating controlled and sustainable expansion that responds to variations in visitor numbers.
- 7.53 Nonetheless, all projects encounter risks, and RAM has a robust and rigorous system in place for their identification, assessment and management. Taking into account the elimination of key strategic risks discussed above, RAM has undertaken a review of the remaining risks to the project. The current Risk Register is attached at **Annex E**.
- 7.54 A conventional risk analysis matrix based on recognised best practice has been adopted, which assesses the level of each risk according to the likelihood of it occurring and the impact it would have. The approach to grading risks is summarised in Table 7D, below.

<b>Red</b>	High Risk	Significant management action/control evaluation and improvement required and continued proactive monitoring
<b>Amber</b>	Medium Risk	Seek cost effective management action/control improvements and/or continued proactive monitoring
<b>Yellow</b>	Low Risk	Seek control improvements and/or monitor and review regularly
<b>Green</b>	Negligible Risk	No immediate action required, but review periodically

*Table 7D: Risk grading matrix*

- 7.55 For all identified risks, RAM is implementing the necessary mitigation actions. The most critical and urgent actions required are as follows:
- Appoint a Museum Director and Curator during 2020;
  - Maintain the Stakeholder Management and Communications Plan;
  - Develop cost-effective approaches to delivering interactive and engaging interpretation;
  - Progress lease negotiations with DIO as soon as possible;
  - Continue high level engagement with the Regiment, Army and DIO;
  - Continue high level engagement with Wiltshire Council members and directors;
  - Continue pre-application discussions with Wiltshire Council planning team and other statutory bodies;
  - Continue consultation and engagement with local communities;
  - Undertake a robust and rigorous procurement process for the selection of the Design and Build contractor.

- 7.56 The Design and Build contract will transfer many project risks, including those with the greatest potential impact on costs, to the contractor. However, RAM has nonetheless retained an overall contingency of around 10% on top of all capital costs and fees, which provides further risk mitigation, as discussed in the Financial Case, above.
- 7.57 In common with any large development, there is a risk that the local planning authority may require additional work in order to fulfil a planning condition, or as part of a Section 106 or similar agreement. Based on discussions with Wiltshire Council over a long period the RAM Board considers it highly unlikely that any such requirements would be particularly onerous, in view of RAM's charitable status and the very great benefits to Wiltshire that would result from the project. However, this will be kept under review, and further discussions will be held with Wiltshire Council as the project progresses towards submission of a planning application, and during the determination period.
- 7.58 In summary, RAM has a systematic approach to the identification, assessment and mitigation of risks. A thorough review of potential risks to the project has not identified any risks for which there is no mitigation, and has not identified any risks that, after the proposed mitigation actions have been implemented, are considered to represent a significant threat to the successful delivery of the project.