



ADULTS AND COMMUNITIES OVERVIEW AND SCRUTINY COMMITTEE
6 MARCH 2018

ARCHIVES, MUSEUMS AND HERITAGE COLLECTIONS HUB

REPORT OF THE DIRECTOR OF ADULTS AND COMMUNITIES,
DIRECTOR OF CORPORATE RESOURCES AND CHIEF EXECUTIVE

Purpose of Report

- 1 The purpose of this report is to update members of the Committee on the work to develop a full business case for the Collections Hub.

Policy Framework and Previous Decisions

- 2 On 18 July 2016, the Cabinet approved the Communities and Wellbeing Strategy 2016–2020, “Providing Less: Supporting More”. This outlined the strategic direction of the service and authorised the Director of Adults and Communities to action and develop an implementation plan subject to further reports being made to the Cabinet and this Committee as appropriate.
- 3 On 22 February 2017, the Council approved a Medium Term Financial Strategy (MTFS) saving of £1.2m for the Communities and Wellbeing Service to be delivered by 2020/21.
- 4 On 15 September 2017, the Cabinet approved a recommendation to develop a full business case for a Collections Hub.

Background

- 5 The Communities and Wellbeing Service (the Service) is part of the Adults and Communities Department and comprises a range of cultural, educational and support services including:
 - Libraries;
 - Museums and Heritage sites;
 - Record Office of Leicestershire, Leicester and Rutland (ROLLR);
 - Care Online;
 - Leicestershire Adult Learning Service (LALS);
 - Creative Learning Services.
- 6 These services are delivered across a range of venues including 16 market town and shopping centre libraries, the ROLLR, Museums in Charnwood (Loughborough), Melton Mowbray and Market Harborough, Bosworth Battlefield, the 1620s House and Garden at Donington le Heath and the Century Theatre in Coalville.

- 7 In July 2016, the Communities and Wellbeing Strategy was published following a period of consultation and engagement across the county. This outlined the strategic direction of the Service, which has three main strands:
- *Enabling and Supporting Communities* – We will have a focus on supporting communities to design and deliver their own creative and learning activities. We will do this by building on the work to support communities to manage their local libraries and independent museums, seeking to work in partnership to provide appropriate venues, locations and opportunities for communities to come together, share experience and access cultural resources. In this way we will promote the creation of resilient and self-sufficient communities, through creative cultural and heritage activity.
 - *Access to Services* – We will continue to support the provision of a range of services and expertise, with a focus on the promotion and sharing of reading and literacy, access to collections and archives, learning programmes, access to IT and information services. By doing this people will be able to access resources to improve the quality of their lives, stimulate creative thought and make connections with each other and their local community.
 - *Targeted Services* - We will continue to work with our partners to develop a programme of services and opportunities for specific groups and communities who may be at risk and need higher levels of support both now and in the future. This will focus on supporting individuals and communities to improve their health and wellbeing, achieve their aspirations and become more resilient and in this way prevent and reduce the need to access other key services in the future.
- 8 These targeted services may be time limited and the groups targeted and/or the opportunities and services offered may change over time. They will also be linked to specific national or local strategies or agendas and will identify the outcomes they are expected to achieve.
- 9 The work completed to deliver the Strategy over the past 12 months has been based around the elements of the vision outlined at the Cabinet on 8 November 2016, these being:
- A network of County Council funded venues that incorporate innovative use of technology that can reduce staff cost and increase public access to some venues, principally libraries;
 - The continuation of statutory and non-statutory elements of the Service;
 - A Collections Hub to provide a single publicly accessible base for archival, educational and museum resources;
 - A re-modelled and flexible workforce that continues to support a network of community managed and independent libraries and museums.
- 10 The Service has taken a holistic approach to the implementation of the Strategy, co-ordinating major project activity, for example Library Plus (formerly Smart libraries), alongside 'business as usual' changes. These involved operational reviews of the Mobile Library Service, Care OnLine, Green Plaque Scheme, Portable Antiquities Scheme, Century Theatre and Works of Art, in order to develop proposals for further savings. This holistic approach helps the Service to consider all developments in terms of their impact across the service area and identify dependencies at an early stage.

- 11 The proposal for a Collections Hub will deliver a £350,000 saving towards the full £1.2m requirement for Communities and Wellbeing. The balance of savings is being addressed by the measures detailed in the report to Cabinet on 15 September 2017. In summary these are:
- The introduction of Library Plus across the County funded library network, which will realise approximately £230,000 per annum saving from reduced support and maintenance costs and reductions in staffed opening hours, whilst creating an opportunity to increase hours of access;
 - The remodelling or decommissioning of the services outlined in paragraph 10 above;
 - A subsequent restructure of the service to reflect the above changes.
- 12 The Service currently houses collections at the Record Office, Wigston and sites in Lutterworth, Barrow, Coalville and Glenfield. These facilities include both County Council owned sites and leased accommodation. These buildings have been used for a number of years and are in varying states of repair and condition.
- 13 A Collections Hub would enable public access to a range of cultural resources, in particular archival and museum collections, through a single centralised facility which provides secure and environmentally sound storage.
- 14 The Collections Hub would address the statutory requirements of the County Council and its partners (Leicester City Council and Rutland County Council) around the provision of an archive and record keeping service, by ensuring the provision of storage space of sufficient capacity and quality for the next 20 years.
- 15 It would provide the opportunity to create a modern facility for the region designed to ensure that access to the cultural assets held by the Council on behalf of local people is maintained and enhanced for current and future generations.
- 16 In addition, it is proposed to seek to include the requirement of the Registration Service. The current storage provision for the Registration Service does not meet the specification set by the General Register Office.
- 17 Current storage provision for the Registration Service is within the Pen Lloyd building, County Hall, Glenfield, and whilst security improvements have been made, this still falls short of the specification required by the General Registrar Office. The Collections Hub provision, based at County Hall, could satisfactorily address this issue within the existing scope of the project.

Proposals/Options

- 18 The Committee is asked to consider and make any comments in relation to the options set out in the draft Business case, attached as Appendix A. Due to timescales and the timing of this Committee, it has not been possible to finalise the business case for this meeting. However, this work will be completed shortly ensuring that the final business case will be available to be presented to the Cabinet on 10 April 2018. For the purpose of this Committee the draft business case indicates an indicative preferred option.
- 19 The scope of the business case was informed by the completion of a high level options appraisal, see Appendix B. The appraisal considered a broad range of

possible options which were assessed against the following two measures - delivery against the key objectives and risk.

20 The options were ranked and the three with the lowest combined ranking, with the addition of a baseline 'do nothing' option and a 'do minimum' option, are considered in detail within the business case.

21 In summary the options are:

- a) **Baseline – Do nothing** - This option would not enable the service to progress a revised delivery model, so it would need to identify other actions to deliver the £350,000 annual revenue savings requirement.

This does not address the requirement for the Record Office to secure appropriate expansion space, or the secure storage requirement for the Museum Service and Registration Service.

This option has no new capital requirement.

The net present value (NPV) of this option is £6.88m, taking into account estimated revenue and capital costs accruing over a 25 year period.

- b) **Do minimum – Expansion on the current Record Office site in Wigston** - This option would not enable the service to progress a revised delivery model, so it would need to identify other actions to deliver the £350,000 annual revenue savings requirement.

This would address the future storage requirement for the Record Office for the next 20 years.

However, it would not address the secure storage requirement of the Museum Service and Registration Service.

This option has a capital cost range of £3.78m to £4.57m.

It should be noted that the above capital figure does not include work that may be required to address existing issues with floor loadings. The final business case will reflect any additional capital costs.

The NPV of this option is £12.66m based on a midpoint capital cost and taking into account estimated revenue and capital savings accruing over a 25 year period.

- c) **A refurbishment of the Eastern Annex, rear of County Hall campus** - This is currently identified as the preferred option within the draft business case.

This would deliver the £350,000 savings requirement, principally through a reduction in staff roles and hours. It would improve customer access to archives, museum collections and educational resources through the provision of a building which will be fit for purpose for the next 20 years and in a central and accessible location. It would improve storage provision for the range of collections and improve storage for the Registration Service records as required by the General Register Office.

This option has a capital cost range of £14.06m to £17.02m.

The NPV of this option is £15.31m based on a midpoint capital cost and taking into account estimated revenue and capital savings accruing over a 25 year period.

- d) **A new build on the County Hall Campus** - This option includes provision for a multi-storey car park to offset projected loss of car parking spaces due to the new build.

This would deliver the £350,000 savings requirement, principally through a reduction in staff roles and hours. It would improve customer access to archives, museum collections and educational resources through the provision of a building which will be fit for purpose for the next 20 years, in a central and accessible location. It would improve storage provision for the range of collections and improve storage for the Registration Service records as required by the General Register Office.

This option has a capital cost range of £23.18m to £28.06m (which includes the cost of a multi-storey car park).

The NPV of this option is £25.27m based on a midpoint capital cost and taking into account estimated revenue and capital savings accruing over a 25 year period.

- e) **A new build on LCC land within the Council's asset investment fund (for example Lutterworth)** - This option would deliver the £350,000 savings requirement, principally through a reduction in staff roles and hours. It would improve customer access to archives, museum collections and educational resources through the provision of a building which will be fit for purpose for the next 20 years. It would improve storage provision for the range of collections.

This option would not address the storage needs of the Registration Service.

The location is not central and would be less easily accessible to the general public.

This option would use land from the Council Asset Improvement Fund.

This option has a capital cost range of approximately £20.05m to £24.93m.

The NPV of this option is £23.09m based on a midpoint capital cost and taking into account estimated revenue and capital savings accruing over a 25 year period.

Consultation

- 22 Leicester City Council and Rutland County Council have been consulted during the development of the options appraisal and business case on the shared need to resolve the future storage requirements for the Record Office. Both partners have been invited to sit on the project development board.

- 23 Engagement with wider stakeholders and users will commence once the Cabinet has reached a decision on the preferred option. This will focus on the service delivery model for the approved option.

Resource Implications

- 24 The Communities and Wellbeing Service's net budget for 2017/18 is £5.3m. In line with the Council's MTFS, this will reduce to approximately £4.1m per annum from 2020/21. Given the scale of these savings, service delivery will have to change significantly and the Communities and Wellbeing Strategy provides the basis upon which these savings will be delivered.
- 25 The Collections Hub is included as a future development within the capital programme as part of the 2018/19 MTFS and funding will be considered against available resources once the business case has been finalised.
- 26 The service to date has delivered £700,000 of saving towards the original £1.9m target through a range of measures, including staffing efficiencies and service reductions.
- 27 Indicative capital costs are included in the draft business case and summarised above in paragraph 21 a)-e), these figures are subject to change in the final business case.
- 28 The indicative preferred option would require a capital investment of £14.06m to £17.02m.
- 29 The City Mayor has indicated interest in the Record Office development, in principle, and the City would be prepared to make a capital contribution towards the costs of the development, but it would need to be linked to financial savings for the City with regard to their revenue contribution towards the Record Office running costs.
- 30 The Director of Corporate Resources and the Director of Law and Governance have been consulted on the content of this report.

Timetable for Decisions

- 31 The intention is to present the full business case to the Cabinet on 10 April 2018 and the comments from this Committee will be attached as an appendix.

Conclusions

- 32 On the basis of the options appraisal and the draft business case, the Committee is asked to consider and comment on the options outlined for the development of a Collections Hub, with a view to which option will most closely meet the County Council's requirements.

Background Papers

- Report to the Cabinet: 18 July 2016, Communities and Wellbeing Strategy 2016-2020 - <http://bit.ly/2sMPrrO>

- Report to the Cabinet: 15 September 2017 – Progress with the Implementation of the Communities and Wellbeing Strategy 2016-2020 - <http://bit.ly/2GC2yxR>

Circulation under the Local Issues Alert Procedure

None.

Officer to Contact

Jon Wilson
 Director of Adults and Communities
 Adults and Communities Department
 Tel: 0116 305 7454
 Email: jon.wilson@leics.gov.uk

Nigel Thomas, Assistant Director Strategic Services
 Adults and Communities Department
 Tel: 0116 305 7379
 Email: nigel.thomas@leics.gov.uk

Jon Bennett
 Head of Strategic Property
 Corporate Resources Department
 Tel: 0116 305 6926
 Email: jon.bennett@leics.gov.uk

List of Appendices

Appendix A – Full Business case
 Appendix B – Non Financial Option Appraisal
 Appendix C - Equalities and Human Rights Impact Assessment (EHRIA) screening - ROLLR
 Appendix D – EHRIA screening – Museum Collections
 Appendix E - EHRIA screening – Creative Learning Services

Relevant Impact Assessments

Equality and Human Rights Implications

- 33 EHRIA screenings have been undertaken on ROLLR, Museum Collections and Creative Learning Services and are attached as Appendices C-E. These have determined that a full EHRIA is not required for this project, at this stage.

Environmental Implications

- 34 Opportunities for renewable energy, and in particular opportunities for renewable sources of heat for space conditioning and domestic hot water, will be considered as a part of the sustainable design hierarchy. The application of the CIBSE TM38 approach to opportunities appraisal shall be carried out at the next stage, with any viable options to be considered in more detail as the design progresses.
- 35 In the event that a ‘new build’ option is pursued, consideration could be given to designing the structure to support the additional load associated with a solar

photovoltaic system. Such a system would be designed to meet the electrical base load of the building, thereby contributing to the reduction of day-to-day running costs.

Partnership Working and Associated Issues

- 36 An established partnership between the County Council, Leicester City Council and Rutland County Council sees the County Council deliver the Record Office on behalf of the three organisations. The existing partnership agreements are now out of date and need revising in light of future proposal.
- 37 Discussion around the nature of the future legal agreement between the partners will need to be undertaken as part of work to progress any agreed option.

Risk

- 38 High level risks are included in the draft Business case, pages 6, 8 and 11. For the indicative preferred option these include: Failure to deliver required level of saving; Building related issues impact on project timescales and costs; Failure to agree a new partnership agreement with external stakeholders; Negative public reaction.