



**APPENDIX A**

<b>Project Name</b>	<b>Collections Hub FBC Refresh May 2018</b>
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**1. Management Summary**

<b>Introduction</b>	<p><b>A Collections Hub for Leicestershire, Leicester and Rutland</b>                  The Hub will bring together a unique range of historic and cultural resources, archives and information by connecting them with the past, helping them to understand the present and realise their potential in the future. In so doing the proposals contribute to one of Leicestershire County Council’s strategy aims in building great communities.</p> <p>The Hub will allow people to explore, at first hand, a wealth of heritage and cultural resources ranging from historic documents, specialist library collections and archives to items of fashion and design; archaeology to works of art; natural history specimens to the tools and products of local industries and objects that reflect the home and family lives of the people who have made Leicestershire their home. Specialist resources for schools will include library, museum and art collections, all at one central location. As well as individual and group access to these real treasures, The Hub will use digital technologies to help people explore the collections, as finding aids, research tools and to publish highlights across the web and social media platforms. Highlights from the collections, and the stories that they tell, will feature in spotlight displays throughout the building. Viewing areas, search rooms, activity and learning zones and a natural science centre and will create interactive areas for collections research, study and participation.</p> <p>The Hub will not only have the security and conditions to care for and preserve these important resources for the future, but highly trained archive, museum, library and learning professionals who will support visitors in making the most of using the collections. Through our professional stewardship of these collections and our knowledge, information and advice we will work in partnership with individuals, schools, groups and organisations across the county to support the wellbeing of our communities and help give meaning and a sense of belonging to Leicestershire.</p> <p><b>Context</b>                  The Collections Hub is one element of the implementation of the Communities &amp; Wellbeing Strategy (“Providing Less: Supporting More – Our Vision and Strategy for Communities &amp; Wellbeing 2016-20”). This Full Business Case details the overall approach, high level plan and options for the development and implementation of a shared service collections hub.</p> <p>Depending on which option is preferred the creation of a hub identifies potential savings and delivers the above benefits as part of the wider implementation of the C&amp;W Strategy. It also addresses issues in relation to storage as highlighted as part of the separate recent Regulatory Services review detailed below.</p> <p><b>Background to C&amp;W Strategy</b>                  On 17<sup>th</sup> February 2016 the Council agreed the Medium Term Financial Strategy (MTFS) for 2016/17 – 2019/20 which included £1.9 million savings for the C&amp;W service to be delivered by 2020/21.</p> <p>The C&amp;W Strategy was approved by Cabinet on 18th July 2016 with the Director of Adults and Communities authorised to take action in developing the Implementation Plan for the strategy subject to further reports being made to the Cabinet and the Adults and Communities Overview and Scrutiny Committee as appropriate.</p>
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One of the key elements of the strategy is to continue to support a range of services including access to; museums collections, cultural learning resources for Schools, and the Record Office for Leicestershire, Leicester and Rutland (ROLLR). The Regulatory services review requires satisfactory provision for the Registration Service records and registers of Births Deaths and Marriages.

#### **Background to the Collections Hub**

The service areas within scope include; Museum Service Collections, Creative Learning Services, the Leicestershire, Leicester and Rutland Record Office (operated by LCC via a partnership agreement between three authorities) and the storage requirements of the Leicestershire Registration Service. Each of the 4 services are required to accept, maintain and store records, archives and collections in accordance with requirements set out and monitored by the following external bodies; The National Archive (TNA), Arts Council England (ACE) and the General Register Office (GRO).

The items within scope are stored at the following main venues:

- a. Record Office, Wigston (ROLLR)
- b. Collections Resources Centre, Barrow on Soar
- c. Collections Unit 1, Coalville
- d. Sherrier Centre, Lutterworth
- e. Eastern Annex (part), County Hall campus

The collections at these venues can be accessed by the public either via; publicised opening hours (Records Office only), an appointment system and public events.

The Registration Service records and registers are stored within the County Hall Pen Lloyd building and do not require direct public access.

Currently there are a range of costs and issues associated with each venue. These include additional management and retrieval costs associated with storing collections across a number of sites; fragmented collections stored inefficiently across those sites; poor environmental storage standards; lack of expansion space; inadequate floor loadings. Therefore, it is proposed that all collections, archives and records are brought together in one location (i.e. the Collections Hub) in order to achieve the following:

- Provision of a modern public service venue which improves customer access, satisfaction, experience and demand.
- Delivery of cashable savings to meet savings targets as detailed in the council's MTFS;
- Provision of adequate storage capacity to meet future need;
- Provision of storage facilities which are considered "fit for purpose" meeting the required professional standards for long term preservation of items;

Initial work has been undertaken to consider the potential requirements of a "fit for purpose" Collections Hub and to develop an initial Outline Accommodation Brief; including

- Reviewing and visiting similar projects both in development and completed such as Norwich Library and Record Office, Hull Record Office, Essex Record Office, Leeds Discovery Centre.
- A review of the new Nottingham City Council's Archives Office to identify the key elements for a modern purpose built facility
- An engagement workshop and consultations with internal stakeholders including the 4 service areas which could be co-located within the Hub
- Liaison and consultation with external stakeholders - Leicester City Council and Rutland



County Council.

- The appointment of specialist consultants to advise on the feasibility of delivering the Brief through the 3 potential options

An Outline Business Case was considered by the Transformation Design Authority on 16th May 2016 and it was agreed that this be progressed as a joint departmental project outside the corporate Transformation Programme. An Outline Property Feasibility Report based upon the Outline Accommodation Brief was completed on 6th September 2017 which outlined the design concept, high level cost envelope and possible delivery timelines for 4 building options.

On 15 September 2017 Cabinet noted progress on the C&W strategy Implementation Plan and approved the development of a FBC for this project.

On the 6 March 2018 Adults and Communities Overview and Scrutiny Committee supported the outline proposals presented and draft business case for the Collections Hub.

Subsequent to the Cabinet in September 2017 it has been agreed to bring the Registration Service storage requirements within the scope of this project.

#### Potential Contingency Plans

It is acknowledged that if the Collections Hub project (or any other projects/BAU activity to implement the C&W Strategy) fails to deliver the anticipated financial savings and other associated benefits it will be necessary implement contingency actions to deliver the full savings requirement across C&W

Potential contingency actions could include:

- Further reduction of opening hours and/or staffed hours
- Increased use of volunteers
- Outsourcing of the storage of archives/records in line with LCC off site storage strategy via contract with a third party storage provider at increased revenue cost to the service areas
- End of non-statutory service provision
- Building closure(s)

All of these potential actions could deliver savings in relation to staffing costs. However, where buildings (i.e. libraries, museums or heritage sites) are held freehold the council (C&W service and Property services) would continue to incur premises related expenditure (i.e. rates, insurance, utility costs and essential repairs) until buildings can be “mothballed” or disposed of.

It should also be noted that:

- “Mothballing” a building reduces utility costs only;
- For the leasehold of Barrow the Council would be required to continue to make rental payments until the lease expires. The current lease term expires in December 2018 and negotiations are ongoing with the landlord to renew this in line with the project timelines. The Council is entitled by statute to remain in the premises after the current lease expires and could not be forced to vacate early;
- Any capital receipts resulting from the disposal of a building(s) may be allocated to Property Services rather than the C&W service;
- Some properties are subject to contingent liabilities thereby increasing costs.

Lessons learned from previous projects indicate that the key risk of these contingency actions would be potential for legal challenge on the grounds that the council would be failing to meet



	<p>its statutory duty to deliver an approved repository for the Public Record and meet the requirements of GRO. The consequences of this would be:</p> <ul style="list-style-type: none"> <li>• Additional legal costs;</li> <li>• Delays in implementation timescales and the subsequent delivery of savings/benefits;</li> <li>• Negative publicity and reputational damage to the council;</li> <li>• Costs imposed by The National Archive as a result of failing to provide an approved repository.</li> </ul>
<p><b>Scope</b></p>	<p>In addition to assessing the costs of maintaining the status quo, this business case evaluates the potential for the following 3 options to provide a sustainable operating model to both; improve access to and ensure the cost effective management of archives, museum collections, educational resources and Registration Service records:-</p> <p><b>Option 1 – Do minimum - Extend the Record Office archive and retain all existing sites</b></p> <p><b>Option 2 – Provide a Single site facility on the County Hall Campus by either:</b></p> <ol style="list-style-type: none"> <li><b>a) Remodel and refurbish the Eastern Annex on the County Hall Campus</b></li> <li><b>b) New build on the County Hall Campus</b></li> </ol> <p><b>*Option 3 – New build on LCC owned land countywide</b></p> <p><i>*Note – various location options were considered by the Project Board as part of Option 3 and subsequently discounted as part of the business case process on the basis of the initial option appraisal criteria i.e.; suitability of location for customer access, site availability, deliverability and cost.</i></p> <p>Current key locations in scope;</p> <ul style="list-style-type: none"> <li>• Records Office, Wigston</li> <li>• Collections Resources Centre, Barrow on Soar</li> <li>• Collections Unit 1, Coalville</li> <li>• Sherrier Centre, Lutterworth</li> <li>• Eastern Annex Warehouse, County Hall</li> <li>• Pen Lloyd Building(part), County Hall</li> </ul> <p>It is recognised that achieving the full scope will be constrained by:</p> <ul style="list-style-type: none"> <li>• Capital and Revenue cost</li> <li>• The ROLLR Partnership agreement and future partnership funding arrangements which need to be negotiated regardless of which option is approved</li> <li>• Meeting the requirements of TNA, ACE and GRO</li> </ul> <p>Elements out of scope are; exhibits on public display in existing Council museums and heritage sites and the public facing elements of the Registration Service delivered through Anstey Firth House.</p>
<p><b>Aims and Objectives</b></p>	<p>The aims and objectives of the project are:</p> <ul style="list-style-type: none"> <li>• Provision of a modern public service venue which enables access to collections and resources, increasing customer satisfaction, experience and demand;</li> <li>• Provision of adequate accommodation to meet future need;</li> <li>• Delivery of cashable savings to meet savings targets as detailed in the council’s MTFS;</li> <li>• Provision of facilities which are considered “fit for purpose” meeting the required professional standards for long term preservation of items;</li> </ul>



	<p>The benefits (cashable and non-cashable) this will deliver are:</p> <ul style="list-style-type: none"> <li>• Improved and sustainable access to archives and museum collections;</li> <li>• Increased opportunities for collaboration across 4 service areas;</li> <li>• Potential to sustain current opening arrangement despite revenue savings;</li> <li>• Increased opportunities for partner organisations to utilise the facility as a service venue/work space and potential to increase income to the service;</li> <li>• Potential to develop a centre of excellence providing a single point of expertise across the whole range of archives and collections;</li> <li>• Provide fit for purpose accommodation to satisfy TNA, ACE and GRO requirements and retain accredited status with TNA and ACE.</li> </ul>
<p><b>Preferred Option</b></p>	<p><b>The Project Board recommends proceeding with Option 2, a single site facility on the County Hall campus. Further work on the availability of external match funding is required before a decision on which of the two schemes, either 2a &amp; 2b, is pursued.</b></p>
<p><b>Rationale</b></p>	<p>Option 2 best fulfils the brief by providing a central, single site location, delivering a modern public service facility which would bring together all of the benefits of:</p> <ul style="list-style-type: none"> <li>• improved access to collections;</li> <li>• improved storage space and conditions;</li> <li>• the delivery of cashable savings.</li> </ul> <p>There are two potential schemes for this Option and the relative merits and risks associated with each option are detailed in this FBC.</p> <p>In summary Option 2a provides a cost efficient opportunity to better utilise an existing Council asset, but its redesign and new layout may not deliver the higher quality provided by Option 2b nor may its initial cost prove value for money in the longer term, due to the age of the existing building infrastructure.</p> <p>In summary Option 2b would provide the opportunity to design from scratch a new build facility with all of the advantages and opportunities that this would together with a longer projected lifespan of the building, but this comes at a significant additional cost when compared to Option 2a.</p> <p>In summary Option 2 would achieve the following -</p> <ul style="list-style-type: none"> <li>• <b>Savings</b> – achieves total savings of £350,000 per annum for the C&amp;W Service plus £107,000 per annum premises related savings which includes the current rental for the Barrow store.</li> <li>• <b>Customers</b> – improves and broadens customer access to cultural resources.</li> <li>• <b>Communities</b> – enables communities to access a wide range of cultural resources through a single facility</li> <li>• <b>Political</b> – enables the delivery of savings whilst sustaining and improving access to archives, collections and education resources</li> <li>• <b>Strategic</b> – is aligned with the C&amp;W strategic aim of “Enabling Access” and the wider corporate strategic aim to make the most of our County Council resources. Will provide additional 20 year capacity for the ROLLR.</li> <li>• <b>Compliance</b> – compliance with TNA, ACE and HMPO requirements regarding paper archives, museum collections and certified stock.</li> <li>• <b>Commercial</b> – either option could provide long term flexible workspace and accommodation providing the opportunity to explore commercial opportunities in</li> </ul>



	addition to the existing income streams, for example those provided by the Creative Learning Service.
<b>Recommendations</b>	<b>It is recommended that, subject to Cabinet approval, Option 2 is approved and further work on external funding availability is carried out as part of the implementation approach outlined on page 19 to determine the scheme is adopted</b>

## 2. Options Appraisal

<b>Baseline Position (Do Nothing)</b>	<p><b>Description</b></p> <p>Continue delivering the 4 service areas from existing locations across the County with the current staffing structure for each service area whilst continuing to maintain the existing policy for the storage and retrieval of all archives, museum collections, educational resources and records.</p>
<b>Baseline Assumptions (Do Nothing)</b>	<p>Service related -</p> <ul style="list-style-type: none"> <li>• The current staffing structure for each service area will remain in place and fully funded</li> <li>• The current locations will continue to meet all specific service related statutory requirements for the collections, storage and care of items</li> <li>• The current level of public access would be maintained as would the system of storage and retrieval.</li> <li>• No change to the current scope of collection, storage, retention and access, as defined by relevant policy documents, e.g. Collections Development Policy (Museum Service; Collections Policy (Record Office)</li> </ul> <p>Property related -</p> <ul style="list-style-type: none"> <li>• The current locations are fit for purpose and will continue to meet all legislative requirements and that any associated day to day repairs to the building fabric are funded via the Central Maintenance Fund</li> <li>• Sufficient ongoing capital expenditure is available in order to upgrade any major elements of the building fabric and mechanical and electrical installations from time to time as identified on subsequent quinquennial condition surveys or as elements become functionally obsolete / beyond economic repair</li> <li>• The current overflow storage area for the ROLLR records within the Eastern Annex remains available and fit for purpose</li> </ul>
<b>Baseline Dependencies and Interfaces (Do Nothing)</b>	<ul style="list-style-type: none"> <li>• The wider implementation of the C&amp;W Strategy and the delivery of the required savings.</li> <li>• Future funding of the Central Maintenance Fund and capital programme County Hall Masterplan Phase 2, LCC review of Workplace Strategy</li> </ul>





<b>Baseline Benefits and Issues (Do Nothing)</b>	<p><b>Financial Benefits</b></p> <ul style="list-style-type: none"> <li>No upfront capital funding is required save for anticipated repairs, maintenance and upgrades identified by regular condition surveys</li> </ul> <p><b>Non-Financial Benefits</b></p> <ul style="list-style-type: none"> <li>No service disruption as a result of closure during the development of the new building and relocation of contents</li> </ul> <p><b>Issues</b></p> <ul style="list-style-type: none"> <li>The ROLLR has reached storage capacity within the current building and the current temporary provision will have been outstripped by 2020. Unless storage accommodation of sufficient scale and standard is identified the ROLLR risks being removed as approved place of deposit;</li> <li>The current staffing structure in C &amp; W is resulting in some storage locations being unstaffed for prolonged periods. This increases the risk of damage or loss as a result of lack of regular supervision and care and limits the ability of the service to respond to access requests;</li> <li>The floor of the strong room on the first floor of ROLLR is not fit for purpose and requires remedial works to address the floor loading. This regularly impeded the function of the rolling stacks, causing retrieval of records to be temporarily restricted whilst repairs are made;</li> <li>The provision of appropriate storage of controlled records for the Registration Service will not be addressed.</li> </ul>																											
<b>Baseline Financial Summary (Do Nothing)</b>	<p><b>Financial (Capital Costs)</b> Current buildings backlog maintenance costs, as per the most recent condition surveys, indicate expenditure of £1.2m may be required over the next 5 years for the 5 main sites.</p> <p><b>Financial (Revenue Costs)</b> Ongoing premises related revenue costs of £310,000 per annum would be incurred across the 5 main sites.</p> <p><b>Financial (Savings Estimate)</b> A revised staffing model based on shared facility will not be deliverable and therefore alternative actions will need to be developed.</p>																											
<b>Baseline Top 5 Risks (Do Nothing)</b>	<table border="1"> <thead> <tr> <th>Risk</th> <th>Mitigation</th> <th>Current Risk Score</th> <th>Financial Impact</th> </tr> </thead> <tbody> <tr> <td>Savings are not delivered</td> <td>Additional savings to be identified from other service areas in C&amp;W</td> <td>20</td> <td>MTFS savings targets are not met.</td> </tr> <tr> <td>Non-compliance with the National Archives requirements re lack of sufficient capacity</td> <td>Additional storage space released in the Eastern Annex</td> <td>12</td> <td>Potential impact if financial penalties are introduced and enforced for non-compliance</td> </tr> <tr> <td>Non-compliance with HMPO requirements</td> <td>Upgrade existing accommodation</td> <td>12</td> <td>Cost of upgrade</td> </tr> <tr> <td>Reduced customer satisfaction due to limited access to current 7 locations archives/ items</td> <td>Require all access requests to be booked in advance and/or provide additional staffing to respond to requests</td> <td>6</td> <td>MTFS savings targets are not met</td> </tr> <tr> <td>Insufficient capital to maintain 7 sites due to the age/condition of each building</td> <td>Update condition surveys and develop planned preventative maintenance programme for each site</td> <td>9</td> <td>Increased capital and revenue costs to address all outstanding repairs</td> </tr> </tbody> </table>	Risk	Mitigation	Current Risk Score	Financial Impact	Savings are not delivered	Additional savings to be identified from other service areas in C&W	20	MTFS savings targets are not met.	Non-compliance with the National Archives requirements re lack of sufficient capacity	Additional storage space released in the Eastern Annex	12	Potential impact if financial penalties are introduced and enforced for non-compliance	Non-compliance with HMPO requirements	Upgrade existing accommodation	12	Cost of upgrade	Reduced customer satisfaction due to limited access to current 7 locations archives/ items	Require all access requests to be booked in advance and/or provide additional staffing to respond to requests	6	MTFS savings targets are not met	Insufficient capital to maintain 7 sites due to the age/condition of each building	Update condition surveys and develop planned preventative maintenance programme for each site	9	Increased capital and revenue costs to address all outstanding repairs			
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<p><b>Option 1 Do Minimum (Multiple sites)</b></p>	<p><b>Description</b></p> <p>Increase the storage capacity of the ROLLR specialist archive at the existing Wigston site, to ensure a further 20 year storage capacity is available to accommodate the estimated growth in the storage of archival material that are held in suitable environmental conditions. Retain all of the existing sites.</p> <p>Additional capacity could be achieved by constructing a new secure archive store building to provide the required additional specialist storage to the rear of the current premises on the existing staff and volunteer car park subject to planning.</p>
<p><b>Option 1 Assumptions</b></p>	<p><b>Service</b></p> <ul style="list-style-type: none"> <li>• The current staffing structure for each service area will remain in place and will cover all but one of the current locations (Registration Service records need to be held on the County Hall campus)</li> <li>• The current locations will continue to meet all specific service related statutory requirements for the storage and retention of items</li> <li>• The current level of public access would be maintained</li> </ul> <p><b>Property</b></p> <ul style="list-style-type: none"> <li>• planning consent for a new build additional storage at Wigston would be forthcoming (site located in a conservation area)</li> <li>• site for a new storage extension is suitable - site is constrained by surrounding uses and may be have adverse ground conditions</li> <li>• 'front of house' former school building remains fit for purpose with minimal repair and maintenance or capital works required</li> <li>• issues with roller racking and floor loadings of current store at Wigston can be addressed at minimal cost</li> <li>• Site can function with; reduced staff, volunteer and visitor car parking capacity and with smaller loading/unloading areas</li> <li>• Appropriate ongoing storage provision for the Registration Service can be provided at County Hall</li> </ul>
<p><b>Option 1 Dependencies and Interfaces</b></p>	<ul style="list-style-type: none"> <li>• The wider implementation of the C&amp;W Strategy and the delivery of the required savings</li> <li>• Future funding of the Central Maintenance Fund</li> <li>• County Hall Masterplan Phase 2, and the Council Workplace Strategy do not require further relocations from retained locations</li> </ul>





<b>Option 1 Benefits and Issues</b>	<p><b>Financial Benefits</b></p> <ul style="list-style-type: none"> <li>Reduced capital funding is required compared to all of the other options in this FBC</li> <li>Only pro-rata additional revenue costs are incurred for the ROLLR related to the new extension of circa 800sqm.</li> </ul> <p><b>Non-Financial Benefits</b></p> <ul style="list-style-type: none"> <li>This option would result in the necessary archival storage capacity being provided post 2020;</li> <li>Minimal service change for users and external stakeholders;</li> <li>Would release temporary overflow storage currently at the Eastern Annex for other uses.</li> </ul> <p><b>Issues</b></p> <ul style="list-style-type: none"> <li>Current staffing structure in museums service will remain unable to appropriately staff all buildings, leading to collections being not checked for prolonged periods and ability to deal with access requests restricted;</li> <li>Long term building condition issues identified in most recent condition survey will need to be addressed including costs of remedial works to existing stores.</li> </ul>			
<b>Option 1 Financial Summary</b>	<p><b>Financial (Capital Costs)</b> £4.55m of capital and project resource is required for new build, excluding client contingency and any additional cost of remedial works to existing strong room archive store. The actual cost will be determined following the completion of a detailed design, site surveys and the procurement exercise. In addition there are estimated backlog maintenance costs of £1.22m across the existing sites over the next 5 years.</p> <p><b>Financial (Revenue Costs)</b> Estimated increase in building running costs for the new build extension is estimated at an additional £30,000 per annum, offset by £4.6k of income from the installation of solar panels.</p> <p><b>Financial (Savings Estimate)</b> Staff savings assumed as a result of a single site provision not deliverable and C &amp; W Service to develop alternative actions.</p> <p>No premises related savings – no potential to improve current mobile racking system or building energy efficiency and utilisation.</p> <p>Revenue costs do not include HR Action Plan implementation costs (i.e. redundancy, compensation, pension release, etc.)</p>			
<b>Option 1 Top 5 Risks</b>	<b>Risk</b>	<b>Mitigation</b>	<b>Current Risk Score</b>	<b>Financial Impact</b>
	Staffing savings are not delivered	Additional savings to be identified from libraries and other service areas in C&W	20	MTFS savings targets are not met.
	Site cannot be physically extended	Increase use of Digital access and consider outsourcing storage of some archives	10	Implementation costs and increased revenue costs for retrieval of outsourced records.



	Insufficient BAU resources to maintain service from the other locations, plus Wigston	Seek additional resources, or remove access to collections not on display	12	Revenue costs increase
	New archival store does not meet National Archive standards	Ensure TNA involved in design detail of extension	3	Implementation costs
	Additional costs identified during implementation including additional remedial work for the current strong room	Ensure implementation budget includes adequate contingency. Ensure appropriate escalation should contingency/cost tolerance be exceeded.	9	Implementation costs increase/savings reduce.
<p><b>Option 2</b>  <b>Single site at County Hall (x2 sub-options)</b></p> <p><b>Option 2a Remodel and refurbish the Eastern Annex on the County Hall Campus</b>  <b>(Option 2b see section below)</b></p>	<p><b>Description</b>                  There are two potential alternative schemes for this option; Option 2a is detailed here and Option 2b below.</p> <p>This option would bring all 4 service areas together and accommodate them in a single building located centrally at County Hall providing; good access, transport links and on site car parking incorporating the Collections Hub only.</p> <p>Archives, Collections, Educational Resources and Registration records would be brought together and stored within a mixture of accommodation ranging from; environmentally controlled specialist space to more general ‘warehouse accommodation’, together with associated public research spaces, meeting rooms and office accommodation.</p> <p>The building would be operated with a revised staffing structure and operating model sharing both staff resources and expertise from across each service area.</p> <p>The existing building identified for conversion for Option 2a is the Eastern Annex building located immediately to the rear of the main County Hall building. It is proposed that <u>part</u> of the building be remodelled, refurbished and extended to provide the accommodation required. It is proposed to build an extension to provide a new purpose built environmentally controlled secure storage facility to bring together those archives and collections requiring specialist environmental conditions.</p> <p>For the new build extension it is anticipated that solar PV panels will be installed on the rooftop of the extension to offset costs/generate additional income and it is anticipated that the building will incorporate energy efficiency measures throughout to upgrade the current installations.</p> <p>Estimates of building costs and timescales have been provided by LCC Strategic Property Services (SPS) based on an agreed accommodation brief. SPS have also provided and maintained the associated project management documentation including the project risk register which has informed the production of this business case.</p>			



<p><b>Option 2a Assumptions</b></p>	<p><b>Service</b></p> <ul style="list-style-type: none"> <li>Revised operating model can be established assuming generic job roles;</li> <li>Assumes revised partnership agreement signed off with the City and Rutland;</li> <li>Assumes greater use of Digital for delivery – more relevant to the Record Office;</li> <li>Staff resource requirement to come from a mix of BAU (e.g. C&amp;W, Property Services, Regulatory Services, ICT), Transformation Unit and project specific resources;</li> <li>Transformation Unit and/or SPS resources (PM and/or PSO) will be available to oversee implementation and delivery of the project;</li> <li>HR Action Plans would be implemented;</li> <li>Implementation does not require full public consultation to be undertaken.</li> </ul> <p><b>Property</b></p> <ul style="list-style-type: none"> <li>Assumes a suitable site, sufficient capital and resources will be made available for major redevelopment;</li> <li>Implementation of building work would be undertaken using specialist external provider;</li> <li>Revenue running costs of new facility will be reduced for the C&amp;W estate due to improved mechanical and electrical installations;</li> <li>The current occupiers can be relocated within a reasonable timescale. No existing occupier relocation costs have been included in these costings and will be co-ordinated as part of the Workplace Strategy</li> <li>Up to 60 car parking spaces will be lost due to the construction of the a new build specialist store extension;</li> <li>An additional 10 public car park spaces will be required to be allocated to the Hub on the campus to accommodate up to an estimated 15,000 visitors per year;</li> <li>The Council’s Workplace Strategy does not require further staff relocations from retained locations to the Eastern Annex;</li> <li>Costs for existing Museum storage items to be decanted from the Eastern Annex whilst the refurbishment takes place are not included in this FBC – it is assumed that items remain in situ.</li> </ul>
<p><b>Option 2a Dependencies and Interfaces</b></p>	<p><b>Dependencies</b></p> <ul style="list-style-type: none"> <li>The wider implementation of the C&amp;W Strategy and the delivery of the required savings;</li> <li>Capital funding can be met from discretionary capital resources from 2018 - 2022;</li> <li>Assumes planning consent would be forthcoming;</li> <li>Relocation of current occupiers within the Eastern Annex will be agreed during 2018/19 to ensure the site is available to achieve C&amp;W target timeline for completion and savings as per the MTFs;</li> <li>Re-provision of displaced car parking spaces and the provision of visitor parking for the Hub</li> <li>Updated partnership agreement, including ongoing revenue contributions, from Leicester City Council and Rutland County Council for new location of ROLLR.</li> </ul> <p><b>Interfaces</b></p> <ul style="list-style-type: none"> <li>County Hall Masterplan Phase 2, LCC review of Workplace Strategy Current building occupiers</li> <li>ROLLR partners</li> </ul>



<b>Option 2a</b>  <b>Benefits and Issues</b>	<p><b>Financial Benefits</b></p> <ul style="list-style-type: none"> <li>Savings in revenue costs in relation to reducing the number of locations and investing in building to provide more suitable accommodation</li> <li>Estimated net useable floor space reduction of nearly 20% whilst providing additional 20 years new storage capacity for the ROLLR.</li> <li>Savings in revenue costs arising from reductions in staffing model within current MTFS.</li> </ul> <p><b>Non-Financial Benefits</b></p> <ul style="list-style-type: none"> <li>Increased accessibility due to central single site location;</li> <li>Increased opportunities for use by community groups due improved facility and co-located resources;</li> <li>Increased opportunities for use by LCC and partner organisations as a service venue/work space;</li> <li>Offers potential solution to current operational issues (e.g. lone working due to reduced/insufficient staffing);</li> </ul> <p><b>Issues</b></p> <ul style="list-style-type: none"> <li>Accommodation for the Museum service and CLS will not be increased as part of this option;</li> <li>Temporary relocation of current Museum and CLS items stored within the Eastern Annex may be required depending upon the refurbishment methodology adopted;</li> <li>Car parking displacement issues and associated costs;</li> <li>Timely vacant possession is required;</li> <li>Planning consent will be required.</li> </ul>															
<b>Option 2a</b> <b>Financial Summaries</b>	<p><b>Financial (Capital Costs)</b>  Estimated capital costs of £16.61 million. This cost includes an overall client contingency of 10%.</p> <p>A more accurate cost will be determined following the completion of a detailed design, site surveys and the construction procurement exercise.</p> <p><b>Financial (Revenue Costs)</b>  Revenue costs do not include HR Action Plan implementation costs (i.e. redundancy, compensation, pension release, etc.)</p> <p><b>Financial (Revenue Savings Estimate)</b>  Revenue savings of approximately £350k per annum, principally from staffing reductions, and £119k relating to a reduction in property related costs.</p>															
<b>Option 2a Top 5 Risks</b>	<table border="1"> <thead> <tr> <th>Risk</th> <th>Mitigation</th> <th>Current Risk Score</th> <th>Financial Impact</th> </tr> </thead> <tbody> <tr> <td>Savings are not delivered</td> <td>Further savings to be identified from other service areas in C&amp;W</td> <td>4</td> <td>MTFS savings targets are not met.</td> </tr> <tr> <td>Building &amp; site related issues impact on project timescales and costs (e.g. planning relocations, existing building infrastructure, car parking etc)</td> <td>Include contingency in project costs.</td> <td>6</td> <td>Increased project costs. Anticipated savings not delivered.</td> </tr> </tbody> </table>	Risk	Mitigation	Current Risk Score	Financial Impact	Savings are not delivered	Further savings to be identified from other service areas in C&W	4	MTFS savings targets are not met.	Building & site related issues impact on project timescales and costs (e.g. planning relocations, existing building infrastructure, car parking etc)	Include contingency in project costs.	6	Increased project costs. Anticipated savings not delivered.			
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## Full Business Case



	Failure to agree new partnership agreement with external stakeholders	Partners sit on project board	6	Additional legal costs. Partners require additional savings
	Negative public reaction	Develop and implement comprehensive public communication plan.	2	Potential impact if legal challenge made.
	Lack of capacity/resources in BAU	Introduce backfill arrangements where appropriate OR recruitment of an "Implementation Officer" to support BAU to deliver the project. Secure additional Transformation resources	9	Cost of additional staffing requirement

<b>Option 2b New build on the County Hall Campus</b>	<p><b>Description</b></p> <p>This option would provide the Collections Hub (bringing all 4 service areas together and accommodate them in a single new building) plus additional community and staff health and sports facilities in one single new building.</p> <p>The new building would be located adjacent to the County Hall main building on the site of the Western Annex at County Hall plus the area currently used for fitness training. This site lies to the front of the campus and benefits from; excellent access, transport links and on site visitor car parking.</p> <p>Archives, Collections, Educational Resources and Registration records would be brought together and stored within a mixture of accommodation ranging from; environmentally controlled specialist space to more general 'warehouse accommodation', together with associated public research spaces, meeting rooms and office accommodation.</p> <p>The building would be operated with a revised staffing structure and operating model sharing both staff resources and expertise from across each service area.</p> <p>Estimates of building costs and timescales have been provided by LCC Strategic Property Services (SPS) based on an agreed accommodation brief. SPS have also provided and maintained the associated project management documentation including the project risk register which has informed the production of this business case.</p> <p>It is anticipated that solar PV panels will be installed on the rooftop to generate additional income and the new building will incorporate energy efficiency measures.</p>
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<b>Option 2b Assumptions</b>	<p><b>Service</b></p> <ul style="list-style-type: none"> <li>Revised operating model can be established assuming generic job roles;</li> <li>Assumes revised partnership agreement signed off with the City and Rutland;</li> <li>Assumes greater use of Digital for delivery – more relevant to the Record Office;</li> <li>Staff resource requirement to come from a mix of BAU (e.g. C&amp;W, Property Services, Regulatory Services, ICT), Transformation Unit and project specific resources;</li> <li>Transformation Unit and/or SPS resources (PM and/or PSO) will be available to oversee implementation and delivery of the project;</li> <li>HR Action Plans would be implemented;</li> <li>Implementation does not require full public consultation to be undertaken.</li> </ul> <p><b>Property</b></p> <ul style="list-style-type: none"> <li>Assumes a suitable site and sufficient capital and resources will be made available for major redevelopment;</li> <li>Implementation of building work would be undertaken using specialist external provider;</li> <li>Revenue running costs of new facility will be reduced from the C&amp;W existing portfolio due to improved quality of building fabric and mechanical and electrical installations;</li> <li>The current site occupier can be relocated and existing building demolished within a reasonable timescale. NB no relocation costs have been included in these costings</li> <li>Up to 12 public car park spaces will be provided on the new site to accommodate up to an estimated 15000 visitors per year;</li> <li>The Council's Workplace Strategy does not require further staff relocations from retained locations to County Hall campus.</li> </ul>
<b>Option 2b Dependencies and Interfaces</b>	<p><b>Dependencies</b></p> <ul style="list-style-type: none"> <li>The wider implementation of the C&amp;W Strategy and the delivery of the required savings;</li> <li>Capital funding can be met from discretionary capital resources from 2019 - 2023;</li> <li>Assumes planning consent would be forthcoming and that the mitigation measures identified for the small loss (600 sqm) of the sports fitness / landscaped area will be agreed by Sport England as part of the planning process;</li> <li>Relocation of current occupiers within the Western Annex agreed during 2018/19 to ensure site is available to achieve C&amp;W target timeline for completion and savings as per the MTFs;</li> <li>Updated partnership agreement, including ongoing revenue contributions, from Leicester City Council and Rutland County Council for new location of ROLLR.</li> </ul> <p><b>Interfaces</b></p> <ul style="list-style-type: none"> <li>County Hall Masterplan Phase 2, the Council's review of the Workplace Strategy</li> <li>Current building occupier</li> <li>ROLLR partners</li> </ul>





<b>Option 2b Benefits and Issues</b>	<p><b>Financial Benefits</b></p> <ul style="list-style-type: none"> <li>• Savings in revenue costs in relation to reducing the number of locations and investing in a new building to provide more suitable and energy efficient accommodation;</li> <li>• Estimated net useable floor space reduction of nearly 20% whilst providing additional 20 years new storage capacity for the ROLLR.</li> <li>• Savings in revenue costs arising from reductions in staffing model.</li> </ul> <p><b>Non-Financial Benefits</b></p> <ul style="list-style-type: none"> <li>• Increased accessibility due to central single site location;</li> <li>• Increased opportunities for use by community groups due improved facility and co-located resources;</li> <li>• Increased opportunities for use by LCC and partner organisations as a service venue/work space;</li> <li>• Offers potential solution to operational issues (e.g. lone working due to reduced/insufficient staffing);</li> <li>• Opportunity to mitigate the loss of the fitness / landscaped area by providing improved health and wellbeing facilities for both the community and staff users of the existing pavilion, in line with the Councils Wellbeing Strategy 2018 – 2020.</li> </ul> <p><b>Issues</b></p> <ul style="list-style-type: none"> <li>• Accommodation for the Museum service and CLS will not be increased as part of this option;</li> <li>• Timely vacant possession is required;</li> <li>• Planning consent will be required subject to consultation with Sport England and this will impact the timescales for the MTFs saving delaying the saving until 2022/23.</li> </ul>			
<b>Option 2b Financial Summary</b>	<p><b>Financial (Capital Costs)</b> Estimated capital costs £34.75 million. This cost includes an overall client contingency of 10%.</p> <p>A more accurate cost will be determined following the completion of a detailed design, site surveys and the construction procurement exercise.</p> <p><b>Financial (Revenue Costs)</b> Revenue costs do not include HR Action Plan implementation costs (i.e. redundancy, compensation, pension release, etc.)</p> <p><b>Financial (Revenue Savings Estimate)</b> Revenues savings of approximately £350k per annum, principally from staffing reductions, and £151k relating to a reduction in property related costs</p>			
<b>Option 2b Top 5 Risks</b>	<p style="text-align: center;"><b>Risk</b></p>	<p style="text-align: center;"><b>Mitigation</b></p>	<p style="text-align: center;"><b>Current Risk Score</b></p>	<p style="text-align: center;"><b>Financial Impact</b></p>
	<p>Savings are not delivered</p>	<p>Further savings to be identified from other service areas in C&amp;W</p>	<p style="text-align: center;">4</p>	<p>MTFS savings targets are not met.</p>
	<p>Building &amp; site related issues impact on project timescales and costs (e.g. planning consent, vacant possession, existing infrastructure)</p>	<p>Include contingency in project costs.</p>	<p style="text-align: center;">10</p>	<p>Increased project costs. Anticipated savings not delivered.</p>



	Failure to agree new partnership agreement with external stakeholders	Partners sit on project board	6	Additional legal costs. Partners require additional savings
	Negative public reaction	Develop and implement comprehensive public communication plan.	2	Potential impact if legal challenge made.
	Lack of capacity/resources in BAU	Introduce backfill arrangements where appropriate OR recruitment of an "Implementation Officer" to support BAU to deliver the project. Secure additional Transformation resources	9	Cost of additional staffing requirement

Options Summary		Project Investment (£000)	Capital Costs (£000) Midpoint estimate	Operation Costs (ongoing pa £000)	Contingency 10% incl **	Financial Benefits †	Additional NPV Cost compared with Status Quo (£000) (over 25 years)	Overall Risk Rating
	<b>Status Quo</b>	0	n/a	£2,759.6	-	-	-	59
	<b>Option 1</b> Extension to record Office only and retain all existing sites	£4,546.4	£4,446.4	£2,785.1	-	+£25.5	£4,590.3	54
	<b>Option 2a</b> Remodel and refurbish the Eastern Annex at County Hall	£16,606.7	£15,954.5*	£2,290.3	-	-£469.3	£7,862.8	27
	<b>Option 2b</b> New Build at County Hall	£34,754.0	£34,044.3*	£2,258.6	-	-£501.0	£23,469.4	31

\*Includes the capital receipt from the Sherrier Centre and Records Office of £760k

\*\* 10% contingency is already included within the capital cost

† Financial benefits are estimated over 25 year period

### 3. Implementation Strategy for the Preferred Options

Key Stakeholders	Who are they?	Why do they have an interest in the project?	What level of influence will they have on the success of the project? (H,M,L)
	C&W staff	<ul style="list-style-type: none"> <li>Affected by outcomes of the HR Action Plan</li> <li>Changes to working practices and processes.</li> </ul>	H
	Trade Unions	<ul style="list-style-type: none"> <li>Impact of the project on their members (i.e. C&amp;W staff).</li> </ul>	M

## Full Business Case



	Service Users	<ul style="list-style-type: none"> <li>Changes accessibility to the archive/collections (when and how)</li> <li>Availability of staff</li> </ul>	H
	Members	<ul style="list-style-type: none"> <li>Changes to services delivered within their division/portfolio.</li> <li>Dependencies with wider council priorities/objectives.</li> <li>Potential impact on voting behaviours</li> </ul>	M
	Community Groups and Schools using the service	<ul style="list-style-type: none"> <li>Changes accessibility (when and how)</li> <li>Availability of staff</li> </ul>	M
	Borough/District Councils & Town/Parish Councils	<ul style="list-style-type: none"> <li>Changes to services delivered within the local area.</li> <li>Interface with local priorities/objectives.</li> </ul>	L
	LCC Support Services (e.g. Property Services, ICT)	<ul style="list-style-type: none"> <li>Resources required to deliver the project.</li> <li>Potential requirement to change working practices/processes</li> </ul>	H
	Local Residents	<ul style="list-style-type: none"> <li>Impact on local services.</li> </ul>	L
	C&W Strategy Steering Group	<ul style="list-style-type: none"> <li>Dependencies with wider C&amp;W Strategy implementation</li> </ul>	M
	Departmental Transformation Delivery Board (DTDB)	<ul style="list-style-type: none"> <li>Dependencies with wider AC&amp;C transformation activity</li> </ul>	L
	Corporate Transformation Delivery Board (TDB)	<ul style="list-style-type: none"> <li>Dependencies with wider corporate Transformation programme</li> </ul>	M
	Service Suppliers	<ul style="list-style-type: none"> <li>Continuation of existing business with the Council.</li> <li>Opportunity to secure new business with the Council.</li> </ul>	L
	External stakeholders (City & Rutland)	<ul style="list-style-type: none"> <li>Potential impact on usage</li> </ul>	H
	Sectoral bodies (TNA, ACE, HMPO)	<ul style="list-style-type: none"> <li>Ensure services provided meet required standards</li> </ul>	H
	C&W Service	<ul style="list-style-type: none"> <li>Dependencies with wider C&amp;W service objectives.</li> <li>Availability of BAU resources.</li> <li>Sharing of lessons learned applicable to other service areas.</li> </ul>	H



<b>Implementation Impact Analysis</b>	<p><b>People</b></p> <ul style="list-style-type: none"> <li>• A new operating model will be developed to support the delivery of existing services from the new venue, including the registration service</li> <li>• An HR action plan affecting staff across the ROLLR, Museum Collections and Creative Learning Services</li> <li>• Users of current service will be involved in the development of the new model and will be informed of any changes to the way they currently interact with the different elements of the service, but it is not envisaged there will be reductions to service provision</li> </ul> <p><b>Equalities and Human Rights</b></p> <ul style="list-style-type: none"> <li>• An Equalities and Human Rights Screening process has been undertaken for the three public service elements of the proposed provision: ROLLR, Museum Collections and Creative Learning Services. This has determined that the impact of the proposal will either have a neutral or positive impact, therefore a full EHRIA is not proposed at this time</li> </ul> <p><b>Process</b></p> <ul style="list-style-type: none"> <li>• Current processes will be reviewed as part of the implementation plan and relevant work streams.</li> </ul> <p><b>Information and Data</b></p> <ul style="list-style-type: none"> <li>• Some elements of this provision hold significant amounts of data and information, some of which is of a sensitive nature, e.g. ROLLR &amp; Registration Service. All new systems will meet necessary standard, including GDPR compliance.</li> </ul> <p><b>IT Systems</b></p> <ul style="list-style-type: none"> <li>• The new service will need to connect to all standard County Council IT systems. In addition the service use a number of specialist IT systems, particularly around cataloguing and retrieving data. This includes publically searchable databases.</li> <li>• There will be a specific ICT work stream to ensure that disruption to current provision in as seamless as possible.</li> </ul> <p><b>Policies</b></p> <ul style="list-style-type: none"> <li>• It is not envisaged that this development will impact significantly on existing county Council policies.</li> </ul> <p><b>Organisation</b></p> <ul style="list-style-type: none"> <li>• This development will lead to a service restructure and HR action plan for affected staff.</li> </ul> <p><b>Environmental</b></p> <ul style="list-style-type: none"> <li>• Either of the preferred options will be designed to fulfil the requirements of the Council's Corporate Energy and Water Strategy 2017-2021. This includes the requirement to design efficient buildings, generate renewable energy and manage properties effectively in order to reduce energy consumption. This in turn saves carbon and money for Council's running costs.</li> <li>• For the new build elements of each option consideration will be given to designing the structure to support the additional load associated with a solar photovoltaic system. This would meet the electrical base load of the building and reduce the day-to-day running costs.</li> </ul>
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<b>Implementation Approach</b>	<p>Following Cabinet approval, currently scheduled for 12 June 2018, the Project Board will establish a Project Delivery Team to scope all of the required work streams, (including; property, service and corporate requirements), timelines and risks and work will commence on the following key areas:-</p> <ul style="list-style-type: none"> <li>• Identify and pursue opportunities for external funding</li> <li>• A procurement exercise to appoint a preferred supplier</li> <li>• Implementation of communication plan and engagement;</li> <li>• Commence discussions on revising the current Partnership Agreement</li> <li>• Commence development work on the service future operating model</li> </ul> <p>Detailed delivery will be subject to further Cabinet approval and will include the following key work areas:-</p> <ul style="list-style-type: none"> <li>• Service redesign and engagement</li> <li>• Building planning and construction elements</li> <li>• Engagement with Partners and Funders</li> <li>• National Archives accreditation</li> <li>• Relocation of services, archives and collections</li> <li>• Release of surplus property space</li> </ul> <p>Based on this approach (and subject to the selection of the final option; 2b or 2c it is anticipated that implementation will be completed at the by late 2022/ early 2023.</p>
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	Resource Type	Post Title	Resource Requirement (Effort)	Resource Requirement (Duration)			Cost		Comments
				Start	End	Total	Grade	£k	
	Project*	Funding PM	Project based	May onwards	Intermittent		Fee based	50	Fee based, applicable to Option 2b only
	Project*	PM – client co-ordination	100%	April onwards	2022		13	178	
	Project*	Project Support	100%	April onwards	2021		9	105	
	Project*	PM/QS – supplier co-ordination	Project based	May onwards	2022		Fee based	221	Fee based
	Project*	Indexing and Admin Work	2.0	April 2020	Mar 2021		8	62	
	BAU	Comms Officer	0.1	April onwards	2022		10	4	Met from existing BAU resource
	BAU	HR Advisor	0.1	April 2020	Mar 2021		11	4.5	Met from existing BAU resource
	BAU	Head of Service	0.35	April onwards	2021		15	26.6	Met from existing BAU resource
	BAU	Services Lead A&C	0.75	April onwards	2021		13	43.6	Met from existing BAU resource
	BAU	Other A&C staff	0.3	April onwards	2021		10	12	Met from existing BAU resource
	BAU	BP A&C Finance	0.1	April onwards	2021		13	5.8	Met from existing BAU resource

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	BAU	BP Asset Management	0.25	April onwards	2021		13	14.5	Met from existing BAU resource
	TU	BP A&C	0.1	April onwards	2021		15	7.6	Met from existing BAU resource

Project\* - These costs included as project costs and not BAU

Completed by: **Louise Greaves / Franne Wills**

Date:

Reviewed and Approved by  
SRO:

**Jo Wileman / Nigel Thomas**

Date:

Reviewed and  
Approved by TU  
Business Partner:

**Jo Wileman**

Date: