



LEICESTERSHIRE COUNTY COUNCIL

SCRUTINY COMMISSION – 8TH MAY 2002

LEICESTERSHIRE, LEICESTER AND
RUTLAND RECORD OFFICE

FINAL REPORT OF THE SCRUTINY REVIEW PANEL

Purpose

1. The purpose of this report is to set out the findings of the five member review panel established to examine the difficulties being experienced at the Record Office.

Terms of Reference

2. The Scrutiny Commission on 14th November 2001 agreed to establish a five member review panel with the following terms of reference:-
 - a) To examine the process by which the building and equipment was specified and procured;
 - b) To examine the process which led to the County Council taking legal action which resulted in a cost to the Authority of approximately £600,000;
 - c) To examine the suitability of the existing building and equipment in relation to future needs and demands on the service.

Membership of the Panel

3. The membership of the Panel, agreed following consultation with the Group Whips, was as follows:-

Mr P. C. Osborne Mr N. J. Brown Mr O. D. Lucas
Mr N. J. Rushton
Mr B. Page

Mr Osborne CC was nominated as Chairman of the Panel.

Conduct of the Review

4. The Panel has had four meetings, including a site visit to see first hand the problems at the Record Office. The Panel at its first meeting decided to conduct the review in two parts:
 - i) the first to deal with the siting of the Record Office, the process by which the building and equipment was specified and procured and the conduct of the legal proceedings;
 - ii) the second to deal with current policies in relation to retention of records, issues relating to rectifying the building problems and future space requirements and how these are best provided.

5. The Panel requested the following information to enable it to fulfil its remit.
 - a) Purpose/Function of the Record Office:
 - Legal requirements for keeping records;
 - County Council policy for keeping records and reasons for going beyond strict legal requirements.

 - b) Background to the siting of the Record Office:
 - Reasons for seeking new site;
 - Process of identification of potential sites and evaluation of such sites;
 - Reasons for choosing the Wigston site;
 - Expected lifespan of the building when commissioned.

 - c) Details of the specification, the tendering process and the contract with particular reference to the:-
 - racking equipment;
 - flooring;
 - engagement of structural engineers;
 - engagement of architects.

 - d) Identification of Problems
 - When did the problems first come to light?
 - Why was there a delay between identification of the problem and action taken to resolve these?
 - What provision was there in the contracts for arbitration?

- e) Basis for taking Legal Proceedings
- Expert technical advice;
 - Advice of Counsel;
 - Details of and outcome of any attempts at a negotiated settlement;
 - Outcome of Legal Proceedings.
- f) Proposals for the future
- Options for dealing with the immediate problem of the racking system;
 - Implications of the emerging view from Leicester City Council regarding their continuing involvement with the Record Office;
 - Medium/Long term requirements of additional storage requirements and the siting of such.

6. The Panel also interviewed the following officers as part of the investigation:

Mrs H. Broughton	Head of Museums
Mr A. Morrison	Director of Property
Mr G. Walsh	Chief Architect
Mr C. Harrison	Chief Archivist
Mr R. Boam	Assistant Head of Legal Services.

7. The following parties were involved in the design and construction of the Record Office:-

Architect	ADW Partnership
Structural Engineer	Gordon Hewitt Associates (GHA)
Quantity Surveyor	Department of Property
Main Contractor	Fairclough Building Ltd (now AMEC)
Shelving Installation	Britannia Storage Systems Ltd

Key Findings of the Review Panel

(A) Siting of the Record Office

8. The Panel reviewed the documentation submitted to the Libraries and Museums Committee, the Financial Planning Subcommittee and the Policy and Resources Committee during the period 1988 to 1990. It was clear from the documentation that the need for a new Record Office had been made. The issue then facing the Council was to identify a suitable and affordable site. Several sites were evaluated. These included:

- Extending the previous Record Office site at 57 New Walk;
 - Former All Saints CE School, Wigston (the current site);
 - Former Police Station on Blackbird Road, Leicester;
 - St Marks Church, Leicester;
 - County Hall Site.
9. With regard to the lifespan, the Panel noted that the Wigston site was planned to have a 16-year lifespan in terms of storage capacity. This was in line with national guidance that record office developments should have capacity for approximately 20 years expansion. The Wigston site did offer the possibility for further development albeit the cost may be higher due to access problems and the need to level the site.
10. The Panel has noted that the Wigston Site was not considered ideal given the problems in relation to access and limitations in size. Whilst it was recognised that the best option would have been to locate the new Record Office on the County Hall site (on the grounds of access, parking and links with other services provided from the site) the cost of so doing (£1,975,000 at November 1986 prices) would have been approximately 55% more than the cost of locating at the Wigston site (£1,255,000 at November 1986 prices). ***The Panel therefore concluded that in those circumstances the decision to locate on the Wigston site was reasonable.***

(B) Process for engaging Consultants/Determining the Specifications

11. The Panel was advised that the consultant architect and structural engineers were selected from an approved list of consultants in 1990. In accordance with the County Council's standing orders and financial regulations, inclusion of a Consultant on a standing list was subject to financial checks and scrutiny of details of projects undertaken together with the Consultant's ability to handle work at specified levels of competence.
12. Consultants were awarded work on a rotational basis, taking into account their experience of undertaking projects of similar magnitude, existing workload and staff resources. Having taken account of the foregoing information the decision to appoint would have been taken by one of the then Assistant Directors (Architecture).
13. The Panel was advised that this process of appointing consultants had now been changed. Although select lists are still maintained, the award of a contract is generally on the basis of a competitive tendering process. In addition following the completion of any major project there is a formal performance appraisal of the consultants engaged on the project which is then used to inform the allocation of future work.

14. The engaging of consultants was dependant on the nature of work to be carried out and the capacity within the Department to undertake the work.
15. With regard to major building works, the Panel was advised that the consultant architect would normally be responsible for oversight and co-ordination of the whole project.
16. The Panel was advised that the specification for the racking system and floor loading had been determined by the then Director of Museums, Professor P. Boylan after lengthy discussions with a specialist company Bruynzeel.
17. The Panel welcomed the changes that have been made to the process of engaging consultants and allocation of work. The Panel was however concerned, it appeared in the case of the Record Office, that the client department was taking the lead in determining technical specifications. ***The view of the Panel was that client departments should limit themselves to advising on the purpose and function and leave the technical specialist to design and build a structure which was 'fit for the purpose'. The Panel was of the view that use should be made of 'design and build' unless this form of construction was deemed inappropriate.*** The involvement of the client department and Bruynzeel in determining technical specifications for the racking system and floor loading may have served to confuse rather than clarify overall responsibility for the project.

(C) **Seeking Expert advice and taking legal proceedings**

18. The Panel was advised that problems with the floor came to light soon after the building was completed. As a result in 1995 discussions were held with the architects (ADW) with a view to finding causes and possible remedies.
19. Following these discussions the decision was taken to seek expert advice from a structural engineer. Several firms were contacted and asked to produce a brief on how they would conduct the investigation. Arising from this, Scott Wilson Kirkpatrick (SWK) were selected. SWK are one of the biggest structural engineering consultancy companies in the country.
20. Following the receipt of the structural engineer's report in 1998 the decision was taken to seek Counsel's Opinion. The Chambers selected specialise in construction matters and the Barrister appointed to advise has had 22 years experience in the field. The initial conference with Counsel included the Legal Department, Property Department and SWK. Arising from the Conference a considerable number of issues

were looked at in more detail including the commissioning of further reports from SWK.

21. Based on the advice received proceedings were issued against architects (ADW) and the structural engineers (GHA). The view of Counsel was that there was insufficient evidence for breach of contract or negligence for Britannia to be included in the proceedings. It was expected that the matter would be settled without the need for Court proceedings and to that end ADW and GHA were contacted giving them the opportunity to put things right. When this approach was unsuccessful both companies were offered the opportunity to go to arbitration in accordance with the terms of their engagement, but ultimately, it was agreed to process the case through the Court.
22. The Court Case lasted four weeks with an additional 2 days for dealing with costs. The Judge concluded that blame lay with Britannia. Britannia were not a party to the proceedings and the Judge had previously refused a previous application by solicitors representing GHA to include Britannia in the proceedings.
23. An application was made for leave to appeal to the Court of Appeal but this was unsuccessful and reflected the fact that it was difficult to overturn a decision based on factual interpretation as opposed to legal interpretation.
24. The Panel was advised that the issue of costs was still with the assessors. ADW had submitted a claim for £320,000 (plus interest) and it was hoped that this could be settled at approximately £260,000 (plus interest). GHA had submitted a bid for £120,000 (plus interest) and again it was hoped to agree a sum of approximately £90,000 (plus interest). GHA would also be required to pay the County Council the costs for the part of the case relating to the wind bracing, estimated at approximately £30,000 (plus interest).
25. Officers stated that whilst Cabinet Lead Members had been kept informed of the intention to pursue the case and of progress and scale of the legal action, Lead Members were not specifically advised of the potential professional costs in the event of the case being lost.
26. **The Panel was satisfied that appropriate professional advice had been sought and that the decision to commence legal proceedings was reasonable given the professional advice received.** The Panel was however concerned that elected members were not kept fully briefed and considered that the Cabinet should have been advised by way of a formal report of the implications of the case, including an analysis of the cost implications to the County Council if, as has happened, the Council were not successful. ***The Panel therefore recommend that the Cabinet and County Solicitor should develop a protocol to:-***

- i) *ensure that the Cabinet is made aware of those cases where the Council is proposing legal action and the cost to the Council of not succeeding could be considerable – for instance cases likely to be dealt with in the High Court.* {The Panel noted that in some instances, such as child protection cases, there might be no alternative other than to incur the expenditure and that these may be an exception}.
- ii) *Ensure that Cabinet members are advised at key stages in the process in any civil proceedings brought by the Council in particular the point at which arbitration/mediation may be appropriate;*
- iii) *establish a mechanism to ensure that the progress of Court proceedings are monitored and any significant cost overruns or major changes are brought to the attention of senior officers and Cabinet members.*

D) The impact of any review of the current policy of retaining records in terms of space requirements, conservation and public access and research.

- 27. The Panel was advised that under the Local Government Act 1972 (Section 224) 'principal councils' (counties and unitaries) have a general responsibility to:
'... make proper arrangements with respect to any documents that belong to or are in the custody of the council or any of their officers'.
- 28. This responsibility applies not only to current records but also to historic archives which are chiefly of cultural significance. In the case of Leicestershire the archive which records the activities of the County Council and its predecessor authorities including the Leicestershire Court of Quarter Session, begins in the 17th century. The parallel archive of Leicester City Council and the former Borough of Leicester (in the care of the Record Office under the joint arrangement) begins in the 12th century.
- 29. Principal councils are also 'archive authorities' for their areas, and by virtue of the Local Government (Records) Act 1962 are empowered not only to promote public use of their own archives, but also to acquire archives from other sources, either by purchase, gift or deposit on loan, so that they can be similarly available for public use. Under this power all English county councils, in the period before and after the

Second World War, established record offices and pursued active policies of collecting, preserving and providing access to archives from a very wide range of origins, for the cultural and educational benefit of the community. Thus the Record Office is typical of equivalent county archive services in that the majority of its holdings come from and record a very broad spectrum of the community - from miners to landed families, from shops to large manufacturing businesses, from charities to political parties, and from churches to campaigning secular groups. This network of largely county-based 'all-purpose' record offices is a unique strength of British archives, recognised by the Historical Manuscripts Commission:

'Local authority archive services remain the key plank in the national strategy for protecting our written heritage'. (HMC, Archives at the Millennium, 1999).

30. The Record Office as presently constituted has the significant added value to researchers of housing the core local studies library collection for County and City alongside the archives. This includes not only books but also photographs, maps, film, video and recorded sound (including oral history). The significant research benefits of being able to access and cross reference all these archival and local studies resources on one site was a principal factor in choosing the new site, as being capable of accommodating all the existing holdings with space for potential expansion.
31. *The Panel has not sought to undertake a detailed review of the current policy of retaining records. However the Panel was of the view that any such review should take into account the following:*
 - *The loss to* researchers, and educational, lifelong learning and leisure *users* of the benefits *of direct and immediate access to a comprehensive range of resources;*
 - *The inability of any other body*, public or private, *to offer an equivalent service* or set of services in terms of resources, preservation, conservation, public access and broader public benefit (e.g. through exhibition and outreach work);
 - *The inability of many*, if not most, *of the owners* and originators of the deposited archives *to preserve their archives to appropriate standards* (as defined by the British Standard, Recommendations for the storage and exhibition of archival documents, BS 5454:2000);
 - *The loss of a resource base which would enable the County Council to participate in and benefit from the growing interest at regional and national level in the*

value and cultural potential of archives, as reflected in the activities of Resource (the Council for Museums, Archives and Libraries), the Regional Archive Councils, and the Government Policy on Archives (1999).

E) **The outcome of discussions with Leicester City Council on their continued use of the Record Office including any issues raised during the renegotiation process.**

32. The Panel was advised that there has been a 'de facto' agreement in place with Leicester City Council since 1997. There has been a formal agreement in place with Rutland County Council since 1997.
33. The financial value of the agreements with Rutland and Leicester are £39,080 and £205,010 respectively in 2002/03. Rutland County Council undertook a Best Value Review of the Service in 2000/01 and agreed to continue the Record Office Joint Agreement based on existing performance targets, until further notice.
34. For a variety of reasons, the legal agreement with Leicester City Council has not yet been signed. Since 1997, therefore, services have been delivered to the City Council in terms of acquisitions, care and management, access and retrieval of City collections, as per the draft agreement. Working papers on acquisitions and access were developed between the former City Head of Libraries and the Chief Archivist in 1998/1999, to identify and deliver against a range of joint working principles, but these have not been formalised to date.
35. In 2000 the City Council undertook a Review of Access and Inclusion within the Libraries Service. This identified concerns with the Record Office joint arrangement and recommended that the arrangement be subject to a Best Value review, which was undertaken in 2001. The various options offered by the Review Panel included a feasibility study with the aim of working towards withdrawal from the Joint Arrangement in 2005. However on 14 January 2002 Leicester City Council's Cabinet agreed that the joint arrangement should be renegotiated and formalised, with emphasis on the areas where the present service was perceived to fall short of requirements for the people of Leicester, i.e. collections, access, ICT and inclusion. The option of working towards withdrawal from the joint arrangement and its replacement by a community heritage centre for the City was rejected on grounds of cost. This appears to indicate that the City is committed to the joint arrangement to meet its core archive and local studies responsibilities for the foreseeable future.
36. An 'away-day' between officers of City and County Councils was scheduled for 20 March to consider potential improvements to the joint arrangement. In the event because of concentration on internal restructuring within the City Council, the envisaged meeting was not

possible but an initial meeting did take place between the Head of Museums, the Chief Archivist, and the Head of City Libraries.

37. As indicated in the Best Value review, the renegotiation will concentrate on issues of social inclusion and community involvement in and with the Record Office. A two stage process is envisaged. The officer 'away day', now rescheduled for 2nd May, will explore a range of issues and ideas, and produce proposals for possible initiatives. These will then be circulated to community groups and interested parties, and will form the basis for discussion at a conference for stakeholders on 12th June.
 38. From these discussions it is anticipated that any draft revisions necessary to the joint agreement will be formulated for submission to City and County members in the autumn.
 39. *The Panel has noted the comments made by the City Council and their desire to renegotiate the agreement so as to improve access and address issues of inclusion including services to minority ethnic communities. The Panel was keen to ensure that the implications and costs to the service of any such renegotiation should be clearly identified and these should be drawn to the attention of the Cabinet. There was the expectation that any costs would be met by the City Council though it was recognised that a proportion may have to be met by the County as the development of services to minority ethnic groups would also benefit County residents.*
 40. The Panel was advised that the Head of City Libraries reiterated the City's desire to sign the version of the joint agreement finalised in 1999 as a basis for its renegotiation, and the County Solicitor has been requested to make the necessary arrangements. *The Panel was concerned that no formal signed agreement existed with the City Council and is of the view that on completion of the renegotiations a formal agreement should be drawn up and signed as soon as possible.*
- (F) **Impact on the service of conserving records in an electronic format.**
41. The Panel was advised that it was important to distinguish between the potential offered by digitisation as a means of offering surrogates for or networked access to the original documents, and any possibility that it might offer an alternative means of preservation. In this respect digitisation is exactly parallel to the long-established use of microfilm or microfiche, and offers the same benefits in some areas and weaknesses in others.

42. For some 20 years the Record Office has had a programme of microfilming heavily used archive series (particularly parish registers and wills) in order to provide surrogates which protect the original documents from damage by overuse and allow copies to be accessed in a limited number of other centres (mainly libraries). However it is important to stress that the originals, often documents many hundreds of years old, are not discarded in favour of the surrogates, but safeguarded for their intrinsic value.
43. The Record Office is currently embarking on digitisation of the Newton archive of 2,500 photographs recording the building of the Great Central Railway ('The Last Main Line') as a partner (with two other projects on waterways and aviation) in the '3 Centuries of Transport' consortium, which is largely funded by a successful grant application to the New Opportunities Fund (NOF). The financing of the whole project illustrates well the true costs of this sort of enterprise - the total project, which will digitise, catalogue and create websites around 11,000 images, is estimated at £827,718, of which NOF is contributing £582,370.
44. While simply to digitise routine documents is not nearly so costly, when the millions of individual documents held by the Record Office are considered, the potential cost would be very high, even if the exercise were thought desirable. However there are other arguments against transfer to electronic media as a means of permanent preservation. Loss of the evidential value of the original document (the 'real thing') has been touched on, as has the need to ensure continued availability of both hardware and software, including need to migrate data at regular intervals, particularly as platforms become obsolete. With an invoice which is only needed for six years this may not be a significant issue; with an archival document which is to be kept permanently it will be a recurrent, and costly, one.
45. There are also practical technical obstacles. Just as the image quality of microfilm has always varied, so electronic data can become corrupted and there are serious concerns about the long-term viability of specific media (e.g. CD-ROMs where there have been reports of delamination problems after only a few years' life). Electronic data can also be easily manipulated which has led not only to resistance to its use as legal evidence but also to a debate on whether digitally 'improving' a damaged photograph destroys its archival and evidential integrity.
46. In addition to the cost of transfer there would be the further cost of providing and maintaining sufficient machines to provide the necessary public access at the Record Office. This is an issue even with such simple and cheap machines as microfilm readers, and is likely to remain a relatively more serious one with electronic hardware.

47. The Panel concluded that digitisation and networking offers enormous potential for extending access to precious original records but the costs could be prohibitive. *Any digitisation programme should only be undertaken if substantial resources were made available from external sources such as the New Opportunities Fund (NOF) or Heritage Lottery Fund (HLF). The on-going costs of maintaining and updating digitised records in new formats should also be noted and, if possible, included in any funding bid. The Panel also noted that digitisation of records would have a marginal effect on the current and medium term storage requirements of the service.*

(G) **The current estimate for rectifying the problems on the first floor of the strongroom, including the cost of decanting.**

48. The Panel was advised that a sum of £275,000 would be required to rectify the problem. This includes decanting costs. This also includes a sum of £75,000 to undertake the work necessary to rectify the windbracing in the building – the cost of which would be borne by GHA, the structural engineers. A sum of £200,000 had been included in the 2002-03 capital programme. The time frame for the repairs is estimated at 3 – 4 months.
49. The Panel was advised that the proposed solution would be to lay new rails, which will be level when the floor is loaded. There are three technical alternatives for doing this. The final decision will be made at the stage of detailed project design. The Panel was further advised that the Cabinet had authorised the Director of Property to enter into a contract, based on a single tender and/or negotiation with Britannia Storage Systems Limited as it was impractical to get another supplier to quote for the disassembling/re-assembling/and servicing of the units originally made by Britannia.
50. The appointment of Britannia would also ensure a 'single point of responsibility' for removal/storage/re-assembly of the racking, leveling the floor rails and getting it all to work properly
51. The Panel was also advised that the remedial work would not result in a change to the storage capacity on the first floor. The reason for this was that the design loads adopted were derived as a result of liaison between Professor Boylan and Bruynzeel Storage Systems Ltd. As a result the floor was designed by the architects (ADW) and the consultant engineers (GHA), to support a 'superload' of 8.3kN/m² whereas British Standard BS 5454: 1989 'Recommendations for Storage and Exhibiting Archival Documents' recommends 11kN/ m². In addition, the floor design did not take into account the location of the tracks and potential increase in load due to 'point loading effects' of the mobile shelving. The net effect of this is that it will now not be possible to load the first floor shelving fully.

52. *The Panel was extremely concerned that the remedial action would not allow the first floor shelving to be loaded fully but concluded that the remedial work should proceed on health and safety grounds.*

(H) Future Needs of the Service

53. The average rate of addition to the Record Office's collections is some 500 linear feet annually. This rate of additional space is likely to be required for the foreseeable future if the service is to fulfil its functions as the core archives and local studies centre for the three supporting authorities, and if the County Council, Leicester and Rutland are to meet their responsibilities as principal councils and archive authorities.
54. Despite the move to creation and holding of new records in electronic form, it is likely to be many years before the majority of historically valuable paper archives are gathered in and safeguarded.

(I) Options for addressing future needs

(i) Utilising space in the Record Office complex

55. The Panel was advised that the existing buildings are presently all utilised for collections storage; public research, meeting room, and rest area / exhibition and shop space; staff office and work areas; or conservation studio. The conservation studio was specially designed and converted to offer the required light and space for effective conservation work. A survey in 1993/94 indicated that some 20% of the archive collections then held required immediate conservation activity to prevent further deterioration. To relocate the conservation function elsewhere on the site would require the creation of a similar specialist area, at significant cost, and would impact on other activities or services.
56. The only other possibilities for storage of any sort within the main existing building would involve either sacrificing the meeting room or installing a mezzanine floor in one of the general offices. Security to the standards required by BS5454:2000 would be difficult and costly to achieve in the main building even if a suitable area could be identified; in effect a high security 'cell' would have to be created within the building. Security of the free-standing conservation block could be upgraded but the cost is likely to be significant.
57. *The Panel concluded that it would be costly and impractical to seek to utilise space in the main building for storage purposes.*

ii) **Extension of the existing strongroom and other Property Options**

58. The Panel was advised of a desktop analysis that had been undertaken by the Director of Property which had considered the following options:

- A two storey extension on the existing site
- New Facility on a green/brownfield site
- Purchase and conversion of an industrial building
- Extending other County Council buildings
- New build on the County Hall site

Details of the desktop analysis is attached as an Appendix to this report.

59. Based on the information provided the Panel noted that the most economical option would be to extend the existing site at an estimated cost of £750,000. This would increase capacity by 60% and would result in a 30 – 35 year lifespan in terms of storage capacity. [This compares to the most attractive new build option – building on the County Hall site – which would offer a lifespan of some 40 years at a cost of £2,200,000].

60. The Panel noted that there was a strong possibility of a successful bid to the Heritage Lottery Fund. Such a bid would be helped further by acknowledgement that the County Council met the whole cost of providing the Record Office in the first place (and of remedying the defect which subsequently appeared).

61. *The Panel therefore expressed the view that the future needs of the service can be most economically met by extending the existing site and that the possibility of external funding should be actively pursued. The Panel in noting the difficulties regarding access to the site suggested that should an adjoining property become available the County Council should seek to purchase/lease the site so as to enhance the access to and facilities provided on the site.*

CONCLUSIONS/RECOMMENDATIONS

61. The Scrutiny Commission is asked to note the findings of the Review Panel (*the principal points have been highlighted*) and to draw these to the attention of the Cabinet and County Council.

Mr P. C. Osborne CC
Chairman of the Panel

APPENDIX

WIGSTON RECORDS OFFICE

PROPERTY OPTIONS

Assumptions used in developing Options

Figures given below are for a facility similar in size and type to the present one. The figures are 'order of magnitude' estimates.

The existing repository has a floor area of 780m². The public access and office areas total 800m² and the conservation block is 225m².

All the other options to be considered provide for relocating the facility elsewhere, and selling the Wigston site.

The estimate receipt for the sale of site is £700k. However, the vehicular access to the rear of the building for car parking and service vehicle use is across the All Saints C of E Primary School site, via their main entrance.

The school is under the Diocesan authority and very serious difficulties are envisaged, in terms of negotiating vehicular access for non-County Council use.

It may, therefore, be that the building could only be used for alternative County Council uses, and the estimated receipt of £700K may not be achievable, although it may be possible to move another service to Wigston and sell a building elsewhere.

The 60% additional building costs shown in the various options, are for building only, i.e. they do not include racking.

All the options are based on re-use of the existing racking system.

Option 1; Extend the strongroom at Wigston

Total cost of £750,000

Potential future storage expansion could use, say half, of rear car park. A two storey building would give up to 500m² of additional storage. This would represent an increase of around 60% per m² in capacity. Cost estimate would be around £1500 per m² i.e. a **total cost of £750,000**.

Option 2; New facility on green/brown field site

Costs are as follows;

	£k
Site acquisition	300 (1)
New building	2000 (2)
Relocation costs	100
	———
	2400
Less receipt for Wigston	700
	———
Nett Cost	1700
Additional storage capacity of 60%	500
	———
Total cost	2 200
	———

Note:

1. development land would need to be identified and bought – if the land is in the Council's ownership there may be a loss of potential capital receipt.
2. The new build would have to be fully financed, before the receipt was achievable.
3. Time frame to completion 1½ - 2 years.

Option 3: Purchase and convert an Industrial Building

If the present facility was to be duplicated, a standard industrial unit would need extensive modification to strengthen the floor for the stores and to create the public access/office areas.

Costs are as follows;

	£k
Good quality industrial unit	700
Floor strengthening/track installation	100
Office/public areas	320
Air conditioning	160
Removal costs	100
	<hr/>
	1380
Less Wigston receipt	700
	<hr/>
Nett Cost	680
Additional storage capacity of 60%	400
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Total cost	1 080
	<hr/>

Notes:

1. Time frame 1-1½ years.
2. Need to fully finance prior to receipt.
3. Location/public transport to industrial estate could be problematic.
4. Many Authorities have created new records facilities. Industrial-type buildings have, generally, not been considered appropriate.

Option 4: Extend other County Council buildings

Two sites have been considered. Rothley Library site and Snibston.

Rothley Total costs £2,220,000

The site is held on a 10 year lease, which expires in 2007. It is fully utilised. It is very unlikely that Planning Consent would be granted on the open space area at the rear, because of the impact on surrounding residential buildings. However, if planning was achieved, nett costs would be similar to Option 2, i.e. £1,700,000 + £500,000 for any expansion (assuming the owners were willing to sell or grant a long lease, which is unlikely).

Snibston Total Cost £1,880,000

A facility could be built at the rear of the main building. The nett cost here would be approximately £1, 380,000 + £500,000 for any expansion –

Certain parts of the site are ruled out by planning restrictions. The area behind the main building is not ideal, as there are access and other practical problems.

Note:

1. Time frame for both options would be 1½ - 2 years.
2. Need to fully finance prior to receipt.
3. Location of Snibston within the County may be an issue?
4. No other suitable sites have been identified.

Option 5 – County Hall Site

Build on County Hall site, and incorporate Modern Records. This would free up some accommodation in County Hall.

Costs are as follows;

	£k
New building	2300
Relocation	100
	—————
	2400
Less Wigston receipt	700
	—————
Nett Cost	1700
Additional storage capacity of 60%	500
	—————
Total cost	2 200
	—————

Notes:

1. Time frame 1½ - 2 years.
2. Need to fully finance prior to receipt.
3. Accessibility/location good.
4. There is an opportunity cost (capital receipt foregone) of c.£300k.
5. There would be advantages to bringing Archives and Modern Records within close proximity, and to develop Modern Records management.

Conclusions

There are three basic types of options;

- ~ Repair Wigston
- ~ Buy and convert
- ~ New build

Of the new build options, County Hall site is clearly the most attractive, overall.

Pros (+) and cons (-) are shown below:-

	Repair	Buy/Convert	County Hall
Cost/cash flow	+ + +	+	- - -
Location	+ +	- -	+ + +
Future Expansion	+	+ +	+ + +
Building Suitability	+	- -	+ + +
Running Costs	+	- -	+ +
Timescale	+ + +	+	- -
Dependence on Capital Receipt	+ + +	-	-