

CABINET

Date of Meeting	Tuesday 16 th January 2024
Report Subject	North East Wales Archive Project
Cabinet Member	Cabinet Member for Education, Welsh Language, Culture & Leisure
Report Author	Chief Officer (Education and Youth Services)
Type of Report	Strategic

EXECUTIVE SUMMARY

All Councils have legislative duties to collect, preserve and make accessible documents of historical importance. Flintshire (FCC) and Denbighshire (DCC) Councils are facing several challenges in relation to the existing archive buildings which are not suitable for purpose, lack storage capacity and are costly to operate.

Traditionally, archive services have had a very narrow user base, meaning their rich collections that offer so much potential for supporting education, well-being, and community engagement, are under-utilised. This is particularly relevant in the post-Covid context and so the service needs to develop the capacity to reach out and engage with more diverse audiences. This would help to ensure the service's long-term future and maximise the benefits from the extensive archive materials for the benefit of all sections of our society.

The archive services of Flintshire and Denbighshire Councils have been working collaboratively over the last few years under a Memorandum of Understanding, to share skills and resources to create a more sustainable and improved archive service for the region. This resulted in the launch of a single shared service, North East Wales Archives (NEWA), in April 2020, working over the Councils' 2 current sites – The Old Rectory in Hawarden and Ruthin Gaol.

To maximise the impact of archive services on our communities and extend their reach across Flintshire and Denbighshire, and to address major deficiencies in the current archive buildings in Hawarden and in Ruthin, both Councils have a shared ambition to build a new, state of the art archive facility for NEWA on the County Hall campus, next to Theatr Clwyd. This would bring the Flintshire and Denbighshire collections together in a single location. This new building would also act as a hub in a 'hub and spoke' model, which would provide digital access to the archive

materials through access points in libraries and other public buildings to widen participation across both Flintshire and Denbighshire.

NEWA, with the support of both Councils, submitted a bid to the Heritage Horizons pot of the National Lottery Heritage Fund in February 2021 and narrowly missed out on being awarded funding. Whilst there was no negative feedback on the content and quality of the bid, and we were actively encouraged to make a new application to the Wales National Lottery Heritage Fund. A new grant application has now been submitted to the Lottery Heritage Fund and we should hear whether we have been granted funding or not by the end of March 2024.

The move to a single building enables NEWA to combine and better utilise its resources, protects the archive services in both Councils and enables us to deliver an exciting activity plan that will introduce archives to a wider and more diverse audience, making a positive contribution to the learning and wellbeing of our residents.

RECOMMENDATIONS		
1	Cabinet notes the submission of a further grant application to the NLHF Wales for £7.336m by North East Wales Archive (NEWA) on 15 November 2023.	
2	Cabinet notes the outcome of the grant application will be known by the end of March 2024, and that if the bid and the project are successful, then the service delivery model will be fully operational by the end of the financial year 2027-28.	
3	Cabinet notes the challenges faced by the project since 2021 and the ongoing developments, including the impact on the potential costs of the project in light of inflationary pressures in the current market conditions.	

REPORT DETAILS

1.00	EXPLAINING THE NORTH EAST WALES ARCHIVE PROJECT
1.01	Both Councils have legislative duties to collect, preserve and make accessible documents of historical importance. Flintshire (FCC) and Denbighshire (DCC) Councils are facing several challenges in that regard relative to the existing archive buildings, which are not suitable for purpose, lack storage capacity and are costly to operate. NEWA also has a very narrow user base, meaning their rich collections that offer so much potential for supporting education, well-being and community engagement is underutilised. The service also lacks the capacity to reach out and engage with wider more diverse audiences; This needs to be expanded and widened to ensure the service's long-term future, and to maximise the benefits from the extensive archive materials held.

1.02	The Archive Services of both Councils have been working collaboratively over the last few years, to share skills and resources to create a more sustainable and improved archive service for the region. This resulted in the launch of a single shared service – NEWA, in April 2020, initially over 2 sites – The Old Rectory in Hawarden & Ruthin Gaol. A Memorandum of Understanding is in place and the project is overseen by a Project Board comprising of two senior Council Managers from FCC and DCC, two Cabinet members, one from each Council, the NEWA Service Manager and is supported by a part time Project Manager. The Project Board meets regularly and has clearly defined terms of reference.
1.03	 This project aims to provide a sustainable and improved archive service for Flintshire and Denbighshire via: 1. the creation of a single shared service, to formalise the existing joint working relationship between and Flintshire and Denbighshire, which is known as NEWA; 2. the construction of a new purpose built net zero carbon building (repository to Passivhaus specification), next to Theatr Clwyd Mold, to house both the physical archives & the new service operations 3. an associated activity plan which will make the collections; accessible to a wider and diverse audience.
1.04	The joint service had submitted a NLHF Heritage Horizons Grant bid in February 2021, to fund both the construction of a new purpose built Passivhaus building adjacent to Theatr Clwyd in Mold and an associated 3- year activity plan. This would have provided a repository to safeguard the collections of both authorities and provide some 30 years of future proofing in respect of storage capacity, as well as enabling the staff to co-locate and benefit from the wider skills within the amalgamated team and have capacity to provide an outreach provision within both counties.
1.05	The initial bid requested £11.588 million from the NLHF with match funding agreed by both local authorities – FCC £3,027,782m and DCC £2,034,521 The FCC match funding contribution was approved by Cabinet in November 2019.
1.06	During July 2021, the NLHF advised that the Joint Archive funding application had been unsuccessful. The Joint Archive Service Manager was advised that the application was the last to be declined and encouraged us to present a new funding bid to the National Lottery Grants for Heritage (Wales), as the Welsh team were supportive of the ambitious project; but the maximum grant value they could offer would be £5 million.
1.07	The Joint Archive Project Board agreed that this new funding opportunity should be progressed and that the site identified in Mold still represented the preferred site for NEWA, given its proximity to Theatr Clwyd and the opportunities for joint working/shared footfall, and the strategic positioning with potential to provide a gateway to North East Wales, but equally it

	recognised that the ambitions for the project will need to be pared back in order to meet the smaller funding envelope.
1.08	The Project costs to deliver the building and the activity plan needed to be reduced from the previous estimated cost of £17.2m, to reflect the reduced funding anticipated to be available. In terms of the building, which represents most of the cost, a process of reverse engineering was undertaken, and the following project changes were identified to reduce costs: -
	• The environmental standard for the building was changed from passivhaus to net zero carbon in operation. Whilst passivhaus would have been the optimum standard, a net zero carbon building provides an exceptionally high environmental standard whilst reducing capital costs. (The repository was still to be built to Passivhaus specification, although not accredited as such, to ensure that the service benefits from the operational savings associated with providing the controlled environment required).
	 Discussions with Theatr Clwyd had presented opportunities to utilise their excellent exhibition facilities rather than have our own, so this was removed from the building design.
	• The repository had the same overall capacity but includes shelving which is future proofed for 20 years, after which time, shelving for the further 10 years of future proofing can be purchased and installed.
	• There was a rationalisation of room sizes within the building, which included the self-service area, search-room, staff areas, storage areas and digitisation space, which in conjunction with the use of exhibition facilities within Theatr Clwyd when required, still accommodated the enhanced service delivery planned. The changes outlined resulted in the building size being reduced from 3,000m2 to 2,100m2, which represented a significant cost saving.
	• The activity plan remained intact and maintained the project's ambition to engage with wider and diverse audiences. The NEWA team had analysed the costs associated with the activity plan and worked with delivery partners to reduce them.
	 The appointment of a Digital Archive Assistant paid for via NEWA revenue budgets had eliminated the need for digitisation costs from the project.
	• Student placement costs were eliminated, as funding is available via the further education and higher education sector.

	• Apprenticeship costs were removed, as these would be included as part of community benefits element of the construction framework.
	• The NEWA team would be used to develop and deliver the activity plan rather than hiring costly consultants. This would include a skills analysis and a restructure of the team, supported by a targeted training and mentoring programme, (complete by the time that the new facility is delivered), which would enable the refocused NEWA team to deliver the activities.
	 An accelerated construction timetable, to reduce the level of inflation on building materials. This would necessitate the RIBA 4 technical design process being undertaken at risk, whilst the NLHF are assessing the submission at the end of the development phase, (RIBA 3), before offering a contract for the delivery phase, (the assessment is for reassurance purposes not a competitive process). As RIBA stage 4 activities would have been commenced prior to the award of the NLHF delivery phase contract, they are ineligible for funding. For the purposes of the funding application the RIBA 4 costs, would be ring fenced and not included in the project costs of the funding application, and an equivalent value of match funding would likewise be omitted from the NLHF application, to meet the RIBA 4 costs.
1.09	Given the project had been able to reduce costs significantly, a new bid was submitted to the NLHF Wales during November 2021 requesting the maximum grant of £5 million. Regrettably in March 2022 the funding application was withdrawn, as delays to the theatre project were impacting on the availability of the proposed archive site, which was putting the proposed joint archive project at risk. NLHF advised that they were still supportive of the project and would welcome a future funding application.
1.10	Since the original business case was written, world events and economic forces have resulted in significant inflationary increases which have had a major impact on construction costs. Despite the reverse engineering which has been undertaken, it is highly likely that the final costs for the building will require further capital investment from both Councils. The increased capital commitment required from FCC based on current estimates and with extensive contingencies would be £4,123,246. This is a potential increase of £1,095,464.
	The update in September, was a total projected expenditure of £12.521m.
	The revised Appendix F is now showing £12.857m, which is an increase of £0.336m. All income streams, income FCC match funding have remained the same.
	Denbighshire County Council formally approved their match funding in November 2023.

	The ask from the Welsh Heritage Lottery Funding has gone from $\pounds7m$ to $\pounds7.336m$ to cover this increase in costs.
1.11	The need for the project has not diminished and this was reinforced by the recent accreditation process of NEWA. The maintenance of the required stringent BSI standards is achieved through The Archive Service Accreditation Scheme which is administered in Wales by Welsh Government. The service accreditation is due for renewal every four years, and recently a joint application from NEWA was prepared and submitted. NEWA was advised that it had retained its accreditation status on the 9 th November 2022, but through the process and in the subsequent report, were made very aware of the shortcomings associated with the buildings.
1.12	Although the new archive centre represents much of the project cost, it is the activity plan and the potential outcomes for service users that represents the most exciting element. The new archive centre will enable NEWA to efficiently meet the storage and operational aspects of its in-house service, but most importantly it will allow it to maximise the skills and capacity to deliver a wider range of outreach activities, and to develop its digital service offer.
	NEWA has an ambition to widen their offer and reach out to new audiences, through the delivery of an activity programme that uses the rich collections as a source for storytelling and performance.
	Over the three year period of the initial delivery plan outlined in the bid, it is estimated that the service will reach 12,000 participants within the communities of both Councils, as well as offering a walk-in service at the new archive centre, so effectively offering a hub and spoke approach to service delivery, and a digital offer.
1.13	The Outline Activity Plan developed details for events and activities designed to engage new audiences across Flintshire and Denbighshire. Its delivery will be very much delivered in partnership with organisations involved with our priority audiences, including Theatr Clwyd, Libraries, charities, schools, colleges, HMP Berwyn and in specific locations, such as the former archive location at Ruthin Gaol and in Gladstone's Library in Hawarden, where people may feel that their service has been withdrawn. Only very limited engagement activities will be possible, unless NEWA can combine its resources within one facility.
	Welsh identity and heritage are vitally important for NEWA and its activity programme will be delivered bilingually and all literature and exhibitions will be bilingual.
1.14	KEY MILESTONES (should the bid be successful)
	June 2023- NLHF funding decision Sept 2023- NLHF contract for the development phase (RIBA 1-3) Sept 2023-Dec 2023- Procurement of Design and Build contractor

	Jan 2024-Mar 2024 – complete RIBA 2 Apr 2023- Jun 2024- complete RIBA stage 3 Jul 2024-Dec 2024 Planning Sept 2024- NLHF development phase submission (assurance) Sept 2024-Feb 2025- RIBA 4 Technical design Jan 2025 – NLHF contract for the delivery phase (RIBA 5-7) Jan 2025- Feb 2025 Approval of delivery phase contract March 2025 Approval for construction contract April 2025- May 2025 Mobilisation May 2025 RIBA 5 construction starts on site April 2026 NEWA Service contract in place June 2026- RIBA 6 Handover of site June 2026-Aug 2026 decant and recant service and collections Sept 2026 NEWA operational in new archive centre Sept 2027 Project evaluation and defects period concluded.
1.15	The revenue element of the business case for the joint service has yet to be fully developed but the business change proposed will need to be managed within the existing archive budget. Further to an in-principle agreement to the project and prior to any acceptance of any NLHF grant funding, the expectations of each Council and associated financial terms will need to be explored and contractually agreed to protect the interests of both parties. The financial and contractual terms would confirm that FCC will take on the lead responsibility for the commissioning, building and maintenance of any new building as it is located within the County Hall site. DCC would undertake the role of lead authority for the archive service and Flintshire staff would be employed by DCC and transferred under the appropriate employment conditions. The contract would include DCC's capital contribution to the project and the terms under which DCC will occupy the new building.
1.16	Should Informal Cabinet not support the ongoing development of the project then NEWA will have to remain as a joint service operating out of two buildings with the acceptance of the costs and risks remaining at The Old Rectory in Hawarden.
1.17	Should the project not attract the funding it requires from the NLHF Wales, the 'do nothing' option still attracts a cost, does not manage the risk and results in none of the proposed benefits being delivered. The Council would still need to maintain the Old Rectory building which would still leave an ongoing concern from Welsh Government regarding its suitability for a modern archive service and future accreditation status. An increasing revenue pressure for offsite commercial storage requirements would also remain.

2.00	RESOURCE IMPLICATIONS
2.01	The project is now estimated to cost £12,857m which is an increase of $\pm 0.366m$. The ask from the Welsh Heritage Lottery Funding has gone from $\pm 7m$ to $\pm 7.336m$ to cover this increase in costs.
	The funding sources include £7.336m of NLHF funding, £300k WG Culture and Leisure department capital grant funding, (supported in principle by the department, but applied for prior to the year of use), with the balance of funding identified as a match funding requirement from both FCC and DCC based on a ratio of 60:40. The increased level of match funding identified, is due in part to increased inflation on construction materials. Other sources of funding for aspects of the project will be investigated in the development phase of the project, with a view to reducing the match funding requirement from both Councils.
2.03	The phased approach to the delivery of the project and the programme milestones, assist with the management of risk, by enabling informed decisions to be made at key points in the project.
2.04	In respect of the original project business case, the redesigned building in the same location will enable the delivery of the projected cashable benefits. In terms of the non- cashable benefits, the delivery of permanent exhibition space cannot now be achieved; instead Theatr Clwyd's exhibition space will be used as required. Although the building will now achieve net zero carbon standard in operation as opposed to Passivhaus, the repository will still be built to Passivhaus, and given that the building is significantly smaller, overall, it is not anticipated to have a greater carbon impact.
2.05	The provision of a joint archive facility would enable FCC to generate a capital receipt from the disposal of the Hawarden site.
2.06	During the life of the building, it is proposed that FCC to retain freehold for the land and the building and DCC will enter into a lease with FCC outlining clearly the terms of the shared occupation of the building (e.g. expectations around building management, maintenance and compliance). This lease would be for 25 years to begin with, pepper corn rate, and review periods and the opportunity to renew at the end of 25 years or expire. Cost sharing will be done based on population- currently 60/40 and reviewed in light of any new census data.
2.07	Considering the end of life of the building, it is proposed that DCC would not seek any return from sale or otherwise of the asset as the initial investment of capital by DCC, over the 25 years of operation, would have delivered a benefit to the organisation over and above any sort of return from sale.
2.08	Whilst FCC will have responsibility for the building, it is proposed that DCC will undertake the lead authority role in respect of the NEWA joint service contract, with both authorities equally represented on a Joint Service Board.

2.09	In terms of the operational budget for the NEWA service, the restructure and business change proposed will be managed within the existing service budgets. The smaller building will be less costly to operate, although the rateable value is anticipated to be higher. This is offset against the ongoing cost to the service of offsite storage which will be negated by a new building. An outline business plan has been developed for the service, and will be updated during the development phase, as more work is done, and costs are confirmed.
2.10	Prior to any acceptance of any NLHF grant funding offered, the heads of terms between Flintshire County Council and Denbighshire County Council need to be agreed. This manages any risk to Flintshire County Council in terms of Denbighshire County Council's commitment to its proportion of the match funding, and the project delivery arrangements. Equally it will provide Denbighshire County Council with security of tenure within the new archive facility and provide the terms of the arrangements between both Councils going forward, in respect of the building, the staff, the operational budgets and the management arrangements.
2.11	 Impact on other services Legal – support required relating to contractual arrangements related to any grant funding and the collaborative arrangements between the Councils. Financial support- relating to any grant funding administration and the establishment and support of the collaborative service HR- support required in creation of a single shared service. ICT-support and input related to the future ICT solution and application Archive- restructure and introduction of new way of working. Engagement with the design process, decant and recant of archives, and business as usual working across 2 counties, wi. Building Design and Cost Consultancy- input into procurement of contractor and specification of the building vii. Procurement-advice and guidance wiii. Building Maintenance- advice and support related to the delivery of the grant outputs, and the collaborative arrangements related to the building ix. Strategic Assets – the requirement to operate, manage the Old Rectory, Hawarden, in a different way once Archive's vacate or/and arrange for is disposal.
2.12	 Impact on Biodiversity and the environment include: i. The design will incorporate garden areas which will be used to "rewild" the landscape creating biodiversity rich spaces. The plans for the gardens will also complement the drainage and attenuation strategy for the site, creating channels that hold water and thus provide a more diverse plant and animal habitat. ii. Opportunities to incorporate features for biodiversity into the new building will also be maximised. For example, in built bat and bird

 boxes that will complement the landscaping and provide homes for species already on site. iii. It is estimated this project will generate a significant carbon saving of that will contribute towards FCC's commitment to reducing its carbon emissions, and the move to becoming a carbon neutral Council in line with Welsh Government's ambition for a carbon neutral public sector by 2030. iv. This project supports the Council's "Green Council" priority by reducing carbon emissions, via its Net zero Carbon/Passivhaus design, and increase the amount of energy generated by renewables, via installation of solar PV on the roof and consideration of inclusion of a small ground source heat pump to provide space heating and cooling requirements.
 Anti-Poverty impact include: i. Consideration will be given to providing supportive rates on any fees and charges activity undertaken by the Joint Archive Service (e.g. search room bookings)
 Equalities impact include: ii. The new building will be fully DDA compliant and accessible for all users which the current sites are not. iii. The new building will be purposely designed as an archive facility and therefore designed with health and safety of staff and customers in mind. iv. The Joint Archive Service delivery model is that of a hub and spoke. The hub being the new building in Mold and the spokes being permanent and temporary outreach activity across the two counties. Permanent archive access points within libraries for example for digitalised records and temporary initiatives out in communities and with partners on specific topics.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	 Formal reports have been presented to the following groups: Informal Cabinet (November 2018, October 2019, September 2021) Capital and Assets Programme Board (July 2019) Special COT (September 2019) COT Business (October 2019, January 2022 & November 2022) Education and Youth Operational Scrutiny Committee (November 2019) Cabinet (November 2019)
3.02	 Specific engagement meetings have been had with the following internal stakeholders within Flintshire: Political: Lead Members and ward Members Operational: CEO, Chief Officers Team, Flintshire Record Office (archive service), Legal Services, Financial Services, Biodiversity Officer,

	Conservation Officer, Trees Officer, Building Design & Cost consultancy Team Leader, Carbon Officer, Health and Safety Officer, and Strategic Assets.
3.03	 Externally the following have been engaged with: Denbighshire County Council Wrexham County Borough Council Theatr Clwyd The National Archive (TNA) Wales Assembly Government – Culture and Leisure Department The National Lottery Heritage Fund (NLHF) Glyndwr University HMP Berwyn Various charities and other providers
3.04	 Consultation and engagement with our key funder NLHF, archive users and traditionally non-users and activity plan delivery partners will be ongoing. So far, the public have been engaged as follows: Stand and questionnaire at the Flint and Denbigh Show (August 2019) Public Briefing and online questionnaire launched via social media (September 2019) Consultation with service users about proposed changes. Majority of responses received were in favour of proposals.
3.05	Consultation with elected members, especially Cabinet and Hawarden ward members, which will be ongoing.
3.06	Consultation with local stakeholders and key partners will also be undertaken e.g. local history groups, Gladstone Library, Aura Libraries and Leisure etc.

4.00	IMPACT ASSESSMENT AND	RISK MANAGEMENT	
4.01	The Project Risk Register is inc	cluded at Appendix E	
4.02	Under the five delivery principles of the Well-being of Future Generations Act this project scored 3 out of 4 stars (actual score 28/36). Implications of the score include: - Ways of Working (Sustainable Development) Principles Impact		
	•		
	•		
	Ways of Working (Sustainal	Development) Principles Impact Impact The business case does evidence a	
	Ways of Working (Sustainal Ways of Working Principle	ole Development) Principles Impact Impact	

	Collaboration Involvement	The business case can be improved by considering in greater detail the legacy for the vacated spaces in Ruthin and Hawarden, and plans for transport and travel to the new site in Mold (particularly from the bus station in central Mold up onto the hill) including active travel options
4.03	Against the seven well-bein report is evaluated as follow	g goals of the Act, the potential impact of the /s: -
	Well-being Principle	Impact
	Prosperous Wales	Positive
	Resilient Wales	Neutral
	Healthier Wales	Positive
	More Equal Wales	Positive
	Cohesive Wales	Positive
	Vibrant Wales	Positive
	Globally Responsible Wales	Neutral

5.00	APPENDICES
5.01	 Appendix A- Memorandum of Understanding Appendix B- Service Design Summary Appendix C- Relationship Basis Appendix D- Joint Archive Project Structure Appendix E- Project Risk Register Appendix F- Revised Project Cost Summary

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Contact Officer: Sian Price, Project Manager / Craig Berry, Joint Archive Manager Telephone: 07917 06731 / 01824 708023 Email: sian.lloydprice@denbighshire.gov.uk craig.berry@denbighshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	Passivhaus Passive house refers to buildings created to rigorous energy efficient design standards so that they maintain an almost constant temperature. Passivhaus buildings are so well constructed, insulated and ventilated that they retain heat from the sun and the activities of their occupants, requiring very little additional heating or cooling.
	Net Zero Carbon Net zero carbon refers to achieving net zero carbon emissions by balancing a measured amount of carbon released with an equivalent amount sequestered or offset, or buying enough carbon credits to make up the difference.
	Service delivery model There will be 1 archive service covering Denbighshire and Flintshire together. At the minute there are 2 Archive Services- 1 covering just Denbighshire and 1 covering just Flintshire.
	Hub and spoke service delivery model This is where the archive service is taken out to where the public are (e.g. in communities) instead of the public coming to where the archive service is (e.g. in Mold, Hawarden, Ruthin).
	Outreach This is where the archive service is taken out to where the public are (e.g. in communities) instead of the public coming to where the archive service is (e.g. in Mold, Hawarden, Ruthin).
	RIBA Relates to the Royal Institute of British Architects. When RIBA appears with a number after it, e.g. RIBA 3, this relates to a stage of the Plan of Work which is used by Architects and Building Professionals to organise the tasks, information gathering and consultation that they need to undertake, when delivering a construction project.