

<b>Report to</b>	Cabinet
<b>Date of meeting</b>	23 <sup>rd</sup> April 2024
<b>Lead Member / Officer</b>	Cllr Emrys Wynne – Welsh Language, Culture & Heritage Liz Grieve - Head of Housing & Communities
<b>Report author</b>	Craig Berry – Joint Archive Service Manager
<b>Title</b>	North East Wales Archive Project

## **1. What is the report about?**

- 1.1. Denbighshire County Council (DCC) has a statutory duty to collect, preserve, and make accessible, documents of historical importance. DCC currently stores its archive material in Ruthin Gaol. The storage space is now full and the environmental management system and gas fire suppression systems (necessary to maintain air quality and to protect the materials) are at end of life. The current arrangements are therefore not sustainable, and an alternative, long-term solution needs to be found.
- 1.2. DCC and Flintshire County Council (FCC) have been working collaboratively for a number of years to create a long-term and sustainable solution. Both Council's face similar issues with buildings that are no longer fit for purpose in terms of storing archive material. This collaborative working resulted in the creation of a joint service called the North East Wales Archive (NEWA).

## **2. What is the reason for making this report?**

- 2.1. In November 2020, and again in October 2023, Cabinet authorised the submission of a joint funding bid with FCC to the National Lottery Heritage Fund (NLHF) Wales, seeking a capital grant of £7,371,397 to fund a new purpose-built net carbon zero building on the Theatr Clwyd campus in Mold. This was on the understanding that DCC and FCC would have to provide match contributions of £2,052,358 and £3,078,537 respectively.

2.2. That grant application was successful, and NLHF have offered a grant of £7,371,397 towards the cost of the new joint archive facility. This grant offer provides an opportunity to provide DCC with a brand-new, fit for purpose, archive facility for the next 50 years, at a capital cost of £2,052,358, to be funded through prudential borrowing.

### **3. What are the recommendations?**

3.1. Cabinet confirms its support for NEWA to accept the NLHF grant offer of £7,371,397, subject to FCC Cabinet doing the same.

3.2. Cabinet confirms the commitment for DCC to contribute match-funding of £2,052,358 of capital funding which will be paid for via prudential borrowing, subject to FCC confirming their acceptance of the grant and their capital contribution. The maximum revenue cost to DCC is expected to be c£136k.

3.3. Cabinet authorises delegated authority to the Chief Executive Officer (CEO) and Lead Member – Welsh Language, Culture & Heritage, to sign a Collaboration Agreement that covers the construction of the new facility, and operation of NEWA, and a Heads of Terms for the Lease of the new building, subject to costs being containable within the overall budget of £12,892,294.

3.4. Cabinet confirms that it has read, understood, and taken account of the Well-being Impact Assessment (Appendix 1), as part of its consideration.

### **4. Report details**

4.1. It has long been recognised that DCC has a problem with making proper arrangements for storing, care and preservation of archival documents. This is not only a statutory requirement, but these materials are also both precious and fragile, and they have great historical and cultural value. It was recognised by the previous Cabinet (in November 2020) and the current Cabinet (in October 2023) that the current archive facility in the Old Gaol in Ruthin is no longer fit for purpose, and that a long-term sustainable solution was required. It was also recognised that any solution would come at a financial cost.

4.2. All reasonable options for long-term safekeeping of precious archive materials have been considered (see Appendix 2). The most cost-effective and sustainable option is that which delivers a purpose-built archive centre in Mold and facilitates wider

community involvement (see Appendix 3), alongside a continued Archive presence in Ruthin. This option also releases Gaol space to allow the development of an enhanced visitor experience which would increase footfall and income to this important heritage asset. It is on this basis that Cabinet gave DCC approval to submit the NLHF grant application for a new joint archive facility in Mold. On 28<sup>th</sup> March 2024, the NLHF informed us that the bid has been successful.

- 4.3. It is clear that there is not a “do nothing” option as the current arrangements are failing and cannot fulfil our statutory duty. All the available options come with significant costs, and all the options have risks linked to potential increased costs, disruption to service, loss of accreditation etc. There is no ideal, no-cost, solution. All other options will either cost DCC more initially (or in the long run) than the joint facility in Mold or could cost marginally less but result in much inferior facility and archive service.
- 4.4. Work is underway to develop a Collaboration Agreement that will govern the arrangements between DCC and FCC, both for the delivery of the project, and the operation of the joint service. This will include a Heads of Terms for the Lease of the new archive centre in Mold. These agreements are being progressed by a multi-disciplinary team of officers from both authorities and are due to be completed later this month in line with the conditions of the grant.
- 4.5. Project activity is due to commence mid-May (see Appendix 4): a delegated decision will enable the project commencements on time and will minimise the risk of any additional cost associated with a delay.

## **5. How does the decision contribute to the Corporate Plan 2022 to 2027: The Denbighshire We Want?**

- 5.1. This project supports the aim ‘A Healthier, Happier Caring Denbighshire’
- 5.2. The project is listed in DCC’s Corporate Plan - “Working in partnership to deliver an improved and sustainable archive service for North East Wales”.
- 5.3. The project will make a least a neutral contribution but more probably a positive contribution to the Council becoming Net Carbon Zero and Ecologically Positive by 2030.

## **6. What will it cost and how will it affect other services?**

- 6.1 DCC had agreed a match contribution of £2,052,358. This capital contribution will be incurred over the phases of the project (set out in Appendix 4) from financial years 2024/25 to 2027/28 and funded by borrowing. The revenue costs associated with the borrowing requires a pressure to be included in the capital financing budget that builds up to c£136k when the project is completed (based on current interest rates and borrowing over 25-year period as is the council's convention). Though it is intended that the Collaboration Agreement and Heads of Terms for the Lease of the building will be in place for 50 years
- 6.2 Technical support for the project from various departments across the Council will continue to be required, including Legal, Financial, HR, ICT, Design & Construction, Procurement, Building Maintenance, and Heritage Services

## **7. What are the main conclusions from the Well-being Impact Assessment?**

- 7.1 Given NEWA is a sub-regional service, the WBIA was considered across both counties. The assessment is shown in Appendix 1 and outcomes are as follows:
- i. A prosperous Denbighshire and Flintshire - Positive
  - ii. A resilient Denbighshire and Flintshire - Neutral
  - iii. A healthier Denbighshire and Flintshire – Positive
  - iv. A more equal Denbighshire and Flintshire- Positive
  - v. A Denbighshire and Flintshire of cohesive communities- Positive
  - vi. A Denbighshire and Flintshire of vibrant culture and thriving Welsh Language- Positive
  - vii. A globally responsible Denbighshire and Flintshire – Neutral

## **8. What consultations have been carried out with Scrutiny and others?**

- CET July 2021, October 2022
- SIG Sept 2019, Dec 2020, Jan 2022
- Cabinet Briefing - November 2018, October 2019, November 2020, January 2023, September 2023, April 2024
- Cabinet November 2020, October 2023
- Capital Scrutiny Group September 2023

- AMG - July 2019
- Communities Scrutiny Committee – October 2019 & October 2020
- Ruthin MAG – October 2020 & November 2022
- Online public surveys (2019 and 2020)

## **9. Chief Finance Officer Statement**

9.1 The decision to approve the project was made in principle in October 2023 taking into consideration the financial challenges the Council faces. That decision considered a range of options and concluded there was not a 'no cost' or a 'low cost' option, and that the preferred option had the benefit of leveraging in significant external funding with an asset that is fit for purpose for the long term. Work continues during the development phase of the project to confirm details of the new service structure and the exact costs of running the new building. It is hoped that these costs will be within the current budget allocation, but this cannot be guaranteed until the detailed work is done. Cabinet will have an opportunity to review these proposals once complete

## **10. What risks are there and is there anything we can do to reduce them?**

- 10.1 The collaboration and lease agreements will provide DCC with assurance over the joint service and building arrangements over a period of 50 years.
- 10.2 A separate project risk register is in place for the project.

## **11. Power to make the decision**

- 11.1 Local Government (Wales) Bill—General power of competence for Local Authorities.
- 11.2 The Local Government (Records) Act 1962 (i) - make records in their possession available for study and (ii) to contribute towards the expenses of persons looking after local records.
- 11.3 The Local Government Act 1972 Section 224 requires all principal councils to make proper arrangements for the care and preservation of any documents.