



Cabinet

23 APRIL 2012

**CABINET MEMBER
FOR RESIDENTS
SERVICES**

Councillor Greg Smith

REVIEW OF THE H&F ARCHIVES SERVICE

This report updates Cabinet on the current operation of the H&F Archives Services and reviews options for a short term way forward for 2012/13 and considers longer term options beyond that date.

**Wards:
All**

CONTRIBUTORS

EDELRS
DCGCS
Tri Borough Director,
Libraries
ADLDS
EDFCG

Recommendations:

- 1. That approval is given to proceed with option 2 for 2012/13 as outlined in paragraph 2.2 of the report, at a total maximum cost of £50K that will be met by carrying forward departmental underspends from 2011/12, and to waive the application of Contract Standing Orders to this award.**
- 2. That authority be delegated to the Cabinet Member for Residents Services, in consultation with the Executive Director for Environment, Leisure and Residents Services, to consider, agree and implement what they decide is the most appropriate longer term solution.**

**HAS AN EIA BEEN
COMPLETED?
YES**

**HAS THE REPORT
CONTENT BEEN
RISK ASSESSED?
YES**

1. BACKGROUND

- 1.1. Lila Husset is a self contained, 2-storey building with offices on the first floor and a secure archive store with reading room on the ground floor. Lila Husset is an annexe to The Ark office building and is owned by GE Real Estate. It was constructed under the terms of a Section 106 agreement and is leased to the Council. Lila Husset is occupied by:
 - The Professional Development Centre (PDC)
 - The Urban Studies Centre (USC)
 - The Archives and Local History Centre (Archives)
- 1.2. The head lease commenced on 24 June 1991 and expires on 23 June 2016. It contains an option to renew on expiry subject to 12 months prior notice and a full market rent being paid for the entire premises. There are no break clauses and as such the Council cannot vacate the building before the lease ends without agreement from the landlord. Conditions within the head lease state that:
- 1.3. The user clause states that the ground floor is to be used as a local authority archive and the 1st floor as business training centre or urban studies centre. Subject to obtaining landlord's consent, we can use the premises for other local authority office use providing that it won't detract from the adjoining building. We cannot use the premises for anything connected to the provision of housing benefits or in fact any other benefits or with any entertainment use.
- 1.4. The rents payable for the building are:
 - The ground floor Archives at a peppercorn rent for the duration of the head lease.
 - Part of the first floor used by the urban studies centre at a peppercorn rent for the duration of the head lease.
 - Part of the first floor used as a professional development centre at 50% of full market rent for the duration of the head lease. The current annual rent paid is £47,000; however there are two rent reviews (2006 & 2011) outstanding.
- 1.5. The Archives and Local History Centre holds the archives and local history collections for Hammersmith and Fulham, including documents, books, maps, photographs and paintings, ceramics, old newspapers and other sources for family and house history. The Council does need to have due regard to its duty of compliance with Section 224 of the 1972 Local Government Act on "Proper arrangements for records" and the Code of Practice on records management under Section 46 of the Freedom of Information Act. As well as the Council's own records, the centre takes in material from organisations and people in the community. Archives need to be exploited and made available and accessible to customers but at the same time be protected from theft and damage. They need a regulated environment for their preservation.

- 1.6. In order to meet RSD MTF5 efficiency targets for 2011/12, the Archives Reading room at Lila Husset closed earlier this year. However, the London Metropolitan Archive (LMA) was then commissioned to provide a limited access service on the first and third Wednesday of each month and an enquiry service via email and telephone. This arrangement is secure until the end of March 2012 at a cost of £10,000 for 2011/12. LMA have indicated that they are willing to consider extending the temporary arrangements whilst a longer term solution is found. The options for delivering an archives service from April 2012 are explored below. From 15 June to 12 December 2011 there was a total of 178 visits to the reading room at Lila Husset, an average of 14 visitors per day of opening with a total of 629 document productions. There have also been 386 written and email enquiries to the LMA during this period.

2. SERVICE DELIVERY OPTIONS

2.1. Option 1: LMA house the H&F Collection at their premises in Clerkenwell, City of London

- 2.1.1. Under this option, LMA house the H&F collection at their premises in Clerkenwell but would keep it as a separate distinct collection. The collection would be digitised and made accessible both electronically and for physical visits. LMA would undertake outreach in the borough and use their own and H&F volunteers to work on the collection. The collection would be added to from LMA's own resources - they actually have more photographs of the borough than the Council does.
- 2.1.2. The majority of parish registers are already kept at LMA which is a world class centre of excellence. LMA would work on the following principles:
- Celebrating local identity and London history
 - Adding value for users
 - Offering wide ranging outreach work
 - Committing to four star technical excellence.
 - Networking across the borough to achieve sustained internal support for the service
 - Providing value for money
- 2.1.3. The advantages of this option include that the collection would be housed in far better facilities and could be exploited more effectively, both digitally and through physical access. Major cost savings would be realised by not being tied to the premises at Lila Husset. It should be noted that these premises savings would only be delivered if agreement is reached with the other services based there and if the landlord agrees early release from the current lease. As such, any saving to the Council is high risk. The main disadvantage of this delivery option is that the collection would no longer be in close proximity to the borough.
- 2.1.4. The complete cost of LMA housing and delivering an archives service on the Council's behalf is estimated at £130,000 per year (including the one off cost

of digitising the collection) plus one off removal costs of around £25,000 (as estimated by LMA based on the size of the collection). Any cost of terminating the current Lila Husset lease early is yet to be quantified and is subject to landlord approval.

2.1.5. The total estimated net cost of providing this service for 2012/13 is £155k (assuming the Lila Husset lease can be terminated early at no additional cost to the Council). See para. 3.1 below for a more detailed breakdown

2.2. Option 2 – Explore the option of a Tri-borough managed service hosted by WCC

2.2.1. The Tri-borough library service will be established from 1 April 2012 and there are clear synergies between the wider library services and the archives offer in H&F.

2.2.2. Westminster City Archives has a 4 star rating awarded by The National Archives and is recognised as a centre of excellence. It has an established record of both securing external funding and raising income, provides an award winning educational programme supported by experienced and qualified staff and has the infrastructure required to support conservation and volunteers. A joint arrangement with Westminster would put H&F in an advantageous position for potential heritage lottery funding bids for a tri-borough service offer. Subject to agreement on detailed requirements for the funding available, Westminster have indicated that they would be happy to provide a service to H&F similar to the current temporary service offering by the LMA, but with the potential to develop this further in the context of a Tri-borough service. The management of the service would be provided at a cost of £50k per year.

2.2.3. This is the **recommended option for 2012/13** as it allows for a further review over the next six months to establish a longer term solution. This could, amongst other things, investigate the opportunities for an archives presence either at the newly refurbished Hammersmith Library or at Fulham Palace. Further work is required to develop a viable financial model and would be dependent on the ability to be released from the Lila Husset at an earlier date than 2016.

2.2.4. Whilst the Westminster site has some capacity, it is unlikely that it could house both K&C and H&F collections. The collection would continue to be housed within the borough at Lila Husset whilst a longer term solution is developed. As such, premises and running costs would remain unchanged in the short term. Under a Tri-borough service it is likely that the reading room would be more accessible than twice per month and there would be greater opportunity to carry out more outreach, especially with local schools.

2.2.5. The total estimated net cost of providing this service for 2012/13 is £126k. See para. 3.1 below for a more detailed breakdown.

2.3. Option 3 - H&F run the Archives service by recruiting an Archivist to staff the reading room and recruit volunteers

- 2.3.1. Under this option, the collection would remain within the borough. It would be managed by a directly employed Archivist and locally recruited volunteers in partnership with local organisations (such as the Fulham and Hammersmith Historical Society). Premises and running costs would remain unchanged but there would be the additional staffing cost of recruiting and supervising volunteers (1 FTE at a total cost of £45k). Once volunteers are in place an enhanced service could be offered to customers, more outreach work could be provided and a digitisation programme could be rolled out (at an additional cost yet to be determined).
- 2.3.2. The total estimated net cost of providing this service for 2012/13 is £122k. See para. 3.1 below for a more detailed breakdown.

2.4. Option 4 - H&F run the Archives service with volunteers only

- 2.4.1. Under this option the collection would remain within the borough. It would be wholly managed by volunteers. Premises and running costs would remain unchanged and there would be no staffing costs.
- 2.4.2. This option can be delivered at the lowest cost but is the weakest option in terms of quality of service as it does not provide for the recruitment and supervision of the volunteers. This option is not recommended as there would need to be safeguards for the valuable items that are stored and it is highly unlikely that the volunteers would be able to answer the more specialised and complex enquiries.
- 2.4.3. The total estimated net cost of providing this service for 2012/13 is £76k. See para. 3.1 below for a more detailed breakdown.

3. FINANCIAL SUMMARY OF SERVICE DELIVERY OPTIONS FOR 2012/13

- 3.1. The expected cost of delivering each option is detailed below:
- **Option 1** - LMA house the H&F Collection at their premises in Clerkenwell
 - **Option 2** - Explore the option of a Tri-borough managed service hosted by WCC
 - **Option 3** - H&F run the Archives service by recruiting an Archivist to staff the reading room and recruit volunteers
 - **Option 4** - H&F run the Archives service with volunteers only

£000	Option 1	Option 2	Option 3	Option 4
Payment to Provider	130	50	0	0
Staffing	0	0	45	0
Premises	25	43	43	43
Collection Costs	0	3	3	3
Direct Costs	155	96	92	46
Indirect Costs	0	35	35	35
Gross Estimated Cost	155	132	127	82
Direct Income	0	(6)	(6)	(6)
Net Estimated Cost	155	126	122	76
	Note 1			

Indirect costs are corporately funded Business Rates. Any saving on these will be accounted for corporately, and not by ELRSD.

Note 1 – Assumes the existing Lila Husset lease can be terminated early at no additional cost to the Council.

4. CONCLUSIONS

4.1. It is recommended that a solution via the Tri-borough Service is agreed for 2012/13, with further work to be undertaken over the next six months to agree a longer term solution. A waiver of the Contract Standing Orders for not undertaking a competitive tender exercise for award of this tender valued at £50K is also recommended.

4.2 This approach would involve the following actions;

- That the present arrangement with LMA is continued from March until the end of May at a cost of £8,333 to allow us to develop and put in place a Tri borough option.
- WCC Archives supplies a trained member of staff to open the Reading Room at Lila Husset at least once per fortnight and to manage the local volunteers to keep the reading room open and explore the Team London bid for volunteers funding to develop and train them.
- Be the first point of contact for telephone and email enquiries on a daily basis at WCC Archives for H and F enquiries. There are between 12-16 written enquiries per week (including email). There are no figures for telephone enquiries but LMA estimate that it is about 4-6 per day.
- Explore the possibilities of digitalisation.
- Adapt the existing Memo of Understanding in place with the LMA into an arrangement with WCC.

- Explore options for relocating the materials in 2014, possibly to the refurbished Hammersmith Library, Fulham Palace or some other venue.

5. RISK MANAGEMENT

- 5.1. The future of the Archives Service is held within the ELRS risk register.

6. COMMENTS OF THE EXECUTIVE DIRECTOR OF FINANCE AND CORPORATE GOVERNANCE

- 6.1. Option 4, to provide a volunteer run service, presents the lowest cost although this is outweighed by the additional risk of not being able to properly safeguard the collection as set out in paragraph 2.4.2. As such, this option is not supported from a broader financial perspective.
- 6.2. Due to the application of MTFs efficiencies, the budget held for the Archives service for 2012/13 is £71k. However, ELRS has requested to carry forward £50k from 2011/12 departmental underspends to further support the Archives service in 2012/13. On the assumption that this request is approved, the 2012/13 budget for the service is £121k.
- 6.3. There is little financial difference between Options 2 and 3, with both options being slightly in excess of the £121k budget held for 2012/13 (including corporately funded indirect costs/Business Rates). However, Option 2 may present longer term financial benefit as a Tri-borough service may be able to drive out additional cost savings whilst maintaining service quality. On that basis, Option 2 is supported as the preferred interim delivery model until a longer term solution is identified and appraised.
- 6.4. It should be noted that the costs estimated in para. 3.1 assume the existing Lila Husset lease can be terminated early at no additional cost to the Council. This is a significant assumption as early termination is subject to the landlord's approval, which has not yet been confirmed. The Lila Husset building also houses other Council services in addition to the Archives service. It is expected that any decision to vacate the building (and the funding of any resulting costs) will be considered as part of a separate corporate report through the Corporate Asset Disposal Group.
- 6.5. Funding of the service beyond 2012/13 will need to be identified as part of any longer term service delivery proposal.

7. EQUALITY IMPLICATIONS

- 7.1. An EIA has been completed and concludes that there is a low impact in relation to the preferred option.

- 7.2. There are little equality impacts except for Option 1, where the LMA would house the collection at their premises in Clerkenwell, which would take it outside the Borough boundaries and therefore make it more difficult for disabled, less mobile elderly or young children (for homework projects) to access.
- 7.3. The recommended option 2, to explore the option of a Tri-borough managed service hosted by WCC, would have positive impacts as it is intended to open the reading room at Lila Husset more than it currently is and would keep the collection within the Borough boundaries.

8. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)

- 8.1. The proposed recommendation to award the Archives operation services would normally merit undertaking a competitive procurement exercise including advertisement of such tender as per the Contract Standing Orders (CSOs). However, as the proposal is a short term one with an objective of exploring various long term options under the Tri-borough arrangements, there is justification for a waiver of the CSOs. Further, as the proposal is below EU Public Procurement thresholds, there is no requirement to publish advertisement in OJEU.
- 8.2 In the circumstances, the Assistant Director (Legal & Democratic Services) endorses the recommendation contained in this report.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Policy Framework between the LMA and H&F	C.Lloyd	Libraries, ELRS
CONTACT OFFICER:		NAME: Christopher Lloyd EXT. 3811	