

MIDDLESBROUGH COUNCIL



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| Report of: | Director of Environment, Communities & Culture |
| Relevant Executive Member: | Deputy Mayor and Executive Member for Education and Culture |
| Submitted to: | Joint Archives Committee |
| Date: | 18 March 2026 |
| Title: | Budget Report |
| Report for: | Decision |
| Status: | Public |
| Council Plan priority: | Delivering Best Value |
| Key decision: | No |
| Why: | Decision does not reach the threshold to be a key decision |
| Subject to call in? | No |
| Why: | Not a key decision |

Proposed decision(s)

We ask that the Joint Archives Committee considers the three budget options for 2026/27 in **Appendix 1**, with the following recommendation:

- 1) To agree, as a minimum, Budget Option 2, which includes a 0.51 FTE staffing increase required for managing Preservica/digital preservation.

We ask that the Joint Archives Committee discusses:

- 2) Options for the future funding arrangements for Teesside Archives in **Appendix 2**.

Executive summary

Three budget options have been prepared for consideration by JAC. In all options, the following changes have been made:

- A 3% increase in the pay budget to reflect an assumed pay award for 2026/27.
- A reduction in employers superannuation.

- A 2% increase in rental costs (Dorman Museum) in line with inflation.
- A reduction in the income from fees and charges budget to £8,000, which is reflective of recent actuals.

Storage costs are maintained at £82,000 which, based on 2025/26 actuals, will allow for the CPI increase from 1/8/26 and still allow for additional storage as a result of new accessions.

Option 1 is effectively a standstill budget with the only changes being those detailed above.

Option 2 includes a small increase to the staffing establishment of 0.51 FTE to provide capacity to manage digital preservation. If JAC agree to purchase Preservica this is the minimum staffing requirement to run it.

Option 3 includes an increase to the staffing establishment of 2.16 FTE which would allow for an improved Archives service including a more proactive approach to collecting, greater outreach capacity and an improved customer experience.

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions

1.1 To agree a budget for Teesside Archives for 2026/27.

| Our ambitions | Summary of how this report will support delivery of these ambitions and the underpinning aims |
|--|--|
| A successful and ambitious town | <ul style="list-style-type: none"> • Fulfilling the statutory responsibilities of our public organisations. • Holding organisations and individuals to account. • Promoting pride through learning about past achievements. • Recording and conserving the history of our people and places for future generations. • Creating employment opportunities through proposed changes to the staffing structure. |
| A healthy Place | <ul style="list-style-type: none"> • Ensuring access to the Archives for all. • Supporting the recollection & sharing of memories. • Promoting a culture of knowledge and learning. |
| Safe and resilient communities | <ul style="list-style-type: none"> • Helping people discover more about their lives; past and present. • Giving value to people and events who have shaped our lives today. • Helping us to understand who we are. • Inspiring creativity and collaboration. • Reflecting the rich diversity of our communities. |
| Delivering best value | <ul style="list-style-type: none"> • Making records available to support effective decision-making and good governance. • Creating maximum value from the modest additional investment required. |

2. Recommendations

2.1 That the Committee considers the three budget options for 2026/27 in **Appendix 1**, with the following recommendation:

- 2.1.1 To agree, as a minimum, Budget Option 2, which includes the 0.51 FTE staffing increase.
- 2.1.2 To discuss options for the future funding arrangements for Teesside Archives in **Appendix 2**.

3. Rationale for the recommended decision(s)

The Archives Service has been in a standstill position for several years due to a lack of investment. Three budget options have been prepared for 2026/27 with a recommendation to approve, as a minimum, Option 2. This option includes a 0.51 FTE increase to the staffing establishment to enable the Archives Service to undertake its responsibility to collect, preserve and make accessible born-digital records, and is aligned with the proposal the purchase a digital preservation system. The additional staff resource is required to import existing digital format records into the system and work with partners to identify other digital records that should be archived in this way.

The cost of purchasing and running Preservica for three years is not shown in the budget, as it will be funded in full for this period from New Burden's grant income.

4. Background and relevant information

The table below shows the contributions from the Partner Local Authorities for Budget Option 2 (26/27):

| Local Authority | Contribution % | Contribution £ | Support Services @ 8% | Total Per Authority |
|--------------------|----------------|-----------------|-----------------------|---------------------|
| Hartlepool | 16.49% | £55,934 | £6,784 | £62,718 |
| Middlesbrough | 24.47% | £83,002 | £6,784 | £89,786 |
| Redcar & Cleveland | 24.17% | £81,985 | £6,784 | £88,769 |
| Stockton | 34.87% | £118,279 | £6,784 | £125,063 |
| Total | 100.00% | £339,200 | £27,136 | £366,336 |

The difference in contribution for each Partner Local Authority, compared to the 2025/26 budget is shown in the table below:

| Local Authority | Contribution % | Contribution £ | Support Services @ 8% | Total Per Authority |
|--------------------|----------------|----------------|-----------------------|---------------------|
| Hartlepool | 0.00% | £6,276 | £761 | £7,037 |
| Middlesbrough | 0.00% | £9,313 | £761 | £10,074 |
| Redcar & Cleveland | 0.00% | £9,199 | £761 | £9,960 |
| Stockton | 0.00% | £13,271 | £761 | £14,032 |
| Total | 0.00% | £38,059 | £3,044 | £41,103 |

Similar comparisons between Options 1 and 3, and the 2025/26 budget can be found in **Appendix 1**.

A separate report to the Committee titled 'Future Delivery Report to JAC March 2026' provides further background information and justification for the proposed Budget Option 2.

5. Ward Member Engagement if relevant and appropriate

N/A

6. Potential alternative(s) and why these have not been recommended

Option 1 (status quo): Keeping the staffing resource as is would not enable the Archives Service to manage digital preservation as there isn't the capacity in the current team to take on this responsibility as things stand. Having worked with the Lead Officers of the Partner Authorities to understand the requirements around digital preservation and identify a system that can support this area of work effectively, the staffing increase proposed in the Budget Option 2 is the minimum required to manage the system and the archiving of records in a digital format.

Option 3 (additional 2.16 FTE): This budget has been prepared based on a staffing establishment which would allow for an improved Archives service including a more proactive approach to collecting, greater outreach capacity and an improved customer experience. Whilst this is the direction the Service should take going forward to maximise the value of the Archives to its stakeholders, it hasn't been recommended to the Committee based on feedback from the Lead Officers on their capacity to meet an increase to the budget.

7. Impact(s) of the recommended decision(s)

| Topic | Impact |
|---|--|
| Financial (including procurement and Social Value) | Increase in budget from 2025/26 – Appendix 1 details the impact for each Local Authority based on the three options. |
| Legal | N/A |
| Risk | The risk of not approving Budget Option 2 as a minimum is a lack of capacity to support digital preservation resulting in not meeting the Archives statutory responsibilities in this area and losing National Archives Accreditation. |
| Human Rights, Public Sector Equality Duty and Community Cohesion | N/A |
| Reducing Poverty | N/A |
| Climate Change / Environmental | N/A |
| Children and Young People Cared for by the Authority and Care Leavers | N/A |
| Data Protection | N/A |

Actions to be taken to implement the recommended decision(s)

| Action | Responsible Officer | Deadline |
|---|----------------------------|-----------------|
| Set budget for 2026/27 as agreed by JAC | Finance Business Partner | 31/03/26 |

Appendices

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| 1 | Teesside Archives Budget Proposals 2026/27 |
| 2 | Teesside Archives Future Funding Models |

Background papers

N/A

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