

AGENDA

Page No

1. MINUTES

To confirm the decisions of the meeting held on 18 October 2016 (CA.37 - CA.43), previously circulated.

2. APOLOGIES FOR ABSENCE

Resources Management

3. INWARD INVESTMENT

1 - 18

This report explores the future of industrial estates/business parks and their development across the District in the context of generating inward investment. It proposes a strategy which looks at all aspects of inward investment and covers short, medium and long-term objectives within the Council's £5m 10-year strategy.

In accepting the recommendation, the proposed strategy will be approved and the Business and Economy Team will be given approval to develop and implement a suitable action plan to deliver the strategy.

Relevant Ward(s): All Wards

4. NORTHALLERTON BUSINESS IMPROVEMENT DISTRICT

19 - 20

This report sets out the proposals for a Northallerton Business Improvement District (BID). The District Council has received notification that postal ballot votes have been sent out to those eligible to vote for return by no later than 17 November 2016. The purpose of this report is to seek approval to vote 'Yes' to the BID District Proposal.

In accepting the recommendation, Cabinet will agree the BID proposal and authorise the Chief Executive to vote 'Yes' in the upcoming postal ballot.

Relevant Ward(s): All Wards

5. TRANSFER OF THE HERRIOT CENTRE

21 - 24

This report seeks consideration of a proposal to transfer the Council assets of 23-25 Kirkgate, Thirsk (World of James Herriot) to the World of James Herriot Ltd.

In accepting the recommendations, Cabinet will agree to transfer the title of 23-25 Kirkgate, Thirsk to the World of James Herriot Ltd on condition that it continues to be utilised as a visitor attraction and legal agreements relating to the artefacts utilised by the attraction and museum are reviewed to ensure that they are appropriately safeguarded under the new arrangements.

Relevant Ward(s): All Wards

6. EXCLUSION OF THE PUBLIC AND PRESS

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 excluding the press and public from the meeting during consideration of item 7 on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 1 of Part 1 of Schedule 12A to the Act.

7. STAFFING ISSUES

25 - 34

This report seeks consideration of various staffing issues and a change to the Council's Pay Policy.

Relevant Ward(s): All Wards

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HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
1 November 2016

Subject: INWARD INVESTMENT

All Wards
Portfolio Holder for Economic Development & Finance: Councillor P R Wilkinson

1.0 PURPOSE AND BACKGROUND:

- 1.1 This report provides background to the proposed activity which seeks to support the Hambleton Economic Strategy (2014) themes of Inward Investment and Drive Growth.
- 1.2 The growth needs of indigenous businesses, together with capacity to provide for inward investment has been translated into the emerging Local Plan. The Preferred Options document currently out for consultation proposes:
- 320 net new homes per annum
 - Baseline of growth of 178 new jobs per annum.
 - 71 hectares of employment land (30 hectares currently allocated; 41 hectares new allocation). The main allocations are at Dalton Industrial Estate, Leeming Bar, Stokesley Business Park and Sowerby Gateway
- 1.3 Research via the Hambleton Industrial Estates Review provides an understanding of the key issues which are important to our indigenous businesses and what they require to facilitate their growth. The key requirements for growth are:
- Information and support services
 - Business Rates support
 - Workforce – recruitment, skills and training, and transport for employees
 - Competition – productivity and innovation
 - Infrastructure – broadband, roads, parking and utilities
 - Premises – ensuring land and premises required are available
- 1.4 Attached at Annex 1 is the draft Industrial Estates Action Plan which articulates some of the measures that could be employed to tackle these issues.
- 1.5 In considering what is required to bring forward the development of the major allocations in the emerging Local Plan, estates such as Leeming Bar and Dalton have known infrastructure constraints which may present a barrier to development if steps are not put in place to resolve them. The costs and lead times required for works of this nature to engage utility companies etc. would suggest this should be a priority action.
- 1.6 The Council's Economic Strategy lists Inward Investment as a key theme. To date the approach to inward investment has been reactive and little resource has been allocated to this objective. The focus has been in the main to support the growth of the existing business base.
- 1.7 There are several approaches to Inward Investment, however, to have a higher chance of success in supporting the Council's ambitions and objectives it is suggested that a targeted approach to strengthening key sectors is appropriate. This enables the district to play to its strengths, to be in accord with national and regional strategy and to reduce competition with other areas.

- 1.8 To assist with delivering the ambition to develop local business productivity and innovation to centres of excellence related to key industry clusters, such as advanced manufacturing at Stokesley or food manufacturing at Leeming Bar could be established, or the Council could seek to attract and develop clusters of businesses from high growth sectors. This may give the estates more prominence in terms of attracting funding, inter-business supply chain opportunities, alliances with Universities and their ability to attract and recruit skilled staff.
- 1.9 Requirements to be able to move to a proactive approach to inward investment include:
- Reviewing the opportunities for growth and identify key growth sectors.
 - Understand the recruitment, skills and training and transport issues for employees to support growth at key sites.
 - Ensure we have thoroughly thought through and made the right connections related to research and development, again to support inward investment growth.
 - Be clear of the sites and premises that are available, about the advantages of the sites, the land or premise costs, utilities, planning position and connectivity.
 - Undertake activity to ensure a constant supply of appropriate land and premises are available for immediate occupation.
 - Ensure we have a well-developed business support offer, either internally or with/through partners.
 - Articulate and promote the districts proposition to potential investors i.e. selling Hambleton the place, principally through the Place to Grow website.
- 1.10 Consideration should be given to the national and regional approach to inward investment. The Department for International Trade (DIT) which has the responsibility for inward investment at the UK level has a UK first approach. Unless there is a very compelling proposition, specific locations are not promoted. This follows through in to the Local Enterprise Partnerships work which focuses around the Bio-Economy (Agriculture, Food Manufacturing and utilising Biowastes efficiently) as its key sector of strength and promotes this within DIT's sector teams to help win more investment prospects from enquiries to DIT.

2.0 LINK TO COUNCIL PRIORITIES:

- 2.1 Enabling inward investment and delivering action to drive growth supports the Council's priority for Driving Economic Vitality

3.0 RISK ASSESSMENT:

- 3.1 There is no significant risk associated with the recommendation.

4.0 FINANCIAL IMPLICATIONS:

- 4.1 At this stage all costs are contained within the existing Economic Development Strategy.

5.0 LEGAL IMPLICATIONS:

- 5.1 There are likely to be legal issues in the future associated with the possible purchase of land if this approach is subsequently agreed, but at this stage none.

6.0 EQUALITY/DIVERSITY ISSUES

- 6.1 Equality and Diversity Issues have been considered however there are no issues associated with this report.

7.0 RECOMMENDATIONS:

7.1 It is recommended that Cabinet approves:-

- (a) the Draft Hambleton Industrial Estates Action Plan with a direction to prioritise:
 - a. the investigation of removing infrastructure constraints
 - b. the development of 'A Place to Grow' web resource to promote the district and provide information to assist local business growth;
- (b) the approach to establish centres of excellence relating to key industry clusters, including: advanced manufacturing at Stokesley and food manufacturing at Leeming Bar; and
- (c) that an Inward Investment Action Plan be developed and reported to Cabinet.

EXECUTIVE DIRECTOR

Background papers: Industrial Estates & Inward Investment 6 September 2016
Hambleton Industrial Estates Review March 2016

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Industrial Estates: a Summary of Key Issues

During the latter part of 2015 a review of Hambleton's Industrial was undertaken. The survey returned a number of common issues amongst estate residents. Some of the key issues are summarised here:

- Business rates**
 - Perceived as high in this area, that businesses get little in return for what they pay.
 - Barrier to expansion when full rates are demanded on speculative new build that is not fully occupied immediately.
- Recruitment**
 - Many businesses struggle to recruit the workforce they require to support their growth.
- Industry Skills**
 - Similarly businesses find it difficult to find people with the skills required for their industry.
- Training**
 - Linked to the above two points access to training to up skill the workforce is problematic.
- Competition**
 - Many businesses highlight they are facing stern competition.
- Land & Premises**
 - Land and premises requirements have come through well to feed into the Local Plan.
 - Low awareness of what is available locally in terms of land and premises.
- Broadband**
 - Some estates are still struggling to get high capacity connectivity.
- Mobile Coverage**
 - Considerable issues with mobile connectivity.
- Transport**
 - Getting the workforce to work is challenging in a rural environment.
- Roads and parking**
 - Many estates face issues with inappropriate parking especially by HGVs.
 - Others have issues with gritting and adoption and/or maintenance.

Developing an Action Plan

Each of the topics raised during the Industrial Estate review are examined here with a suggested course of action. Some will require modest interventions that can be implemented relatively quickly others require a long term approach which will need to be embedded within the policies contained within the emerging local plan. Accordingly the Business & Economy section is working closely with Planning Policy. Whilst work is in progress, a policy steer will be required from Management Team and Members on approaches to related key elements such as Inward Investment.

The rates of return of questionnaires provide confidence in many of the actions suggested. However, where there are issues flagged from estates with a lower level of returns on issues such as infrastructure, it would be prudent to undertake interviews with more businesses to validate results ahead of any actions being taken. This relates mainly to Northallerton and Easingwold estates; in the case of the Easingwold estates they are at the smaller end of the spectrum in terms of business numbers and are also privately operated.

A Place to Grow: Information Resources - a number of issues raised by businesses can be assisted through improved access to information and signposting to appropriate support services. As part of the Hambleton Economic Strategy the ‘A Place to Grow’ branding was created with the intention of developing a web resource that would promote the district and be a repository for information to assist local business growth. The brand and strapline is also a vehicle for potential inward investment promotion.

With the update of www.hambleton.gov.uk the potential now exists to have a ‘daughter’ website carrying the place to grow branding which can be dedicated to economic development and business support. This should include advice on export, regulatory issues, innovation, training, small business rate relief etc. Local government guidance suggests this resource should be linked to the hambleton.gov.uk domain but a separate domain may provide better scope for selling Hambleton the place if it is not tethered to Hambleton the council. This will be guided by Members’ ambitions in terms of inward investment ambitions.

Actions:

- Collate key information needs
- Research and Provide links to any available web resources or contacts for appropriate support organisations (how’s business, UKTI, Lets Grow, FSB, NFU etc.)
- Promote events which provide assistance on key areas. This could be a bespoke programme developed by HDC or signposting to trusted third events.
- If inward investment is a key focus of the site this would require:
 - o Detailed profile of the district (land, skills, demographics, key industries etc.)
 - o Land and premises availability
 - o Any ‘offer’ that the Council or partners have to support new investors
 - o Define district proposition

Timeline - Est. 2-3 months initially to set up plus approximately half day a week to keep site up to date

Resources required

- Team session(s) to review information needs and pool knowledge of available support resources, to outline district profile, define website structure etc.
- Web Project Officer time to make website template / design
- Business and Economy Support Officer / team time to populate web content
- Comms team, ED team, external partners to promote site when available
- Comms team input to develop key promotional pages/messages for inward investment facing elements

Business Rates – as devolution will mean rates are retained locally this already sensitive issue with businesses is likely to be exacerbated. A lot of businesses already feel the rates in the area are high compared to other areas. As they are not determined locally an education process may be useful, certainly an explanation of this should be on the Council and/or A Place to Grow website. If control over charging comes down to the local level it is likely there will be pressure from businesses for the Council to take some action to relieve businesses from what they see as a burden. One area however that the Council may be well placed to assist with if it gains powers over setting or discounting of rates is the current position on speculative builds. Developers building speculative units or businesses developing new factory extensions are charged full rates from day 1 irrespective of the level of occupancy. More development may be encouraged if this punitive approach can be softened.

Actions:

- Research our rates and ‘offer’ in relation to other areas
- Define the arguments,
- Engage with rates & finance teams,
- Develop draft policy,
- Write MT & Cabinet reports
- Augment information resources part of place to grow website to ensure it covers other tools which may be available to businesses to reduce their costs e.g. [Enhanced Capital Allowances](#)

Timeline - related to the devolution of business rates

Resources required - Officer time, Economic Development, Revenues & Benefits, Corporate Finance.

Workforce – ranks alongside infrastructure as one of the most significant issues of concern, an issue that deserves prioritisation.

Recruitment - the ability to locally recruit a workforce to feed growth ambitions is a major issue for our larger businesses. A range of actions are required on this issue including developing better school-industry links and ensuring people in lower skilled or entry level occupations can afford to live in the area. This has obvious links to Local Plan policy on affordable housing. Encouraging better links between businesses and the Job Centres may also be useful.

Actions:

- Engagement with Job Centres - utilise available labour pool effectively with support for up skilling/reskilling where necessary
- Keep developing school & industry links - demonstrate to young people it is possible to develop a good career within Hambleton
- Work with universities to develop degree apprenticeships
- Shape planning policy especially on Affordable Housing to ensure workforce can afford to live in the district
- Develop a Hambleton job site as part of the Place to Grow information resource?
- Extend apprentice and graduate schemes?
- Develop work experience scheme corporately in HDC with businesses/schools
- Increase contact databases for local businesses to improve awareness of initiatives and increase two way communication

Timeline - 6 months - 3 months planning, 3 months to implement

Resources required: Officer time, partners including schools, JC+, training providers and business partners

Skills & Training - as well as struggling to find workforce businesses struggle to find appropriately skilled individuals. This is at a number of levels including managerial levels. The survey results indicate a clear market demand in the area just among the industrial estates. This demand may be wider than the estates and a wider business analysis of training needs may be beneficial if the council wishes to further engage with Higher Education providers and encourage them to have a presence in the district.

Actions:

- Engage with appropriate Universities and FE colleges to provide access to training to meet needs of business e.g. Sheffield Hallam for Food manufacturing, University of Teesside for Managerial, IT etc.

- Encourage development of internships and degree apprenticeships in key sectors
- Determine if there is demand and resource (e.g. LEP Growth Deal Skills Infrastructure Funding) to support a physical facility in the district to serve workforce and perhaps school leavers too.

Timeline - time to coincide with academic cycle, therefore preparation in 2016, early 2017 and delivery from end of 2017 summer terms.

Resources required - officer time, engaged partners in Universities, FE colleges and schools

Transport - even when a workforce can be recruited locally there are barriers to getting people to the jobs due to the challenge of being a rural district with limited public transport provision. Work could be undertaken to demonstrate to transport providers that a market exists on the estates to encourage them to extend their services or adapt their timetables to serve estates better.

Where this isn't possible new or improved community transport initiatives like Wheels to Work could be explored. Car share schemes or even estates businesses collaborating to provide private transport provision may be options to explore.

Actions:

- Improve pedestrian and cycle links to business parks and industrial estates
- Research schemes elsewhere to see if any social car / transport schemes have been successful in supporting growth of rural industrial locations
- Extension of Wheels to work moped and car schemes
- Pickup -apprentice / collect-a-colleague car share schemes?
- Consider BID's to raise funds to provide transport services or to subsidise existing services to better serve estate needs
- Review public transport services and see if timetables could be enhanced to provide an improved service that fits with shift patterns etc.

Timeline - Dependant on actions required

Resources required -Dependant on actions required, as a minimum officer time to research best solutions

Competition – a significant proportion of businesses flagged competition as an issue. This resonates with a finding of the Economic

Strategy that Hambleton businesses were on average less productive than the UK generally. Measures to help increase productivity and innovation in the local economy could assist with competitiveness. Increased productivity would potentially help reduce issues around recruitment too. If staff are upskilled to increase productivity, growth may be possible with a reduced demand for further staff. Closer working with organisations such as InnovateUK and skills providers, especially those with specialism that suit our businesses, should be explored further.

Actions:

- Work with a range of agencies (InnovateUK, Universities, etc.) to develop a programme to assess and improve business productivity
- Develop a series of events to help with generic (e.g. marketing) and industry specific productivity issues. Further engagement with businesses will be required to isolate the key issues.
- Signposting
- Business to Business
- Encourage closer links between local businesses - facilitate events where businesses can learn about what they do, their history and evolution etc.
- Encourage local procurement to help local businesses support each other

Timeline - tbc

Resources required - Officer time, events/training budget, key partner engagement

Infrastructure - significant infrastructure issues were flagged in the survey though there is significant variation between estates.

Broadband - there some estates that still struggle to get high capacity connectivity. They are known to the council and actions are already being taken to identify solutions for estates where they are required. In April 2016 the results of a study identifying issues with estates was produced and forwarded to those affected with poor connectivity. Providers of potential solutions to improve connectivity have been identified.

Actions

- Investigate costs from providers to provide improved connectivity to estates with issues.
- Work with businesses, estate owners and broadband providers to find appropriate solutions for their needs

Timeline - 4-6 months to cost and implement solutions

Resources required - staff time, potentially capital investment may be required

Mobile Coverage - as great an issue as broadband and one flagged in the Economic Strategy as requiring improvement. Engagement is required with mobile operators to encourage greater coverage of the district and to understand if it is possible to make a business case for them improving coverage of the industrial estates. Some may be too small to do this, but larger estates with significant numbers of employees on site, especially if they sit near other settlements, may present an attractive case.

Research provider's programmes for investment in the networks

Actions

- Research providers programmes for investment in the networks
- Lobby for service improvements, or for earlier implementation if planned.

Timeline - tbc

Resources required - staff time

Roads & Parking - is well known as an issue and that is it difficult to resolve. However it is so prevalent in the returns that it would be difficult not to re-examine this issue and seek solutions. Maintenance and adoption needs to be examined and dealt with on an estate by estate basis. HGV parking is a particular issue too. Where alternative provision can be identified in the vicinity perhaps using third party land e.g. in the case of Thirsk the Auction Mart. Third parties offering good facilities for overnight parking at no cost or a modest cost combined with more enforcement or dis-incentivising inappropriate parking may help alleviate the issue. Different estates will no doubt require bespoke solutions.

Actions:

- Research estate parking solutions in other areas
- Examine if third party options are available in the locality
- Assess parking enforcement options where HGV parking
- Verify on estates with issues if it is a generic issue or if it is caused by specific businesses
- Input to planning policy, see if there are allocations that are/could be made to support additional capacity for parking
- Trial concept of parking being improved through development of a BID on estates where greatest issues faced

Timeline - Research 2-3 months, developing and implementing solutions - tbc

Resources required - Officer time, remainder tbc

Utilities - need to be considered in more detail on an estate by estate basis and over a longer time period than the survey was considering. The time span should match that of the Local Plan and estates utilities capacity to meet growth requirements over this period considered. Utilities improvements are costly, time consuming and require significant lead times to resolve so need a particular long term focus and strategy to ensure they are not a growth restraint.

Actions:

- Review in detail the industrial estate returns to determine any key areas of need
- Revisit the industrial estates infrastructure review brief produced by lan
- Determine if review can be done internally or if external support is required
- Link into Local Plan

Timeline - tbc

Resources required - tbc

Premises – the industrial estates survey demonstrated there is significant ambition for our businesses to grow. Many are backing up this ambition by securing land to facilitate their growth. There are however a number of businesses that do not have land secured and provision should be made within the district if possible to assist their growth aspirations.

It also needs to be borne in mind that the returns at best only represent a quarter of the industrial estate residents and further that the review only covered a 5 year period. To feed into the employment allocations in the local plan we need to consider the growth potential for a 20 year period. Consideration also needs to be given to the growth predictions arising from the Employment Land Review undertaken as part of the Local Plan. This looks to be at odds with the growth aspirations of local businesses.

Additional consideration will need to be given in the Local Plan to ambitions for inward investment. If Hambleton is to have the ability to attract significant investment from outside of the district it will need land and premises available to meet the requirements of the types of business it hopes to attract. This could range from merely allocating appropriate land, through to buying and servicing land for resale or providing further managed workspace or industrial units suited to the target sectors.

Part of the solution to meeting needs for business growth and inward investment will be ensuring appropriate allocations are made in the local plan, understanding what private landlords and landowners may be able to do to assist with growth as well as to be aware of the offer in other districts.

It will be necessary to promote what land and premises are already available in the district. A review of the land and property register, how it is used and marketed would be advisable.

Actions:

- Feed results of survey into Planning Policy Employment Land Review
- Establish likely indigenous business demand over plan period
- Determine Councils position on inward investment and feed this into planning policy
- Review use, content and marketing of Land and Property Register
- Ensure appropriate prominence given to land and premises on the Place to Grow website

Timeline - Local Plan,

Resources required - tbc

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HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
1 November 2016

Subject: **NORTHALLERTON BUSINESS IMPROVEMENT DISTRICT**

Northallerton Wards
Portfolio Holder for Economic Development and Finance: Councillor P R Wilkinson

1.0 PURPOSE AND BACKGROUND:

- 1.1 As Members are aware proposals for a Northallerton Business Improvement District (BID) have been brought forward. BID's are a means of further developing vibrant market towns, commercial districts and tourism zones. To accomplish this a local mechanism is used whereby non-domestic ratepayers occupying local business premises pay an extra levy (in this case 1.5% for those hereditaments with a rateable value of £10,000 and above) on top of their annual business rates for a fixed period of five years, i.e. from 3 April 2017 to March 2022. This additional funding is used by the BID company to deliver its business plan for the area.
- 1.2 BID's are governed by relevant legislation, in particular the Business Improvement District Regulations 2004 (as amended). These Regulations allow local businesses to set up a BID provided that (1) 51% of business ratepayers in the area vote in favour; and (2) the "Yes" votes represent more than 50% of the rateable value in the proposed area. The vote for a BID is carried out by secret postal ballot which is organised by Hambleton District Council. Eligibility to vote is based on one vote per eligible business premise's located within the defined BID area.
- 1.3 The District Council has three rateable business premises within the BID area, namely the Applegarth Car Park, Crosby Road Car Park and Northallerton Market. The Northallerton Prison Site has a zero rateable value as it is unoccupied. The District Council therefore has a say in whether or not the BID should be approved and this equates to three votes for the three respective business premises. Postal ballot votes were sent out to those eligible to vote on 13 October 2016 for return by no later than 5.00pm on 17 November 2016. The purpose of this report is to seek Cabinet's approval to vote "Yes" to the BID District proposal.

2.0 LINK TO COUNCIL PRIORITIES:

- 2.1 The BID District proposal links to the Council's priority of driving economic vitality and the aim of improving market town vitality and viability.

3.0 RISK ASSESSMENT:

- 3.1 There are no significant risks associated with the recommendation.

4.0 FINANCIAL IMPLICATIONS:

- 4.1 The tables below set out the current rateable value for the Council's respective business premises, and the anticipated figures for 2017/2018, together with the increased rateable values taking into account the additional 1.5% levy. Members will see this represents a very modest increase.

Rateable Values used in 2016/17	RV	1.5% Levy
Applegarth Car Park	62,500	937.50
Lascelles Lane (Crosby Road) Car Park	21,250	318.75
Northallerton Market (Market Tolls)	44,000	660.00
TOTAL	127,750	1,916.25

Rateable Values used in 2017/18*	RV	1.5% Levy
Applegarth Car Park	100,000	1,500.00
Lascelles Lane (Crosby Road) Car Park	36,000	540.00
Northallerton Market (Market Tolls)	35,000	525.00
TOTAL	171,000	2,565.00

*Rateable Values taken from the Draft List of Revaluations to be used in 2017/18

5.0 LEGAL IMPLICATIONS:

5.1 The District Council is legally required to carry out the BID ballot on behalf of the BID consortium.

6.0 EQUALITY/DIVERSITY ISSUES

6.1 Equality and Diversity issues have been considered and there are no issues arising from this report.

7.0 HEALTH AND SAFETY ISSUES

7.1 Health and Safety issues have been considered and there are no issues arising from this report.

8.0 RECOMMENDATION:

8.1 It is recommended that Cabinet agrees the BID proposal and authorises the Chief Executive to vote "Yes" in the upcoming postal ballot.

JUSTIN IVES

Background papers: NONE

Author ref: GN

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HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
1 November 2016

Subject: TRANSFER OF 23-25 KIRKGATE, THIRSK TO WORLD OF JAMES HERRIOT LTD

All Ward(s)
Portfolio Holder for Economic Development & Finance: Councillor P R Wilkinson

1.0 PURPOSE AND BACKGROUND:

- 1.1 This report provides background to the proposed transfer of the Council assets of 23-25 Kirkgate, Thirsk, the former surgery of author Alf White which now houses the World of James Herriot attraction to the World of James Herriot Ltd. The issues that Members will need to consider in order that an informed decision on the transfer can be made are set out below.
- 1.2 Two earlier Cabinet reports need to be referenced, they being a report on 21st February 2012 on the Proposed Transfer of the World of James Herriot and a report on 3rd September 2013 on the Disposal of Surplus Land and Buildings.
- 1.3 The World of James Herriot opened in 1999 following a £1.4 million investment in 23-25 Kirkgate, No 23 being the former veterinary practice of Alf Wight. This investment comprised of contributions from public and private sources. As well as being an attraction relating to the life and works of Alf Wight, the buildings house a museum of veterinary medicine. Both elements of the attraction have benefitted from donations of artefacts which have been utilised to develop the exhibitions and displays.
- 1.4 Between 2010 and 2012 the Council undertook a process of review of the ongoing operation of the attraction. Commercial operators were invited to tender for the operation of the museum but no satisfactory proposals were received. Consideration was given to establishing a charitable trust but this route offered no significant benefit to the Council or the attraction.
- 1.5 Following a proposal put forward by the Herriot Country Tourism Group, which was to establish the operation of the attraction on a commercial footing and allow the Council to make a long term revenue saving, the Council agreed to the transfer of the activities of the attraction to The World of James Herriot Ltd. The Council also agreed to a 20 year lease of 23-25 Kirkgate at a peppercorn rent. A separate agreement was drawn up pertaining to the attraction and museum artefacts.
- 1.6 Under the operation of the World of James Herriot Ltd. the decline in visitor numbers has been reversed. As visitor numbers are increasing so is the recognition of the attraction which was named as Visit England's Small Visitor Attraction of the Year in 2015.
- 1.7 To mark what would have been the centenary birthday of Alf Wight a proposal has been made to transfer the property to the World of James Herriot Ltd. as an asset of community benefit.
- 1.8 The World of James Herriot Ltd. is a not for profit Limited company, surpluses are used to further the company's objectives and activities.

- 1.9 Transfer of the freehold to a not for profit limited company is likely to give the World of James Herriot Ltd. better access to grant assistance for the further development of the attraction and promotion of the district.
- 1.10 Prior Cabinet reports have considered the disposal of the asset and have concluded it is in the economic interests of the local community, though this was on the assumption that the activities of the operation of a visitor attraction in the premises are maintained.
- 1.11 As the property is leased, and as the Council is unlikely to try to realise the value of the asset whilst it is operating as a visitor attraction and contributing to the local economy, it has limited practical value to the Council. Whilst the Council owns the asset under the terms of the current lease it is responsible for structural maintenance and is therefore a financial liability to the Council. Whilst the 3rd September 2013 Cabinet paper on the Disposal of Surplus Land and Buildings advocated keeping the asset stating it had a value, it did not articulate that the asset could not be easily realised due to the long term lease to The World of James Herriot Ltd. Other than this the transfer of the asset is in general accordance with the principles in this Cabinet paper of seeking to dispose of assets that would have on ongoing liability to the Council.
- 1.12 A valuation from 2013 states the value of the properties as £491,000.

2.0 LINK TO COUNCIL PRIORITIES:

- 2.1 The continued success of the attraction, its role in promoting the district and attracting domestic and international visitors to the district supports the Council's priority of driving economic vitality.

3.0 RISK ASSESSMENT:

- 3.1 There is no significant risk associated with the recommendation.

4.0 FINANCIAL IMPLICATIONS:

- 4.1 The current lease with the World of James Herriot Ltd. leaves the Council with responsibility for the structure maintenance of the property and therefore long term financial implications in the upkeep of the buildings. The transfer of the assets to the World of James Herriot Ltd. would relieve the Council of this responsibility and its financial obligations.

5.0 LEGAL IMPLICATIONS:

- 5.1 The freehold title for 23-25 Kirkgate will be transferred to the World of James Herriot Ltd. subject to any encumbrances.
- 5.2 The current legal agreement relating to the attraction and museum artefacts will be reviewed to ensure it is still appropriate and safeguards items owned or donated to the Council.
- 5.3 The transfer will need to be made with conditions that would see the asset returned to the Council should changes of use that are not of benefit to the community be proposed. The uses that the Council is prepared to allow, that would be considered to be of benefit to the community will need to be defined and stated in a manner that is legally enforceable prior to the transfer being agreed. It is recommended that the Council applies conditions that maintain the use of the properties as a visitor attraction to ensure they continue to provide an economic and community benefit.

5.4 The Council will be disposing of an asset at less than market value. Government consent for disposals of this nature are allowed if the asset value is less than £2m provided the Council is satisfied that the disposal is in the social, environmental or economic interests of the community. The Cabinet decision in respect of the report of 21 February 2012 where, because the 20-year lease was in effect transferring the asset, stated the Council was satisfied that the economic viability of the World of James Herriot was sufficient benefit to justify the transfer of the asset. The wider benefit to the economy, to the local shops, accommodation providers, hostelrys, cafés etc. from the attractions visitors was not stated but should also be taken in to consideration. The later Cabinet report of 3rd September 2013 did recommend retaining the asset but did not take account of the earlier Cabinet decision.

6.0 EQUALITY/DIVERSITY ISSUES:

6.1 Equality and Diversity Issues and have been considered however there are no issues associated with this report.

7.0 HEALTH AND SAFETY ISSUES:

7.1 An Asbestos Survey has highlighted instances of asbestos within the properties. A series of recommendations were proposed for the management of the materials found to contain asbestos. Five of the six instances of asbestos were deemed to be low risk, one instance medium risk. The main recommendation was to undertake periodic inspection of materials to ensure they are not degrading and becoming a higher risk. One instance of asbestos was recommended for removal. It is considered that in transferring the property the Council would not be transferring a health and safety risk or an onerous financial liability.

8.0 RECOMMENDATIONS:

8.1 It is recommended that:-

- (1) Cabinet agrees to the transfer of the title of 23-25 Kirkgate, Thirsk to the World of James Herriot Ltd. on condition that it continues to be utilised as a visitor attraction; and
- (2) legal agreements relating to the artefacts utilised by the attraction and museum are reviewed to ensure they are appropriately safeguarded under the new arrangements.

EXECUTIVE DIRECTOR

Background papers: Proposed Transfer of the World of James Herriot 21 February 2012
Disposal of Surplus Land and Buildings 3 September 2013

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