

HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
11 September 2012

Subject: THE WORLD OF JAMES HERRIOT – ALLOCATION OF CAPITAL

**Thirsk
Scrutiny Committees
Portfolio Holder for Customer Services: Councillor T Swales**

1.0 PURPOSE AND BACKGROUND:

- 1.1 The purpose of this report is to seek approval to allocate a grant of £37,440 to the Herriot Country Tourism Group. The capital will be used to support a reduction in operating costs for The World of James Herriot through the installation of solar panels and for improved income through the better use of technology.
- 1.2 The District Council agreed on 21 February 2012 to transfer The World of James Herriot from a Council managed service to a new company with community interest and with a particular focus on tourism. As part of that decision, Cabinet agreed to make a provision of £50,000 of capital to invest in the facility subject to further reports.
- 1.3 The proposed installation of solar panels at a cost of £19,740 is an effective means of energy saving, reducing the overall operating costs of the centre with a quoted payback period of approximately 14 years. The agreed lease period for the premises was for 20 years, making the investment a sustainable proposition.
- 1.4 Applications for the required planning permission and listed building consent have been submitted to the Council and are awaiting determination - there will be a verbal update on progress at the meeting.
- 1.5 In addition to reducing operating costs, the Group is also implementing a range of measures to increase the number of visitors to the attraction to improve levels of income.

2.0 DECISIONS SOUGHT:

- 2.1 To approve the release of £37,440 of capital for the installation of solar panels at The World of James Herriot and the development of an electronic marketing programme to increase the number of potential visitors to the attraction.

3.0 LINK TO CORPORATE PRIORITIES:

- 3.1 This decision will support the Council in achieving its priority of supporting local economic growth, enabling The World of James Herriot to improve its financial position in line with its Business Plan.

4.0 RISK ASSESSMENT

- 4.1 There are no significant risks in approving the recommendations.

5.0 SUSTAINABILITY IMPLICATIONS:

- 5.1 The installation of solar panels is a well recognised method of reducing the carbon footprint for organisations and households. The feed in tariff promoted by the Government still provides a cost effective measure for energy reduction.

6.0 FINANCIAL IMPLICATIONS AND EFFICIENCIES:

6.1 There are no revenue implications of the decision.

In terms of Capital Expenditure a grant provision of £50,000 has been made for expenditure on The World of James Herriot subject to approval. This is summarised as follows:-

Capital Expenditure	2012/13 £	2013/14 £	2014/15 £	2015/16 £
Grant for cost of solar panels	<u>19,740</u>	=	=	=
Grant for Technology programme	<u>17,700</u>	=	=	=
Total	<u>37,440</u>			
Financed by:				
Capital Programme	<u>50,000</u>			
	<u>12,560</u>	<u>12,560</u>	<u>12,560</u>	<u>12,560</u>

6.2 The efficiencies generated through the installation of the solar panels will enable a reduction in operating costs for The World of James Herriot and the move towards achieving the financial viability of the attraction.

6.3 Improved marketing using the latest developments in technology will support the objective of increasing visitor numbers to the attraction, improved levels of income and again the viability of the attraction.

6.4 With improvements in technology, many visitors are now turning to on-line and electronic means rather than leaflets as the primary method of accessing information, making bookings, etc. Computers and smart phone devices have the ability to make it easier to market whole areas and individual businesses to potential visitors.

7.0 LEGAL IMPLICATIONS:

7.1 Legal consent from the Council has been provided for alterations to the building in line with the Lease Agreement of March 2012.

7.2 The requisite planning permission and listed building consent from the Council is still awaited – and a verbal update will be provided at the meeting.

8.0 RECOMMENDATION:

8.1 To approve a grant of £37,440 financed from the Capital Programme for the installation of solar panels at The World of James Herriot and for the development of technology to increase visitor numbers, subject to the required planning consent.

SANDRA WALBRAN

Background papers: None
Author ref: SW
Contact: Sandra Walbran
Director of Customer Services
01609 767235