

RESPONSE TO THE OVERVIEW AND SCRUTINY COMMISSION REVIEW OF UTILISATION OF SHAW HOUSE

Recommendation (1)	<p>Income targets should be set to achieve an operating surplus in a fashion that is commensurate with the conditions of the Heritage Lottery Fund.</p> <p>Should it be determined that the terms of the grant are so prohibitive that an operating surplus is not legally possible then the operation of the House should aim to be revenue neutral.</p> <p>The achievement of an operating surplus or cost neutrality (as appropriate) should be brought forward to no later than 2016/17</p>
Service response	<p>Not Agreed. The target budget position within the draft business plan is considered to be ambitious but achievable. Until 2013/14 the cost centre had income targets which proved to be unachievable, this was addressed and a balanced budget outturn was achieved in 13/14. The draft business plan takes this as the base budget and proposes a 75% reduction in revenue funding over five years. It is noted that OSMC suggest investment in the budget and on such matters such as marketing. Any increase in revenue spend will either require investment or a further increase in income such that the target reduction becomes more difficult. In developing the draft business plan officers are unable to identify the possibility of achieving a cost neutral position within the term of the draft business plan.</p>
Action to be taken	<p>Seek clarification from the Heritage Lottery Fund regarding the potential for surplus income and use of that income (inward investment?)</p>
Target deadline	<p>31 August 2014</p>
Evidence of achievement	
Lead Officer	<p>Amanda Loaring</p>

Recommendation (2)	The budget for marketing should be increased to at least £20k per annum
Service response	Not Agreed. The draft business plan proposes increases in the marketing budget of an additional £3,000 to £7,000 in year one and a further £3,000, to £10,000 in year two. It is accepted that at £10,000 this is still only 3% of predicted revenue so an increased budget would be welcome but this would need to be offset by a commensurate increase in income. The marketing budget should be reviewed annually as part of the business plan review.
Action to be taken	Review proposal for marketing budget and effect on income targets as business plan is further developed. When the final business plan is agreed and implemented ensure that a marketing plan is developed and reviewed annually and the marketing budget allocated in line with this and the business performance.
Target deadline	
Evidence of achievement	
Lead Officer	Amanda Loaring

Recommendation (3)	The days for which the House is open to the public should be increased to 200 per annum
Service response	Not Agreed. The House is currently open to the public for 116 days as part of the conditions of the Heritage Lottery Fund grant. These days are spread across weekends between February

	<p>and September and school holidays from February to October. This has proved to have least impact on the room hire business which still operates at these times albeit at a much reduced level. The draft business plan proposes to increase the number of visitors on the 116 days as there is capacity to accommodate this.</p> <p>We cannot see any business reason for increasing the number of these days. The additional 84 days proposed by the OSMC would adversely affect the opportunities to use the house for other more financially lucrative areas of business, e.g. venue hire and other events, proposed in the draft business plan. Current public open days visitor numbers are low so it is not envisaged that making a significant increase in the number of open days will result in a sizeable increase in visitor numbers rather it will spread a relatively low number of visitors over more days.</p>
Action to be taken	None
Target deadline	
Evidence of achievement	
Lead Officer	Amanda Loaring
Recommendation (4)	The target for the number of heritage visitors each year should be increased to at least 5,000 from 2016/17. Targets for the years prior to this should also be increased commensurately
Service response	Agreed. The draft business plan proposes an increase in the number of heritage visitors to 4,700 in 2016/17 so it is felt that slightly higher OCMS target is achievable. This total comprises approximately 3,600 adults and 1,400 children under 16 who would have free access under the business plan proposals.
Action to be taken	Recommendation accepted and targets and associated income predictions to be increased in

	business plan.
Target deadline	
Evidence of achievement	
Lead Officer	Amanda Loaring
Recommendation (5)	Volunteers should be recruited to assist with the running of the House, for example with school parties, the provision of information to heritage visitors and the maintenance of the garden
Service response	<p>Agreed. The heritage service is a keen advocate of volunteer opportunities and has a keen and committed team at the Museum. Volunteers have been engaged in specific projects at Shaw House in the past. In addition the house team currently work with Reading Probation Service and the Youth Offending team to provide regular Community Payback opportunities working on projects to maintain and improve the grounds of the House. Since October 2013 approximately 1,760 hours have been worked by these Payback teams at Shaw House.</p> <p>The draft business plan envisages the use of volunteers in just the types of roles proposed by the OSMC.</p>
Action to be taken	Recommendation accepted, already in place or scheduled.
Target deadline	
Evidence of achievement	
Lead Officer	Amanda Loaring

Recommendation (6)	The development of the garden should be given a high priority and the garden maintenance budget should be increased to reflect its larger size
Service response	<p>Agreed. The completion of the car park and the removal of parking to the south of the House are considered a priority directly relating to the potential for business development and to comply with the conditions of the HLF funding grant. It is agreed that development of the gardens should also follow as a priority and would be advantaged by the return of the temporary car park to the south of the house to garden. The larger scheme for the development of the grounds and associated buildings is a major project which will require significant resource to develop proposals and seek funding support. It is anticipated that the Heritage Lottery Fund would want to see the completion of Phase 1 (car park works) before assessing any future bid. Maintenance of the gardens in their current form is ongoing and visual improvements are already evident.</p> <p>The budget for grounds maintenance has not been increased to reflect its larger size since January 2013 when Trinity School vacated all the grounds. The current budget of £4,640 is insufficient to cover the grass cutting contract let alone any other works. The expenditure forecast in the draft business plan does allow for a small increase but this will be reviewed. Any increase in proposed expenditure would need to be offset by increased income especially if a cost neutral position is expected.</p>
Action to be taken	
Target deadline	
Evidence of achievement	
Lead Officer	Amanda Loaring

Recommendation (7)	Priority should be given to increasing the number of room/venue bookings by commercial sector organisations to match that of public sector bodies (other than the Council) by the end of 2015/16
Service response	Not Agreed. An increase in the use of the house by all external clients is a priority in the draft business plan. This sets a target of 40% growth in the income from room/venue hire over the next three years. This is a challenging target in a local marketplace that is saturated and income from internal clients having remained static for the past few years. However it is the focus of current sales and marketing activity and the results are evident in the income figures which are up 10% this year to date.
Action to be taken	Sales and marketing activity to achieve income targets on-going, targets to be reviewed in business plan.
Target deadline	
Evidence of achievement	
Lead Officer	Amanda Loaring
Recommendation (8)	The relocation of the Registration Service administrative base away from the House should be concluded by no later than 31 March 2015
Service response	Not Agreed. The relocation of the Registration Service to another property would enable opportunities identified in the draft business plan to be exploited. However these would be relatively limited unless the statutory ceremony room was also relocated and therefore the projected income would not be met. Further analysis of this proposal is being undertaken. It should be noted that there has to be a twelve month notice period given to the Register Office

	clients so the deadline proposed by OSMC is unachievable.
Action to be taken	We are undertaking further work on this option in partnership with colleagues in the Registration Service. This includes an initial assessment of the costs of relocation and the potential income opportunities with and without the Registration Service based at Shaw House. The business plan will be reviewed following the outcome of this work.
Target deadline	
Evidence of achievement	
Lead Officer	Amanda Loaring

Recommendation (9)	Steps should be taken to overcome the acknowledged obstacles to the use of the House by television and film production companies. The use of the House as a media production set should then be marketed.
Service response	Agreed. This would follow on from the relocation of the Registration Service and the provision of an improved car park and grounds.
Action to be taken	
Target deadline	
Evidence of achievement	
Lead Officer	

Recommendation (10)	Serious consideration should be given to the outsourcing of the marketing of events in the House
Service response	Agreed. The marketing post currently works across the heritage service and is responsible for a joined up approach at Shaw House and the Museum. Outsourcing this work will be considered as the business plan is developed.
Action to be taken	
Target deadline	
Evidence of achievement	
Lead Officer	

Recommendation (11)	Negotiation should be undertaken with English Heritage to secure the maximum flexibility for the Council's operation of the House, in order to increase its usage and utility
Service response	Agreed. We will consult with English Heritage to ensure that there are no impediments caused by the designation of the House (i.e. its listed status) to the proposed business development of the House.
Action to be taken	Consultation meeting to be arranged with English Heritage.
Target deadline	
Evidence of achievement	
Lead Officer	Amanda Loaring