

## **E.6 LEONGATHA MEMORIAL HALL COMPLEX - PROPOSED CHANGES TO THE 2016/17 FEES AND CHARGES FOR NON-COMMERCIAL COMMUNITY GROUPS & PRIVATE FUNCTIONS**

Sustainable Communities and Infrastructure Directorate

### **STAFF DISCLOSURE OF INTEREST**

Nil

### **EXECUTIVE SUMMARY**

This report recommends that Council supports changes to the adopted *2016/17 Fees and Charges* at the Leongatha Memorial Hall Complex for:

- Non-Commercial Community Groups; and
- Private Functions.

The report also distinguishes the difference between Non-Commercial Community Groups and Private Functions to allow community groups to receive a lower hire rate on the basis that revenue is given back to the community.

#### **Document/s pertaining to this Council Report**

- **Attachment 1** – Adopted and Proposed 2016/17 Fees and Charges - Leongatha Memorial Hall Complex Hire for Non-Commercial Community Groups.
- **Attachment 2** – Proposed 2016/17 Fees and Charges - Leongatha Memorial Hall Complex Hire for Private Functions (New Category).

### **COUNCIL PLAN**

Outcome:	3.0	Integrated Services and Infrastructure.
Objective:	3.1	Deliver affordable modern community services and facilities through an integrated approach to planning and infrastructure development.

### **CONSULTATION**

- Feedback received from community groups that the fees and charges for Non-Commercial Community Group bookings at the Leongatha Memorial Hall are too high.
- Feedback from the previous Hall Manager that community groups have indicated that they may no longer be using the Leongatha Memorial Hall in the future for their large functions as they cannot afford the fees and charges.

## REPORT

### Background

#### ***2005/06 Fees and Charges Categories***

In the 2005/06 financial year, the Leongatha Memorial Hall's fees and charges were categorised into Non-Commercial rates and Commercial rates.

The following groups are currently eligible for the Non-Commercial fee:

- Incorporations able to provide you with their 'Statement of Purpose' and 'Rules'. Within the 'Rules' the windup clause must state that any assets of the incorporation be distributed to charities and not to the members. Failure to provide the relevant documentation will result in a commercial charge. A copy of this documentation is submitted to Council with all end of the month debtor invoice requisitions for non-commercial use.
- Private functions such as weddings and birthdays.

All other users of the hall complex are charged the Commercial fees and charges rate.

#### ***2016/17 Fees and Charges***

At a Council Briefing on 15 June 2016, amendments to the proposed *2016/17 Fees and Charges* for non-commercial group bookings at the Leongatha Memorial Hall Complex were presented. This prompted the requirement to separate non-commercial group bookings into two categories:

- Non-Commercial Community Group bookings (where proceeds are given back to the local community); and
- Private bookings (weddings / birthdays).

Refer to:

- **Attachment 1 – Adopted and Proposed 2016/17 Fees and Charges - Leongatha Memorial Hall Complex Hire for Non-Commercial Community Groups.**
- **Attachment 2 – Proposed 2016/17 Fees and Charges - Leongatha Memorial Hall Complex Hire for Private Functions (New Category).**

Differentiating between these two types of bookings allows Non-Commercial Community Groups to receive a lower hire rate than bookings of a private nature.

With this change, there will be three categories of fees and charges pertaining to the hire of the hall complex as follows:

1. Commercial;
2. Non-Commercial Community Groups (horticultural society, sporting clubs etc); and
3. Private Functions.

### **Discussion**

In recent years, a number of Non-Commercial Community Groups have contacted Council to request a deduction in the fees and charges for the hire of the Leongatha Memorial Hall and meeting rooms. These requests have been denied on the basis that the charges have been approved by Council as part of the *Annual Budget*.

The larger events held in the hall by the Non-Commercial Community Groups such as the Rose Show, Daffodil Festival, Art Show, etc. allows these groups to give back to the community financially. The Non-Commercial Community Groups argue that the fees and charges adopted by Council are too high and are affecting them financially, resulting in a minimised amount they are able to put back into the community.

The previous Hall Manager was also informed that some of these groups may no longer be using the Leongatha Memorial Hall in the future for their large functions as they believe the fees and charges are too high. The Leongatha Art Show hosted by Leongatha Rotary Club and the Leongatha Horticultural Society have been looking at alternate venues for future bookings.

Feedback received from Non-Commercial Community Groups are that the adopted fees and charges places financial pressure on the groups, with some only charging a gold coin donation or a \$5 entry fee, causing difficulties in covering the invoiced amount for the hire of the hall.

The Leongatha Memorial Hall is Leongatha's community hall, however the community groups have argued that they are unable to afford the fees and charges to hire the hall resulting in groups potentially moving to other venues. This will further contribute to the hall being underutilised.

The knowledge that user groups are looking at other venues gives Council the opportunity to make changes to the fees and charges to hopefully reduce the likelihood of this exodus from occurring.

There needs to be an amendment to the definition of the existing "Non-Commercial" category to make a distinction between private function (weddings/birthdays) and genuine community groups using the hall where proceeds are given back to the local community.

## Options

The options available to Council are to:

1. Support the three categories for the Leongatha Memorial Hall and their associated fees and charges for the 2016/17 financial year as follows (preferred option):
  - a. Commercial: fees and charges to remain at current 2016/17 rates.
  - b. Non-Commercial Community Groups: fees and charges reduced to encourage community groups to continue using the hall for events and potentially entice previous users back to the hall (**Attachment 1**).
  - c. Private Functions (weddings, birthdays): fees and charges to remain at current 2016/17 rates for non-commercial groups (**Attachment 2**).
2. Make no changes to the current fees and charges for the adopted *2016/17 Annual Budget* for non-commercial groups at the Leongatha Memorial Hall.

## Proposal

It is proposed that Council adopts option 1 above.

## FINANCIAL CONSIDERATIONS

Lowering the *2016/17 Fees and Charges* for Non-Commercial Community Groups could result in a slightly less income than budgeted based on no groups moving. However, lowering the fees may minimise the drop in income by retaining some of the groups who are proposing to move, and may also attract other new non-commercial groups to use the venue.

The proposed *2016/17 Fees and Charges* are set as follows:

- Non-Commercial Community Groups are set at approximately 40% of the Commercial rates.
- Private Functions are to remain at their current level, which are approximately 80% of the Commercial rates (as per adopted budget on 22 June 2016 for Non-Commercial bookings).

## RISKS

Fees and charges at the current levels may result in some community groups moving to other venues for their larger events. This will contribute to the hall being underutilised.

## **CONCLUSION**

In the interests of all non-commercial community groups, lowering the *2016/17 Fees and Charges* will allow groups to be able to afford to use the Leongatha Memorial Hall Complex and still give back to the community. This will hopefully attract some community groups back to the complex with the lower rates.

By creating three categories for the hall rates, this will allow Private Functions to still use the hall complex at a discounted rate but not to the level of discount proposed for the Non-Commercial Community Groups.

## **RECOMMENDATION**

That Council:

1. Adopts the three categories for the *2016/17 Fees and Charges* for the hire of the Leongatha Memorial Hall Complex as follows:
  - a. Commercial;
  - b. Non-Commercial Community Groups; and
  - c. Private Functions (new proposed category).
2. Make no changes to the current rates set for the 2016/17 Fees and Charges for 'Commercial' bookings.
3. Adopts the proposed lower 2016/17 Fees and Charges for 'Non-Commercial Community Groups' as detailed in Attachment 1.
4. Adopts the new 'Private Function' category and current rates set as per the adopted 2016/17 Annual Budget for non-commercial bookings as detailed in Attachment 2.

**MOVED: Cr Hutchinson-Brooks**

**SECONDED: Cr Fawcett**

**THAT COUNCIL:**

- 1. ADOPTS THE THREE CATEGORIES FOR THE 2016/17 FEES AND CHARGES FOR THE HIRE OF THE LEONGATHA MEMORIAL HALL COMPLEX AS FOLLOWS:**
  - a. COMMERCIAL;**
  - b. NON-COMMERCIAL COMMUNITY GROUPS; AND**
  - c. PRIVATE FUNCTIONS (NEW PROPOSED CATEGORY).**
- 2. MAKE NO CHANGES TO THE CURRENT RATES SET FOR THE 2016/17 FEES AND CHARGES FOR 'COMMERCIAL' BOOKINGS.**
- 3. ADOPTS THE PROPOSED LOWER 2016/17 FEES AND CHARGES FOR 'NON-COMMERCIAL COMMUNITY GROUPS' AS DETAILED IN ATTACHMENT 1.**
- 4. ADOPTS THE NEW 'PRIVATE FUNCTION' CATEGORY AND CURRENT RATES SET AS PER THE ADOPTED 2016/17 ANNUAL BUDGET FOR NON-COMMERCIAL BOOKINGS AS DETAILED IN ATTACHMENT 2.**

**Cr McEwen left the Council Meeting at 3.36pm and was not present for the vote.**

**Cr Hill left the Council Meeting at 3.37pm and returned at 3.37pm.**

**CARRIED UNANIMOUSLY**

**Attachment 1**  
**Adopted and Proposed 2016/17 Fees and Charges - Leongatha Memorial Hall Complex Hire for Non-Commercial Community Groups**

Hire Description <b>NON-COMMERCIAL COMMUNITY GROUPS</b>	2016/17 Fee (ADOPTED)	2016/17 Fee (PROPOSED)	Percentage Savings (%)
Non-Commercial Community Groups - Whole Complex Hire	825.00	410.00	50.30%
Non-Commercial Community Groups - Whole Complex Hire 1/2 Day	430.00	215.00	50.00%
Non-Commercial Community Groups - Leongatha Memorial Hall Rental - full day or evening	590.00	295.00	50.00%
Non-Commercial Community Groups - Leongatha Memorial Hall 1/2 day use set up rehearsals	295.00	145.00	50.85%
Non-Commercial Community Groups - Leongatha Memorial Hall set up where hall deemed unusable by other parties (Weddings Expos Lyric Theatre Catwalks) full day	440.00	220.00	50.00%
Non-Commercial Community Groups - Leongatha Memorial Hall Rehearsals 1-4 hours	50.00	50.00	0.00%
Non-Commercial Community Groups - Leongatha Memorial Hall Full week hire 7 days	2,625.00	1,300.00	50.48%
Non-Commercial Community Groups - Leongatha Memorial Hall Meeting Room 1 full week hire 7 days	820.00	410.00	50.00%
Non-Commercial Community Groups - Leongatha Memorial Hall Meeting Rm 1 - full day	185.00	100.00	45.95%
Non-Commercial Community Groups - Leongatha Memorial Hall Meeting Rm 1 - 1/2 day	95.00	50.00	47.37%
Non-Commercial Community Groups - Leongatha Memorial Hall Meeting Rm 2 - Full week hire 7 days	655.00	330.00	49.62%
Non-Commercial Community Groups - Leongatha Memorial Hall Meeting Rm 2 - full day	150.00	90.00	40.00%
Non-Commercial Community Groups - Leongatha Memorial Hall Meeting Rm 2 - 1/2 day	75.00	50.00	33.33%
Non-Commercial Community Groups - Leongatha Memorial Contractor Set up Costs (if used)	26.00	15.00	42.31%
Non-Commercial Community Groups - Leongatha Memorial Hall Kitchen full day	150.00	120.00	20.00%
Non-Commercial Community Groups - Leongatha Memorial Hall Kitchen 1/2 day	95.00	50.00	47.37%
Non-Commercial Community Groups - Leongatha Memorial Hall Crockery Hire per setting	4.00	2.00	50.00%
Non-Commercial Community Groups - Balcony Lounge Meeting Room full day <b>NEW ITEM</b> <i>(As per Confidential Council Briefing on 15 June 2016 – Listed at \$90).</i>	N/A	90.00	N/A (New item)

**Attachment 1**  
**Adopted and Proposed 2016/17 Fees and Charges - Leongatha Memorial Hall  
 Complex Hire for Non-Commercial Community Groups**

Hire Description NON-COMMERCIAL COMMUNITY GROUPS	2016/17 Fee (ADOPTED)	2016/17 Fee (PROPOSED)	Percentage Savings (%)
Non-Commercial Community Groups - Balcony Lounge Meeting Room 1/2 day <b>NEW ITEM</b>  <i>(As per Confidential Council Briefing on 15 June 2016 – Listed at \$50).</i>	N/A	50.00	N/A (New item)
Non-Commercial Community Groups - Balcony Seating full day	190.00	100.00	47.37%
Non-Commercial Community Groups - Balcony Seating 1/2 day	95.00	50.00	47.37%
Non-Commercial Community Groups - Behind Stage full day	95.00	90.00	5.26%
Non-Commercial Community Groups - Behind Stage 1/2 day	55.00	50.00	9.09%
Non-Commercial Community Groups - Hall Bond where liquor is served (refundable)	735.00	500.00	31.97%
Non-Commercial Community Groups - Hall Bond where liquor is not served (refundable)	190.00	100.00	47.37%



**Attachment 2**  
**Proposed 2016/17 Fees and Charges - Leongatha Memorial Hall Complex Hire  
for Private Functions (New Category)**

Hire Description <b>PRIVATE FUNCTIONS – NEW CATEGORY</b>	2016/17 Fee (PROPOSED)
<i>Fees and charges are based on the 2016/17 Annual Budget as adopted on 22 June 2016 Council Meeting for non-commercial.</i>	
Private Functions - Whole Complex Hire	825.00
Private Functions - Whole Complex Hire 1/2 Day	430.00
Private Functions - Leongatha Memorial Hall Rental - full day or evening	590.00
Private Functions - Leongatha Memorial Hall 1/2 day use set up rehearsals	295.00
Private Functions - Leongatha Memorial Hall set up where hall deemed unusable by other parties (Weddings Expos Lyric Theatre Catwalks) full day	440.00
Private Functions - Leongatha Memorial Hall Rehearsals 1-4 hours	50.00
Private Functions - Leongatha Memorial Hall Full week hire 7 days	2,625.00
Private Functions - Leongatha Memorial Hall meeting Rm 1 full week hire 7 days	820.00
Private Functions - Leongatha Memorial Hall Meeting Rm 1 - full day	185.00
Private Functions - Leongatha Memorial Hall Meeting Rm 1 - 1/2 day	95.00
Private Functions - Leongatha Memorial Hall Meeting Rm 2 - Full week hire 7 days	655.00
Private Functions - Leongatha Memorial Hall Meeting Rm 2 - full day	150.00
Private Functions - Leongatha Memorial Hall Meeting Rm 2 - 1/2 day	75.00
Private Functions - Leongatha Memorial contractor Set up Costs (if used)	26.00
Private Functions - Leongatha Memorial Hall Kitchen full day	150.00
Private Functions - Leongatha Memorial Hall Kitchen 1/2 day	95.00
Private Functions - Leongatha Memorial Hall Crockery Hire per setting	4.00
Private Functions - Balcony Lounge Meeting Room - full day	115.00
Private Functions - Balcony Lounge Meeting Room - 1/2 day	75.00
Private Functions - Balcony Seating full day	190.00
Private Functions - Balcony Seating 1/2 day	95.00
Private Functions - Behind Stage full day	95.00
Private Functions - Behind Stage 1/2 day	55.00
Private Functions - Hall Bond where liquor is served (refundable)	735.00
Private Functions - Hall Bond where liquor is not served (refundable)	190.00