

Members' Library Service Request Form

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Originator	Lesley Smith
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Document Title	Proposed Hire Charges for Brunton Hall, Musselburgh

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Date	15/11/12

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REPORT TO: Members' Library Service

DATE:

BY: Head of Policy & Partnerships

SUBJECT: Proposed Hire Charges for Brunton Hall, Musselburgh

1 PURPOSE

- 1.1 To advise Members of the proposed new hire charges for the refurbished Brunton Hall.

2 RECOMMENDATIONS

- 2.1 Members are asked to note progress and approve recommendations.

3 BACKGROUND

- 3.1 East Lothian Council has refurbished the Brunton Hall in Musselburgh. As part of the refurbishment plans, Scottish Cultural Enterprise (SCE) were appointed to undertake a range of consultations and research related to the development of the Hall, an options appraisal and, finally, produce an indicative Business Plan for the launch of the refurbished facility.
- 3.2 Funding to implement the business model has been approved by the Council, starting 2012/2013.
- 3.3 The re-launched Brunton Hall will have the following aims:-
- To be a community asset.
 - To develop partnerships and strategic alliances with conference and events providers.
 - To offer a high quality venue for hire for community activities, functions, award ceremonies, dinner dances, weddings, showcase events, craft fairs, etc.
 - To offer a performing arts programme for larger scale music and film events to complement the Brunton Theatre programme.

- To attract new users to the Hall.
- To maximise the use of the facility to deliver an appropriate return on investment.
- To contribute to the positive image of Musselburgh and East Lothian.
- To operate to the highest professional standards.

3.4 Following SCE's delivery of the Business Plan, Musselburgh Common Good Fund agreed a sum of £90,000 in order to progress the Business Plan objectives.

3.5 The sum of £90,000 was allocated to the following:-

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|---|---------|
| • Marketing and Business Development consultant | £20,000 |
| • Conference and Events consultant | £20,000 |
| • Promotional Materials | £20,000 |
| • New management systems | £30,000 |

3.6 Following a tender procedure, She's Gott It was awarded the contract for the consultancy work. This work included preparing a pricing model for the hire of the facility post refurbishment.

3.7 She's Gott It were asked to propose charges for hiring the venue to conference, event and function organisers using their knowledge of these markets and competitor information to set competitive and achievable levels.

3.8 As part of this work, She's Gott It researched hire rates at a range of competitor venues, took account of the role of the venue as an asset for community use and considered a range of items that would require to be factored into the hire charges following the refurbishment. These were:-

- Return on investment.
- Duty management and stewarding for each event.
- Technical support.
- Additional cleaning costs.
- Set up and de-rig time.
- Core support costs of marketing, sales activity, web, building running costs and maintenance.

3.9 The proposed hire rates take account of these factors while aiming to achieve an income stream that is necessary to deliver the Business Plan outcomes.

3.10 The proposed hall hire rates are split into three categories. The Off Peak charge enables customers to select a lower rate early in the week, making the hire charge very competitive, while Peak charges reflect the fact that the Hall will be more in demand at the weekends. Details are as follows:-

- Off Peak Hire with technical support for events that run on Mondays to Thursdays (e.g. concerts, conferences, dinner dances).

- Off Peak Hire without technical support that run on Mondays to Thursdays (e.g. meetings, classes and workshops).
- Peak Hire for all events that run on Fridays, Saturdays and Sundays.

3.11 The new rates are laid out in the table below. These rates have been developed for the opening year of operation and would be monitored and reviewed at the end of the year.

3.12 In 2011, when the Hall closed for refurbishment, the hire charges were low and reflected the poor state of the fabric and decoration of the building and the limited services and support that were provided. These rates have been included in the table in brackets as a comparison.

Room	Off peak hire with technical support (Mon - Thurs)	Off peak hire without technical support (Mon - Thurs)	Peak hire with technical support (Fri, Sat, Sun)	Peak hire without technical support (Fri, Sat, Sun)	Added charge per hr after 12pm
Main Hall half day	£576 (£516)	£476 (£426)	£676 (£516)	£576 (£426)	
Main Hall full day	£975 (£820)	£775 (£730)	£1100 (£820)	£900 (£730)	£150 (£91)
Supper Room half day	£345 (£297)	£285 (£267)	£445 (£297)	£385 (£267)	
Supper Room full day	£470 (£420)	£395 (£375)	£570 (£420)	£495 (£375)	£117 (£89)
Main Hall 4 hour hire	£305 (£257)	£ 245 (£200)	£380 (£257)	£320 (£200)	
Supper Room 2 hour hire	£105 (£65)	£75 (£50)	£155 (£65)	£125 (£50)	

3.13 The basic hire charges include a basic technical support package and are subject to the following additions. This is in line with previous Council arrangements for hiring the Hall:-

- Ticket sales: booking fees apply.
- Additional technician £17 per person per hour.

- Security for licensed events £16 per person per hour.
- Additional cleaning £15 per person per hour.
- Additional caretaking (e.g. public holidays and Sundays) £20 per person per hour.
- Additional cloakroom attendant £8 per person per hour.
- Radio mics £50 per day.
- PRS and PPL.

VAT will be charged on the prices where applicable.

- 3.14 She's Gott It also researched any reductions in hire charges that might be applied. Previously, the Council had applied a 50% reduction for charitable and voluntary groups and a 200% added charge for commercial/trade bookings. Following research and benchmarking, She's Gott It advised that the added charge of 200% for commercial/trade bookings is too high a rate in the current marketplace for conference and trade events. It is recommended that this rate should be discontinued and the new rates applied.
- 3.15 The research She's Gott It undertook also highlighted that the 50% reduction for charities and voluntary groups is also too high and results in a hire charge that does not reflect the high quality of facilities and services that are now available. Charities could apply to the Council for support for specific charitable events and a reduction of 20% would be recommended only for voluntary group bookings where the organisers can demonstrate that they are a voluntary group and can comply with the following criteria:-
- No paid staff within the organisation.
 - No paid performers in event.
 - Not VAT registered.
- 3.16 The new hire charges will need to make a significant contribution to delivering the Business Plan objectives for the Brunton Hall. The programming policy for hiring the venue will therefore be a balance between the type of hires required to maximise income and hires from the voluntary and community sector that generate less income.
- 3.17 The Brunton Theatre Trust currently presents an annual performing arts programme in the theatre and, on an occasional basis, in the Main Hall and Supper Room. The Trust is, therefore, well placed to expand this successful programme to present larger scale artistic events in the Main Hall.
- 3.18 The Theatre Trust would hire the Hall from the Council to present these artistic performances. This would result in a regular hire income stream for the Council and a high quality programme of artistic events in the Main Hall managed by the Trust.

4 POLICY IMPLICATIONS

- 4.1 The new hire charges will provide a charging policy for Brunton Hall bookings.

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 The Brunton Hall will contribute to the well being of East Lothian residents through a programme of activities and the development of a well resourced asset for the community which will support the implementation of corporate objectives. An Equalities Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – The income from hires will contribute to the achievement of targets and Business Plan outcomes. Income from hires will come into the Arts Service Business Unit to offset the new management costs associated with running the Hall. The charges will be reviewed annually and published in the Council's charges book.
- 6.4 Personnel – None.
- 6.5 Other – None.

7 BACKGROUND PAPERS

- 7.1 Brunton Hall Business Plan 2010.
- 7.2 Report to Members' Library dated 21 February 2012 – *Update on Spend of Common Good Funding for Brunton Hall Business Plan Implementation.*

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