

Report title	Halls Fees and Charges
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Department	Community Services
Exempt	No

Purpose of report:
To Resolve

Synopsis of report:

- 1) **To provide a background to Community Halls since the pandemic and relating to their reopening and availability to the community**
- 2) **To provide an overview of activity within the Community Halls since their reopening**
- 3) **To outline the discounted charges for hire, offered as a promotion at the time of reopening**
- 4) **To consider the impact of the existing fees and charges, the risk of loss of custom and opportunities to limit such losses**

Recommendation(s):
The continuation of the discounted hire charges for 2023/2024 be approved

1. Context and background of report

- 1.1 Chertsey Hall and Egham Hythe Centre are Council owned and operated community facilities. Both venues offer access to hireable space, with other additional facilities, to community organisations, individual residents, and commercial entities.
- 1.2 The pandemic resulted in the closure of both facilities throughout the successive lockdown periods, during which time both buildings were made available to NHS partners in support of the COVID vaccination roll out.
- 1.3 In September 2022, Egham Hythe Centre reopened for public use and was available to hire, whilst Chertsey Hall opened more recently, in March 2023.
- 1.4 Having reopened, Officers have sought to engage organisations hiring the facilities previously and attract new users to the facilities. In doing so, opportunities to promote the availability of the centres, through reduced hire fees for a limited period, have been offered at both sites.

1.5 However, feedback from Officers involved in the delivery of the Community Halls prior to the pandemic and from organisations either enquiring or actively using the centres, has been around the levels of charges for using facilities. With the discounted period set to end, active hirers could potentially be lost owing to them not being able to afford the charges. Therefore, Officers have considered the options available, which is the focus of this report.

2. Report and recommendations

2.1 As part of a review of Community Halls in 2019, the hire fees structure was revised. At the time, it was decided to move to a two-tier charging policy; one for 'Individual and Community', the other for 'Commercial'.

2.2 "Individual" hirers are residents using facilities for events such as birthday parties, wedding anniversaries etc., and "Community" has been defined as any not-for-profit voluntary, community, or faith sector organisation.

2.3 Therefore, "Commercial" is defined as any business, large or small, wishing to use the facilities. Consequently, this can incorporate anyone from self-employed fitness instructors to large companies wishing to use the halls for resident engagement events linked to potential housing developments.

2.4 Feedback suggests there has been no comment or complaint regarding the fees set for community use (i.e. not for profit voluntary and community organisations). However, for small business and self-employed providers who use the halls, the commercial charge is unaffordable because following the introduction of the new charging structure, several hirers stopped using the facilities.

2.5 When reopening the Community Halls following their use as Covid vaccination centres, hire fees were discounted as a way of being able to promote their availability and encourage previous and new users to hire the facilities. Community charges remained as per approved fees and charges, and the business rate offered at a community rate of + 30%.

2.6 The discounted hourly hire fees, compared to the agreed fees and charges for 2023/2024, are set out below:

Chertsey Hall

Monday – Sunday	Commercial Inc. VAT	Commercial Inc. VAT Welcome Back rate
Main Hall	£75.60	£37.44
Room A	£32.40	£15.91
Room C	£27.00	£10.14
Room D	£27.00	£13.03

Egham Hythe Centre

Monday – Sunday	Commercial Inc. VAT	Commercial Inc. VAT Welcome Back rate
Main Hall - inc. main kitchen	£75.60	£37.44
Small Hall 1 - inc. access to main kitchen	£37.80	£17.78

Small Hall 2 - inc. tea bar	£37.80	£17.78
Room 1 - 20	£27.00	£10.92
Room 2 - 30	£27.00	£13.03
Bar Lounge - 20	£27.00	£13.03

2.7 The promotional discounts were extended over the summer but are now set to finish at the end of September 2023. Officers are aware that a number of regular hirers of have already suggested that they will not be able to continue to use the facilities, due to the commercial use charges being too high and therefore unsustainable for small self-employed users. Whilst our fees are competitive, benchmarking will be included as part of proposed service review.

2.8 It is important to note that prior to the pandemic, Community Halls were under utilised, with demand for facilities not reflective of their availability seven days a week, morning, afternoon, and evening. However, the impact of the closure period during the pandemic and support for the delivery of vaccination centres may have prompted previous or potential future hirers, both individual, charitable, and commercial to seek facilities elsewhere which they are now continuing to use.

2.9 Demand for Community Halls in Quarter 1 of 2023/2024 can be found below with a summary of the number of individual bookings at each of the Halls:

Chertsey Hall	58
Egham Hythe Centre	117

2.10 With the potential to lose existing hirers due to the impending increase in hire charges, and the likelihood that this increase will be unattractive to potential future hirers, it is proposed that the discounted fees that have been applied as a “welcome back” offer, are continued throughout 2023/2024.

2.11 It is recognised that this will have a financial impact on the income generated by the Council. When looking at the regular hirers of both facilities, Officers estimate that the loss of income by charging a discounted rate in 2023/2024 would total approximately £9,000 over the period 1 October 2023, to 31 March 2024.

2.12 However, with there being a strong likelihood that at least two of the regular hirers would no longer continue to use the facilities if the full charge is applied, this would mean a reduction in potential income from within current levels, by at least the same amount.

2.13 Continuing with the discounted hire charges allows for a promotion and marketing campaign of our halls to be undertaken in Quarters 3 and 4 of 2023/2024 to try and increase demand. Should this be successful, it is estimated that three new hires per week of three hours each would be likely to cover the potential lost income identified.

2.14 The low uptake of Community Halls also means that it would be appropriate to undertake a review of Community Halls, as part of the Council’s corporate service review programme. This would need to consider a wide range of areas including demand within local communities, charges, delivery models and potential for alternative or broadened use of the facilities.

3. Financial Implications

- 3.1 The main financial implication is the potential loss of income due to charges being applied at a lower rate than those approved by Community Services Committee in January 2023. However, it is recognised that at present the amount of lost income can only be measured against existing regular hires of the facilities, given potential future use is unknown. This figure is estimated at approximately £9,000. However, the Council is in a position where not extending the discounted hire charges could result in losing the same amount, or greater, by not retaining existing bookings.
- 3.2 Officers hope that the discounted rates will attract new hirers to Chertsey Hall and Egham Hythe Centre. However, should this not be realised, the impact of this decision is an increased subsidy in the delivery of Community Halls against the budgets set for 2023/2024. Whilst some mitigation for this could be sought in 2023/2024, this is unsustainable for the Council in its current financial position. Therefore, it would be appropriate for a service review to be undertaken, as part of the corporate service review programme.
4. **Legal implications**
- 4.1 None identified.
5. **Equality implications**
- 5.1 No negative equalities impact has been identified as part of this report.
6. **Environmental/Sustainability/Biodiversity implications**
- 6.1 None.
7. **Timetable for Implementation**
- 7.1 The extension of the discounted hire charges would continue until the next review of fees and charges for 2023/2024.
8. **Conclusions**
- 8.1 The Council continues to provide Community Halls in Runnymede that encourage community activity and opportunities for residents to participate and socialise.
- 8.2 However, post pandemic, the use of these facilities has proven to be limited and whilst there could be many reasons for this, Officers have initially recognised hire charges as being a possible reason. Equally, the impending increase in hire charges is recognised as creating a risk of losing some of the existing hirers.
- 8.3 This report seeks to continue with the reduced hire charges that have been applied as part of a “welcome back” offer, for the remainder of 2023/2024.
- 8.4 The use of halls against the overall cost of their delivery has identified the need to undertake a service review as part of the corporate service review programme, as it is recognised that the current level of activity and subsidy are unsustainable.
9. **Background papers**
None stated.
10. **Appendices**
None