

MELBOURN PARISH COUNCIL

Finance and Good Governance Committee : 20 June 2022

FG012/22 Pavilion charges

From Cambridgeshire Acre:

Our normal advice is that community buildings are different in size, shape and the facilities they offer, so it is impossible to suggest standard hire charges. Hire charges should reflect the cost of running the building: you should only rely on fundraising events for building up funds for large maintenance and repair items, equipment and capital projects.

To calculate the running costs, look at the annual expenditure of the building, taking into account rent, insurance, cleaning, caretaking, electricity, gas, rates, water rates, telephone, postage, minor repairs and contingencies, as well as any licences that may be required, e.g. Performing Right Society (PRS), Public Phonographic Licence (PPL). Then work out how many sessions (mornings, afternoons and evenings) or hours the building will be used. They should then divide the total expenditure by the total sessions/hours to get the standard amount needed from a hirer for using the building.

Other points that can be helpful to consider are:

- Giving lower hire rates for long-term bookings and for bookings at times of low demand or 'off peak'.*
- Higher rates for those not living in the area of benefit, certain types of private functions, such as wedding receptions, and commercial activities such as antiques fairs. Commercial activities must never be subsidised by charity funds (I don't think your Pavilion is charitable so this may not be an issue but I guess you could say the name thing for public funds raised via the precept).*
- Reduced rates should be strictly limited to those organisations that cannot afford the full rates and whose activities are of a charitable, or not for profit nature. They should never be permitted simply because the organisation has a strong voice on the management committee (or parish council, in your case).*

All that said, I can give you an idea of the hire charges set by some village halls within a 5 mile radius of Melbourn. For use of their main hall in each case, charges vary between £8 and £18 per hour.

Great care is needed to ensure that the right balance is struck to maintain full use of the building. Too low and your costs will not be covered, too high and hirers will go elsewhere!