

<p style="text-align: center;">King George's Field Trust Board Meeting 6<sup>th</sup> July 2022</p>	
<p><b>Report of:</b> James Thomas, Corporate Director Children and Culture</p>	<p><b>Classification:</b> [Unrestricted]</p>
<p style="text-align: center;"><b>Review of Hire Charges, King George's Field Trust (KGFT)</b></p>	

<b>Lead Member</b>	Cllr Iqbal Hossain, Cabinet Member for Culture and Recreation
<b>Originating Officer(s)</b>	Catherine Boyd, Interim Head of Arts Parks and Events
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	No
<b>Reason for Key Decision</b>	This report has been reviewed as not meeting the Key Decision criteria.
<b>Forward Plan Notice Published</b>	[Insert date notice was published – see <a href="#">forthcoming decisions webpage</a> ]
<b>Strategic Plan Priority / Outcome</b>	[State Priority and/or Outcome from the <a href="#">Strategic Plan 2020-23</a> ]

## Executive Summary

This report seeks approval for a review of hire charges for the Arts and Ecology Pavilions to be agreed by the King George's Field Trust (KGFT) board, which would come into effect for bookings from the 1 April 2023.

In addition, this report seeks approval for a review of the King George's Field Trust policy regarding subsidised hire charges for use of the Arts and Ecology Pavilions by community groups.

## **Recommendations:**

The Board is recommended to:

1. Approve a review of hire charges for the Arts and Ecology Pavilion that would be applied to bookings from 1 April 2023
2. Approve a review of KGFT's subsidised hire policy for the Arts and Ecology Pavilions

## **1 REASONS FOR THE DECISIONS**

- 1.1 The hire charges for the Arts and Ecology Pavilions have not been reviewed or increased since 2014.
- 1.2 To enable KGFT to continue to support community and cultural activity for the benefit of the public, without adversely impacting the charity's ability to generate income to support its wider charitable objectives, it is proposed that the policy for subsidised hires is reviewed.

## **2 ALTERNATIVE OPTIONS**

- 2.1 Not implement any increases to hire fees this year, which would limit the charity's ability to generate income and cover expenditure.

## **3 DETAILS OF THE REPORT**

- 3.1 The Arts and Ecology Pavilions are a significant source of income for KGFT.
- 3.2 Costs for operating and maintaining the Arts and Ecology Pavilions are increasing due to rising inflation, increased utility rates and operational costs (including staffing) and therefore a review of the current hire rates is recommended.
- 3.3 The hire rates for both pavilions have not been reviewed since 2014 and are now well-established wedding and private hire venues.
- 3.4 A review of corporate, commercial and private hire rates is recommended to ensure that KGFT is offering the pavilions at appropriate hire rates for the client base and activity.
- 3.5 It is proposed that the findings of the review, including any recommended increases to hire fees, are presented to the KGFT board in the autumn. If approved, any revised charges would apply to corporate, commercial and private bookings from 1 April 2023.
- 3.6 In parallel to a review of corporate, commercial and private hires, a review of KGFT's policy on subsidised hire charges is also proposed.

- 3.7 In March 2018 a policy for subsidised hire rates for community groups was approved by the KGFT board. (Appendix 1)
- 3.8 Since the subsidised hire policy was agreed the charity's financial position has been adversely impacted by the coronavirus pandemic. In addition, there has been a significant increase in maintenance costs in part due to increases in contractor and product costs but also due to the higher level of usage. Casual staff and security costs have also increased.
- 3.9 Therefore, a review of the subsidised hire policy is recommended to protect the ongoing viability of the venues and to support the KGFT's revenue streams and delivery of its charitable objectives.
- 3.10 If approved, the review for both the hire charges and the subsidised rates, would include reviewing: current and predicted increased utility costs, waste removal costs, enhanced cleaning costs, wear and tear maintenance, replacement (furniture and facilities) staffing and security. In addition, officers would undertake a benchmarking exercise of similar venues and consult with industry experts to ascertain current client trends and expectations regarding price and service offer.

#### **4 EQUALITIES IMPLICATIONS**

- 4.1 The King George's Field Trust manages lands and facilities which are open to all. Where charges have to be made, such as artificial football pitches, charges are kept at affordable levels for the local community.

#### **5 OTHER STATUTORY IMPLICATIONS**

- 5.1 There are no further statutory implications.

#### **6 COMMENTS OF THE CHIEF FINANCE OFFICER**

- 6.1 As a trust independent of the local authority, KGFT should ensure the income generated covers both all the costs related to the trust and contributes to a contingency reserve to support any future unforeseen circumstances. For the financial years until 2019/20 this was the case with the trust being sustainable with the levels of income achieved. However, as we emerge from the pandemic and with increasing cost nationally, hire cost and fee remission policies will need to be reviewed to ensure the trust continues to be financially sustainable.

#### **7 COMMENTS OF LEGAL SERVICES**

- 7.1 The London Borough of Tower Hamlets is the corporate trustee of the King George's Field Trust ("the Charity"). Decisions of the Council as trustee are made by the King George Trust Board. When Councillors are sitting as Board members they must act in the Charity's best interests and manage the

Charity's income and resources responsibly and ensure that the Charity complies with its legal obligations.

## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- List any linked reports
- State NONE if none.

### **Appendices**

- Appendix 1 Subsidised Hires Policy

### **Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012**

- None

### **Officer contact details for documents:**

Catherine Boyd, Interim Head of Arts Parks and Events.