



# **KATHERINE TOWN COUNCIL**

## **POLICIES & PROCEDURES**

### **FEES AND CHARGES POLICY**

#### **POLICY**

This policy applies to fees and charges for the use of Katherine Town Council facilities.

#### **OBJECTIVE**

The objectives of this policy apply to the following:

- To provide a fair and equitable system for allocating and charging for the use of Katherine Town Council facilities.
- To ensure consistency and transparency in decision-making.
- To encourage efficient and effective use of Katherine Town Council's resources.
- To allow Katherine Town Council to pro-actively manage Council facilities in order to prevent over-use and/or inappropriate uses, thereby ensuring the long-term sustainability of Council facilities.
- To enable the allocation of facilities appropriately.
- To promote positive user attitudes and responsibility towards Council facilities.
- Will allow Katherine Town Council to recover a proportion of the facility costs from users.
- To ensure fees and charges reflect the standard of the facilities being provided.

#### **RELATIONSHIP TO OTHER POLICIES**

This document should be read in conjunction with Katherine Town Council's Fees & Charges Structure and relevant Council Facility Master Plans.

#### **POLICY PRINCIPLES**

Katherine Town Council wishes to encourage the utilization of Council facilities from groups which encourage the local community to participate in activities.

Katherine Town Council acknowledges that an opportunity to develop partnerships with clubs and associations to improve or develop facilities is essential to the long term viability of Council's facilities.

Katherine Town Council maintains and encourages diverse and multiple use of Council's facilities.



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### HIRE AGREEMENT TYPES

#### Definitions

Community Group (Not for Profit) – A community group (not for profit) is one which is not operating for the profit or gain of its individual members, whether gains would have been direct or indirect. This means that the group operates exclusively for charitable, civil or social purposes and does not share or allocate its fund or profits to its owners, shareholders or executives. A community group (not for profit) must be incorporated or partner with an incorporated group.

Community Group (Commercial Enterprise) - A community group (commercial enterprise) is one which is operating for the profit or gain of its individual members and/or participants. This means that the group can still operate for charitable, civil or social purposes but does generate income that is shared or allocated as profits for its owners, shareholders or executives. For example: entry fees. A community group (commercial enterprise) must be incorporated or partner with an incorporated group. This group also includes Government agencies (Federal, State, and Local) as well as pre-school, primary, middle and secondary schools.

Commercial Organisation – A commercial organisation is any group with a particular set of skills, priorities, strategies and resources that organise to collectively achieve the specific aim of making a profit.

Specific (Council Approved) – A specific group or organisation is any group approved by Katherine Town Council to hire a specific facility with costs approved by Council outside of this policy.

Personal – Personal use is an individual who wishes to hire the Council facility for a non-business (personal) reason. This type of hire is only available on a daily or half daily basis. The personal hire must include notification to the Northern Territory Policy (Katherine Branch) of any event if alcohol is to be consumed.

#### Daily Hire

Daily hire allocations will be made on a half or full day basis. A half day hire is defined as any 4 hour period and a full day hire is any 24 hour period. Allocation of specific grounds is made for the designated application purpose only. Each individual half or full day hire is for one organisation only. A daily hire does not necessarily provide clubs and/or associations with exclusive use of the facility. Daily hires are not guaranteed and will be subject to the application process.

Daily hires are subject to fees and charges as per the Katherine Town Council's Fees and Charges Structure.

#### Short Term Hire

Short term hire allocations will be made on a 10 week basis (sporting season). If additional weeks are required a weekly hire cost can be arranged with Council. Allocation of specific grounds is made for both training and match playing purposes (maximum of three facilities per hire). A short term hire does not provide clubs and/or associations with exclusive use of the facility. Each individual short term hire is for one organisation only. Short term hires are only available for consistent/regular users. Short term hires are not guaranteed from year to year and will be subject to the application process.

Short term hires are subject to fees and charges as per the Katherine Town Council's Fees and Charges Structure.



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### Long Term Hire

Long term hire allocations will be made on a yearly calendar basis. Allocation of specific grounds is made for the designated application purpose only (maximum of three facilities per hire). A long term hire does not provide clubs and/or associations with exclusive use of the facility. Each individual long term hire is for one organisation only. Long term hires are only available for consistent/regular users. A long term hire applies to the following:

1 January to the 31 December – payment required financial year basis

Long term hires are not guaranteed from year to year and will be subject to the application process.

Long term hires are subject to fees and charges as per the Katherine Town Council's Fees and Charges Structure.

### PRICING FRAMEWORK

In developing a pricing framework for this policy a number of variables have been considered, which include:

- Type of Facility – Building, Park or Ground
- Benefits derived from the provision of this facility
- Who pays for the facilities ongoing maintenance and upgrade
- Capital improvement costs
- Economic, social and political desirability of charging for the facility
- Ability for the facility to meet the needs of groups
- Cost of providing the facility
- Practicality of administering and collecting the fees and charges

This pricing model incorporates the following:

- A formula which makes fees and charges of Council facilities more uniform and efficient to administer
- A grading system which is based on the quality of the grounds, relevant facilities and amenities
- A percentage of costs related to an asset replacement value which reflects the quality and features ascribed
- Charges are applied for the use of the Council facility at a rate which reflects accurate use of the facility
- Council subsidy to assist community groups and to make the process fair and equitable

This fees and charges policy has endeavored to take these factors into account in the development of the following pricing strategies.



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The classification of Katherine Town Council's facilities will be reviewed annually in order to take into account major improvements, upgrades, capital developments, or other changes that may influence the ongoing delivery requirements.

As part of Katherine Town Council's asset management, each facility is audited for insurance and asset value purposes. This audit identifies the cost to replace, current asset value and insurance value. Charges levied will take into account variable usage.

### **POWER & WATER HIRE TYPES**

#### Low User

A hire type that uses minimal power and water. Minimal use of power and water can be determined by the negligible use of the product that would constitute the hirer meeting the probable cost of power and water for that particular hire. Negligible use can be defined as to be so small as to be nearly inconsequential.

A low user will be billed \$4.00 per item hired per day.

#### Medium User

A hire type that uses a moderate amount of power and water. Moderate use of power and water can be determined by the reasonable use of the product that would constitute the hirer meeting the expected costs of power and water for that particular hire. Reasonable use can be defined as to be moderate and within the limits of reason.

A medium user will be billed \$8.20 per item hired per day.

#### High User

A hire type that uses an extensive amount of power and water. Extensive use of power and water can be determined by the copious use of the product that would constitute the hire meeting all costs associated with power and water for that particular hire. Copious use can be defined as to be in large amounts.

A high user will be billed \$23.80 per item hired per day.



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### **DEPOSITS & PURCHASE ORDERS**

Katherine Town Council will accept purchase orders for payment of facility hires.

Each hire requires a facility deposit. The deposit will be held by Council until the completion of the hire and all inspections have occurred. Once inspections are completed the deposit will be returned to the hirer.

If, in Council's opinion there is a possibility of a higher risk of damage to a Council facility Council reserves the right to increase the amount of deposit.

Largely Council hires require keys – key deposits are required. Keys are to be returned at the completion of the hire (daily, short term, long term, personal, etc). If keys are not returned Council will invoice the hirer for the cost of the replacement of locks and keys.



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### METHODOLOGY USED

Fees and charges per hire will be calculated as follows:

#### Daily Hire – Community Group (Not for Profit)

Replacement & Maintenance Cost	Daily Hire Charge	Power/Water Costs	Total
\$676,298	\$97.00	\$4.00 (e.g. Low User)	\$101.00

#### Daily Hire – Community Group (Commercial Enterprise) (Local, State, Federal Government, Schools)

Replacement & Maintenance Cost	Daily Hire Charge	Power/Water Costs	Total
\$676,298	\$129.00	\$4.00 (e.g. Low User)	\$133.00

#### Daily Hire – Commercial Organisation

Replacement & Maintenance Cost	Daily Hire Charge	Power/Water Costs	Total
\$676,298	\$1,912.00	\$4.00 (e.g. Low User)	\$1,916.00

#### Daily Hire – Specific (Council Approved)

Replacement & Maintenance Cost	Daily Hire Charge	Power/Water Costs	Total
\$676,298	\$97.00	\$4.00 (e.g. Low User)	\$101.00

#### Daily Hire – Personal

Replacement & Maintenance Cost	Daily Hire Charge	Power/Water Costs	Total
\$676,298	\$129.00	\$4.00 (e.g. Low User)	\$133.00



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### Short Term Hire – Community Group (Not for Profit) – 10 weeks

Replacement & Maintenance Cost	Short Term Hire Charge	Power/Water Costs	Total
\$676,298	\$310.00	\$4.00 x 7 days x 10 weeks (e.g. Low User)	\$590.00

### Short Term Hire – Community Group (Commercial Enterprise) – 10 weeks

Replacement & Maintenance Cost	Short Term Hire Charge	Power/Water Costs	Total
\$676,298	\$520.00	\$4.00 x 7 days x 10 weeks (e.g. Low User)	\$800.00

### Short Term Hire – Specific (Council Approved) – 10 weeks

Replacement & Maintenance Cost	Short Term Hire Charge	Power/Water Costs	Total
\$676,298	\$310.00	\$4.00 x 7 days x 10 weeks (e.g. Low User)	\$590.00



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### Long Term Hire – Community Group (Not for Profit) – 12 months

Replacement & Maintenance Cost	Long Term Hire Charge	Power/Water Costs	Total
\$676,298	\$520.00	\$4.00 x number of days nominated (e.g. 365 days x Low User)	\$1,980.00

### Long Term Hire – Community Group (Commercial Enterprise) – 12 months

Replacement & Maintenance Cost	Long Term Hire Charge	Power/Water Costs	Total
\$676,298	\$722.00	\$4.00 x number of days nominated (e.g. 365 days x Low User)	\$2,182.00

### Long Term Hire – Specific (Council Approved) – 12 months

Replacement & Maintenance Cost	Long Term Hire Charge	Power/Water Costs	Total
\$676,298	\$520.00	\$4.00 x number of days nominated (e.g. 365 days x Low User)	\$1,980.00