



DIRECTOR SHIRE SERVICES REPORT

12th September 2006

DSS8	VISITOR INFORMATION CENTRE – SOUTH WEST ROCKS
FILE: LA19251	GRW {Folio No. *}

SUMMARY:

Reporting on the proposal from the South West Rocks Heritage Committee seeking a response from Council in relation to their intention to continue to lease part of Boatman's Cottage No 1 as a Visitor Information Centre.



In June 2006 Council surrendered the Agreement for the South West Rocks Pilot Station and Boatman's Cottages No 1 & 2. The leases were handed back to the Department of Lands as the cost of repairs and ongoing maintenance of the dwellings was becoming a financial burden to Council.

Prior to the hand back, the Minister for Lands confirmed that the user groups currently occupying the buildings would continue to enjoy the same lease conditions as those when Kempsey Shire Council held the leases.

In July 2006 the South West Rocks Heritage Committee had discussions with the Department of Lands in relation to their intention to lease Boatman's Cottages 1 & 2. At the same time discussions were held with Council staff in relation to the Council's intention to continue to lease part of Boatman's Cottage No 1 as the South West Rocks Visitor Information Centre.

On 25 August 2006 advice was received from the South West Rocks Heritage Committee confirming that they had been offered a licence to operate Boatman's Cottages 1 & 2 with a ten (10) year tenure.

The South West Rocks Heritage Committee is keen to negotiate a sub-lease for the Visitor Information Centre at South West Rocks. A copy of their proposal is at [Appendix E](#).

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Costs for the sub lease have been calculated by the South West Rocks Heritage Committee as follows:

Reimbursement of Rates (donation)	\$6,200
Rental of area in Boatman's Cottage No 1	<u>\$8,000</u>
	\$14,200
Less revenue to Council (estimated income from MVC Tourism memberships)	<u>\$10,000</u>
Net cost to Council per annum	\$4,200

Whilst the figure of \$4,200 has been identified as the cost to Council per annum for the Visitor Information Centre sub-lease, the real cost is \$14,200 per annum if estimated membership income is not deducted. The 2006/2007 budget for the Visitor Information Centre at South West Rocks is as follows:

Rental Boatman's Cottage No 1	\$1,000.00
Maintenance	\$4,162.00
Office Cleaning	\$364.00
Total	\$5,364.00

The previous arrangement for the promotion of tourism at South West Rocks utilising volunteers from the Historical Society at Boatman's Cottage No 2 has been very advantageous to all parties. The location of the Visitor Information Centre and the operating hours has obvious benefits. However, it would be difficult to justify rental above an amount of say \$5,000.

Should suitable arrangements not be able to be negotiated with the South West Rocks Heritage Committee, Council could investigate other options available for the promotion of the Macleay Valley Coast in the South West Rocks area such as the library, service station, tourism outlets, real estate agents and/or the foyer of the Trial Bay Gaol.

REPORT IMPLICATIONS:

▪ *Environmental*

There are no environmental implications arising from this report.

▪ *Social*

The Visitor Information Centre at South West Rocks is staffed by volunteers from the South West Rocks Heritage Committee. The Visitor Information Centre is open for 6 hrs every day 364 days per year. The prime location of the Visitor Information Centre is seen as advantageous for the promotion of tourism within the Shire.

- *Economic (Financial)*

There are insufficient funds in the 2006/2007 budget to enable Council to lease part of Boatman's Cottage No 1 as the Visitor Information Centre at the rate requested by the South West Rocks Heritage Committee. Council would need to allocate a further \$8,763.00 to the tourism budget should it wish to continue with the sub-lease as proposed.

- *Policy or Statutory*

There are no policy or statutory implications arising from this report.

- *Directors Review*

The operation of the South West Rocks Visitor Information Centre from Boatman's Cottage No 1 is a good outcome for both parties. However, funding in the amount of \$5,364 only is available for this operation.

RECOMMENDATION:

- 1 That the South West Rocks Heritage Committee be advised of Council's offer of \$5,000 pa for the sub-lease of the Boatman's Cottage No. 1 as a Visitor Information Centre; and
- 2 That if this offer is rejected by the South West Rocks Heritage Committee, that other options be investigated for the promotion of the Macleay Valley Coast in the South West Rocks area.

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DIRECTOR SHIRE SERVICES