



**KEMPSEY**  
Shire Council

## **DIRECTOR CORPORATE AND COMMUNITY SERVICES REPORT**

12<sup>th</sup> June 2007

<b>DCCS12</b>	<b>MACLEAY RIVER HISTORICAL SOCIETY MUSEUM</b>
	<b>FILE: LA 2100 SJR {Folio No. 346783}</b>

### **SUMMARY:**

Reporting on proposed lease arrangements with the Macleay River Historical Society for the operation of the Museum at South Kempsey.

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### **DESCRIPTION:**

Council resolved on 8th May 2007 -

***"That Council be advised of the financial and maintenance agreement with the Macleay River Historical Society for the operation of the Museum at South Kempsey."***

The matter of a rent review for the Macleay River Historical Society (MRHS) was previously considered at the 9<sup>th</sup> November 2004 Ordinary Meeting of Council and is attached for reference at [\(Appendix F – Page J13 to J17\)](#). When considering that report it was resolved that the financial arrangements be reviewed in conjunction with the 2005/06 budget.

The Museum and Visitor Information Centre (VIC) are housed under the one roof in the Kempsey Cultural Centre on Crown Reserve land including the very popular South Kempsey Park. The Museum occupies roughly two thirds of the total built structures within the Cultural Centre.

The outstanding loan balance relating to the Museum was repaid by the MRHS on 1 January 2005 and accordingly a new rental figure needs to be determined for future implementation.

Negotiations have been ongoing with the previous Manager Community and Lifestyle Services to determine a fair and equitable arrangement for the mutual benefit of the Historical Society and Council.

Costs have been analysed for the ongoing building maintenance, grounds maintenance, rates and insurances for the building. These investigations reveal that the approximate annual costs attributable to the MRHS equate to \$12,000 per annum.

Discussions were held with executive members of the MRHS on 30 May 2007. The Society indicated that the organisation was staffed by a band of fifty three volunteers who donate over one hundred and fifty man hours

per week to the preservation and promotion of the history and heritage of the Macleay Valley. The Society advised that they were not flush with funds and over the interim period following the repayment of the loan for the construction of the Museum that they had for once been able to reinvest some funds toward the replacement of exhibits, new storage facilities and provision of computerised cataloguing equipment.

MRHS members indicated that they understood the need to formalise a lease agreement with Council and that the figure of \$12,000 was a realistic figure to cover associated costs although they had no capacity to pay to this level. Members of the MRHS also stated that their membership provide weekend and public holiday staffing of the VIC for a daily fee of \$66. The payment figure for the staffing of the VIC has not been reviewed for a number of years.

When first drafting the original agreement with the MRHS back in 1983 it was noted that ***“Arrangements beyond the 20 year period have never been discussed however it seems reasonable to assume that some rental, at least for maintenance, would be required from that time.”***

The MRHS has suggested that the payments for manning the VIC, which total approximately \$7,000 per year, should form the basis of their rental payment to Council with a commensurate discount of \$5,000 in recognition of the “community good” provided by the MRHS. Therefore no money would need to change hands for the continued usage by the MRHS.

It has been noted that the Museum has evolved over the preceding twenty years and their storage requirements have been severely tested. As a good will gesture in the “spirit of cooperation” VIC staff has permitted the MRHS to avail themselves of storage areas and office spaces for research and the like within areas of the VIC theatre. It is proposed to draw up a five year lease for the MRHS, delineating boundaries and shared spaces.

The MRHS has indicated that they wish to continue to provide a valuable service to Council through provision of advice on street naming’s, historical and heritage advice as well as continued weekend manning of the VIC.

#### **REPORT IMPLICATIONS:**

- ***Environmental***

***Nil implications***

- ***Social***

***The Macleay River Historical Society continues to provide a very valuable service to the community in the preservation and promotion of the history and heritage of the Macleay. The work of a dedicated band of volunteers will continue for the benefit of the community if the MRHS is provided tenure of the Museum on financial terms which enable their work to continue at an affordable rate.***

- ***Economic (Financial)***

*Adoption of the recommendation would see costs attributable to the MRHS recouped by Council with the commensurate discounting for the "community good" provided by the efforts of the society members.*

- *Policy or Statutory*

*Nil implications*

- *Director's Review*

*The recommendation is supported.*

**RECOMMENDATION:**

1. That the Macleay River Historical Society be offered a five year lease for the tenure of the Museum in return for weekend and public holiday staffing at the Visitor Information Centre.
2. That the lease documents delineate boundaries and shared spaces within the Kempsey Cultural Centre.
3. That the valuable services provided by the Macleay River Historical Society be acknowledged formally in writing.

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**G B Snape**  
**DIRECTOR CORPORATE & COMMUNITY SERVICES**