

Item 11: Community

11.1 Revised Memorandum of Understanding - MWRC & Manor Enterprises Pty Ltd - Red Hill Precinct

REPORT BY THE MANAGER, CUSTOMER SERVICES & GOVERNANCE
TO 19 APRIL 2023 ORDINARY MEETING
GOV400103, FIN300096

RECOMMENDATION

That Council:

1. **receive the report by the Manager, Customer Services & Governance on the Revised Memorandum of Understanding - MWRC & Manor Enterprises Pty Ltd - Red Hill Precinct;**
 2. **endorse the proposed changes to the Memorandum of Understanding with Manor Enterprises Pty Ltd for the operation of the Red Hill Precinct which includes the Gulgong Gold Experience and Red Hill Cottage; and**
 3. **authorise the General Manager to sign the Memorandum of Understanding with Manor Enterprises Pty Ltd for the operation of the Red Hill Precinct on behalf of Council.**
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Executive summary

This report seeks to inform Council on the proposed Memorandum of Understanding with Manor Enterprises Pty Ltd for the operation of the Red Hill Precinct, which includes the Gulgong Gold Experience, Red Hill Cottage Tea Room & Mudgee Region Tourist Office.

Disclosure of Interest

Nil

Detailed report

The Gulgong Gold Experience opened to the public in 2016 and since this time a Memorandum of Understanding (MOU) has been in place between Council and operators of the facility to ensure a consistent and professional tourist attraction is made available to the public. This commenced with the Gulgong Holtermann Museum Inc. as the operator in 2016 and Manor Enterprises Pty Ltd took over the operations in 2019.

With the Red Hill Cottage refurbishment almost complete the MOU between MWRC and the operators of the Red Hill precinct required review and note this MOU attached to this report.

The revised MOU between MWRC and Manor Enterprises Pty Ltd now incorporates the existing operations of the Gulgong Gold Experience and in addition to this the operations of the Red Hill Cottage Tea Room & Mudgee Region Tourist Office.

It is anticipated that the operation of the Red Hill Cottage Tea Room & Mudgee Region Tourist Office will commence on 1st July 2023 and the revised MOU will be subject to a period of 12 months and financial assistance of \$15,000 per annum will be provided for operation of the site. There is no change to the monetary contribution under the MOU.

Note: Separate to the operation at Red Hill is the Red Hill Advisory Committee, which has been endorsed by Council to provide guidance, advice and to represent the community on the Red Hill Precinct and in the future strategic direction of the site. The committee meets on a bi-annual basis.

Community Plan implications

Theme	Looking After Our Community
Goal	Vibrant towns and villages
Strategy	Respect and enhance the historic character of our region and heritage value of our towns

Strategic implications

Council Strategies

Community Strategic Plan

Council Policies

Not Applicable

Legislation

Not Applicable

Financial implications

There is no change proposed to Council's contribution and no additional funds are sought. Under the MOU any operating profit is returned to the Red Hill precinct to improve the site.

Associated Risks

There are risks associated with a new commercial operation at the Red Hill Cottage however we anticipate a successful first 12 months with the visitation numbers continuing to grow at the Gulgong Gold Experience and the additional patronage of the Mudgee Region Tourist Office.

RICHARD CUSHWAY
MANAGER, CUSTOMER SERVICES &
GOVERNANCE

SIMON JONES
DIRECTOR COMMUNITY

4 April 2023

Attachments: 1. Memorandum of Understanding MWRC and Manor Enterprises Pty Ltd - Red Hill 2023-24.

APPROVED FOR SUBMISSION:

BRAD CAM
GENERAL MANAGER



MID-WESTERN REGIONAL COUNCIL
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Memorandum of Understanding Mid-Western Regional Council and Manor Enterprises Pty. Ltd. 2023-24

1. Purpose

The purpose of this MOU is to facilitate the use and operation of the Red Hill Precinct including the Mining Exhibit (Gulgong Gold Experience) and the Red Hill cottage. Manor Enterprises Pty. Ltd. will have permission to use the facility and be responsible for its operation as a tourist facility available and open to the public.

2. Terms and Conditions of Use

- 2.1 The Red Hill Precinct is a Mid-Western Regional Council (MWRC) facility on land managed by Council and includes the Mining Exhibit (Gulgong Gold Experience) and the Red Hill cottage.
- 2.2 MWRC agrees to the use of and operation of the Red Hill Precinct by Manor Enterprises Pty. Ltd, including the operation of the Red Hill cottage as a café and tourist information centre.
- 2.3 Two sets of keys will be provided to Manor Enterprises Pty. Ltd. on permanent loan.
- 2.4 There will be no charge to Manor Enterprises Pty. Ltd. for the use and operation of the Red Hill Precinct.
- 2.5 MWRC will provide financial assistance of \$15,000 per annum to Manor Enterprises Pty. Ltd. in return for the operation and day to day oversight of the Red Hill Precinct. This will be paid quarterly on receipt of an invoice from Manor Enterprises Pty. Ltd.
- 2.6 Assessment of the amount of financial assistance will be made each financial year based on the financial statements on the operation of the Red Hill Precinct.
- 2.6 MWRC will provide a mobile phone for the exclusive use of the Red Hill Precinct.
- 2.7 Manor Enterprises Pty. Ltd. agree to ensure that the Red Hill Precinct is open to the public on Saturdays, Sundays and Public Holidays (except Christmas Day, Boxing Day, Good Friday and ANZAC Day) as a minimum.
- 2.8 Manor Enterprises Pty. Ltd. is able to charge entry to the Red Hill Precinct. Any funds collected are to be re-invested into the maintenance, operation and promotion of the facility and its exhibits, including the Red Hill cottage.

- 2.9 Manor Enterprises Pty. Ltd. is to provide MWRC with a report each six months on the operation of the Red Hill Precinct. This should include information related to visitation numbers and any financials related to the operation of the facility. Ideally Manor Enterprises Pty. Ltd. would set up a separate bank account for all financial matters related to the Red Hill Precinct (both for the Gulgong Gold Experience and Red Hill Cottage).
- 2.10 Minor maintenance issues are to be the responsibility of Manor Enterprises Pty. Ltd. (in consultation with Council as required). Major maintenance issues should be referred to Council's Building Service Department.
- 2.11 The Red Hill site will be covered by Council's building and public liability insurances.
- 2.12 Any volunteers or employees used for the operation of the Red Hill Precinct will be the responsibility of Manor Enterprises Pty. Ltd. and be covered under its insurance.
- 2.13 Manor Enterprises Pty. Ltd. is to provide MWRC with a copy of its current public liability insurances with Council listed as an interested party.
- 2.14 Manor Enterprises Pty. Ltd. is to provide MWRC with a copy of its Operations Plan for the Red Hill Precinct. This is to include reference to volunteer management, food handling, training and induction, risk assessments and information on contacts and responsibilities for the operation of the Red Hill Precinct
- 2.15 Consideration will be given to a licence agreement in relation to the property. If a licence agreement was to eventuate then this would take precedence over this Memorandum of Understanding.
- 2.16 This MOU extends until 30 June 2024 but can continue beyond that time until either party requests a further MOU to be negotiated. Alternatively, either party can terminate this MOU with a month's notice at any time after 30 June 2024, or it can be terminated at any time if agreed by both parties.

Signed:

BRAD CAM
GENERAL MANAGER
MID-WESTERN REGIONAL COUNCIL

Date:

JOY HARRISON
PRESIDENT
MANOR ENTERPRISES PTY. LTD.

Date: