

Report to: Lead Member for Communities and Safety

Date of meeting: 25 April 2019

By: Director of Communities, Economy & Transport

Title: Southover Grange – Changes to Services and Packages

Purpose: To propose amendments to the existing ceremony packages offered at Southover Grange

RECOMMENDATIONS: The Lead Member is recommended:

- (1) To approve the new open drinks list format and retail price mark-up for ceremony packages, via a 'per head' fee structure at Southover Grange;**
 - (2) To approve the new package fees which no longer include the drinks element within them;**
 - (3) To approve the proposed change to the supply and customer booking process of the Gold Package canapés/buffet food provision;**
 - (4) To approve the introduction of wedding hire services and associated fees;**
 - (5) To approve the introduction of a room hire charge for extended access to Southover Grange; and**
 - (6) To approve the trial of a discount for winter ceremonies packages at Southover Grange.**
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1. Background

1.1. The Southover Grange Events Co-ordinator (EC) started in post last summer. This marked a brand new process for the selling of packages, with couples being asked to come in to the building to meet with the EC, discuss their requirements, and the EC then building the most appropriate package and selling it to them.

1.2. The Registration Service previously obtained Lead Member approval on 21 June 2018 for various changes to the packages at Southover Grange. The new fees and packages came into effect on 20 August 2018.

1.3. Since then it has become apparent that:

- Customers want a far wider choice of beverages than originally approved.
- Customers would like the ability to pay for drinks based on the exact number of people attending, rather than a fixed package fee for 30 or 60 people. The current inability to do so has put some customers off booking a package and they have taken their business elsewhere.
- Approved caterer partners are generally more interested in the top tier Platinum packages than the mid-range Gold canapés packages, and so are often not available for these services on the dates customers have booked, which makes it very difficult for the EC to sell the canapés packages.
- Customers tend to want to book and pay for the Gold canapés packages at the time they book their wedding and are put off by having to separately contact the caterers to see if they are available and then to negotiate a price. In addition the Service is often finding it necessary to downgrade these customers to a Silver package because the caterers cannot accommodate their chosen date.

- An increasing number of couples are asking for additional services (room decorations, cake tables, table runners, centre pieces, chair covers, glass holders, etc.) These were not introduced at launch as it was decided to wait for evidence of demand before developing and investing in these sorts of offers.
- Couples and caterers are frequently expecting access to the Newton Room and the catering kitchen many hours in advance of their wedding. This is causing clashing issues with other ceremonies and packages and it is not currently possible to charge for this as the Service has not obtained Lead Member approval.
- Currently during the winter months there is a significant decline in ceremonies which results in the ceremony rooms sitting idle for long periods of time. Other local authorities and various Approved Marriage Premises have experimented with offering reduced price ceremonies during this period to stimulate business, and these trials have enjoyed varied levels of success. In addition, couples frequently ask about the possibility of reduced price ceremonies in the quiet winter months and in this intensely competitive marketplace the Service is concerned that it may be losing some of this business to neighbouring authorities who do offer a winter discount.

2. Proposals

2.1. The Service proposes to change the current package arrangements available at Southover Grange to enhance the service offering for customers, allowing them more flexibility in their choices and thus improving further the opportunity to upsell ceremony bookings to include an enhancement. The individual proposals are as follows:

- 2.1.1 To introduce an open drinks list so customers of packages have far more choice, including various wines at different price points, beers, ciders, prosecco, champagne, soft drinks and tea/coffee. In line with industry practice, it is proposed to introduce a retail sales price for all drinks of up to 150% (for wines, sparkling wines and Champagne), and up to 200% (for beers, ciders and soft drinks), of the wholesale cost price. Furthermore it is proposed to allow customers to purchase the specific number of drinks they require via a 'per head' fee structure instead of insisting they cater for 30 or 60 guests. This approach will allow the Service to vary the drinks portfolio according to customer demand, and to change its retail prices dynamically as wholesalers do, without having to return for further Lead Member approval repeatedly. An indicative example of the proposed drinks list is included at Appendix A.
- 2.1.2 As a result of the above, it is necessary to revisit the previously approved package prices in order to remove the set pricing structure, which includes drinks, and instead charge a room hire cost only to include utilities, set up and break down of the room. The proposed room hire charges for the various ceremony packages are included at Appendix B.
- 2.1.3 To introduce a new range of different canapés/finger buffet choices in the Gold Package option by including options where the Service will buy in the food from a retail supplier and then serve to customers, which will help to increase customer choice, maintain competitive pricing and ensure that the Service is always able to offer this level of package, even when the caterer partner is unable to accommodate the chosen date. The proposal is that the Service will take payment from the customer upfront and then fulfil the order either via purchasing the food from a retail provider or by sub-contracting the provision of the food to the caterer when they are able to accommodate the chosen date. In either scenario the proposal is for the Service to charge a retail price of up to 120% of cost price, in line with industry practice. An example menu, with indicative pricing, is included at Appendix C.
- 2.1.4 To introduce the additional services of the hire of a cake table, table runners, centre pieces, chair covers and sashes, and drinks holder for canapés/buffet packages. These will enhance

the package offering for customers who currently look for these services elsewhere. The proposed fees for these additional services are included within Appendix D.

- 2.1.5 To introduce a room hire charge for extended access to the Newton Room and/or the catering kitchen at Southover Grange. Currently there are no Member approved fees that may be charged for this access and so it is proposed to introduce a £100 per hour, or part thereof, room hire charge for access to the building more than 3 hours before the ceremony and/or 1 hour after the package has concluded. This will assist both in controlling demand for extended access and in compensating the Service for the lost revenue from further potential package sales on the same day which are lost as a result of the rooms being occupied by pre-booked customers and/or their caterers.
- 2.1.6 To trial the introduction of a 20% discount on prices for ceremony packages between 2 January 2020 and 31 March 2020 to help the Service to gather evidence and inform a decision whether this approach brings in more packages during the quieter winter months; and furthermore whether by so doing that this equates to more bookings across the course of the year. The proposed fees for these discounts are included at Appendix E.

3 Conclusion and reasons for recommendations

3.1 The proposed changes to the current non-statutory ceremony packages on offer at Southover Grange, and the introduction of additional services, will maintain and enhance the Service's offering for customers, allowing them more flexibility in their choices and improving further the opportunity to upsell ceremony-only bookings to include an enhancement. The Lead Member is therefore recommended to approve the proposed changes to packages and the introduction of new services as outlined in this report.

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LOCAL MEMBERS

All

BACKGROUND DOCUMENT

None