

For Publication

Fees and Charges Outdoor Sports and Recreation (HW000)

Meeting:	Cabinet
Date:	7 March 2017
Cabinet portfolio:	Health and Wellbeing
Report by:	Commercial Services Manager

For publication

1.0 Purpose of report

- 1.1 To set the Council's fees and charges for Outdoor Sport and Recreation with effect from 1 April 2017.

2.0 Recommendations

- 2.1 That the charges set out in Appendix A are approved and introduced for the financial year 2017/18.
- 2.2 That the Commercial Services Manager, in consultation with the Executive Member, be authorised to revise the approved Fees and Charges where threats to income generation emerge and/or opportunities to raise additional income arise, which are in line with the Council's general principles for charging.

3.0 Report details

- 3.1 The report reflects the Council's adopted general guidelines on charging for services. The report also reflects the Council's ongoing need for financial efficiencies for service sustainability.
- 3.2 The demand for our services has held up generally well against the national and local economic difficulties. The Council remains committed to providing value for money services.
- 3.3 Chesterfield Borough is the second most deprived area in Derbyshire and the Council provides a variety of facilities and services that contribute to promoting positive and healthy lifestyles and improving the quality of life for residents.
- 3.4 From time to time event organisers wish to make a major booking and there needs to be the flexibility to vary rates to be competitive and to attract bookings that will increase income to the Council.
- 3.5 Setting the annual fees and charges for Sport and Outdoor Recreation is a careful balancing act and proposals have taken into account:
 - The need to raise income to help the Council to achieve a balanced budget to deliver on its annual and long-term priorities, and to improve the quality of its services.
 - The level of fees and charges levied by neighbouring local authorities.
 - The ability of all of our customers to pay against the current economic downturn and the demand for facilities.
 - The need to address health inequalities in our communities and to encourage young people in sporting activities.
- 3.6 For Bowling, a higher than average increase is proposed again this year for Clubs, reflecting the relatively high cost of service provision and with a view to reducing the level of subsidy.
- 3.7 It should be noted that we are actively seeking to secure lease agreements, where possible, with sports clubs such as Chesterfield Cricket Club. We are also reviewing all current leases to ensure

value for money and a consistent approach is achieved. This may affect the overall level of fees and charges during the year.

- 3.8 A key area of income is from football. Benchmarking with neighbouring authorities has been taken into account in the process of developing the proposed fees and charges. This information is attached at Appendix B. An average increase of around 3% is proposed which takes account of our relatively high charges compared to neighbours.

4.0 Human resources/people management implications

- 4.1 There are no people management implications arising from this report.

5.0 Financial implications

- 5.1 In preparing the report, the suggested 3% increase of fees and charges for 2017-18 has been borne in mind. However consideration has been given to the current economic climate, market forces, competition, and the customer's ability to pay. With these in mind and having regard to the ongoing financial performance challenges, it is felt that any increase in fees and charges should be no more than those proposed.

6.0 Legal and data protection implications

- 6.1 There are no legal and data protection implications.

7.0 Risk management

- 7.1 Previous fees and charges reports have recognised that the country is facing a prolonged period of economic downturn and recession. This position is improving slowly and over the past financial year the general demand for our services is consistent with previous years.
- 7.2 There is concern that any significant increase in charges could have a negative impact on usage and therefore any increase needs to be consistent, competitive and market sensitive.

7.3 The key risks are identified below.

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Affordability to customers	High	Possible	Benchmarking Appropriate levels of charging	Medium	Unlikely
Competition	High	Possible	Benchmarking Provision of a good service at the right price	Medium	Possible
Failure to implement recommended increase in charges	Medium	Unlikely	Early implementation of charges	Low	Unlikely
Failure to achieve forecast level of income	Medium	Possible	Effective marketing of the service Good communication with customers Monitoring of budgets	Low	Possible

8.0 Equalities Impact Assessment (EIA)

8.1 A preliminary Equality Impact Assessment has been undertaken with no disproportionate negative impacts being identified for the protected characteristics.

9.0 Alternative options and reasons for rejection

9.1 The following alternative options have been considered:

9.2 Smaller Increases

9.2.1 The increases recommended are in accordance with the Council's Budget Strategy. Given the Council's financial position it is important to at least maintain trading account profitability and if possible improve it.

9.3 Larger Increases

9.3.1 Larger increases than those recommended are likely to have a negative impact on the Council's share of the local recreation market, trading account profitability and local teams.

10.0 Recommendations

10.1 That the charges set out in Appendix A are approved and introduced for the financial year 2017/18.

10.2 That the Commercial Services Manager, in consultation with the Executive Member, be authorised to revise the approved Fees and Charges where threats to income generation emerge and/or opportunities to raise additional income arise, which are in line with the Council's general principles for charging.

11.0 Reasons for recommendations

11.1 To set the Council's outdoor sports and recreation fees for the financial year 2017/18 in accordance with the Council's Budget strategy.

Decision information

Key decision number	710
Wards affected	All
Links to Council Plan priorities	To provide value for money services

Document information

Report author	Contact number/email
Mike Brymer	Tel: 01246 345325 email: mike.brymer@chestfield.gov.uk
Background documents	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
None	
Appendices to the report	
Appendix A	Title Proposed Fees

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