

FOR PUBLICATION

FEES AND CHARGES

OUTDOOR SPORT and RECREATION 2016 – 2017 (E000)

MEETINGS:	1. CABINET 2. CABINET MEMBER FOR HEALTH & WELLBEING
DATES:	1. 23 FEBRUARY, 2016 2. 11 FEBRUARY, 2016
REPORT BY:	INTERIM ENVIRONMENTAL SERVICES MANAGER
WARD:	ALL
ASSEMBLIES:	ALL
KEY DECISION NO:	557

FOR PUBLICATION

BACKGROUND PAPERS:

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 2016.

2.0 RECOMMENDATIONS

2.1 That the charges set out in Appendix A are approved and introduced for the financial year 2016/17.

2.2 That the Interim Environmental 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 BACKGROUND

- 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.

4.0 ISSUES FOR CONSIDERATION

- 4.1 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.

- 4.2 For Bowling, a higher than average increase is proposed again this year for Clubs, reflecting the relatively high cost of service provision and with view to reducing the level of subsidy.
- 4.3 A higher than average increase is also proposed for pitch use by Chesterfield Cricket Club to reflect the high standard of pitch maintenance and with a view to reducing subsidy.
- 4.4 It should be noted that we are actively seeking to secure lease agreements, where possible, with sports clubs such as Chesterfield Cricket Club.
- 4.5 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.

5.0 Equalities Impact Assessment (EIA)

- 5.1 A preliminary Equality Impact Assessment has been undertaken with no disproportionate negative impacts being identified for the protected characteristics and this attached at Appendix C.

6.0 Risk Management

- 6.1 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.
- 6.2 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.
- 6.3 The key risks are identified below.

Description of the Risk	Current Risk		Mitigating Action	Target Risk	
	Impact	Likelihood		Impact	Likelihood
Affordability to customers	High (4)	Possible (3)	Benchmarking Appropriate levels of charging	Medium (3)	Unlikely (2)

Competition	High (4)	Possible (3)	Benchmarking Provision of a good service at the right price	Medium (3)	Possible (3)
Failure to implement recommended increase in charges	Unlikely (2)	Unlikely (2)	Early implementation of charges	Unlikely (2)	Unlikely (2)
Failure to achieve forecast level of income	Medium (3)	Possible (3)	Effective marketing of the service Good communication with customers Monitoring of budgets	Low (2)	Possible (2)

7.0 **Financial Considerations**

7.1 In preparing the report, the suggested 3% increase of fees and charges for –2016-17 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.

8.0 **ALTERNATIVE OPTIONS**

8.1 Smaller Increases

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.

8.2 Larger Increases

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.

8.0 RECOMMENDATIONS

- 8.1 That the charges set out in Appendix A are approved and introduced for the financial year 2016-17
- 8.2 That the Interim Environmental 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.

9.0 REASON FOR RECOMMENDATIONS

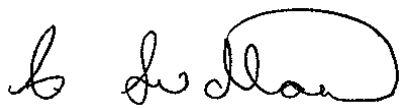
- 9.1 To set the Council's fees and charges for Outdoor Sport and Recreation with effect from 1 April 2016.
- 9.2 To contribute to improving the Council's overall financial position and reduce the overall cost of recreation provision by the Council.

Further information on this report can be obtained from Andy Pashley on Tel: 345099

ANGELA DUNN
INTERIM ENVIRONMENTAL SERVICES MANAGER

Officer recommendation supported.

Signed:



Cabinet Member

Date: 11 February, 2016