

Committee(s): Epping Forest and Commons Committee	Dated: 26/01/2023
Subject: Licences, sports, wayleaves and produce fees and charges for 2023/24 SEF 02/23	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	2,3,4
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Juliemma McLoughlin	For Decision
Report author: Jacqueline Eggleston, Epping Forest	

Summary

This report makes proposals for the setting of fees and charges for activities in Epping Forest for the forthcoming financial year of 2023/24.

The report also updates your Committee on the performance of charges levied for licensed activities, produce sales, formal sports and car park charges in the last full financial year 2021/22

In 2021/22 the licensing of activity and product sales on Forest land raised a total of £445,168

Car park charges raised a total of £379,813 net.

Charges for formal sports across 2021/22 raised a total of £464,835 with Association Football income totalling £47,261 and earnings from Golf reaching £417,574. All income from produce, licences and charges is fully reinvested in the management of Epping Forest.

Reflecting previous years of above inflation increases, proposals are presented for a price increase of 5%, which is below RPI but will cover inflationary costs for staffing which represents the bulk of the expenses incurred for managing licenced activities. The 5% increase where it will be applied may raise £23,000 additional income.

Recommendation

Members are asked to:

- Agree the proposed licence fees and sports charges for 2023/24 as itemised in Appendix 2
- And note the income generated in 2021/22 from charged activities in Epping Forest and

Main Report

Background

1. This report encompasses several different activities on Forest Land for which a charge is levied. The charges are made to record the use and generally seek to reflect the costs incurred by the City of London in administering and enabling the activity and (where relevant) an appropriate contribution towards the costs incurred by the Corporation in connection with the Epping Forest). All income is reinvested into the management of the Forest in accordance with the City Corporation financial regulations.
2. The use of Forest Land for siting of equipment or for certain activities requires a licence under the relevant Licensing process and the Open Spaces and Epping Forest Events Policies. Licences are administered pursuant to delegated authority by officers to ensure that all relevant sections and staff are consulted before a decision is made and to ensure there is an equitable decision-making process for any customer.
3. All activities are regulated with due regard to the Conservators' duties under the Epping Forest Acts 1878 and 1880 and any other relevant statutory provisions.
4. By-products of land management activity include beef, venison and wood. These are sold both as wholesale and retail products with the income re-invested into the management of the Forest.

Current Position

5. Licensing activity on Forest Land and produce raised £445,168 in 2021/22 as detailed in Appendix 1.
6. Football provision raised £48,000 in 21/21 making a net subsidy of £171,000.
7. Car Park charging was introduced in May 2020. The first full year of charging in 2021/22 raised £379,813 net of commission charges.
8. A total of 446 car parking season permits were issued at an income of £65,399.
9. Set up costs for the introduction of car park charging in 2021-22 was £167,060.
10. This meant an effective surplus of £212,753 raised from car parks in 2021/21.

11. Operating costs for car parks is included in the income figure for car parking as a commission is taken before the income received. There is an additional cost for the pay and display machines (where there is insufficient phone signal) of £450 pcm.

Options

- a. Option 1 – To increase licence, sports and produce charges at figure of 5% as detailed in Appendix 2. It is proposed that the licence fee for horse riding also be increased by 5%. The RPI figure is the maximum permitted under the Additional Byelaws for the Regulation of Horse Riding but is higher than the 5% proposed. **This is recommended.**
- b. Option 2 - To keep charges as they are. This would be in effect a price cut whilst inflationary increases would still apply to our own expenses. **This is not recommended**

Proposals

12. Proposed charges for 2023/24 are itemised in detail in Appendix 2. The list of charges has been made as complete as possible to ensure all areas of charging are included. When setting fees and charges, officers in the natural environment charities considered the following:

- The RPI rate is normally used to set the increase percentage. Given current inflationary levels and cost of living, a figure of 5% has been settled on across the Natural Environment charities. This is based on the uplift in salaries which presents a large part of the costs to the charity of the licensed activities.
- The benchmarking of the charges and quality of provision with those of neighbouring facilities, which in many instances are our competitors. In some instances, we will therefore not benchmark against our own properties
- The budget requirement to generate additional income to reduce expenditure savings
- Work towards reducing subsidy levels for football
- Work towards attaining full cost recovery, recognising that staffing, equipment, and material costs may have increased greater than 5% in some cases.

13. A new sponsorship scheme for benches has had a 'soft launch'. This scheme covers the cost of maintenance and installation of the benches as well as a donation to the charity. The benches also provide a valued facility for visitors.

14. A pilot scheme to sponsor the upkeep of ancient 'keystone' trees is taking place with the Lord Mayor. It is planned to roll this out for the 1500 trees that have detailed records to help support the costs of continuing to monitor and care for these trees. The cost of dedication for one of these trees will be £1500.

15. Raffles, collections and trading stalls are not permitted in Epping Forest unless part of a licensed event. This has been clarified in the licencing information for customers
16. Car park charges will remain the same for one more year whilst the new scheme of charging beds down. Benchmarking will continue to be undertaken to ensure that charges remain consistent with other local car parks so that charges are high enough to prevent displacement parking but affordable for Forest users.
17. Car parking charges will be subject to a wider Natural Environment review during 2023/24. A further report will be presented to Committee following the review.
18. Further reinvestment into car parks is taking place in 2022/23 including surveying and feasibility works for future improvements as considered reasonable by the Various Powers Act 1977.
19. In respect of horse-riding, increases to the charges are limited to no more than the increase in the Retail Prices Index for the period that has elapsed since the charges were last fixed.
20. Filming charges have been changed to provide greater upfront clarity for location scouts and to raise charging in line with benchmarking with Burnham Beeches and other parks. These have been added to the chart in Appendix 2
21. Fees for fairgrounds and circuses have been added to Appendix 2 for clarity.

Key Data

22. Licensing activity on Forest Land raised £445,168 in 2021/22.
23. Charges for formal sports across 2021/22 raised a total of £464,835 gross. Of this, the golf course made a net profit of £109,000.
24. Car parking charges raised £379,813

Corporate & Strategic Implications

Strategic implications

25. These charges support the Corporate Plan Policy aims and priorities
 - Contribute to a flourishing society
 - Support a thriving economy
 - Shape outstanding environments

Financial implications

26. City Corporation financial regulations provide that 'When determining fees and charges to persons or external organisations, all departments should recover full

costs, or submit reasons to the appropriate service Committee when that objective is not met.”

27. Full cost recovery on football charges cannot be achieved while major local authority providers continue to subsidise the provision of football. The City Corporation has achieved parity on charges but is unable to recover the full cost of providing this service.
28. Overall earned income and grants raised £1.7million in 2021/22. The 5% increase is only applied to some categories as proposed in this report as some income such as grants can not be altered. The 5% increase where it will be applied may raise £23,000 additional income.

Legal Implications

29. Horse riding on Epping Forest is regulated under section 9 of the City of London (Various Powers) Act 1971 (as amended by the City of London (Various Powers) Act 1990) and by the Additional Byelaws for the Regulation of Horse Riding made on 14 May 2003. The Conservators may make reasonable charges for the riding or exercising of horses, by reference to the reasonable cost of the maintenance of ways designated for horses, and the reasonable cost of providing the regulatory regime. The Conservators shall take all reasonable steps to notify the public of the revised charges not less than fourteen days before they take effect.
30. Section 33(1)(i) of the Epping Forest Act 1878 empowers the Conservators, “To fell, cut, lop and manage in due course the timber and other trees, pollards and underwoods, and to sell and dispose of the timber cuttings and loppings, and to receive the proceeds...”
31. In its role as trustee of the Epping Forest Charitable Trust, the City Corporation is under a duty to act in the best interests of the charity. This will normally mean obtaining the best price for produce that can be achieved in the market. However, it may be appropriate in some cases to donate produce, or sell it at a discount, where this is an effective way of using the charity’s resources to further its charitable purposes or is otherwise in the charity’s best interests.
32. Section 33(1)(xiii) of the Epping Forest Act 1878 empowers the Conservators to set apart such parts of the Forest as they think fit for the use of the inhabitants to play at sports. Section 76(1)(b) of the Public Health Acts Amendment Act 1907 allows the Conservators to set apart any such part of the Forest as may be fixed for the purpose of any game or recreation, and to exclude the public from the part set apart while it is in actual use for that purpose; and under section 56(5) of the Public Health Act 1925 the Conservators may charge reasonable sums for the use thereof.
33. Under section 8 of the City of London (Various Powers) Act 1977 the Conservators may provide facilities and services for the purpose of providing or improving opportunities for the enjoyment of the Forest by the public, which

would include the provision of instructors or guides, and parking places for vehicles, and may make reasonable charges for those facilities and services.

34. Section 7 of the City of London Corporation (Open Spaces) Act 2018 now provides additional powers to hold and charge for events on Forest Land, including film production, having regard to an agreed events policy. Section 10 and the Schedule to that Act also enable the Conservators, following consultation, to make a licensing scheme for the purposes of controlling activity in the Forest carried on for commercial gain, including fitness classes. The licence fee may cover the reasonable administrative costs incurred in connection with such applications, together with such additional charge as the Conservators consider to be an appropriate contribution towards the costs incurred by them in connection with the open space.

Property Implications

35. The granting of personal licences does not constitute alienation of Forest Land for the purposes of the Epping Forest Act 1878 and is not therefore prohibited so long as the Forest is preserved. Regulating such temporary uses is considered to be the best way of preserving the Forest and avoids any possibility of any prescriptive rights being acquired. As above, the Conservators must generally ensure that any licence granted is on the best terms reasonably obtainable for the Epping Forest charity, or is otherwise in the charity's best interests.
36. Licensing various 3rd party temporary activities that the City Corporation is willing to permit upon the Forest should ensure that the City Corporation retains full and proper control of the Forest and able to prevent misuse.

Charity Implications

37. Epping Forest is a registered charity (number 232990). Charity Law obliges Members to ensure that the decisions they take in relation to the Charity must be taken in the best interests of the Charity.

Resource Implications

38. Fees and charges, with the exception of football which remains subsidised, reflect the whole cost to the charity and seek to as a minimum whole cost recovery.

Risk Implications

39. The alteration of the charging structure for compounds and trenching will in some cases be a significant additional cost to, in the main, utility providers. However, the charges reflect the true cost to the charity of work done on the land by private commercial utility companies.

Equalities Implications

40. Charitable and not for profit organisations receive a 50% discount on most fees and charges. This allows smaller and large charitable organisations and community groups to use the Forest at a lower cost whilst still meeting the core costs to the Epping Forest charity from the impact of that activity.
41. Providing consistency in charging and decision making through the licencing of activities provides equality of opportunity to individuals and groups applying to use the Forest.

Climate implications

42. Licences seek to control the number, location and suitability of activities in Epping Forest to protect its environment. Sustainability criteria is included in heads of terms for larger events.

Security implications

43. Licences ensure that activities held on Epping Forest land comply with all health, safety and other relevant legislation and enables basic due diligence to be undertaken on the licensee.
44. The Open Spaces Events Policy does not allow:
 - i. Events which could be damaging to community relations
 - ii. Events associated with extremist organisations or proscribed organisations
 - iii. Events which are considered discriminatory or offensive
 - iv. Illegal activities

Conclusion

43. The City Corporation Epping Forest continues to provide excellent value for money recreational opportunities. The charging proposals ensure that as a charity where possible our expenses incurred due to third party use of our land are recouped and reinvested into the maintenance of the Forest and that activities can be checked to ensure relevant safety and legislative measures are met.

Appendices

- Appendix 1 – Income generated 2021/22
- Appendix 2 – Proposed charges 2023/24
- Appendix 3 – Charges 2022/23 for reference
- Appendix 4 – Sports charges benchmarking

Background Papers

Licences, sports, wayleaves and produce fees and charges (SEF 03/21)

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