

Committee(s): Epping Forest and Commons Committee	Dated: 26/01/2023
Subject: The Commons: Licences, sports, wayleaves and produce fees and charges for 2023/24	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, Executive Director, Environment Department	For Decision
Report author: Geoff Sinclair, Assistant Director The Commons	

Summary

This report present proposals for a price increase of 5% in 2023/24 on charges levied for licensed activities (excluding filming), produce sales and formal sports. This is below RPI but will cover inflationary costs for staffing which represents the bulk of the expenses incurred for managing licenced activities. Changes to car park charges are pending a wider Natural Environment Review in 2023/24.

The performance of charges levied for licensed activities, produce sales, formal sports and car park charges in the last full financial year 2021/22 for The Commons are also reported

In 2021/22 the licensing of activity on The Commons raised a total of £83,525.70. The 5% increase, where it will be applied, may raise £750.00 additional income.

Car park charges raised a total of £198,514.53

The opportunities for income generation from bench sponsorship and commercial dog walking will be assessed in 2023/24 in line with the Natural Environment Charity Income draft Strategy.

All income from produce, licences and charges is fully reinvested in the management of The Commons

Recommendation

Members are asked to:

- Note the income generated in 2021/22 from charged activities in The Commons and
- Agree the proposed licence fees and sports charges for 2023/24 as itemised in Appendix 2
- Note that car park changes will be further reviewed in 2023/24

Main Report

Background

1. This report encompasses several different activities on the portfolio of sites across The Commons for which a charge is levied. The charges are made to record the use and to reflect the costs incurred by the City of London in administering and enabling the activity and for reinvestment into the management of The Commons in accordance with the City Corporation financial regulations. These charges are separate to income received from donations.
2. The use of The Commons for siting of equipment or for certain activities requires a licence. Licences are administered through a small steering group of officers pursuant to delegated authority and in some circumstances, staff are consulted before a decision is made to ensure there is an equitable and transparent decision-making process
3. All activities are regulated with due regard to the Open Spaces Acts of 1878 and 2018 and any other relevant statutory provisions and, where relevant, the adopted Schemes and Policies.

Current Position

4. Below is listed the income raised from the various chargeable activities at The Commons in 2021/22 with the previous year's figures provided for comparison. The charges for 2021/22 are given in Appendix 1.

Income Activity	2020/21	2021/22
Licensing (Covid affected)	£1,359.70	£4,620.20
Produce Sales	£1,982.17	£642.17
Event Charges (COVID affected)	£0	£344.17
Filming (COVID affected)	£4,551	£67,848
Sports (Pitch Hire Coulsdon Common)	£379	£407
Wayleaves	£36,473.12	£8,291.16
Room Hire	£0	£700
Utilities	£9,510.03	£673
TOTAL Excl Car parking charges	£54,255.02	£83,525.70
Car Parking Income	£139,055	£198,514.53
TOTAL Incl Car parking charges	£193,310.02	£282,040.23

5. The difference in income between the two periods is down to several factors: Covid impacts, one off additional wayleave income at Ashted and West Wickham and Coulsdon Common in 2020/21, and car park charges in 2020/21 were only introduced to West Wickham and Coulsdon Common in the last three months of the year.
6. All the licencing information, pricing, terms, and conditions are publicly available, and this process ensures appropriate licences and charges are administered in a fair and transparent manner.
7. Wayleaves are currently charged for private motorgate, handgate and commercial premises access across The Commons. The charging for handgate licences is under review and may change during 2023/24.

Options

- a. Option 1 – To increase licence, sports and produce charges (Excluding locally benchmarked charges of filming and car parking) at a figure of 5% as detailed in Appendix 2. **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

8. 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 budget requirement to generate additional income to reduce expenditure savings
 - Work towards attaining full cost recovery, recognising that staffing, equipment, and material costs may have increased greater than 5% in some cases.
9. A new sponsorship scheme for benches on The Commons will be considered during 2023/24. This scheme would follow on from a similar scheme in operation at Epping Forest. Similarly, we will be looking into charging commercial dog walkers at Burnham Beeches in 2023/24.
10. 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.
11. Filming charges are benchmarked to similar local providers and will remain the same pending future reviews of charges by local providers.
12. Additional charges have been included to reflect charges made elsewhere in the Natural Environment Department and provide publicly stated figures should the need to charge arise. New categories have been identified in the fees and charges schedule, Appendix 2.

Corporate & Strategic Implications

Strategic implications

13. These charges support the Corporate Plan Policy aims and priorities

- Contribute to a flourishing society
- Support a thriving economy
- Shape outstanding environments

Financial implications

14. Overall earned income and grants raised £585,761 in 2021/22. The 5% increase is only applied to some categories as proposed in this report as some income such as grants cannot be altered. The 5% increase where it will be applied may raise £750 additional income.

15. 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.’

Legal Implications

16. **Charity Law:** In its role as trustee of the Ashted Common, Burnham Beeches & Stoke Common and West Wickham & Spring Park and Coulsdon Commons

registered charities (numbers 1011510, 232987,232988 and 232989) the City Corporation is under a duty to act in the best interests of the charity.

17. **Produce Sales:** The City Corporation's charity trustee duty 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.
18. **Events and Filming:** Section 7 of the City of London Corporation (Open Spaces) Act 2018 provides additional powers to hold and charge for events (including filming) on The Commons having regard to an agreed events policy.
19. **Commercial Activity:** Section 10 and the Schedule to that Act also enable, following consultation, the City Corporation to introduce a licensing scheme for the purposes of controlling activity carried out for commercial gain. The licence fee may cover the reasonable administrative costs incurred in connection with such applications, together with such additional charges the City Corporation considers to be an appropriate contribution towards the costs incurred by them in connection with the open space.
20. **Sports Pitches:** Section 76 of the Public Health Acts Amendment Act 1907 (applied to the Commons by Section 4 of the City of London (Various Powers) Act 1933) allows for areas for cricket, football and games to be set apart. Section 56 of the Public Health Act 1925 (applied to the Commons by Section 4 of the City of London (Various Powers) Act 1933) allows for reasonable sums to be charged for their use.
21. **Car Parking:** Section 9(2) of the City of London (Various Powers) Act 1977 allows for areas of parking to be provided for the purpose of providing or improving opportunities for the enjoyment of the open spaces by the public. Under section 9(4) of the 1977 Act, reasonable charges may be made for any facilities under section 9

Property Implications

22. Licensing various third-party temporary activities that the City Corporation is willing to permit across The Commons should ensure that the City Corporation retains full and proper control of the sites and able to prevent misuse or damage.

Charity Implications

23. Ashtead Common, Burnham Beeches & Stoke Common and West Wickham & Spring Park and Coulsdon Commons are registered charities (numbers 1011510, 232987,232988 and 232989). 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

24. Fees and charges reflect the whole cost to the charities and seek as a minimum to achieve whole cost recovery.

Risk Implications

25. Raising fees by the proposed 5.0% may attract negative publicity for the City of London Corporation possibly mitigated by the car park charges remaining unchanged.

Equalities Implications

26. 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 Commons at a lower cost whilst still meeting the core costs to The Common's charities from the impact of that activity.

27. Providing consistency in charging and decision making through the licencing of activities provides equality of opportunity to individuals and groups applying to use The Commons.

Climate implications

28. Licences seek to control the number, location and suitability of activities on The Commons to protect its environment. Sustainability criteria is included in heads of terms for larger events.

Security implications

29. Licences ensure that activities held on The Commons comply with all health, safety and other relevant legislation and enables basic due diligence to be undertaken on the licensee.

30. 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's The Commons 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 Commons and that activities can be checked to ensure relevant safety and legislative measures are met.

Appendices

Appendix 1 – 2021/202 charges

Appendix 2 - Proposed charges 2023/24

Background Papers

1. The Commons - Licences, sports, wayleaves and produce fees and charges
EF&CC Report 17 Jan 2022
2. Open Spaces Departmental Events Policy (Part One) undated
3. The Commons, Open Spaces Departmental Events Policy (Part Two) undated

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