

## HAMPSHIRE COUNTY COUNCIL

## Report

<b>Committee/Panel:</b>	Basingstoke Canal Authority
<b>Date:</b>	2 November 2016
<b>Title:</b>	Outturn Forecast 2016/17 and Forward Budget 2017/18
<b>Reference:</b>	
<b>Report From:</b>	Report of The Strategic Manager and Honorary Treasurer

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## 1 Executive Summary

- 1.1 The purpose of this report is to brief Members on the financial position of the Basingstoke Canal Authority. In summary members are asked to:
- Review and agree the outturn forecast for the current year 2016/17.
  - Agree the budget for 2017/18.
- 1.2 Net revenue costs are incurred by Hampshire County Council (HCC) and recharged to Surrey County Council and the Riparian Districts in the manner agreed by the Joint Management Committee. Capital expenditure is currently being funded by Hampshire and Surrey County Councils for specific repairs and improvements.
- 1.3 The outturn forecast shows the Canal will make a small contribution to reserves of £3,230 during 2016/17 as opposed to the budgeted draw from reserves of £9,968. This is largely as a result of higher than forecast income – see Appendix A.

## 2 Outturn Forecast 2016/17

- 2.1 The outturn forecast for 2016/17 is set out in Appendix A. Overall the current forecast shows the Canal will contribute £3,230 to the reserve during 2016/17 rather than the budgeted draw from reserves of just under £10,000.
- 2.2 Partner contributions are based on the formula designated in the Memorandum of Agreement and would total £547,682 if all partners paid in full. However, a shortfall of £25,151 was allowed for in the budget meaning that the outturn forecast is set at £522,531. A detailed breakdown of this is shown in Appendix A.
- 2.3 The outturn forecast revenue expenditure shows an overspend of £17,217 against the original budget. This variance is broken down by category below with underspends shown as negative figures.

- **Employees [ -£6,512 ]**

There is a small forecast saving on the staffing budget due to the resignation of the cleaning and maintenance officer. This post is not currently being replaced and the cleaning function is being provided by an external contractor. The costs associated with this contract cleaning function are included in the Supplies and Services section.

- **Premises [ £0 ]**

Premises expenditure is anticipated to come in on budget.

- **Canal Maintenance [ £45,000 ]**

The budget for canal maintenance is expected to overspend by £45,000. £35,000 of these costs will be met by budget previously allocated to the principal survey of sluices and weirs budget. The additional expenditure on the canal maintenance budget will be spent on soft bank works, tree protection and fish rescue.

- **Principal Survey of Sluices and Weirs [ -£35,000 ]**

The survey of sluices and weirs will now be carried out in 2017/18 by in house Surrey County Council staff rather than external consultants as originally planned. £4,000 has been retained as the forecast cost of these surveys in 2016/17 with the balance of available budget being used for the additional canal maintenance works as detailed above.

- **Supplies and Services [ £13,279 ]**

Supplies and Services are forecast to overspend by just over £13,000. The overspend is made up of the new cost of cleaning contract as mentioned in the employees section above (£1,800), the purchase of an Etesia mower (£8,263) and the purchase of a replacement trailer following a theft (£3,916). The decision to purchase the mower was made as the price compared favourably with the other options of hiring equipment or employing external contractors to clear towpaths. The cost of the trailer has been offset in full by an insurance refund within the income section.

2.4 The outturn forecast figure for income shows a favourable variance of £30,415. This variance is broken down by category below. Negative figures are additional income over that which was budgeted:

- **General Fees and Charges [ -£16,947 ]**

Camping, function room, dry dock and boat licence income are all forecast to be higher than the figures originally budgeted. Professional fees for management time of £3,921 have also been received in 2016/17 to date.

- **Grants & Contributions – Partnership Contributions [ £0 ]**

£522,531 of Partnership contributions are expected in 2016/17, a shortfall on the receipts designated by the funding formula of £25,151. This shortfall was allowed for in the original budget. See Appendix A.

Appendix A gives a breakdown of contributions expected and received. The budgeted and forecast shortfalls are treated as expenditure.

- **Grants & Contributions – Other [ -£9,744 ]**

In addition to budgeted income additional one off items have been received; £3,916 in respect of the insurance claim in respect of the stolen trailer mentioned in Supplies & Services section above, work boat hire of £1,800 and £4,029 recovered from boaters as a result of damage to lock structures.

- **Rental Income [ £0 ]**

It is anticipated rental income will be on budget.

- **Sales Income [ -£3,724 ]**

Sales income is higher than forecast due mainly to additional income from Rosebud hire and shop sales. Income from unpowered boat hire to date is just over £16,000.

- **Other Miscellaneous Income [ -£155 ]**

This is income in respect of a school visit to the Canal.

### 3. Forward Budget 2017/18

3.1 The forward budget for 2017/18 is set out in Appendix A.

3.2 A balanced budget is presented for approval. Budgets have been thoroughly reviewed to ensure that they reflect accurate assessments of income and expenditure for 2017/18. The Asset Management Plan would indicate that £168,000 should be spend on Canal maintenance however this cannot be accommodated and this budget is proposed at £156,000, especially as £50,000 is required for survey work in 2017/18.

3.3 A breakdown of expenditure is set out below with changes from 2016/17 highlighted. Reductions in budgets are shown as negative figures:

- **Employees [ £10,066 ]**

The budget for employees has increased by just over £10,000. This increase is as a result of salary increments and an assumed 1% pay rise. At the present time no allowance has been made in respect of the potential impact of the National Living Wage in 2017/18. Also included in the forecast is the saving as a result of the change in the Cleaning and Maintenance role.

- **Premises [ £0 ]**

No change in the forecast budget for Premises.

- **Canal Maintenance [ -£734 ]**

Although the Asset Management Plan suggests that £168,000 should be spent on Canal maintenance it has not been able to allocate this amount in order to set a balanced budget – a saving of £734 is required on 2016/17 expenditure levels.

- **Principal Survey of Sluices & Weirs [ £11,000 ]**

This allocation has increased by £11,000 to meet the required funding to carry out principle inspections on trees, Mytchett Lake reservoir and locks.

- **Transport [ £-7,200 ]**

Three of the vehicles have come to the end of their leases. Replacement with one lower specification vehicle and two replacement 4x4s all through Surrey County Council's lease scheme allows a saving of £7,200 on transport costs.

- **Supplies and Services [ £3,100 ]**

There is an increase in the Supplies and Services budget of £3,100 due to the implementation of a cleaning contract for the Canal Centre.

- **Shortfall in Partner Contributions [ £0 ]**

There is assumed to be a similar shortfall of partner contributions in 2017/18 to the current year. The shortfall in 2016/17 comprises underpayments of £8,869 from Runnymede B.C and £16,282 from Surrey Heath B.C.

3.4 A breakdown of Income is set out below with changes from 2016/17 highlighted. Increases in budgets are shown as negatives:

- **General Fees and Charges [ -£8,400 ]**

Although Angling fees will be £3,000 lower following a revised agreement with Basingstoke Canal Angling Association and fees covering staff time on other projects are not expect to be repeated this is more than offset by revised income targets given the increased popularity and reputation of the Canal. Camping receipts are set to stay static (as a non-airshow year), function room increases by £2,000 and boat licensing by £6,000. A new income stream of £2,500 in respect of car park charges at Reading Road, Fleet is expected in addition to small increases in Education and dry dock income of £900 in total.

- **Grants and Contributions [ £0 ]**

This category includes the contributions from Partners as set out in the Memorandum of Agreement and there is therefore no change from 2016/17. However, not all of these funds are budgeted to be received – see shortfall in Partner Contributions above.

- **Rental Income [ -£9,800 ]**

Mooring income has increased by £5,000 and garden licence income by £800 largely due to the result of a boat audit. With the better availability of the Canal it is expected that there will be an additional £4,000 in new moorings and winter moorings for boats from neighbouring waterways.

- **Sales Income [ -£8,000 ]**

Shop income has been increased by £1,000. Sales of tickets have been increased by £4,500 of which £3,000 is anticipated to come from an increase in public and chartered trips and £1,500 on Santa Cruises. With the purchase of 4 new canoes it is expected that the unpowered boat hire business will increase by £2,500.

#### 4. Capital Expenditure Programme

- 4.1 The Hampshire County Council funded capital programme commenced 2016/17 with a brought forward balance of £1,514,478. Since the BCA final accounts were produced two omissions were identified as part of the HCC closedown and have now been included to establish a new 2016/17 opening HCC balance of £1,484,718. These omissions related to the non removal from the carried forward budget of a £20,000 transfer to revenue and the non inclusion of HCC consultancy costs in the 2015/16 actuals.
- 4.2 Appendix B shows the budgeted expenditure for 2016/17. £1,478,743 is expected to be spent, this leaving a surplus in funds of £5,975 at the end of 2016/17. No further capital contributions are anticipated by Hampshire County Council.
- 4.3 In 2016/17 the main planned expenditure remains the Dogmersfield Landslip and Barley Mow Culvert projects – these works have been tendered and it is anticipated the contractor will be working on this from mid-October until shortly before Easter. The budgeted value for these projects plus the engineering costs is £997,000.
- 4.4 A scheme of bank protection works are being prepared up to a value of £115,000 and the remaining half of the Ash Embankment lining will be carried out in conjunction with similar schemes in Surrey.
- 4.5 It is not definite that the budgeted £82,000 for dredging will be spent in the present financial year and that it may have to roll forward into the 2017/18 financial year.
- 4.6 The Surrey County Council funded capital programme brought forward £349,000 and receives another £500,000 in 2016/17; totalling £849,000 of funds. £784,667 is budgeted to be spent in 2016/17 leaving a surplus of at year end of £64,333.
- 4.7 The Rive Ditch Culvert replacement project was completed at the beginning of the financial year.
- 4.8 The main planned expenditure in 2016/17 will be on a scheme of bank protection works up to £125,000, Surrey County Council will be administering this in conjunction with a similar scheme in Hampshire.
- 4.9 It is also planned to carryout further repairs to the lock flights but it is not expected that all of the budgeted repairs can be completed in the present financial year (especially the £136,000 allocated for dredging) and that may roll forward into the 2017 financial year.

#### 5. Special Projects

- 5.1 Odiham Castle – funds stand at £3,148 with £434 budgeted for signage & maintenance in 2016/17. It is anticipated that the remaining balance will be used in 2017/18.

- 5.2 Higher Level Stewardship (HLS) funding

##### **Surrey** - HLS Rural Payments Agency

Annual Grassland Maintenance – Reimbursement from Surrey County Council of £2,519 for grassland maintenance is anticipated for 2016/17.

##### **Hampshire** - HLS Rural Payments Agency

Annual Grass and Woodland Maintenance – receipts of £5,636 are anticipated for 2016/17. Maintenance work on the grassland is expected to continue under the current agreement until 2022. Receipts will offset the staffing costs incurred by the Canal during 2016/17.

## 6 Reserves

- 6.1 A detailed breakdown of reserves is shown in Appendix C.2.
- 6.2 An analysis of the level of general reserve has been undertaken and taking into account factors including unknown costs such as the National Living Wage, the financial strain on Partner's budgets and any unforeseen expenditure. It is the Treasurer's opinion that the level of general reserve is adequate. A planned draw on the reserves should not be built into the 2017/18 budget.
- 6.3 The opening balances for the reserves in 2016/17 were £377,950 Unallocated and £24,078 for Dredging Silt and Disposal, a combined total of £402,028.
- 6.4 A draw of £9,968 was budgeted for 2016/17 however it is now anticipated a contribution of £3,230 will be made at the end of 2016/17.
- 6.5 The unallocated reserve is projected to stand at £383,180 at the end of 2016/17 and £385,180 at the end of 2017/18 based on the current budget forecasts.
- 6.6 Interest has been assumed on the balances at 0.5%.

## 7 Scheme of Charges

- 7.1 The June 2016 meeting of the JMC made two recommendations regarding the scheme of charges at the Basingstoke Canal:
- That the Policy be adopted, but that the 5% default raise of charges be removed and replaced with a policy of raising or lowering prices/fees based on market rates.
  - That as part of the forward budget exercise; officers identify the cost to the Canal of the impact of reducing the current 10% minimum concession for Essential Carers to free of charge.
- 7.2 Attached on appendix D is the scheme of charges produced by the Canal Manager and which have been used when calculating the forward budgets for income along with the assessment of the proposal to remove charges for essential carers.

## 8. Conclusion

- 8.1 This report indicates that the forecasted position for the Canal for 2016/17 is slightly better than was originally budgeted, and that rather than a draw on reserves of £9,968 it is anticipated a small contribution of £3,230 will be made.
- 8.2 The budget prepared for 2017/18 is set as a balanced budget. Despite an improved outlook on income and savings on transport, Canal maintenance has had to be reduced slightly by £736 rather than increased to £168,000 as suggested in the latest recalculation of the "steady state" model contained in the Asset Management Plan; if this is repeated this will lead to a slow decline in asset condition.
- 8.3 By the end of 2017/18 the capital allocations of both Hampshire County Council and Surrey County Council are expected to be fully spent.

## **8 Recommendations**

- 8.1 To review and agree the outturn forecast for the current year 2016/17; and
- 8.2 To agree the budget for 2017/18
- 8.3 To agree the proposals regarding the scheme of charges

BASINGSTOKE CANAL  
FINANCIAL OUTTURN 2016/17

APPENDIX A

5

Actual Outturn 2015/16 £		Original Budget 2016/17 £	Forecast Outturn Aug-16 £	Over/ (Under) Budget £	Actuals 31 Aug'16 £	Forward Budget 2017/18 £
<b>Expenditure</b>						
409,589	Employees	426,000	419,488	(6,512)	168,017	436,066
26,645	Premises	33,000	33,000	0	9,144	33,000
156,743	Canal Maintenance	157,000	202,000	45,000	19,575	156,266
0	Principal Survey of Sluices & Weirs	39,000	4,000	(35,000)	0	50,000
58,464	Transport	57,000	57,000	0	18,298	49,800
88,175	Supplies & Services	42,000	55,729	13,729	14,257	45,100
	Savings to be identified	0	0	0	0	0
25,151	Shortfall In Partner Contributions	25,151	25,151	0	0	25,151
<b>764,767</b>	<b>Total Revenue Expenditure</b>	<b>779,151</b>	<b>796,368</b>	<b>17,217</b>	<b>229,291</b>	<b>795,383</b>
<b>Income</b>						
105,164	General Fees & Charges	88,800	105,747	16,947	87,927	97,200
547,682	Grants & Contributions - Partner	547,682	547,682	0	522,531	547,682
29,895	Grants & Contributions - other	10,501	20,245	9,744	3,443	10,501
20,000	H.C.C Transfer from Capital					
68,784	Rental Income	71,700	71,700	0	52,900	81,500
43,708	Sales Income	50,500	54,224	3,724	27,173	58,500
12,713	Other Miscellaneous Income	0	0	0	155	0
<b>827,946</b>	<b>Total Revenue Income</b>	<b>769,183</b>	<b>799,598</b>	<b>30,415</b>	<b>694,129</b>	<b>795,383</b>
(63,179)	Contribution (to)/from Reserves	<b>9,968</b>	<b>(3,230)</b>	<b>(13,198)</b>	<b>(464,838)</b>	<b>0</b>
<b>Partner Contributions</b>						
153,188	Surrey County Council	153,188	153,188	0	153,188	153,188
39,076	Guildford Borough Council	39,076	39,076	0	39,076	39,076
8,000	Runnymede Borough Council	16,869	8,000	(8,869)	8,000	16,869
10,000	Surrey Heath Borough Council	26,282	10,000	(16,282)	10,000	26,282
53,276	Woking Borough Council	53,276	53,276	0	53,276	53,276
153,188	Hampshire County Council	153,188	153,188	0	153,188	153,188
30,924	Hart District Council	30,924	30,924	0	30,924	30,924
3,048	Crookham Village Parish Council	3,048	3,048	0	3,048	3,048
6,750	Church Crookham Parish Council	6,750	6,750	0	6,750	6,750
240	Dogmersfield Parish Council	240	240	0	240	240
18,309	Fleet Town Council	18,309	18,309	0	18,309	18,309
4,036	Odiham Parish Council	4,036	4,036	0	4,036	4,036
250	Winchfield Parish Council	250	250	0	250	250
42,246	Rushmoor Borough Council	42,246	42,246	0	42,246	42,246
<b>522,531</b>		<b>547,682</b>	<b>522,531</b>	<b>(25,151)</b>	<b>522,531</b>	<b>547,682</b>
<b>General Reserves</b>						
(336,474)	Opening Balance	(402,028)	(402,028)	0	(402,028)	(407,258)
(63,179)	Contribution (to)/from Reserves	9,969	(3,230)	(9,460)	0	0
(2,375)	Interest on Balances	(900)	(2,000)	(1,100)	0	(2,000)
<b>(402,028)</b>	<b>Closing Balance</b>	<b>(392,959)</b>	<b>(407,258)</b>	<b>(10,560)</b>	<b>(402,028)</b>	<b>(409,258)</b>



	Surrey County Council Countryside	Hampshire County Council Capital Fund	Hampshire Emergency Repair Fund	Total
	£	£	£	£
<b>Reported Balance as at 31st March 2016</b>	<b>(349,000)</b>	<b>(1,534,478)</b>	<b>0</b>	<b>(1,883,478)</b>
Transfer to revenue 15/16		20,000		<b>20,000</b>
HCC Consultancy Costs 15/16		29,760		<b>29,760</b>
<b>Balance as at 31st March 2016</b>	<b>(349,000)</b>	<b>(1,484,718)</b>	<b>0</b>	<b>(1,833,718)</b>
<b>Core Capital Contribution</b>	<b>(500,000)</b>	<b>0</b>	<b>0</b>	<b>(500,000)</b>
<b>Expenditure</b>				
Bank Works	150,000	1,097,271	0	<b>1,247,271</b>
Water Management	186,240	207,487	0	<b>393,727</b>
Equipment	27,500	27,500	0	<b>55,000</b>
Canal Structure	420,927	146,485	0	<b>567,412</b>
Consultancy	0	0	0	<b>0</b>
<b>Total cost of planned starts 2016/17</b>	<b>784,667</b>	<b>1,478,743</b>	<b>0</b>	<b>2,263,410</b>
<b>Balance as at 31st March 2017</b>	<b>(64,333)</b>	<b>(5,975)</b>	<b>0</b>	<b>(70,308)</b>
<b>Core Capital Contribution</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Expenditure</b>				
Bank Works	0	5,975		<b>5,975</b>
Water Management	0	0		<b>0</b>
Equipment	0	0		<b>0</b>
Canal Structure	64,333	0		<b>64,333</b>
Consultancy	0	0		<b>0</b>
<b>Total cost of planned starts 2017/18</b>	<b>64,333</b>	<b>5,975</b>	<b>0</b>	<b>70,308</b>
<b>Balance as at 31st March 2018</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Odiham Castle Scheme	HLS Rural Payments Agency SCC	HLS Rural Payments Agency HCC	Total
	£	£	£	£
<b>Balance as at 31st March 2016</b>	<b>(3,148)</b>	<b>0</b>	<b>0</b>	<b>(3,148)</b>
<b>Expenditure</b>				
Grassland Maintenance	0	2,519	5,636	8,155
Special Projects	0	0	0	0
Bank Repairs	0	0	0	0
Consultancy	0	0	0	0
Tree Work	0	0	0	0
Signage & maintenance	434	0	0	434
HLS Grasslands Income	0	(2,519)	(5,636)	(8,155)
HLS Income	0	0	0	0
HLS Match Funding	0	0	0	0
<b>Balance as at 31st March 2017</b>	<b>(2,714)</b>	<b>0</b>	<b>0</b>	<b>(2,714)</b>
<b>Expenditure</b>				
Grassland Maintenance	0	2,519	5,636	8,155
Special Projects	0	0	0	0
Bank Repairs	0	0	0	0
Consultancy	0	0	0	0
Tree Work	0	0	0	0
Signage & maintenance	2,714	0	0	2,714
HLS Grasslands Income	0	(2,519)	(5,636)	(8,155)
HLS Income	0	0	0	0
HLS Match Funding	0	0	0	0
<b>Balance as at 31st March 2018</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Unallocated Reserve	Dredging & Silt Disposal	General Reserves Total
	£	£	£
<b>Balance as at 31st March 2016</b>	<b>(377,950)</b>	<b>(24,078)</b>	<b>(402,028)</b>
Income (Interest on Balances)	(2,000)	0	<b>(2,000)</b>
Projected use of reserve	(3,230)	0	<b>(3,230)</b>
<b>Balance as at 31st March 2017</b>	<b>(383,180)</b>	<b>(24,078)</b>	<b>(407,258)</b>
Income (Interest on Balances)	(2,000)	0	<b>(2,000)</b>
Projected use of reserve	0	0	<b>0</b>
<b>Balance as at 31st March 2018</b>	<b>(385,180)</b>	<b>(24,078)</b>	<b>(409,258)</b>

Basingstoke Canal Scheme of Prices, Charges & Fees

Prices	Proposal	Justification	Actual price 2017/18
<b>Privately owned Powered Boat Licences (registered on Canal)</b>	Existing scheme + annual increase % to match CPI	Major revision in licensing arrangements in 2012/13 terms do not need revision; other neighbouring waterway's prices are staying static or increasing by inflation only. Basic annual charge for waterway use – no partial refunds in accordance with existing boating terms and conditions.	£157.00 Mytchett & Hampshire £31.50 Woodham £16.00 Hermitage £8.00 Brookwood
<b>Mooring fees</b>	No increase for 2017/18, but market forces to be considered thereafter	No evidence of high demand suggest that prices should currently stay static until reputation of Canal improves amongst boaters	No Change £1.44/m/wk Private £2.50/m/wk Standard £2.88/m/wk Premium
<b>Unpowered boats</b>	Annual licence fee to be cut from £50 to £40.  Officers to renegotiate the agreement with Canoe England	Annual fees are higher than neighbouring waterways, currently encourage membership of Canoe England rather than purchase local licenses, lowering fees will encourage the purchase of local licences.  Better enforcement regime is showing significant numbers of Canoe England members using waterway.	£40
<b>Unpowered boats</b>	Day and weekly prices + % to match CPI	Major revision in licensing in 2012/13, other neighbouring waterway's prices are staying static or increasing by inflation only	No Change £3/day £12/wk
<b>All commercial vessels</b>	No change - 2.5x multiplier of private vessel rates	Similar to other local waterways.	No Change 2.5x multiplier of private vessel rates
<b>Discount for all commercial vessels operated by charities</b>	No change - 60% discount	Matches C&RT discount for charity operators	No Change 60% discount
<b>Visiting privately owned boat licences</b>	Annual increase - + % to match CPI	Other neighbouring waterway's prices are staying static or increasing by inflation only	No Change £40.50/wk £60.50/fortnight £91.00/month
<b>Discount for</b>	No change –	Use and numbers vary	No Change officers

<b>visiting boats attending rallies</b>	officer discretion	considerably; officer discretion is required to give the most appropriate decision.	discretion
<b>Dry Dock hire</b>	£40 per day then + % increase dependant on market forces	Dry dock is still significantly cheaper than competitors, and improvement of facilities is required.	No Change £40/day
<b>Car parking charges</b>	No change, seek Hart DC's advice annually	Only applies to Reading Road, Fleet car park; Hart DC do not advise increase in 2017. Charges not currently seen as desirable unless there are site specific reasons to manage excessive demand.	No Change
<b>Canal Centre Function room hire</b>	No increase for 2017/18, then + increase/annum dependant on market forces	Function room is well used, but lots of market competitors - too sudden increase would lose market share.  Greater deposit required to ensure that limited spaces aren't booked and then not taken up.	No Change £14.50 eve/weekend/sch hol £11 weekdays Regular hires 10% discount
<b>Camping</b>	Existing (detailed below) then + increase/annum dependant on market forces  Per tent / per night: £6 1-3 berth £7 4-6 berth £9 7+ berth  Per motor home / per night - £7  + per person / per night: £4 adults (over 12 years) £2 children 6-12 years Free – young children (under 6 years)  Premium rates apply during Farnborough Airshow  Camping rallies –	Site suffers from basic facilities, but has little competition.	No Change As per list in first column unless stated  Take non refundable booking fee which equates to first nights stay.

£160/night for up to 20 units – (additional units £8/unit/night) If less than 20 units charged at £9.50/unit/night

Yurt Hire  
£50/night for 1 night  
£40/night for 2 or more nights

£170/night for up to 20 units – (additional units £8.50/unit/night) If less than 20 units charged at £10/unit/night

Charges	Proposal	Justification	Actual charge 2017/18
<b>Santa Cruise tickets</b>	£14 per person then + % increase/annum dependant on market forces	Event very popular, no local competition, 96% sell out on day of release, no capacity to increase numbers. No child discount due to maritime regulation requiring a seat to be made available for all children over 12 months old.	Increase by 3.57% equating to £14.50 per person
<b>Seasonal trails</b>	£2.50 per trail then + increase/annum dependant on market forces	Similar rate to other countryside sites	No Change £2.50
<b>Pond dipping</b>	£5 per hour hire of equipment then + increase/annum dependant on market forces	Sold more pond dipping in 2016 than ever before after price increase to £5	No Change £5
<b>Large towpath based events</b>	Officers to conduct research and report back to JMC	Towpath events exceed the public right to wander on countryside land and can cause conflict between users and additional wear. Charges should be introduced to cover costs incurred.	Proposed structure: Up to 100 participants Free (lower impact) 101- 500participants £100 500-999 participants £200 1000 + participants £400 No charge for park runs (Based on recent negotiation with a 2000 person event led by 209events)
<b>Rowing boat &amp; canoe hire</b>	No change in existing fees until exceeding business plan targets met	Very weather dependant, business only ran for partial year in 2015, good income in summer 2016 but poor weather early in season effected income potential, continue to monitor performance in 2017.	No Change £14.50/hr rowing boat £13/additional hr £11.50/hr canoe £10/additional hr £8/half hour pedalo
<b>Canal boat trips</b>	No change in	Very weather dependant,	No Change

	existing fees until exceeding business plan targets	business only ran for partial year in 2015 – monitor performance in 2016 before considering review.	£5 adult £3.50 child Family £15
<b>Charter hire boat trip</b>	£60/hr daytime £70/hr evenings then + increase/annum dependant on market forces	1 <sup>st</sup> summer to operate this, still building business	No Change £60/hr daytime £70/hr evenings

Fees	Proposal	Justification
<b>Undertaking searches of records</b>	£50 per search where research takes up to 1 hour then £50 per hour thereafter (incl VAT)	Cost recovery for staff undertaking searches on behalf of solicitors and other professionals engaged in third party enquiries
<b>Non Canal related projects or works</b>	Full recovery – staff time or to be charged at published HCC or SCC charge out rates including overheads, all costs incurred to be fully recharged	To ensure that the BCA covers fully the costs of all staff time deployed on works or other projects not associated with the maintenance of the Canal

CPI - Consumer Price Index

CPI is based on the difference from August 2015 CPI index at 100.3 and August 2016 CPI index at 100.9, which is an increase of 0.6.

All % increases to be rounded to the nearest whole 10p.

When this equates to less than a 50p increase the price will remain the same for ease of administration.

VAT is applied to some prices, charges and fees as required by HMRC

#### Response to question raised about concessions for Essential Carers

It has not been possible to make an accurate assessment of the impact of offering a 100% carers concession as there is no data available on the number of carers attending the site, data is not and cannot be collected. The Canal and the Visitor Centre are currently available free of charge to the public, parking is free for Blue Badge holders even in pay and display car parks.

Carers still take up a space / seat / camping unit on paid activities, offering a 100% discount would incur costs which cannot be recovered. Many activities are limited in number and the space / seat / camping unit cannot then be sold to another paying customer. The Canal is short on revenue and this will only add to this problem, making fund raising activities generate less surplus. It is considered that certain activities such as camping will be particularly open to abuse and offering a 100% discount could cause a significant loss of revenue.

Officers therefore recommend that a 10% concession be offered in line with other HCC Countryside sites but not on camping or events.

