

## **TAUNTON DEANE BOROUGH COUNCIL**

**EXECUTIVE 22 AUGUST 2007.**

### **Review of the Charges to Charities for Hiring Public Open Spaces for Events (This is the responsibility of Executive Councillor Lees)**

#### **Purpose**

To give further consideration to a previous decision of the Executive regarding charging charitable organisations to hire public open spaces and parks for events. This decision has been referred back to the Executive by the Review Board.

#### **Background**

The Executive at its meeting on 18 July 2007 made decisions regarding these charges. Details of these decisions are attached.

The Executive's decision was subsequently called in by Councillors Edwards and Brockwell and the detailed reasons for the call in are also attached.

Following consideration of the call in by the Review Board the Executive have been asked to :-

1. Give proper consideration to the effect its decision will have on Council resources and how the shortfall would be resourced;
2. Retain a charging structure which can be applied consistently and which is equitable to all charities;
3. Retain a system where a charity is required to demonstrate need before charges are waived; and
4. Consider deferring any decision on abolishing the charging structure for a further year – it was far too early to assess whether the charging structure was having any effect on the ability of charities to stage events on the Council's open spaces.

#### **Recommendation**

Members are requested to give further consideration to the decision made by the Executive on 18 July taking into consideration the views and comments made by the Review Board

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## Taunton Deane Borough Council

### Meeting of the Review Board – 2 August 2007

#### **Call in, by Councillors Edwards and Brockwell, of the decision made by the Executive in relation to the waiving of charges to charities for hiring public open spaces for events**

At its meeting on 18 July 2007, the Executive considered a report (which is attached as an Appendix) concerning the implications of not charging charitable organisations to hire public open spaces and parks for events. The resolutions agreed at the meeting were that:-

- “(i) charges made to charitable organisations for the hire of public open spaces and parks for events be waived; and
- (ii) the Council’s overview and scrutiny body be used to investigate ways in which additional income could be raised to cover the potential loss which would occur as a result of the decision.”

The Executive’s decision has now been called in by Councillors Edwards and Brockwell for the following reasons:-

*“We wish to call in the decision of the Executive made at their meeting held on the 18 July 2007 to waive charges made to charitable organisations for the use of open public spaces and parks as it was done without any consideration of the likely overall impact on the Councils finances if all charitable organisations are to be truly given fair and equitable treatment.*

*We believe any charitable body should have to demonstrate “need” as charities have varying levels of status and finance. We also believe that there should be consistency in the charging structure by Taunton Deane Borough Council for all organisations and the decision directly impacts on that principle.”*

Once the Review Board has heard the full debate on this matter, it will have two options open to it:-

- (1) **To decide to take no further action** – in which case the decision of the Executive taken on 18 July 2007 will stand; or
- (2) **To support the challenge and refer the decision for further consideration** (stating the grounds for justifying that request) – where the matter will be considered again by the Executive.

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# APPENDIX to the Review Board's Report

TAUNTON DEANE BOROUGH COUNCIL

**EXECUTIVE**            **18 July 2007**

Report of Leisure Development Manager:  
REVIEW OF THE CHARGES TO CHARITIES FOR HIRING PUBLIC OPEN SPACES FOR EVENTS (This is responsibility of Executive Councillor R. Lees)

## **Purpose**

Executive Members have requested a report on the implications of not charging charitable organisations to hire public open spaces and parks for events.

## **Background**

In March 2005 the Health and Leisure Panel received a report on charging for the hiring of public open spaces. This proposal formed part of the review of charging the public for all services within the Leisure portfolio prior to the setting up of Tone Leisure. A further report, taking into account the views of the Panel, was considered in September 2005.

The final report to Executive in March 2006 includes a summary of the Health and Leisure Panel debate. In brief, the Executive decided to formalise the hiring of public open space by introducing a hiring charge based on the cost to the Council of maintaining the area of land that is hired (and thus not available to the public for use) for the period of the hiring.

This charging structure has been applied successfully since May 2006 and the full list of hirings by charities to date is set out below.

## **Charges Made To Charitable Organisations**

	<b>£ 2006</b>	<b>£ 2007</b>
<b>Events organised by charities</b>		
Flower Show	1,261.45	1,452.00
Diabetes UK		554.40
St Margaret's Hospice		1,986.60
Albemarle Centre	25.00	50.00
Flower Show Private Members Dinner	25.00	50.00
Christian Aid		50.00
Church of Jesus Christ of Latter Day Saints (Mormons)		50.00
<b>Events organised to raise funds for charities</b>		
Taunton Classic Motor Cycle Club	50.00	50.00
Duck Race For Majorette Team	25.00	
Lambrook Local Action Team	25.00	

TOTAL

1,411.45 4,243.00

### **How the Hire Charge is Calculated**

The full calculation method is set out in the Executive report. The charge in Vivary Park is by far the highest due to the high maintenance costs of an ornamental park. The daily cost to the council of all other parks are very low. For example the daily cost of managing the whole of Vivary Park is currently £620, but for French Weir Park it is only £50 per day.

### **Discounts and Exclusions and reduced costs**

The hiring charge is waived for:

- hirings by community groups organising an event on behalf of the Council,
- events which are intended to raise funds for the park and
- informal activities which add to the ambience of the park such as band concerts and morris dancers.

Discounts on the hire charge are given if the event is delivering a Corporate Priority (eg Taunton Flower Show receives a discount of 15% for its contribution to Economy) and if the event is run by volunteers (eg Taunton Flower Show receives a 50% discount on this basis).

Event hirers have the choice of park sites for events and choosing any one other than Vivary leads to very substantially reduced costs.

### **Charities**

Members decided that the issue of a hiring organisation having charitable status was not relevant as many such organisations have paid staff and those which are run by volunteers receive the reduction for voluntary organisations. Not all charities are organisations that Members would automatically wish to subsidise and support and by not make a charge the Council is maintaining land at public expense for a period when there is no public benefit.

An extract from the Charities Commission website setting out its list of charitable purposes is attached as Appendix 4 for clarity.

### **Implications of not charging charities**

The income from all hire fees (commercial events and voluntary events) compensates the public for the loss of enjoyment of areas of public open space. The hiring fees are used to improve the parks service and contribute to the funding of the Park Wardens in the town centre parks and to the ability to invest in site improvements that other sources available to the Council cannot pay for.

This year, to date, the income from charging charitable organisations is £4,143 of which all but £1,500 has been received.

If the charge to charities is removed with immediate effect, there will be a loss of income in 2007/8 of around £1,500 plus any further hirings this year that is not recoverable as there is not time to take adequate steps to do so.

### **Possible ways to make up for the lost income**

The following is a list of possible ways to raise income to cover the potential loss with some initial comments. These could be explored by Health and Leisure Panel:

1. Attract more events into Vivary Park: this may be possible in future years, but is not possible in the current financial year. There are staff implications in handling significantly more events due to the site visits, preparation and checking of documentation etc. There is a limit to how many events Vivary Park can sustain without compromising its role as a public park and damaging the ground and infrastructure
2. Increase the charge to commercial event organisers: our research whilst developing the framework showed that the charges resulting in Vivary Park for commercial events were at the right level to keep Taunton an attractive venue
3. Introduce a profit sharing approach to commercial event hirings: there is a risk that income could go down if ticket sales were poor due to bad weather or poor marketing. The Council would need resources to engage in joint marketing to ensure high ticket sales.
4. Recalculate the charge based on the total cost to the Council of all its public open spaces: all sites would be charged out at the same cost resulting in higher income from site such as French Weir. No figures are available for this option as it needs further research

### **Recommendation**

Members are requested to consider if any alterations to the charging framework are necessary and if so to request Health and Leisure Panel to develop options for consideration.

APPENDIX 1: REPORT TO HEALTH AND LEISURE PANEL  
30 SEPTEMBER 2005 – **not attached**

APPENDIX 2:REPORT TO EXECUTIVE 8 MARCH 2006 – **not attached**

APPENDIX 3: MINUTE 22 FROM EXECUTIVE 8 MARCH 2006 – **not attached**

APPENDIX 4: EXTRACT FROM CHARITIES WEBSITE

To be a charity an organisation must have purposes all of which are exclusively charitable; a charity cannot have some purposes which are charitable and others which are not. The Charities Act states

that a charitable purpose is one that falls within the list of thirteen descriptions of purposes contained in the Charities Act and is for the public benefit. Public benefit is the legal requirement that all charities must have charitable purposes which benefit the public. The nature of the benefit provided to the public may look very different depending on what the charity is set up to achieve.

The Charities Act sets out the following descriptions of charitable purposes:

- a) the prevention or relief of poverty;
- b) the advancement of education;
- c) the advancement of religion;
- d) the advancement of health or the saving of lives;
- e) the advancement of citizenship or community development;
- f) the advancement of the arts, culture, heritage or science;
- g) the advancement of amateur sport;
- h) the advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity;
- i) the advancement of environmental protection or improvement;
- j) the relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage;
- k) the advancement of animal welfare;
- l) the promotion of the efficiency of the armed forces of the Crown or of the police, fire and rescue services or ambulance services;
- m) other purposes currently recognised as charitable and any new charitable purposes which are similar to another charitable purpose.