

## 7. SPENCER BEACH HOLIDAY PARK – PROPOSED INCREASE IN CAMP CHARGES

<b>General Manager responsible:</b>	General Manager Community Services , DDI 941-8607
<b>Officer responsible:</b>	Recreation and Sports Unit Manager
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### PURPOSE OF REPORT

1. This purpose of this report is to seek Board approval for increases in user charges at the Spencer Beach Holiday Park in line with the provisions of the lease and set out on section two of this report.

### EXECUTIVE SUMMARY

2. Spencer Beach Holiday Park current and proposed charges.

	<b>Current Rate Per Day</b>		<b>Proposed New Rate Per Day</b>
<b>Camp Sites</b>			
Adult	13.00		14.00
Child (4 – 14 years)	7.00		8.00
<b>Standard Cabins</b>			
Up to two persons	50.00		55.00
Each extra adult	13.00		14.00
Each extra child (1-14 yrs)	7.00		8.00
Linen/ bedding hire per bed	7.00		7.50
<b>Kitchen Cabins</b>			
Up to two persons	60.00		66.00
Each extra adult	14.00		15.00
Each extra child (1-14 yrs)	8.00		9.00
Linen/ bedding hire per bed	7.00		7.50
<b>En-suite Cabins</b>			
Up to two persons	70.00		77.00
Each extra adult	15.00		16.00
Each extra child (1-14 yrs)	9.00		10.00
Linen/ bedding hire per bed	7.00		7.50
<b>Tourist Flats (1 – 10)</b>			
Up to two persons	75.00		82.50
Each extra adult	15.00		16.00
Each extra child (1-14 yrs)	9.00		10.00
Linen/ bedding hire per bed	7.00		7.50
<b>Deluxe Tourist Flats (11 – 16)</b>			
Up to two persons	85.00		93.50
Each extra adult	17.00		18.00
Each extra child	11.00		12.00
Linen/tea//coffee included			

	<b>Current Rate Per Day</b>		<b>Proposed New Rate Per Day</b>
<b>Lodge (38 Beds)</b>			
Adults	15.00		16.00
Children	15.00		16.00
Minimum charge per night	150.00		190.00
<b>Homestead (18 Beds)</b>			
Adults	18.00		19.00
Children	18.00		19.00
Minimum charge per night	150.00		170.00

3. Justification for the proposed increase includes:
- The previous increase to charges was on 1 June 2008. Since then upgrades to the Tourist Flats and an ablution block have been completed to ensure continued popularity and to retain the standard for this type of Holiday Park.
  - The CPI has increased by 5.4 percent over the last two years.
  - Fixed costs have increased significantly since the last increase of June 2008, with increases in electricity, rates, insurances, and in particular LPG which is used for hot water heating.
  - There is also likely to be an increase in GST, electricity, and fuel charges before the coming winter.
4. The current lease has a further four years to operate and it is important that the viability of the camp is maintained. It is also important to ensure that the facilities are well maintained.
5. It is important that the camp is well utilised. To this end the camp is heavily used by Christchurch and Canterbury residents, especially during traditional holiday periods. The camp is also ideal for large groups and is well used by schools, church groups, sports and other recreational teams. The proposed increases are believed to be affordable by the camping public and ensure the camp remains at the affordable end of the market. The following is a comparison with other similar camp facilities.

	<b>Spencer Beach Holiday Park</b>	<b>South Brighton Motor Camp</b>	<b>Meadow Park</b>	<b>Amber Park</b>
	<b>New Fees</b>	<b>Inc 1 May 10</b>	<b>Inc 1 May 10</b>	<b>Inc 1 May 10</b>
Power sites (2 persons)	\$28	\$30	\$40	\$38
Extra Adult	\$14	\$12	\$20	\$19
Children - under 15	\$8	\$8	\$13	\$9
Standard Cabins	\$55	\$45	\$64	\$68
Tourist Flats	\$82.50	\$75	\$115	\$86

#### **FINANCIAL IMPLICATIONS**

6. Increased user charges are needed to ensure a viable operation by covering increased costs and on-going maintenance.

#### **Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?**

7. Yes, LTCCP budgets are calculated to allow for increases in charges over time to cover increased costs.

#### **LEGAL CONSIDERATIONS**

8. The Lease agreement states that “the Lessee will not levy camping ground charges in excess of those approved by Council. The Council’s consent to such charges shall not be unreasonably withheld”. Spencer Park is held by Council as a recreation reserve, subject to the provisions of the Reserves Act 1977 with the lease issued under section 54 (1)(a) of that act. The Board has delegated authority to approve the rental increases.

#### **ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS**

9. This level of service is provided for in Activity 7.0 Recreation and Sport Services.

#### **Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?**

10. 2009/2019 LTCCP page 110.

#### **ALIGNMENT WITH STRATEGIES**

11. Aligned with the Physical Recreation and Sport Strategy 2002 Goal 1, Facilities and Environment.”

#### **CONSULTATION FULFILMENT**

12. Not required under the lease, the Board is delegated to make the decision.

#### **STAFF RECOMMENDATION**

It is recommended that the Shirley/Papanui Community Board approve the proposed increased charges for the Spencer Beach Holiday Park set out in section two of this report to apply from 3 June 2010.

#### **CHAIRPERSON’S RECOMMENDATION**

That the staff recommendation be adopted.