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|--------------------------|---|----------------|----------------------------|
| <b>Subject:</b>          | <b>Fees and Charges 2019-20</b>   |                |                            |
| <b>Date of Meeting:</b>  | <b>22 January 2019</b>  |                |                            |
| <b>Report of:</b>        | <b>Executive Director for Neighbourhoods, Communities &amp; Housing, Executive Director, Economy, Environment &amp; Culture, Executive Lead Officer - Strategy Governance &amp; Law</b> |                |                            |
| <b>Contact Officer:</b>  | <b>Name:</b>  | <b>Various</b> | <b>Tel:</b> <b>Various</b> |
|                          | <b>Email:</b>   | <b>Various</b> |                            |
| <b>Ward(s) affected:</b> | <b>(All Wards);</b>   |                |                            |

**FOR GENERAL RELEASE****1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The purpose of this report is to set out the proposed 2019/20 fees and charges for the service areas covered by the Environment, Transport and Sustainability Committee, including Bereavement Services, in accordance with corporate regulations and policy.

**2. RECOMMENDATIONS:**

- 2.1 That the Committee approves the proposed fees and charges for 2019/20 as set out within the report and its appendices.
- 2.2 That Committee delegates authority to the Executive Director of Economy, Environment & Culture (in relation to paragraphs 3.4-3.11 and 3.16-3.23) and to the Executive Director of Neighbourhoods, Communities & Housing (in relation to paragraphs 3.12-3.15) to increase any charges for fees as notified and set by central Government during the year.

Note: If the above recommendations are not agreed, or if the committee wishes to amend the recommendations, then the item will need to be referred to the Policy, Resources & Growth Committee meeting on 14<sup>th</sup> February 2019 to be considered as part of the overall budget proposals. This is because the budget proposals are developed on the assumption that fees and charges are agreed as recommended and any failure to agree, or a proposal to agree different fees and charges, will have an impact on the overall budget proposals, which means it needs to be dealt with by Policy, Resources & Growth Committee as per the requirements of the constitution. This does not fetter the committee's ability to make recommendations to Policy, Resources & Growth Committee.

**3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The council's Corporate Fees and Charges Policy requires that all fees and charges are reviewed at least annually and should normally be increased by

either: the standard rate of inflation, statutory increases, or actual increases in the costs of providing the service.

- 3.2 The 4 Year Resources and Integrated Service & Financial Planning Update report approved at Policy and Resources Committee in July 2018 specified the assumption of a standard inflation increase to fees and charges of 2.0% with the exception of parking Penalty Charge Notices. The council's Standard Financial Procedures states that service committees shall receive a report from Executive Directors on fees and charges variations above or below the corporately applied rate of inflation
- 3.3 It is not always possible when amending fees and charges to increase by the exact inflation figure due to rounding. Therefore some fees and charges are rounded for ease of payment and administration.

### **City Transport - Highways (Appendix 1)**

#### Highways

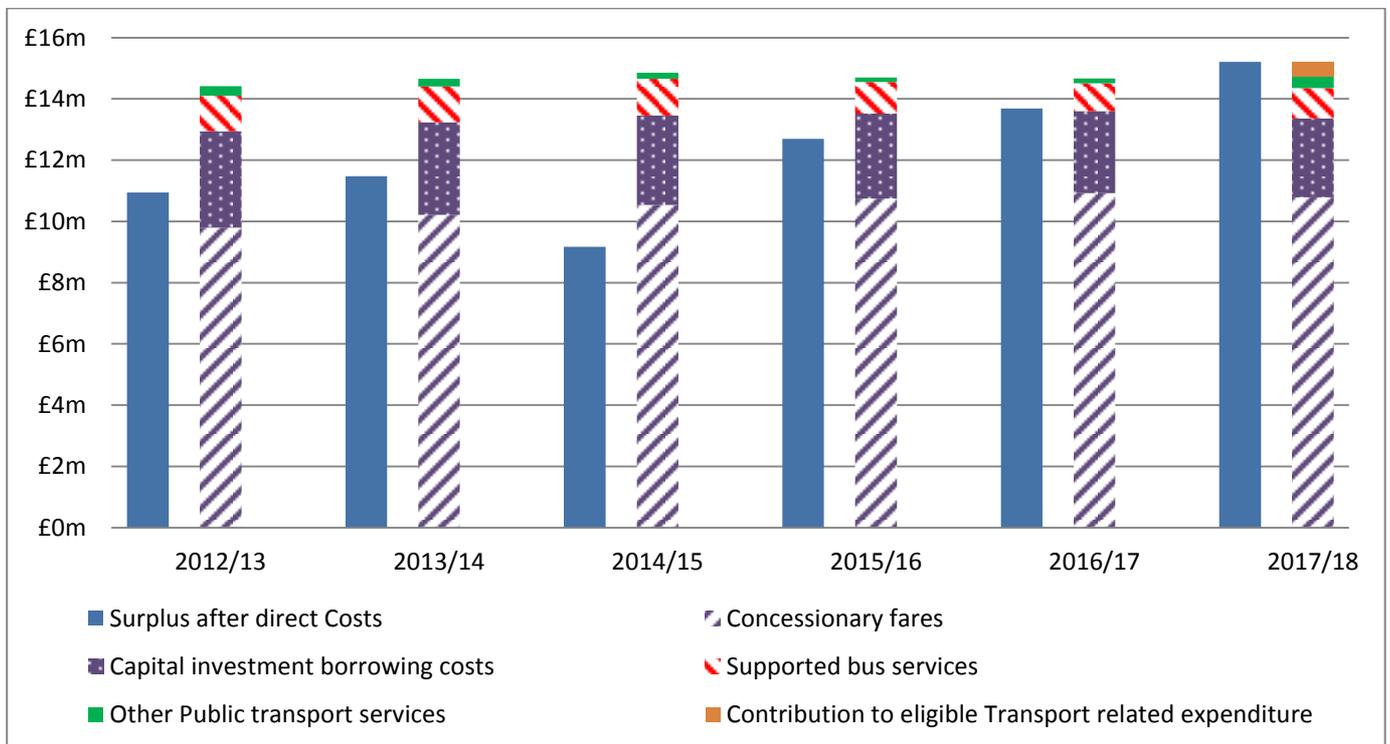
- 3.4 It is proposed to increase the non-statutory fees and charges in line with the corporate rate of inflation, with the exception of the manual renewal of Scaffolding licence for 8 weeks under 12m which is being increased by approximately 6% to cover the extra administration costs involved with manually renewing the licence. This fee remains competitive. Where percentage increases are under or over 2% this is to ensure that increases can be made in whole pounds.
- 3.5 A new set of fees have been introduced to clarify arrangements for section 278 and 38 agreements. These permit developers to make changes to the highway (often in association with planning permissions). Previously the fees for these agreements and associated tasks were calculated on a time-charge basis, with all officer hours being recovered when the agreement was completed. As substantial officer input may be needed to reach that point (potentially over several years) and work remains at risk pending completion, this results in a significant lag in income vs. expenditure. The new system of fees and charges addresses this by introducing upfront fees to be paid at the point of applying to enter into an agreement. The basis of the final fee to be paid at completion of the agreement is also switched to a % of the estimated value of the works, though additional fees may be required if necessary tasks exceed a standard scope. This overall approach is common place in other authorities. A complementary system of fees has also been introduced for instances where developers wish to access advice before entering into the s278 process. In the past this has led to significant officer time being committed that could not be recovered. Introducing these task-specific items will encourage developers to make use of the s278 process.

### **City Transport – Parking (Appendix 2)**

#### On-Street Parking

- 3.6 Decriminalised Parking Enforcement (DPE) was introduced in July 2001 with the aim of reducing congestion and improving traffic management. Any surplus

arising from on street parking is spent on qualifying expenditure as governed by section 55 of the Road Traffic Regulation Act 1984, as amended from October 2004 by section 95 of the Traffic Management Act 2004. The surplus generated from charges after direct costs contributes towards the part funding of bus subsidies, concessionary bus fares and Local Transport Plan costs. The graph below shows the level of surplus generated after direct costs compared to the cost of qualifying expenditure for the 2011-12 to 2017-18 financial years. More information is available online in the Parking Annual Report 2017-18.



3.7 The proposed 2019/20 fees follow a review of parking demand in the city and the objectives set out in the councils Local Transport Plan, therefore changes to the tariffs will not reflect the assumed 2% standard budgetary inflation value. A schedule of fees and charges is included at Appendix 2:

- It is proposed to increase the 2 hour and 4 hour fees in the ‘medium demand zone’ at rates between 4.8% to 7.1%
- It is proposed not to increase the 11 hour fee in the ‘Low demand zone’ from £5.20 to £5.50 at a rate of 5.8%.
- It is proposed to increase fees in the Seafront Pay & Display zones at a rate of between 1% to 9.4%.
- A new administration charge (50% reduction for residents) and amendment / cancellation fee will be introduced for parking suspension applications. Other parking suspension fees will also be increased for suspensions lasting longer than four weeks for Utilities, skips and building works.

3.8 Improving air quality is a key objective in Brighton & Hove. Nationally, poor air quality reduced average life expectancy in the UK by over 6 months and is responsible for approximately 50,000 premature deaths annually. In some parts

of Brighton & Hove, levels of nitrogen oxides are double European and English legal limits. As part of a range of measures to improve air quality, such as the introduction of a Low Emission Zone, parking charges in this area can help to encourage less polluting travel options and reduce emissions. In Brighton and Hove, the Joint Strategic Needs Assessment includes local figures for the impact of local air quality on health.

- 3.9 In addition, congestion in the central area can affect the reliability of journey times and long term parking can reduce accessibility and the turnover of spaces. Parking charges can help to encourage alternative transport choices and higher turnover of spaces. Better accessibility through a high turnover of vehicles being parked helps to support local businesses.
- 3.10 Penalty Charge Notices (PCNs) are set by central government and cannot be changed independently.

#### Off-Street Parking

- 3.11 As with on-street parking charges, the proposed fees are considered to be at a level which reflects the administrations traffic management objectives, particularly to reduce congestion the city centre and promote alternative forms of transport. A schedule of fees and charges are included at Appendix 2:
- It is proposed to increase the 9 hour band at London Road car park at a rate of 12.5% to moderate demand at this band.
  - It is proposed to increase four rates at Norton Road car park between 5.8%% and 9.4%. All other bands will remain unchanged. These changes are proposed to moderate demand in these bands. A new quarterly season ticket will also be introduced.

### **Safer Communities (Appendix 3)**

#### Environmental Health

- 3.12 It is proposed to increase the non-statutory fees and charges in line with the corporate rate of inflation, with the exception of the treatment of rodents which are being increased by approximately 15% to bring more into line with the local market, whilst still remaining competitive.

#### Trading Standards

- 3.13 It is proposed to increase the non-statutory fees and charges in line with the corporate rate of inflation.

### **Travellers Sites (Appendix 4)**

#### Traveller Pitch Fees

- 3.14 The pitch fees for both the permanent and transit sites are legally, under The Mobile Homes Act 1983, permitted to be increased by the Retail Price Index (RPI) each year. These charges have been increased by the September 2018 RPI of +3.3% as per the legislation.

- 3.15 The service charges for both sites are set to recover the costs only. It is proposed to increase the existing charges (fixed since March 2016) by +2% as it is estimated that costs have increased by at least this much. There is limited historic data on costs as the pitches have only been fully operational for the last couple of years.

### **City Environmental Management (Appendix 5)**

#### Allotments, Parks and Sports Bookings

- 3.16 It is proposed to increase the charges for allotments, parks and sports bookings by the standard inflation rate. A schedule of fees and charges is included at Appendix 5.
- 3.17 The principle of charging for dedicated benches and trees is to recover the costs to the council of running the service.
- 3.18 Sports bookings have historically been set at a rate to reflect the council's health and wellbeing objectives and it is recognised that most sports bookings do not recover the cost of provision. There is an ongoing review of the sports booking service provision to investigate options to increase the proportion of costs met by the service user.

#### Flyering Licenses

- 3.19 Flyering licences fees are set at a rate that is reasonably considered to allow appropriate regulation and minimisation of flyering activity, and to partly recover the cost of work required to clear litter generated from flyering activity. It is proposed to increase the charges by the standard inflation rate.

#### Commercial Waste Collection Service

- 3.20 At Environment, Transport & Sustainability Committee on 9 October 2018, Committee delegated authority to the Executive Director Economy, Environment & Culture (following consultation with the Executive Director Finance & Resources) to revise the commercial waste collection prices in response to the prevailing market prices for the services provided at least annually. Following a review of costs and current charges it is likely that trade waste prices will increase from 1 April 2019. All customers will be written to in due course.

#### Garden Waste Collection

- 3.21 A report to Environment, Transport and Sustainability Committee in June 2016 approved a chargeable garden waste collection service for an annual charge of £52 per household. It is proposed to maintain the current fee level as it is considered to be appropriate to recover the costs of providing the service.

### Environmental Enforcement

- 3.22 At Environment, Transport & Sustainability Committee on 27 November 2018, Committee approved the Environmental Enforcement Framework and the associated Fixed Penalty Notice charges.

### Preston Park and East Brighton Park Parking

- 3.23 Car parking charges at Preston Park and East Brighton Park were introduced to manage the level of parking activity. Any surplus generated from parking income is ring fenced to fund improvement works at the parks. It is proposed to maintain fees at current levels as it is forecasted that a 2% increase would not have any significant impact on activity and would create a net cost to implement.

### **Bereavement Services (Appendix 6A and 6B)**

- 3.24 Proposals for increases to certain services provided by the Bereavement Services Team are made with the knowledge that there is increased competition in the funeral industry. Research and full engagement with local Funeral Directors has enabled us to build a picture of what other crematoria are providing, and therefore keep pace with changes and be flexible to adapt our own service offer, both now and to lay foundations for anticipated changes in the bereavement industry in the future.
- 3.25 Affordability of funerals is high profile nationally with more scrutiny than ever before on costs. Proposals are made with this acknowledged and include details of updated benchmarking information from other local service providers. Please see Appendix 6B. These include Worthing, Eastbourne and The Downs Crematorium in Brighton & Hove. Comparisons have been made with these neighbours as they are the alternative service providers who customers are most likely to opt for, if they don't choose Brighton & Hove City Council's service offer. Please see Appendix 6 which details changes proposed that are over and above the standard annual 2% inflationary uplift.
- 3.26 There are no proposals to change policies in relation to those aged 17 years and under, where cremations and burials are not charged for.
- 3.27 Additional income is estimated of up to £31,000 if business levels remain consistent in 2019/20, to the current demand for services.
- 3.28 Bereavement Services will look at re-investing any additional income generated through the changes proposed, to support ongoing cemetery maintenance and grounds upkeep throughout the year.

## **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 The proposed fees and charges in this report have been prepared in accordance with the council's fees and charges policy and form part of the proposed budget strategy. They take account of the requirement to increase by the corporate inflation rate of 2.0% (unless otherwise stated) and consideration has been given to other factors such as statutory requirement, cost recovery and prices charged by competitor / comparator organisations. Parking fees and charges are set to

meet transport management objectives of managing demand for parking and reduce congestion.

## **5. COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 Where Traffic Regulation Orders are required for proposed Transport fee changes, objections received will be reported to this Committee at a future date.

## **6. CONCLUSION**

- 6.1 Fees and charges are considered to be an important source of income in enabling services to be sustained and provided. A wide range of services are funded or part funded by fees and charges including those detailed in the report. The overall budget strategy aims to ensure that fees and charges are maintained or increased as a proportion of gross expenditure through identifying income generating opportunities, ensuring that charges for discretionary services and trading accounts cover costs, and ensuring that fees and charges keep pace with price inflation and/or competitor and comparator rates.
- 6.2 Fees and charges budgets for 2019/20 are assumed to increase by a standard inflation rate of 2.0% with the exception of those listed within this report. The council's Corporate Fees and Charges Policy requires that all fees and charges are reviewed at least annually and should normally be increased by either; the standard rate of inflation, statutory increase or increases in the costs of providing services.

## **7. FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 7.1 The fees and charges recommended in this report have been reviewed in line with the Corporate Fees and Charges Policy, and budget assumptions approved by Policy, Resources and Growth Committee. The anticipated recurring financial impacts of fee changes will be reflected within service revenue budgets. Where changes meet the standard inflationary increase of 2% applied to all council income budgets (except statutory Penalty Charge Notices) and result in additional contributions toward the cost of services, including overheads and all allowable expenditure, changes to fees and charges can result in the achievement of a net budget saving. Where this is the case, this will be reflected in Integrated Service & Financial Plan proposals for the relevant service and will be incorporated within the revenue budget report to Policy, Resources & Growth Committee and Budget Council. Income from fees and charges will be reviewed as part of the budget monitoring process.

There will be costs associated with advertising Traffic Regulation Orders (TROs) for changes to charges within the Transport service which will be met from existing revenue budgets.

For Bereavement Services, the expected income generation from the changes to fees and charges outlined in the relevant section of the report and appendix 6 is

expected to cover the service's savings proposals and provide funding for a small reserve to cover the costs of maintaining wooden memorials as they degrade over time.

*Finance Officer Consulted: Gemma Jackson/Peter Francis Date: 09/01/19*

Legal Implications:

- 7.2 The council needs to establish for each of the charges imposed both the power to levy charges of that type and, where applicable, the power to set the charge at a particular level. In some cases the amount of the charges is set by Government. In other cases where a figure is not prescribed, for example the general power to charge for discretionary services under the Local Government Act 2003, the amount that can be charged is restricted to costs recovery. In some prescribed cases, such as charging for commercial waste collection, legislation enables the Council to set charges at a commercial rate. Special provisions apply in the case of parking charges which are set out below. In all cases the council must act reasonably and ensure that any statutory formalities which govern the particular charge are complied with.
- 7.3 The Council is entitled to set parking charges at levels that will enable it to meet its traffic management objectives for example, by managing supply and demand for parking. Under section 55 of the Road Traffic Regulation Act 1984, as amended by the Traffic Management Act 2004, the Council must keep an account of all parking income and expenditure in designated (i.e. on-street) parking spaces which are in a Civil Enforcement Area, and of their income and expenditure related to their functions as an enforcement authority. The use of any surplus income from civil parking enforcement is governed by section 55 of the Road Traffic Regulation Act 1984 as amended. This allows any surplus to be used for transport and highways related projects and expenditure such as supported bus services, concessionary fares and Local Transport Plan projects.

*Lawyer Consulted: Elizabeth Culbert*

*Date: 11/01/19*

Equalities Implications:

- 7.4 Management of fees and charges is fundamental to the achievement of council priorities. The council's fees and charges policy aims to increase the proportion of costs met by the service user. Charges, where not set externally, are raised by corporate inflation rates unless there are legitimate anti-poverty considerations.

Sustainability Implications:

- 7.5 There are no direct sustainability implications arising from the recommendations in this report.

Any Other Significant Implications:

- 7.6 There are no other significant implications arising from the recommendations in this report.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Proposed City Transport (Highways) Fees and Charges 2019-20
2. Proposed City Transport (Parking) Fees and Charges 2019-20
3. Proposed Safer Communities Fees and Charges 2019-20
4. Proposed Travellers Sites Fees and Charges 2019-20
5. Proposed City Environmental Management Fees and Charges 2019-20
6. Bereavement Services fees and charges proposals for 2019-20

### **Documents in Members' Rooms**

1. None

### **Background Documents**

1. None

