

<b>Subject:</b>	<b>Fees and Charges 2014/15</b>		
<b>Date of Meeting:</b>	<b>14 January 2014</b>		
<b>Report of:</b>	<b>Strategic Director, Environment Housing &amp; Development</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Steven Bedford</b>	<b>Tel: 29-3047</b>
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<b>Ward(s) affected:</b>	<b>All</b>		

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

- 1.1 The purpose of this report is set out the proposed 2014/15 fees and charges for the service areas covered by the Environment, Transport and Sustainability Committee in accordance with corporate financial regulations and policy.

**2. RECOMMENDATIONS:**

- 2.1 That Committee approves the proposed fees and charges for 2014/15 as set out within the report and its appendices.

**3.1 CONTEXT/ BACKGROUND INFORMATION**

- 3.1.1 The Council's Corporate Fees & 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 increased in the costs of providing the service as applicable.
- 3.1.2 The Budget Update and Process 2014/15 report approved at Policy and Resource Committee in July specified the assumption of a standard inflation increase in fees and charges of 2.5%. The council's Standard Financial Procedures states that service Committees will receive a report from Executive Directors on fees and charges variations above or below the corporately applied rate of inflation.
- 3.1.3 It is not always possible when amending fees and charges to increase by the exact inflation figure due to rounding issues. Therefore some fees and charges are rounded to the nearest round figure for ease of payment and administration.

**3.2 CITY INFRASTRUCTURE****3.2.1 Allotments**

It is proposed to increase the charges for allotments rates by the standard inflation rate.

### 3.2.2 City Parks

The intention of charges in relation to dedicated benches and trees is to recover costs. It is proposed to increase charges at the standard inflation rate.

### 3.2.3 Sports Bookings

It is proposed to increase sports bookings fees and charges by the standard inflation rate with the exception of charges for cycling facilities at Preston Park. The current charges for these facilities do not cover the running costs of provision and it is proposed to increase fees by 100% as detailed in appendix 1. The proposed fees will still not cover the running costs of the facility, however the increase is considered to be appropriate so as not to have a significant impact on current service users.

The pavilions at The Level were restored as part of the restoration project and now offer two accessible community spaces which can be hired by the public. It is proposed to apply a slightly higher rent for these rooms compared to other pavilions the council rent out to reflect that they are higher quality, high demand and superior setting. The hire cost also need to cover cleaning and ongoing maintenance. The proposed hire charges for community use, in comparison to the charges for the sports pavilions are set out below. Booking arrangements for the rooms will be managed by the Sports Bookings team.

#### **Proposed Hire Rates for Community Use**

<b>Sports Pavilion</b>	<b>Elm Room</b>	<b>MacLaren Room</b>
£30.60 evening meeting	£15 per hour	£30 per hour
£102 per day	£75 per day	£149 per day

\*The Elm Room is smaller than the MacLaren Room reflecting the lower charge.

It is also proposed to apply a higher rate for commercial organisations wishing to hire the rooms.

#### **Proposed Hire Rates for Commercial Use**

<b>Sports Pavilion</b>	<b>Elm Room</b>	<b>MacLaren Room</b>
£30.60 evening meeting	£30 per hour	£60 per hour
£102 per day	£150 per day	£298 per day

### 3.2.4 Leafleting Licenses

It is proposed to increase the charges for leafleting licences by the standard inflation rate.

### 3.2.5 Preston Park Parking

It is proposed to keep the level of charges for parking at Preston Park at the current 2013/14 levels in accordance with the assumptions made for other parking charges. Any surplus income is transferred to an earmarked reserve specifically to fund future works in Preston Park.

## **3.3 PLANNING AND PUBLIC PROTECTION**

### 3.3.1 Building Control

Building Control charges should relate to the costs of carrying out the building regulations chargeable service as specified in the Building (Local Authority

Charges) Regulations 2010. It is proposed that 2014/15 fees and charges are increased by the inflationary figure of 2.5% and that a review will be undertaken prior to the 2015/16 budget setting process in accordance with the appropriate regulation to ensure that cost recovery will not be exceeded by inflationary increases.

### 3.3.2 Development Control

Development Control charges for planning applications, the fee levels for which are set by central government. Fees were increased by 15 per cent in November 2012 and it is expected that there will be no fee increases during the 2014-15 financial year.

### 3.3.3 Environmental Health

The majority of fees and charges will increase in line with the corporate rate of inflation with the following exceptions. A schedule of fees and charges is attached at Appendix 2.

- The charges in relation to Local Authority Pollution Prevention and Control are specified by Defra and are intended to recover the local authority's cost in undertaking the regulatory functions. The 2014/15 charges have not yet been provided.
- Most charges for dog regulation and fixed penalties are set externally. It is proposed to increase the charge for a dog breeding license from £45 to £200 to bring in line with comparable charges which require a similar amount of council officer time to administer.

### 3.3.4 Trading Standards

The majority of fees and charges will increase in line with the corporate rate of inflation. The exceptions to this are licences for explosives which are set by legislation. The quantity of explosives stored will determine whether the premises register with us or whether they require a license. These are reviewed annually by the Health and Safety Executive and may be subject to change at a later date. Other charges, such as Weights and Measures verification fees, are compared with nearest neighbours to ensure that there is consistency for businesses.

The fees in relation to Motor Salvage have been superseded by the new Scrap Metal Dealers Act, the levels of fees for which were approved at Licensing Committee on 21 November 2013.

A schedule of fees and charges is attached at Appendix 2.

## 3.4 **TRANSPORT**

### 3.4.1 Highways

A schedule of proposed fees and charges is attached at Appendix 3. The majority of fees and charges are proposed to rise in line with the corporate inflationary increase to the nearest rounded figures with the exceptions set out below. Overall this is expected to generate additional income of £20k. This is included as a savings proposal in the budget strategy presented to Policy & Resources Committee in December.

- Scaffolds: Brighton & Hove City Council fees are currently below the national average. It is therefore proposed to raise fees for scaffold placements by 9.1% which will bring these charges more in line with

neighbouring authorities and closer to the national average. For larger placements, it is proposed to raise the fees in line with inflation but to the nearest rounded figure.

- Skips: Although Highway charges are currently below the national average, there are additional charges for skips within areas of the city, such as the cost of parking bay suspensions. The figures have therefore been raised in line with inflation but to the nearest rounded figures.
- Hoardings: It is proposed to change the system for licensing hoardings, to simplify the process. The proposals bring hoarding licensing in line with the scaffolding system, as the two are often used on the same sites. The charge is therefore proposed for an initial 6 weeks rather than 8 weeks, with a further renewal period of 8 weeks instead of 12 weeks. The proposal also includes the removal of the two-tier charging system, to charge according to the area of highway occupied by the hoarding.
- Builders Materials: There has been a marked increase in builders' materials on street. If not adequately contained and monitored, these can pose a safety risk. It is therefore proposed to raise the fee by a greater amount, to reflect the increased level of licensing and enforcement required for these items.
- Tables & Chairs, A-boards and shop display: Comparisons between authorities are difficult because – not being a statutory duty – most local authorities have different systems for fees, control and management of such placements. The city has seen a steady increase in the amount of licences issued for café placements and for A-boards, despite tighter controls arising out of the Scrutiny recommendations. The proposed increases reflect the increased enforcement required to monitor these placements and also help encourage businesses to explore other options for on-street advertising. Prior to 2010, these fees had not risen for several years.
- Traffic Regulation Orders (TROs) for new parking restrictions outside parking schemes: This charge is for individuals or organisations requesting new parking restrictions such as double yellow lines outside of parking schemes and was a new charge introduced in 2013-14. It is not proposed to raise this fee for 2014-15.

### 3.4.2 Parking

Significant work has been put into setting parking tariffs in recent years and the current levels broadly reflect the administration's traffic management objectives. The Budget Update and Savings 2014/15 report to December 2013 Policy and Resources Committee assumes that parking charges are planned to remain at 2013/14 levels with the below exceptions. This includes Penalty Charge Notices (PCNs) where the levels of fines are set by government and cannot be changed independently. A schedule of fees and charges is attached at Appendix 4.

- It has been agreed at December Policy and Resources Committee to lower the Sunday parking tariffs at London Road car park so that they match the existing weekday rate from 29<sup>th</sup> December 2013 onwards.
- An amendment to current car park overnight rates between 16:00 and 11:00 is proposed to resolve a technical issue. The current evening and overnight rates overlap and the pay machines are not able to calculate certain stays accurately. It is proposed to introduce a new night period of midnight-11:00 to resolve this issue. The proposed rate will result in a

combined cost of evening and night rates being slightly less expensive than the current overnight rate.

- Due to spare capacity at Regency Square car park it is proposed that the current higher rate weekend tariffs revert to the lower weekday rate. It is expected that an increase in use will partially offset the reduced tariff. An approximately 16% volume increase would be required to generate the current level of income.

#### **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 2.5% (unless otherwise stated) and consideration has been given to other factors such as statutory requirements, cost recovery and prices charged by competitor / comparator organisations.

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

- 5.1 No specific consultation was undertaken in relation to this report.

#### **6. CONCLUSION**

- 6.1 Fees and charges are a very important source of income to the council and represent approximately 1/3<sup>rd</sup> of total General Fund resources, enabling important services to be sustained and provided. A wide range of services are funded or part funded by fees and charges including those detailed in this 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 or trading accounts cover costs (e.g. Building Control and licensing) and ensuring that fees and charges keep pace with price inflation and / or competitor and comparator rates.

- 6.2 In recent years the Consumer Price Index has been increasing by over 3% per annum whilst the council had applied a standard rate of 2% and over time this difference has been harder to sustain. Therefore as part of the overall strategy fees and charges budgets for 2014/15 are assumed to increase by a standard inflation rate of 2.5% with the exception of parking charges which are set according to traffic management objectives and are planned to remain at 2013/14 levels, and penalty charge notices (parking fines) where levels of fines are set by government and cannot be changed independently.

- 6.3 The Council's Corporate Fees & 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 increases in the costs of providing the services as applicable. The strategy in recent years and going forward focuses on benchmarking fees and charges with comparable public or private sector provision to ensure services maintain or improve value for money.

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

### Financial Implications:

- 7.1 The fees and charges have been reviewed in line with the corporate fees and charge policy and in line with the budget assumptions approved at Policy and Resource Committee in July and December.

The expected 2014/15 budgets for fees and charges areas covered by this report are set out below:

<b>Fees and Charges Area</b>	<b>£</b>
Allotments	103,000
City Parks	35,000
Sports Bookings	244,000
Leafleting Licences	27,000
Preston Park Parking	30,000
Building Control	795,000
Development Control	1,139,000
Environmental Health & Licensing	975,000
Trading Standards	16,000
Highways	552,000
Parking Services	26,103,000
<b>Total</b>	<b>30,019,000</b>

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

*Finance Officer Consulted: Steven Bedford*

*Date: 16/12/13*

### 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, the amount that can be charged is in general restricted to costs recovery, but 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 by e.g. 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. Regulations and guidance confirm that in respect of off-street parking places, the term "income and expenditure as enforcement authorities" includes that related to the issue of PCNs. It does not, for example, include pay and display or permit/season ticket income or the direct expenditure relating to collecting that income. 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:*

*Carl Hearsom*

*Date: 17/12/13*

Equalities Implications:

- 7.4 Management of fees and charges is fundamental to achievement of Council priorities. Council 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 rate unless there are legitimate anti-poverty considerations.

Sustainability Implications:

- 7.5 There are no direct sustainability implication arising from this report.

Crime & Disorder Implications:

- 7.6 There are no direct crime and disorder implication arising from this report.

Risk and Opportunity Management Implications:

- 7.7 There are no direct risk or opportunity management implications arising from this report.

Public Health Implications:

- 7.8 There are no direct public health implications arising from this report.

Corporate / Citywide Implications:

- 7.9 The Councils financial position impacts on levels of Council tax and service levels which are considered as part of the wider budget setting process.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Proposed City Infrastructure Fees and Charges 2014-15
2. Proposed Environmental Health and Trading Standards Fees and Charges 2014-15
3. Proposed Highways Fees and Charges 2014-15
4. Proposed Parking Services Fees and Charges 2014-15

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

1. None