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|--------------------------|--|----------------|----------------------------|
| <b>Subject:</b>          | <b>Fees and Charges 2022-23</b>  |                |                            |
| <b>Date of Meeting:</b>  | <b>18 January 2022</b>   |                |                            |
| <b>Report of:</b>        | <b>Executive Director for Housing, Neighbourhoods, &amp; Communities; Executive Director, Economy, Environment &amp; Culture; Executive Director of Governance, People &amp; Resources</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 2022/23 fees and charges for the service areas covered by the Environment, Transport and Sustainability Committee, in accordance with corporate regulations and policy.

**2. RECOMMENDATIONS:**

- 2.1 That the Committee approves the proposed fees and charges for 2022/23 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 3.4-3.23), the Executive Director of Housing, Neighbourhoods & Communities (in relation to paragraphs 3.24 - 3.26) and to the Executive Director of Governance, People & Resources (in relation to paragraphs 3.27 – 3.33) to change fees and charges 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 Committee meeting on 10 February 2022 to be considered as part of the overall 2022/23 budget proposals. This is because the 2022/23 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 Committee as per the requirements of the constitution. This does not fetter the committee's ability to make recommendations to Policy & Resources 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 Policy & Resources Committee in July 2021 specified the assumption of a standard inflation increase to fees and charges of +1.5% with exceptions including Penalty Charge Notices (parking fines) where the level of fines is set by government and cannot be changed independently. 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. As a result, 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 most of the non-statutory fees and charges by 5% to ensure all costs are recovered. Where percentage increases are under or over +5%, this is to ensure that increases can be made in whole pounds.
- 3.5 The proposed fees and charges are set out in **Appendix 1**.

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

- 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.
- 3.7 All the surplus generated from parking charges after direct costs is invested locally into bus subsidies, concessionary bus fares, Local Transport Plan costs and local environmental improvements as permitted under the Act. More information is available in the Parking Annual Report 2020/21. The updated 2020/21 Parking Annual Report is being discussed within this ETS Committee meeting.
- 3.8 Improving air quality is a key objective for Brighton & Hove City Council. As part of a range of measures to improve air quality such as the Low Emission Zone, parking charges can also help to encourage less polluting travel options and reduce emissions. In addition, congestion across the city can affect the reliability of journey times and long-term parking can reduce accessibility and the turnover of spaces. Better accessibility through a high turnover of vehicles being parked helps to support local businesses. Parking charges can help to encourage alternative transport choices and higher turnover of spaces. Penalty Charge Notices (PCNs) are set by central government and cannot be changed independently.

### On-Street Parking

3.9 The proposed 2022/23 fees follow a review of parking demand in the city and the objectives set out in the council's Local Transport Plan, therefore changes to the tariffs will not reflect the assumed +1.5% standard budgetary inflation value. A schedule of fees and charges for on-street parking is included at **Appendix 2** with more detailed prices for resident permits in **Appendix 3**. The most noteworthy proposals are as follows:

- Standard rate annual residents permit for CPZ full scheme increasing by 6% (£10) and light touch CPZ increasing by 9% (£10) with all low income household rates frozen
- Further increases to the surcharges on resident permits for second and third+ vehicles per household.
- Traders Permits for annual and 3-month periods increasing by an average 5% while monthly, weekly and daily periods are frozen. (Business Permits are also frozen for 2022/23 to support local businesses and services).
- Increase High, Medium and Low Tariffs across the city by an average 15% and increase High tariffs (Central Brighton & the seafront) by an average 19%.
- Increase from 50% to 75% for the high emission charge for various permits.
- Increase of approximately 8.5% to all visitor permits across the city.

### Off-Street Parking

3.10 As with on-street parking charges, the proposed fees are considered to be at a level which reflects the administration's traffic management objectives, particularly to reduce congestion and promote alternative forms of transport by moderating demands in certain bands. A full schedule of proposed car park fees and charges are included at **Appendix 2**: The most noteworthy proposals are to:

- Increase the tariffs for the four main car parks (Trafalgar Street, The Lanes, Regency Square and London Road) by an average 15%
- Increase the tariffs for other car parks by an average 15%

## **City Environmental Management (Appendix 4)**

### City Parks

#### Allotments, Parks and Sports Bookings

- 3.11 It is proposed to increase the charges for allotments, parks and sports bookings by an average of 5%. A schedule of fees and charges is included at **Appendix 4**.
- 3.12 The principle of charging for dedicated trees and benches is to recover the costs to the council of running the service. 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.

### Car Parking Charges in Parks

- 3.13 Car parking charges at the car parks located at Preston Park, East Brighton Park and Stanmer Park were first introduced in 2011, 2014 and 2021 respectively to manage the level of parking activity with any net surplus generated ring fenced to invest in park improvements. The proposal is to align the parking charges with equivalent on-street tariffs for 2022/23.

### City Clean

#### Flyering Licenses

- 3.14 Flyering licences fees are set at a rate that is considered reasonable to allow appropriate regulation and minimisation of flyering activity and to partly recover the cost of work required to clear the litter generated from flyering activity. It is proposed that flyering licences are uplifted by 10%. All licenses will be valid for 24 hours. Details of the new fees are set out in **Appendix 4**.

#### Trade Waste Collection Service

- 3.15 At Environment, Transport & Sustainability Committee on 9 October 2018, the Committee delegated authority to the Executive Director Economy, Environment & Culture (subject to consultation with the Executive Director Finance & Resources) to revise the trade waste collection prices in response to the prevailing market prices for the services provided at least annually. Prices are set at individual customer level based on a combination of market price and the cost of providing the service.

#### Garden Waste Collection Service

- 3.16 The existing garden waste collection service charge is currently £65 per household per year. The proposal is to increase the garden waste charges by £5 to £70 per household per year which is comparable with neighbouring authorities.

| Authority                        | Annual Cost | Bin Cost | Total Annual Cost | Notes  |
|----------------------------------|-------------|----------|-------------------|--|
| Lewes District Council           | £70.00      | £0.00    | £70.00            | Fortnightly collections/240 litre bin included |
| Eastbourne District Council      | £52.00      | £0.00    | £52.00            | Fortnightly collections/240 litre bin included |
| Mid-Sussex District Council      | £70.00      | £0.00    | £70.00            | Fortnightly collections/240 litre bin included |
| Horsham District Council         | £42.00      | £43.40   | £85.40            | Fortnightly collections/Charge for a 240L bin  |
| Adur & Worthing District Council | £85.00      | £0.00    | £85.00            | Weekly collections/240 litre bin included      |

- 3.17 Assuming a customer base of 8,000 households, this could generate an additional £0.040m a year which would cover service costs and future investment in the service.

#### Bulky Waste Collection Service

- 3.18 It is proposed to change the bulky waste operating model, pricing, and discount amount to ensure the service does not operate in financial deficit and therefore add to the budget pressures of CEM. The proposed model supports the delivery of the statutory responsibility, whilst protecting the service against a financial loss. The model should also see non-financial benefits such as an increase in

use of the many initiatives such as Tech-Takeback and Shabitat as well as a decrease in the amount of waste being directed to the Energy Recovery Facility or landfill.

- 3.19 The existing pricing model was inherited from a private contractor when the service was brought in house in early 2021. This included a charge structure per item including ‘non-bulky’ items as well as a 50% discount to those eligible. After carrying out market research, many local authorities operate a model whereby the collections are based on three items for a set price, with the exception of white goods and a number of specific items (e.g. pianos), with any additional items at a set price. Below shows analysis on nearby Local Authorities:

| Local Authority    | Minimum Price | Discounts |
|--------------------|---------------|-----------|
| Eastbourne Borough | £50.00        | 25%       |
| Hastings Borough   | £35.00        | No        |
| Lewes District     | £55.00        | No        |
| Rother District    | £40.00        | No        |
| Wealden District   | £55.00        | No        |
| Adur & Worthing    | £45.00        | No        |

- 3.20 Following market research, it is proposed the pricing model moves from itemised pricing to three items for a set price, with the exception of white goods, and a number of specific items (e.g. pianos), with any additional items at another set price. It is also proposed the discount is changed from 50% to 25% as benchmarking of other local authorities indicates that this is a standard amount for a discount where available.
- 3.21 Discounts continue to be available to those over 60 years old and those in receipt of income support or Universal Credit, Employment and Support Allowance, Job Seekers Allowance, Incapacity Benefit, Personal Independence Payment and/or Disability Living Allowance.

#### Environmental Enforcement

- 3.22 At the 22 June 2021 meeting of the Environment, Transport & Sustainability Committee, the committee approved the Environmental Enforcement Framework and the associated Fixed Penalty Notice charges. Income from fines paid are used to cover the costs of the environmental enforcement service. Any surplus income is ring-fenced to spend on environmental improvement projects in line with legal requirements. Details of these charges can be found at: [Environmental Enforcement Framework Charges](#)
- 3.23 All City Parks and City Clean charges are set out in **Appendix 4**.

#### **Safer Communities (Appendix 5)**

#### Trading Standards

- 3.24 It is proposed to increase the non-statutory fees and charges in line with the September CPI rate of inflation at 3.1%.

## Environmental Health

- 3.25 It is proposed to increase the majority of the non-statutory fees and charges in line with the September CPI rate of inflation at 3.1%.
- 3.26 On 1 January 2021 the requirement to process and certify Export Health Certificates for consignments of fish/fishery products commenced. We support our businesses involved in this process to enable guaranteed movement of these products into the EU. This is a non-statutory function and requires the introduction of a charging system and the proposed fees are set out in **Appendix 5**. These fees are based on full cost-recovery.

## **Bereavement Services (Appendix 6)**

- 3.27 Proposals for increases to fees and charges for Bereavement Services have for the 2nd year running, had to factor in the current Covid19 pandemic, and its continued impact on service delivery. Whilst government directives on numbers of people permitted to attend a funeral service have been relaxed, the funeral industry has had to adapt and work differently to manage facilities, to ensure safe essential cremation and burial services for the bereaved.
- 3.28 Affordability of funerals continues to be high profile nationally. This follows an investigation by the Competitions and Marketing Authority (CMA) providing significant scrutiny around costs and options available in the competitive market that the service works in. At Woodvale, there is a direct competitor immediately adjacent to our Cemetery and Crematorium grounds, which is privately owned by Dignity Funeral Services, the largest owner of private crematoria in the country.
- 3.29 For the financial year 2022/23, the service proposes to increase current fees for main cremations and burial services, and some memorialisation services.
- 3.30 Benchmarking has been carried out with local neighbours where comparable fees and charges are available. It is proposed that areas of the service can withstand increases to current charges and continue to remain competitive, as demonstrated by the appendices. Benchmarking with other Sussex Crematoria and burial authorities provides valuable information because they are alternative service providers who customers are most likely to opt for as an alternative to Brighton & Hove City Council's services.
- 3.31 The proposals are made with knowledge that there are other risks that need to be appreciated, which potentially can affect demands for the services offered. This includes the death rate in the local area, which prior to the pandemic, was dropping by around 6% on average per year, during 2018 and 2019.
- 3.32 As with previous reviews, there are no proposals to change charging policies in relation to children. The proposals are formulated to be consistent with the general principle of cost recovery, including maintaining the facilities we have at Woodvale where our Crematorium and chapels are grade 2 listed buildings. The proposals to increase cremation, burial and memorialisation fees from 1 April 2022 will generate an estimated additional £0.037m assuming business levels remain consistent with the pre-Covid 2019/20 year. These proposals are based

on the service continuing to follow best practice in line with guidance from the Institute of Cemeteries and Crematorium Management (ICCM), a national organisation providing policy and best practice guidance to Burial and Cremation authorities.

- 3.33 Please see **Appendix 6** proposed Bereavement Services fees and charges and **Appendix 7** Bereavement Services benchmarking.

#### **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 +1.5% (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 or notice of intentions are required for proposed transport fee changes, these will undergo a period of statutory consultation.

#### **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 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 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 2022/23 are assumed to increase by a standard inflation rate of +1.5% 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 & Charges Policy and all relevant regulations and legislation. The anticipated recurring financial impacts of fee changes will be reflected within service revenue budgets. Increases to meet the corporate rate of inflation of +1.5% are normally applied to all council income budgets (exceptions

include statutory Penalty Charge Notices) to ensure income is maintained as a proportion of the net cost of service. Increases above or below the corporate rate of inflation must be approved by the relevant service committee or Policy & Resources Committee and can result in additional contributions toward either the cost of services and/or overheads. This can also result in the achievement of a net budget saving to the council. Where this is the case, this will be reflected in proposals for the relevant service and will be incorporated within the revenue budget report to Policy & Resources Committee and Budget Council in February 2022. Income from fees and charges is monitored as part of the Targeted Budget Monitoring (TBM) process.

- 7.2 In the case of on-street parking permits, tariffs and penalty charges, the use of any surplus income from civil parking enforcement, after taking into account costs, is governed by section 55 of the Road Traffic Regulation Act 1984 as amended. This requires the defined Parking Surplus to be used for transport and highways related projects and expenditure such as supported bus services, concessionary fares, Local Transport Plan projects and environmental improvements. Where the council also funds transport and highways related budgets from its General Fund budget, increases to the Parking Surplus can be lawfully applied to this expenditure, which can thereby release equivalent General Fund resources. The council may use the released resources for any purpose within its duties and powers, including releasing resources for savings.
- 7.3 There may 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.

*Finance Officer Consulted: Jeff Coates*

*Date: 07/01/22*

Legal Implications:

- 7.4 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 cost recovery. In some prescribed cases, such as charging for trade 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.
- 7.5 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: Hilary Woodward*

*Date: 5/1/22*

Equalities Implications:

- 7.6 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 at least corporate inflation rates unless there are legitimate anti-poverty considerations. In terms of the parking fees & charges the exemptions for low income families in receipt of council tax reduction or universal credit remain as they are while fees for blue badge holders have not increased. The cost of professional carers permits and carers permits remain unchanged to reflect the positive impact this brings to all members of society. Any surplus parking income is mainly spent on providing free concessionary bus passes for elderly and disabled people.

Sustainability Implications:

- 7.7 As part of a range of measures to improve air quality parking charges can also help to encourage less polluting travel options such as cycling and reduce emissions. In addition, congestion across the city can affect the reliability of journey times and long-term parking can reduce accessibility and the turnover of spaces. Many of the parking fee increases are targeted at areas where there is high demand to help provide drivers with better access to currently congested areas. There is also good coverage of the city centre/seafront by our public transport network, so there are alternatives for people wanting to access these areas where charges are being increased.

Any Other Significant Implications:

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

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Proposed City Transport (Highways) Fees and Charges 2022/23
2. Proposed City Transport (Parking) Fees and Charges 2022/23
3. Proposed City Transport (Parking) Resident Permits 2022/23
4. Proposed City Environmental Management Fees and Charges 2022/23
5. Proposed Safer Communities Fees and Charges 2022/23
6. Proposed Bereavement Services Fees and Charges 2022/23
7. Bereavement Services Benchmarking 2022/23

### **Background Documents**

1. None

