

Item No.	Classification Open	Date: 5 March 2014	Decision Taker: Cabinet Member for Regeneration, Planning and Transport
Report title:		Parking and Network Management Fees and Charges 2015/16 (Setting fees and charges for Parking and Network Management)	
Ward(s) or groups affected:		All	
From:		Head of Public Realm	

RECOMMENDATION

1. That the Cabinet Member agrees the proposed non-statutory fees for Parking and Network Management Services and notes the statutory fees and charges as shown in appendices attached with this report for 2015/16, with an implementation date of 1 April 2015.

BACKGROUND INFORMATION

2. This report sets out proposals for the fees and charges for Parking and Network Management Services Fees and Charges 2015/16.
3. The Medium Term Resources Strategy (MTRS) 2014/15 – 2016/17 and the corporate income policy require that:
 - Fees and Charges are increased to a level, at a minimum, that is equal to the most appropriate London average (e.g. inner London, family, groupings etc) except where this conflicts with council policy, would lead to adverse revenue implications or would impact adversely on vulnerable clients
 - Income generation is maximised by seeking income streams in line with council policies and priorities.
 - All fees and charges capped by statute are increased to the maximum level the cap allows.
4. Only where it can be demonstrated that adverse financial implications might arise or where increases are not considered realistic due to demand and local circumstances, can fees or charges increases be set at a lower level than that set by the MTRS.
5. The Council's constitution requires that all fees and charges increases are agreed by the relevant Cabinet Member through an Individual Decision Maker (IDM) report. An IDM report is also required where no increase or a reduction in fees and charges is proposed.

KEY ISSUES FOR CONSIDERATION

6. Fees and charges are those charges where there is a schedule of rates for services provided. There are various types, namely mandatory and discretionary i.e. where the Authority must charge or where there is a choice of charging or not. Whether mandatory or discretionary, the charges will be either:
 - Fixed – where the level of charges is set by statute and the Authority has no discretion.
 - Capped - where a maximum level is set, generally by statute and so charges cannot be set above this level, or where fees have to be set at a level only relating to the costs incurred by the Council in delivering the relevant service, or
 - Flexible – where there is full discretion on the level of charges to be set
7. Where the Authority has a choice about charging, any decision not to charge must be agreed by the relevant Cabinet Member. This is to be reviewed annually and considered within the context of the overall budget position.
8. This report only seeks approval for fees and charges for which there is discretion or where fees are capped, although, all fees and charges are included in the Appendices for information.
9. In arriving at the proposed fees and charge levels, consideration has been given to a number of factors, including; volume assumptions, benchmarking data, market forces and sensitivity i.e. the impact that increases will have on its customers' ability to pay and the take-up of services. Another factor taken into account is that, whilst Southwark may have discretion over the level of fees set, in many cases, this is on a cost recovery basis or must have due regard to the cost of service and be reasonable. The cost of service provision has therefore, also been a consideration in arriving at the proposed fees.
10. Most fees and charges are to be increased in accordance with the MTRS to the inner London Average and where this does not apply a specific business reason is set out in the attached schedules.
11. Table 1 below details the total income expected to be generated from non-statutory fees and charges. A full list of non-statutory fees and charges to be approved are shown in Appendices 1 and 2. Appendices 1 and 2 also show statutory fees and charges, which is provided for information.

Parking Services - Appendix 1

Paid for parking

12. Recent parking surveys have shown that in the controlled parking zones of Borough, Bankside and London Bridge (C1,C2 and F) there is very a high level of occupancy with over 75% of bays occupied at peak times. In order to reduce the pressure for parking in this area it is proposed that the charges for both on street in the central activity zone encompassing be increased by £1 per hour.
13. The on and off street parking charges outside of this area will be frozen for the fourth year running at 2011/12 levels and that the Council will continue not to charge at weekends and after 6.30pm on week days in all its car parks. While this means that the Council's off street parking charges are below the comparable London average it supports the Council's objectives of supporting

the local economy and encourage thriving town centres and high streets.

One hours free parking, Small Business Saturday and Christmas Parking

14. For the last two years on street parking charges have been waived for the first Saturday in December and other Saturdays in December in order to promote shopping locally and supporting local independent traders. It is proposed that the council offer a limited number of free parking Saturdays during December 2015 with charges in the Pay and Display bays waived.
15. The cabinet member should also note that officers are currently consulting on proposals for one hours free parking at retail parades and that a report on fees and charges in these areas will be prepared early in 2015

Parking Permits

Residential permits

16. It is proposed that the cost of all residential parking permits be retained at the current with the exception of the Southampton Way and Lucas Gardens (EC1 & LG) CPZ whose permit prices will rise to match the rest of the borough. This means that most residential permits prices have been pegged since 2011. From April 2015 resident's permits will become virtual with no physical permit issued.

New short stay visitor permits

17. New five hour and one hour resident's visitors' permits were introduced in 2014/15. Physical paper version of these permits have not been issued. It is proposed that there will be no changes to the pricing of these permits.
18. Single as well as multiple of 10 virtual permits will be issued in 2015/16 these permits will be charged at a small premium over their multiple purchase, a single 5 hour permit will be £2.50 and a single 1 hour permit will be £1.50.

Permits for Commercial Organisations

19. The council currently offers a range of permits to business & occupational related services, namely:
 - Local businesses
 - Doctors and medical staff
 - Markets and Street Traders
 - Professional Child Carers
 - Car clubs
20. It is proposed that these permit prices remain frozen at 2012/13 prices and that the council will also make most of these permits virtual during 2014/15 with no physical permit issued.

Suspension of parking bays

21. Fees for the suspension of the parking bays are to be frozen at 2014/15 prices as they are already at the inner London average for this service.

Mandatory fees

22. There have been no changes proposed to mandatory fees e.g. Penalty Charge notices, this year. These are reviewed on a four year cycle.

Road Network Management Fees - Appendix 2

Street Works Permit Fees (London Wide Permit Scheme)

23. The Council became a permitting authority for the purposes of road works and the Common London Permit Scheme (LoPS) on 5th September 2011. As an inner London Borough the costs are at the top of the range for a permitting authority. The fees are currently set to the maximum level permitted within the Code of Practice and hence no changes are proposed for 2015/16.

Street Works Fines and Charges

24. Fees for a range of inspections and fines for street works are set out in appendix 2. These fees are all set by the Department for transport (DfT) and fees under section 74 for overrunning works were amended in October 2012.
25. The current fee is based on realistic costs of provision of the service and this includes reasonable advertising costs and therefore no increase is proposed.

Filming Permits

26. There is a willingness and appetite from production companies for Permits to be issued for 'on street' filming. This secures the 'street in the same way Street Works Permits secure the street for utility works. Filming Permits should be in line with Street Works Permits due to the comparable officer time involved in the co ordination process. Filming that requires the need to close a road will be deemed as Major Works. The fees for permits to film on the highway were increased last financial year and reflect the costs to the Council and so no further increase is proposed. However, new options are introduced for the permits less than 10 days.

Fixed Penalty Charges

27. The Highways Act 1980 and the London Local Authorities Act 2003 make provision for the issue of the Fixed Penalty Notice fees for a number of offences. The current fee is £120, with a reduced fee of £80 is paid within 29 days. The fee is mandatory and is set by London Councils. It was due to be reviewed in 2011/12, but this has yet to be completed. As such it is possible that this may change during the financial year.

Scaffolds and Hoardings around larger developments

28. The current charges for hoarding and scaffold licences provides an increase charge for over 10 metres in length of either structure to cover additional costs of reviewing and monitoring of larger sites. However, this still falls short of the work load required for the much larger development sites and therefore an amended charge of £500 per month is proposed to be introduced for hoardings and scaffoldings of 50 metres or more.

Skips & material Licenses

29. It is proposed to increase the fees for Skip Licences by 13.6% to bring them in line with the average fees charged by London Boroughs.

Tables and Chairs.

30. It is proposed to increase the fees for tables and chairs by 9% to bring them in line with the average fees charged by London Boroughs.
31. Fees for tables and chairs are currently charged per sq. metre and other central London Boroughs now charge per item and officers will be carrying out a review of the service to determine which is the most appropriate system of charging for 2015-16.

Temporary Traffic Notice.

32. Where a road closure is required for less than 24 hours, a Temporary Traffic Notice may be required to close the road. This process will predominantly be used for filming on the highway and for Play Streets, although the fee for Play Streets will be waived

Oversailing Licenses

33. There is a proposed change to the way new licenses are charged for S177 over-sailing licenses. This relates to structural items such as balconies or canopies which over-sail the adopted highway and which require a license from the Highway Authority. In previous years an annual fee of £250 per license was levied but collection of this fee was often difficult with changes in land ownership. For 2015/16 a one off payment equivalent to 20 years worth of fees is proposed for new applications (£5 000 per license).

Temporary Crossovers

34. Network Development is offering a new service to developers who require vehicular access to a construction site via a temporary crossover. A license fee of £3 000 is proposed which is reflective of the costs of inspection and managing the process.

Resource implications

35. Table 1 shows the budgets for 2014/2015 and the anticipated income levels for 2015/2016 arising from the proposed fees. Budget assumptions are covered in the comments accompanying the financial table and the above paragraphs.

Table 1 – Public Realm Services Discretionary Fees and Charges

Division/ Income Stream	2014/15 Income Budget	Expected Increase in income arising from increased fees	2015/16 Estimated Income Budget
	£	£	£
Parking			
- On Street – Meters	2,900,000	200,000	3,100,000

Division/ Income Stream	2014/15 Income Budget	Expected Increase in income arising from increased fees	2015/16 Estimated Income Budget
	£	£	£
- Permits -	1,975,000	0	1,975,000
- Off Street - Car Parks	267,481	0	267,481
-Suspensions	82,894	0	82,894
Network Management			
-Road Networks	1,499,533	80,000	1,579,533
-Skip Licences	80,000		80,000
Total	6,804,908	280,000	7,084,908

Budget assumptions and implications

36. Any benefits or repercussions for demand for services arising from the proposed increases in fees and charges will be reflected in revenue monitoring reports and future budget proposals. Any variances will be contained within existing budget for 2015/16 financial year.

Staffing implications

37. There are no staffing issues associated with this report.

Community Impact Statement

38. Given the current economic climate and general cost of living increases experienced by Southwark residents and businesses, where possible, fees have been frozen. Changes are proposed only where the Council are not covering its actual costs or where anomalies exist within its current pricing structure. Where possible discounts have been applied for the vulnerable users e.g. Parking permit charges for people with disabilities.

Consultation / Notification of fee increases

39. Consultation is not required on the above fees and charges. However, once approved, notification of fee increases will be published through the appropriate channels and key stakeholders.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services (SB/041214)

40. The Cabinet Member for Regeneration, Planning and Transport is requested to approve the 2015/16 non-statutory fees and charges as outlined in this report. The recommendations will take effect on 1 April 2015 if approved.
41. The approval of the fees and charges sought in this report is a matter reserved to the Cabinet Member for individual decision making in accordance with Part 3D paragraph 3 of the Council's constitution.

42. The proposed increases are intended to be consistent with corporate policy, in particular the Medium Term Resources Strategy and will apply to the existing non-statutory fees and charges.
43. Section 93(1) of The Local Government Act 2003 enables the Council to charge for providing discretionary services. The power in the Act is subject to the requirement that the Council is not prevented from charging for the services by virtue of any other legislation. The Director of Legal Services is not aware of any specific legislative provision which would prevent the Council from relying on these powers to charge.
44. The power to charge for a service under the Act is also subject to the duty to make sure that, taking one financial year with another, the income from charges made from a service does not exceed the cost of the provision of the service.
45. The Council is, therefore allowed to set the level of the charge for each discretionary service that it thinks fit and considers reasonable, subject to those charges not exceeding the costs of the provision.
46. The report confirms that there are no prescribed legal requirements for consultation on the proposed fees and charges although any proposed increases will need to be publicised and notified. Officers should ensure that all forms of notification explain how and to whom any complaints or queries should be made.

Strategic Director of Finance and Corporate Services (F&CS14/021)

47. This report recommends that the Cabinet Member for Regeneration, Planning and Transport agrees the proposed non-statutory fees and notes the statutory fees and charges for 2015/16, with an implementation date of 1 April 2015.
48. The strategic director of finance and corporate services notes the resource implications contained within the report and the comparison of proposed council fees with the appropriate inner London average fees.
49. Savings that have been factored into future budgets and alternative savings would need to be identified should the recommendations not be accepted. Officer time to effect the recommendation will be contained within existing budgeted revenue resources.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Public Realm Division Fees & Charges 2015-16 working papers and relevant emails	Public Realm, E & L offices, 160 Tooley Street, SE1	Jamshed Manzoor, Divisional Accountant 0207 525 2111

APPENDICES

No.	Title
Appendix 1	Parking Services– Statutory and non statutory fees and charges
Appendix 2	Network Management– Statutory and non statutory fees and charges

AUDIT TRAIL

Lead Officer	Deborah Collins, Strategic Director, Environment & Leisure	
Report Author	Des Waters, Head of Public Realm, E&L	
Version	Final	
Dated	5 March 2014	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Member	No	No
Date final report sent to Constitutional Team	5 March 2015	