

Subject:	Fees and Charges 2022-23		
Date of Meeting:	13 January 2022		
Report of:	Executive Director, Economy, Environment & Culture		
Contact Officer:	Name:	Various	Tel: Various
	Email:	Various	
Ward(s) affected:	(All Wards);		

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 Tourism, Equalities, Communities and Culture Committee, including Planning and Building Control, 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.
- 2.2 That Committee delegates authority to the Executive Director of Economy, Environment & Culture (in relation to paragraphs 3.4 - 3.33) and to the Executive Director of Housing, Neighbourhoods & Communities (in relation to paragraph 3.34) to change fees and charges as set out in the report and as 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 are 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 Development and Regeneration

Building Regulations Applications Fees

- 3.4 It is proposed to increase the Building Control Fees by 1.5% for smaller domestic work and 5% for works of a higher value and complexity. Building Control operates in competition with the private sector and works hard to deliver a quality professional service that maintains its market share. Retaining professional surveying staff is increasingly difficult and failure to deliver the service can result in refunds of fees charged. However, Building Control provide an efficient and professional service that is valued by its customers and customer loyalty is high. Recent benchmarking suggests that the service charges are average for comparable authorities. The service considers that the proposed increase may not adversely affect market share or potential income to the council. It should be noted that the service's fees and charges have increased in the past 3 to 4 years by over 33%. The estimated value of the potential additional income is £0.018m.
- 3.5 Full details of the existing building control fees are set out on the council's website: [Building Regulations Application Fees 2021/22](#)

Pre-Application Planning Advice Service

- 3.6 It is proposed to increase the fees for planning pre-application advice by 5%. This increase is required to fully recover costs due to increases in building construction prices over recent years.
- 3.7 Full details of the existing planning pre-application advice fees are set out on the council's website: <https://www.brighton-hove.gov.uk/content/planning/planning-applications/pre-application-planning-advice-service>

Seafront

- 3.8 There are a range of fees and charges linked with the Seafront including licences for beach huts, boats and boat lockers, volleyball court hire, Volk's Railway and use of the Bandstand. The proposal is to increase smaller charges by 10% for 2022/23. For beach chalets and use of the Bandstand the proposal is to increase these fees by 5% for 2022/23 and then by another 5% for 2023/24. The proposed charges for the Seafront for 2022/23 are included in **Appendix 1**.
- 3.9 The proposals detailed below identifies an above inflation increase to all Seafront fees and charges.

Volk's Railway Fees & Charges

- 3.10 The proposal for 2022/23 is to increase all ticket prices by 10%. This will mean an adult return ticket (the most frequently bought) will increase by 55p to £5.60 while a child return will increase by 35p to £3.50. As a comparable, the Crazy Mouse ride on the Palace Pier is £5 for a single ride. Wristbands can be purchased for unlimited rides for £25 or £13 depending on height. Therefore, even with a 10% increase officers consider the Volk's Railway still provides value for money.

Beach Huts

- 3.11 There are 459 wooden beach huts on Hove seafront that are privately owned by Brighton & Hove residents. The licence fee to place the owner's hut on Council land is currently £416.20 Inc. VAT for the year 2021/22 giving an approximate annual income to the Council of £160,000 excluding VAT.
- 3.12 A beach hut can be sold on when it has been owned for three years but only to other Brighton & Hove residents. The transfer fee is currently £82.
- 3.13 In recent years, the value of a beach hut on the seafront has risen well above inflation and more in line with the increases in the local property market. Huts sold will range in price depending on the location and the condition of the hut. There are currently two advertised for sale both with an asking price exceeding £32,000.
- 3.14 The proposal for the annual licence fee for the year 2022/23 is for an increase of 10% to £457.82. This is an actual increase of £41.62. The transfer fee will remain at £82.00.

Beach Chalets

- 3.15 There are 105 brick built beach chalets in Brighton & Hove which are owned by the council and rented for an annual fee by tenants. The council is responsible for the on-going maintenance costs of the chalets and utility charges. The demand for beach chalets is extremely strong. The waiting lists have been closed since 2017 with over 150 people waiting for the opportunity to rent a chalet.

- 3.16 Currently, more than half of the chalet tenants are on indefinite tenancies and pay a higher fee than those on 5 year fixed-term tenancies. As of 1st April 2022, (following a decision made by the TECC Committee) all indefinite tenancies will end and those chalet tenants who wish to remain will be transferred to an eight year fixed-term tenancy. From this point, all chalet tenants will pay the proposed fees which reflect the location and services available in their beach chalet and are not distinguished by the length of tenure.
- 3.17 The proposal is for a 5% increase in 2022/23 with a further 5% the following year. For tenancies in Saltdean & Rottingdean this equates to a charge of £2.43 per day with a further £3.70 per month increase in year 2. For tenancies in Hove this equates to a charge of £4.16 per day with a further £6.33 per month increase in year 2. This stepped increase will enable chalet tenants to make an informed decision over next summer as to whether they are maximising the use and value of their chalet. This also allows for the tenant to hand the chalet back before the further 5% increase the following year.
- 3.18 Comparisons with chalets in other seafront locations and with a similar type of facility are not easy to make. The best comparator that has been identified are the brick-built chalets in Worthing which have water but no electricity supply. The charge for these beach chalets is £1,520 per annum for the current financial year. The proposed increased charge of £1,521.20 for 2022/23 for the Hove chalets compares very favourably with Worthing, as the Hove chalets have an electricity supply met by the council.

Volleyball

- 3.19 The council operates a sand court on the seafront which can be hired by the public to play beach sports. The proposal is to increase the hourly hire fee by £3 to £30 which equates to an 11.1% increase. This price is still considered affordable as most people hire the court as part of a group and split the fee. The only comparable to this court is Yellowwave where you can currently hire a court for £25.00 per hour.
- 3.20 A review of the fees and charges has highlighted that there needs to be greater disparity between current coaching session fees and the general volleyball court hire fee. This is to differentiate from users who are playing the sport purely for recreation and those who are operating a business from the council's facility. The proposal is to increase the hourly hire fee by £6 to £36 which equates to a 20% increase. The increased costs will either be passed on and split by the group of people being coached or will be absorbed by the coach/business profit.

Bandstand

- 3.21 The proposal to increase the hire fee for the Bandstand by 5% in 22/23 and a further 5% in 23/24 is intended to reduce the impact of a significant uplift applied to the rest of seafront services. As the hire fees are already high in comparison with any other seafront facility a 10% increase may have the adverse effect of driving business away.

Tourism and Venues

Brighton Centre

- 3.22 A 5% increase can be added to the Brighton Centre's daily room hire charges for 2022/23; however, based on the current levels of confirmed and agreed contracts into future years, the impact of this increase will take at least 24 months to come to fruition. In due course, this could yield an additional £0.050m of revenue by the end of 2023/24. In addition, officers retain delegated authority to negotiate the most appropriate fees & charges for specific commercial arrangements.
- 3.23 The proposed fees and charges are set out in **Appendix 2**.

Visit Brighton

- 3.24 For Visit Brighton, no fee increases are proposed for 2022/23, but it is intended that fees will be increased by at least 3% in 2023/24, sympathetic to the difficult trading conditions that tourism businesses have encountered in the past 18 months, ensuring their continued buy-in and re-engagement.
- 3.25 The proposed fees and charges are set out in **Appendix 3**.

Outdoor Events

- 3.26 There are a range of fees and charges relating to Outdoor Events including charges for the hire of land for outdoor events, filming permission charges, hire charges for the use of land for promotions, and advertising sites managed by the Events Team.
- 3.27 It is proposed that an application fee is charged to contribute towards the cost of administering the processing of event applications. The administration fee is set at three different amounts, dependent on whether an event is commercial at £100, charity at £50 or a community event at £25. This arrangement is commonplace in cities and towns across the country.
- 3.28 Benchmarking against charges for filming by similar cities including Oxford and Bristol has been used to propose the increase of charges for permissions to film in Brighton & Hove by an average of 10%. Charges for filming and photoshoots vary according to what is being filmed and how long for. Filming and photoshoots relating to news and tourism remain free of charge.
- 3.29 In previous years, reinstatement bonds charged to event organisers have been fixed, dependent on whether the event is a commercial one or a charity/community event. It is proposed that for events in 2022/2023, all reinstatement bonds are negotiated and determined based on the event location, size of event, potential impact on the land, mitigation measures in place by the event organiser and their reputation.
- 3.30 A proposal of an average increase of 9.7% for the hire charges made to events using the council's parks, open spaces and Madeira Drive has been made whilst considering the current trend in high demand for the use of space in Brighton &

Hove for events. There is a need to be sympathetic to the difficult operating conditions that the events industry has experienced during the last 18 months, however the proposed charges are in line with land hire charges made by local authorities in comparative cities.

- 3.31 A 9% increase is proposed on the charges made for seafront poster advertising sites, increasing the cost by 50p to £5.80 per poster for a ten day period. This remains cheaper than other advertising sites across the city. For example, a bus stop poster campaign which lasts two weeks costs on average £400-£500 for one poster. Keeping this charge affordable helps our event organisers reach a wider audience in prime space on Brighton & Hove seafront and ensures that the sites are always being used and not left empty.
- 3.32 A proposal is made to increase the charges for commercial promotions by 4% on weekend days and 5% on weekdays, at all sites across the city. This brings the charges in line with comparative cities, for example Bristol City Council who charge £1,500 for promotions in the city centre. Brighton & Hove's seafront can attract 250,000 people past the Palace Pier on a busy day, which justifies the charge of £1,800 on a weekend day for promotional activity. This is an increase of £75 based on 2021/2022.
- 3.33 The proposed fees and charges are set out in **Appendix 4**.

Libraries

- 3.34 The majority of the Library Service fines and charges are small and are always a multiple of 5p to reduce the overheads and cash handling. Therefore, each year a selection of the charges are inflated to meet the corporate inflation target as a minimum. The charges increasing this year are listed in **Appendix 5**. These increases are based on comparisons with our nearest neighbours in East and West Sussex and the current market in Brighton and Hove for conference room hire. More vulnerable users and those over 65 are given concessionary rates to some of the charges, and Access and Exempt card holders are exempt from some charges.

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.

5 COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 Not undertaken.

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.

Finance Officer Consulted: Jeff Coates

Date: 20/12/21

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 cost recovery. In some prescribed cases, such as charging for trade waste collection, legislation enables the Council to set charges at a commercial rate. In all cases the council must act reasonably and ensure that any statutory formalities which govern the particular charge are complied with.

Lawyer Consulted: Alice Rowland

Date: 22/12/21

Equalities Implications:

- 7.3 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:

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

Any Other Significant Implications:

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

SUPPORTING DOCUMENTATION

Appendices:

1. Proposed Seafront Fees and Charges 2022/23
2. Proposed Room Hire Fees and Charges 2022/23
3. Proposed Visit Brighton Fees and Charges 2022/23
4. Proposed Outdoor Events Fees and Charges 2022/23
5. Proposed Library Service Fees and Charges 2022/23

Documents in Members' Rooms

1. None

Background Documents

1. None