

Brighton & Hove City Council

Tourism, Equalities, Communities and Culture Committee

Agenda Item 53

Subject: Fees and Charges 2023-24

Date of meeting: 12th January 2023

Report of: Executive Director, Economy, Environment & Culture;
Executive Director for Housing, Neighbourhoods &
Communities

Contact Officer: Name: Various
Tel: Various
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Ward(s) affected: All

For general release

1. Purpose of the report and policy context

- 1.1 The purpose of this report is to set out the proposed 2023/24 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.
- 1.2 Given the financial situation the council is under, this report also sets out where proposed fees and charges for 2023/24 can be brought forward for implementation in the current financial year

2. Recommendations

- 2.1 That Committee agrees the proposed fees and charges for 2023/24 as set out within the report.
- 2.2 That Committee agrees the proposed fees and charges in paragraphs 3.5 – 3.10 relating to Building Regulation Application fees, Pre-Application Planning Advice Service and Planning Performance Agreements, to be implemented with immediate effect in the current financial year 2022/23 allowing for lead in time to update systems, charging methods and notice periods.
- 2.3 That Committee agrees the proposed fees and charges in paragraph 3.29 relating to the Brighton Centre ticket levy, to be implemented with immediate effect in the current financial year 2022/23 allowing for lead in time to update systems, charging methods and notice periods.
- 2.4 That Committee delegates authority to the Executive Director of Economy, Environment & Culture (in relation to paragraphs 3.5 – 3.37) and to the Executive Director of Housing, Neighbourhoods & Communities (in relation

to paragraph 3.38 – 3.42) to change fees and charges as set out in the report and as set by central Government during the year.

3. Context and background information

3.1 As part of the budget setting process Executive Directors are required to agree changes to fees and charges through relevant Committee Meetings. The management of fees and charges is fundamental both to the financial performance of the City Council and the achievement of the Council's corporate priorities. The council's Corporate Fees & Charges Policy requires that all fees and charges are reviewed at least annually and should normally be increased in line with the cost of providing the service to maintain income in proportion to the net cost of service. The Corporate Fees & Charges Policy also stipulates that increases above or below a 'corporate rate of inflation' should be approved by committee. However, it should be noted that the corporate rate of inflation (3%) is not a default rate of increase and is a planning assumption only, set early in the financial year, and should not therefore determine actual increases which should normally reflect current inflation rates and cost increases to ensure that income is maintained in proportion to expenditure.

3.2 Fees and Charges increases to cover our increased costs are one of a number of measures that are being taken by Directors to help bridge the revenue budget gap in the current year. Set out below is a range of measures being taken:

- Moratorium on recruitment in the current financial year (unless there are exceptional circumstances, which can arise for delivery of frontline and/or income generating services)
- Rigorous review of all fees and charges applied by services within the directorate, pushing fee increases as far as is considered feasible and bringing forward the increase into the current year where possible
- Participation in meetings with lead Members to challenge fee and charge proposals
- Cessation of all non-essential expenditure
- Starting the review of capital expenditure to identify where reprofiling of expenditure, appraisal of essential budgets, changes in scope are possible to reduce the impact on the revenue budget
- Briefings to all staff to ensure consistency of message about required measures across all services
- Regular discussions of the above items and of TBM reports at DMT meetings and Extended DMT meetings

3.3 The committee are advised that if the proposed fees & charges recommended in this report are not agreed, or if the committee wishes to

amend the recommendations, then the item will normally need to be referred to the Policy & Resources Committee meeting on 9 February 2023 to be considered as part of the overall 2023/24 budget proposals. This is because the 2023/24 draft and final 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, may have an impact on the overall budget proposals, which means it would need to be dealt with by Policy & Resources Committee as per the requirements of the constitution. However, this does not fetter the committee's ability to make alternative recommendations to Policy & Resources Committee.

- 3.4 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

- 3.5 It is proposed to increase the Building Control Fees by 6.0%. 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.

- 3.6 Full details of the existing building control fees are set out on the council's website: [Building Regulations Application Fees 2022/23](#)

Pre-Application Planning Advice Service

- 3.7 It is proposed to increase the fees for planning pre-application advice by 6.0%. This increase is required to fully recover costs associated with providing the service.

- 3.8 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>

Planning Performance Agreements

- 3.9 The Planning Service already provides an optional Planning Performance Agreement (PPA) fee paying service on major planning applications (10 or more new dwellings.) Recent engagement with the development industry has suggested there may be some interest in providing a similar option for

more complex minor applications. The service will therefore introduce a new minor charging band (w/e/f 1st April 2023) shown in bold below:

<i>Band</i>	<i>Category</i>	<i>All Uses</i>
Minor	Less than 10 residential units/1,000m2 commercial development	£10,235
A	10-25 residential units/1,000m2 - 4,999m2 commercial development	£27,980
B	26-99 residential units/5,000m2 – 9,999m2 commercial development	£37,485
C	100-174 residential units/10,000m2 - 17,499 m2 commercial development	£42,230
D	175- 250 residential units/17,500m2 - 24,999 m2 commercial development	£50,150
E	Over 250 residential units/25,000 m2 commercial development	Bespoke fee

- 3.10 The scope and service delivery content that is to be provided within the funding generated will be finalised with input from the development sector during February and early March 2023.

Seafront

- 3.11 There are a range of fees and charges linked with the Seafront including licences for beach huts, beach chalets, boats and boat lockers, volleyball court hire, Volk’s Railway and the Bandstand. The proposal detailed below identifies an above inflation increase for all Seafront fees and charges. The proposed charges for the Seafront for 2023/24 are included in **Appendix 1**.

Volk’s Railway Fees & Charges

- 3.12 The proposal for 2023/24 is to increase all ticket prices by 10%. This will mean an adult return ticket (the most frequently bought) will increase by 60p to £6.20 while a child return will increase by 35p to £3.85. 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 £30 or £15.50 depending on height. Therefore, even with a 10% increase officers consider the Volk’s Railway still provides value for money.

Beach Huts

- 3.13 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 £457.82 inc.VAT for the year 2022/23 giving an annual income to the Council of £175,000 excluding VAT. The proposal for the annual licence fee for the year 2023/24 is for a relatively low increase of 5% to £480.71 inc. VAT. This is an actual increase of £22.89.
- 3.14 A beach hut can be sold on when it has been owned for three years but only to other Brighton & Hove residents. The Administration fee is currently £82. 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. Beach Huts are currently being advertised for sale with guide prices ranging from £29,000 - £36,500.

- 3.15 The proposal is to delete the beach hut Administration fee and instead introduce a new Transfer fee, as is applied in some other local authorities. This fee would be payable by the hut owner on the sale of their hut and the transfer of the licence to the new owner. The fee payable would be calculated at 10% of the sale price. Based on advertised for sale prices, the new Transfer Fee could range from £2,900 to £3,650 per transaction. In order to facilitate this new charge the council may need to terminate all existing beach hut licences and let new licences to the beach hut owners on different terms (please see legal implications below).

Beach Chalets

- 3.16 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. There are more people on the waiting list than there are chalets available to rent. The waiting list was closed in 2017 and re-opened in September 2022. Currently there are 207 residents on the waiting lists across all locations, but some residents are on several waiting lists, so there is a degree of duplication.
- 3.17 A proposal was agreed at TECC Committee in January 2022 to increase this fee by 5% for 2022/23 and then by another 5% for 2023/24. However, due to the current budget pressures the proposal is to align the beach chalets with other Seafront fees and charges and increase these annual fees by 10% for 2023/24. The fee charged for renting a beach chalet differ depending on the location and the services provided, for example Hove chalets have electricity and water while others may have access to a communal water tap. The highest monetary increase is for the Hove chalets with an increase of £152.12 from £1,521.20 to £1,673.32 per year. The lowest increase is applied to the Rottingdean and Saltdean chalets with an increase of £88.96 from £889.60 to £978.56 for the annual rental charge.
- 3.18 Compared with other Seafront fees which were increased by 10% for the current financial year, the beach chalet tenants have had the benefit of a slightly lower fee increase. This stepped increase will have enabled chalet tenants to make an informed decision over this past 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 proposed 10% increase in the new financial year.
- 3.19 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 currently £1,550 per annum but is subject to an increase for the new financial year. The proposed

increased charge of £1,673.32 for 2023/24 for the Hove chalets compares very favourably with Worthing, as the Hove chalets have an electricity supply met by the council.

Volleyball

- 3.20 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 £33. 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 £26 per hour.

Bandstand

- 3.21 Currently there is a flat rate to hire the Bandstand for weddings and ceremonies regardless of which day of the week the booking is for. The majority of wedding bookings are on a Friday or Saturday but it is only possible to offer couples a choice of two slots per day at two hours each. The new proposal is to introduce a tiered hire fee to offer reduced rates at off peak times (Wednesday & Thursday), peak times (Friday & Saturday) and a higher rate for Bank Holidays when staffing costs are higher. The aim of this new pricing structure is to distribute the demand for weddings more evenly across the week and try to fill more of the available time slots.
- 3.22 To enable couples to plan ahead, it is usual practice to set the hire fee for the next 2 wedding seasons ie 2023 and 2024. It is proposed to increase the existing hire fee by 10% to £790 and at the same time establish this as the peak rate. The new off peak rate will be introduced at £600 and the Bank Holiday rate at £850.
- 3.23 If successful, this will increase revenue to the council although it is not possible to forecast what the uplift in income is likely to be. As the hire fees are already high in comparison with any other seafront facilities a 10% increase may have the adverse effect of driving business away. However, it is hoped that by introducing the off peak rate this will encourage couples who may be concerned by the higher price to switch the day rather than choosing an alternative cheaper venue.

Boats and Boat Lockers

- 3.24 The council currently rents 12 boat lockers on the beach in Hove and on Madeira Drive. Over the past decade the use of these lockers by the fishing community has declined and many of the original lockers were removed after becoming derelict. There has been a move away from their traditional use as lockers for rods, nets and fishing equipment and now they are predominantly used for storage of beach and leisure equipment.
- 3.25 Licences to place a sailing or rowing boat on the beach are issued to approx. 50 boats each year, the majority of which are associated with Brighton Sailing Club and Hove Deep Sea Anglers. The annual fee is currently £43.50.

- 3.26 The prices for the lockers and licences are disproportionately low compared with the fees charged for other annual licences for seafront amenities such as beach huts and chalets. The proposal is to increase the price of boat lockers to closer reflect the value and use of the seafront land and facilities. Whilst the increases may appear high in percentage terms, the highest monetary increase is £143.50 for the council owned brick lockers. However, the proposed price of £250 per year still represents extremely good value for a storage facility on one of the UK's busiest beaches.

Tourism and Venues

Brighton Centre

- 3.27 A 10% increase can be added to the Brighton Centre's daily room hire charges for 2023/24; 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 £0.100m of revenue by the end of 2024/25. In addition, officers retain delegated authority to negotiate the most appropriate fees & charges for specific commercial arrangements.
- 3.28 The proposed fees and charges are set out in **Appendix 2**.
- 3.29 In addition it is proposed that a £1.50 levy is placed on every ticket purchased at the Brighton Centre with immediate effect, this could yield additional income in the region of £0.075m per annum.

Visit Brighton

- 3.30 For VisitBrighton, a 10% increase can be added to the Partnership Fees for 2023/24; this could yield an additional £0.011m in revenue. In addition, officers retain delegated authority to negotiate the most appropriate fees & charges for specific commercial arrangements.
- 3.31 The proposed fees and charges are set out in **Appendix 3**.

Outdoor Events

- 3.32 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.
- 3.33 The application fee proposed in 2022/23 has not been applied to date as the main body of applications take place at the end of the year. For all successful applications in the September 2022 round these fees are being applied. It is proposed we maintain these fees at their current position until a suitable administration process can be actioned to charge at the point of application.

- 3.34 BHCC contributed to the creation of the Sussex Film Office in 2015 and agreed a contract to outsource the negotiation of all filming contracts in the city as part of this wider regional scheme. This year we have begun to use this system with very productive results. The online accreditation and booking system allows full control to city officers while allowing cost negotiation to take place via trained professionals at Sussex Film Office. This has generated a small increase in income in the 4 months of operation. In 2023/24 it is proposed we remove fixed fee listings to allow more flexibility to Sussex Film Office to maximise income potential. A target has been set in excess of 20% above the last full pre-pandemic income year based on performance from other Sussex areas. This should be very achievable.
- 3.35 A near 10% increase was imposed in 2022/23 on event sites but demand has remained high so an additional increase of between 6% and 8% across the board is proposed for 2023/24. The exception to this is Madeira Drive that is currently beginning preparations for the Madeira Terrace works and will see a significant reduction in working space as a result. Demand for this location has levelled out currently so a smaller increase is proposed.
- 3.36 A 20% increase is proposed on the charges made for seafront poster advertising sites, increasing the cost by £1.20 to £7.00 per poster for a ten day period. This increase ensures the proportion of income to expenditure for this service remains intact following rising inflation on expenditure. 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. In addition an offer of sites at cost has been made for vacant boards to the MVAB (Music Venues Association Brighton) to support local grassroots venues.
- 3.37 The proposed fees and charges are set out in **Appendix 4**.

Libraries

- 3.38 Most 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 and some authorities who are in our CIPFA comparator group, or members of the SELMS consortium (South East Library Management System): East Sussex, West Sussex, Portsmouth, Southampton, Bournemouth, Southend and Medway.
- 3.39 The proposed changes listed include the proposed re-introduction of overdue charges on books borrowed on children's membership cards, which is included in the budget savings proposals for 2023-24, as reported to Policy and Resources on 1st December 2022.
- 3.40 All books and spoken word overdue charges are capped at a maximum figure per loan, to avoid running up unreasonable charges. More vulnerable users and those over 65 are given concessionary rates on some of the

charges, and Access and Exempt card holders are exempt from many charges.

- 3.41 Room hire charges have been informed by the current market in Brighton and Hove, following research into charges made by other venues in the city.
- 3.42 With these proposals, the overall increase in income targets will produce a further £14,000. above the 3% corporate inflationary increase in targets. The total overall percentage increase in income targets is 6%, excluding children's overdue charges. The total overall percentage increase in income targets is 12%, including children's overdue charges.

4. Analysis and consideration of 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 +3.0% (unless otherwise stated) and consideration has been given to other factors such as statutory requirement, cost recovery and prices charged by competitor / comparator organisations.

5. Community engagement and 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 2023/24 are assumed to increase by a standard inflation rate of +3.0% 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 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 3.0% are normally applied to all council income

budgets as a minimum but fees & charges should normally be set to recover costs and/or maintain income in proportion to expenditure. Increases above or below the corporate rate of inflation require approval by the relevant service committee or Policy & Resources Committee and can result in additional contributions toward the cost of services and/or corporate and service 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 Budget proposals for the relevant service and will be incorporated within the revenue budget report to Policy & Resources Committee and Budget Council in February 2023. Income from fees and charges is monitored as part of the Targeted Budget Monitoring (TBM) process.

- 7.2 Recommendations to bring forward fees & charges increases into the current financial year allowing for lead in time to update systems, charging methods and notice periods will allow those higher fees & charges to be collected for the remainder of the 2022/23 financial year. Increased income received for the remainder of the year will help support the council's current financial position and any significant variation to budget will be reported as part of the council's monthly budget monitoring process.

Name of finance officer consulted: John Lack Date consulted: 19/12/22

8. Legal implications

- 8.1 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.
- 8.2 In relation to the proposals for beach huts, the Council would need to review all existing beach hut licences and take appropriate steps to implement the introduction of new terms including the new transfer fee. The Council is taking specialist advice on whether this requires the termination of the existing licences.

Name of lawyer consulted: Alice Rowland Date consulted: 19/12/22

9. Equalities implications

- 9.1 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.

10. Sustainability implications

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

11. Other Implications

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

Supporting Documentation

1. Appendices

- 1. Proposed Seafront Fees & Charges 2023/24
- 2. Proposed Room Hire Fees and Charges 2023/24
- 3. Proposed Visit Brighton Fees and Charges 2023/24
- 4. Proposed Outdoor Events Fees and Charges 2023/24
- 5. Proposed Library Service Fees and Charges 2023/24

2. Background documents

- 1. None

