

### Transport & Sustainability Committee

**Subject:** Fees and Charges 2024-25

**Date of meeting:** 6<sup>th</sup> February 2024

**Report of:** Executive Director, Economy, Environment & Culture

**Contact Officer:** Name: John Lack  
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**Ward(s) affected:** All

**For general release**

Note: Urgency

By reason of the special circumstances below, and in accordance with section 100B(4)(b) of the 1972 Act, the Chair of the meeting has been consulted and is of the opinion that this item should be considered at the meeting as a matter of urgency.

Note: Reasons for urgency

The special circumstances for non-compliance with Council Procedure Rule 3, Access to Information Procedure Rule 5 and Section 100B(4) of the Local Government Act 1972 (as amended), (items not considered unless the agenda is open to inspection at least five days in advance of the meeting) were that information required for completion of the report was still being sought beyond the publication date. The report is required to be determined at this meeting in order to comply with the budget setting timetable.

#### **1. Purpose of the report and policy context**

1.1 The purpose of this report is to set out the proposed 2024/25 fees and charges for the service areas covered by the Transport and Sustainability Committee, in accordance with corporate regulations and policy.

#### **2. Recommendations**

2.1 That Committee agrees the proposed fees and charges for 2024/25 as set out within the report.

2.2 That Committee agrees the removal of the ringfence of net surplus incomes from parking activities at Preston Park and East Brighton Park in paragraph 3.12.

2.3 That Committee agrees to changes being advertised with a new Traffic Regulation Order or notice of intention as required; changing operating times for car parking at East Brighton Park and Preston Park to Monday to Sunday 9am to 8pm.

- 2.4 That Committee delegates authority to the Executive Director of Economy, Environment & Culture (in relation to paragraphs 3.5 – 3.14), 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 Strategy, Finance & City Regeneration Committee meeting on 8<sup>th</sup> February 2024 to be considered as part of the overall 2024/25 budget proposals. This is because the 2024/25 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 Strategy, Finance & City Regeneration Committee as per the requirements of the constitution. This does not fetter the committee's ability to make recommendations to Strategy, Finance & City Regeneration Committee

### **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.
- 3.2 The Corporate Fees & Charges Policy also stipulates that increases above or below an agreed 'corporate rate of inflation' should be approved by committee. However, it should be noted that the corporate rate of inflation (3.5% for 2024/25) is not a default rate of increase and is a financial planning assumption only, set early in the financial year, and should not therefore determine actual increases which should normally reflect current and projected inflationary cost pressures to ensure that income is maintained in proportion to expenditure.
- 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 Strategy, Finance & City Regeneration Committee meeting on 8<sup>th</sup> February 2024 to be considered as part of the overall 2024/25 budget proposals. This is because the 2024/25 final budget proposals will have been developed on the assumption that fees and charges are agreed as recommended and therefore any rejection or amendment of the proposed fees and charges may have an impact on the overall budget proposals, which means it would need to be dealt with by Strategy, Finance & City Regeneration Committee as per the requirements of the constitution. However, this does not fetter the committee's ability to make alternative recommendations to Strategy, Finance & City Regeneration 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/or administration.

### **City Transport - Highways**

- 3.5 It is proposed to increase fees & charges relating to Signs by 10% to ensure all costs are recovered. All remaining Highways fees & charges are proposed to increase by the corporate rate of inflation of 3.5%. Where percentage increases are under or over +10% or +3%, this is to ensure that increases can be made in whole pounds.
- 3.6 The proposed fees and charges are set out in Appendix 1.

### **City Transport – Parking**

- 3.7 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 by section 95 of the Traffic Management Act 2004.
- 3.8 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 2021/22. The updated 2022/23 Parking Annual Report is being discussed within this T&S Committee meeting.
- 3.9 Improving air quality is a key objective for Brighton & Hove City Council. As part of a range of measures to improve air quality, 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.
- 3.10 These parking fees & charges increases are mainly in line with inflation and the council's current system of charging. This may change in the future as a parking review is underway and the findings will be reported in May / June 2024.
- 3.11 A schedule of the proposed 2024/25 fees and charges for on-street parking, off-street parking and permits is included at Appendix 2. The most noteworthy proposals are as follows:
- Increasing all fees & charges for on-street and off-street parking as well as permit prices by an average of 6%.

- Payments for 90 days for full scheme and high demand resident permits have seen a minor variation due to system requirement changes.
- Increasing light touch schemes to a closer mid-point price between existing light touch and current full schemes (which will be frozen for 24/25). Residents are also being given the option of converting light touch parking schemes to full schemes. This reflects the utilisation of parking spaces throughout a zone.
- Introduce penalties for unauthorised bay suspensions.
- Increasing parking dispensations from £100 to £150.
- Increasing the cost of a Car Club Bay to the Car Club company to take into consideration the cost of parking in that space. This would be alongside considering the maintenance costs of signing / lining and also to encourage the use of a low emission fleet by the car company.
- Remove Norton Road staff passes / discount at the Norton Road Car park due to the low take up.
- Remove the free hotel guest permit in Norton Road Car Park. In recent years, it has become apparent this arrangement isn't fit for purpose as there have been PCN's issued due to overstays. Tariff changes to the Norton Road car park in 2023/24 brought in a reduced weekend tariff that visitors can benefit from instead. Hotels in zone N (Central Hove) can also apply for a dedicated Hotel permit that allows guests to park on street any day of the week.
- Lining costs increased to reflect increased costs of maintenance.
- Introduce short notice applications for less than seven working days notice.
- The additional vehicle surcharges and low household income discount price have been removed as this needs further discussion on the way forward. It cannot be implemented in 24/25 due to the IT development requirements. This can be re-introduced to the fees & charges list in future years if appropriate.

## **City Environmental Management**

### Car Parking Charges in Parks

- 3.12 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 of Preston Park car park with equivalent on-street tariffs for 2024/25 and the remaining areas (Chalk Hill, Church Car Park,

Lower Lodges, Upper Lodges, Patchway and East Brighton Park) to increase by the average on-street tariff uplifts of 6% for 2024/25.

- 3.13 It is also proposed to remove the ringfence in relation to car parks located at Preston Park and East Brighton Park. The removal of the ringfence will allow any net surpluses generated to be released within City Environmental Management budgets or wider council budgets to support pressures or other initiatives.
- 3.14 The proposed fees and charges are set out in Appendix 3.

#### **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 +3.5% (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 and consultation**

- 5.1 Where Traffic Regulation Orders are required for proposed transport fee changes, objections received will be reported to this committee at a future date.

#### **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 2024/25 are assumed to increase by a standard inflation rate of +3.5% 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 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 3.5% are normally applied to all council income budgets (exceptions include statutory Penalty Charge Notices) as a minimum but fees & charges should normally be set to recover costs and/or maintain income in proportion to expenditure.

- 7.2 Increases above or below the corporate rate of inflation require approval by the relevant service committee or Strategy, Finance & City Regeneration 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 Strategy, Finance & City Regeneration Committee and Budget Council in February 2023. Income from fees and charges is monitored as part of the Targeted Budget Monitoring (TBM) process.
- 7.3 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.

Name of finance officer consulted: John Lack Date consulted: 11/01/2024

## **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. 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.
- 8.2 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.

Name of lawyer consulted: Elizabeth Culbert    Date consulted:12/01/24

## **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 as a minimum 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 City Transport (Highways) Fees and Charges 2024/25
2. Proposed City Transport (Parking) Fees and Charges 2024/25
3. Proposed Car Parking Charges in Parks 2024/25

### **2. Background documents**

1. None

