

7 December 2021		ITEM: 5
Planning, Transport, Regeneration Overview and Scrutiny Committee		
Fees and Charges Pricing Strategy 2022/23		
Wards and communities affected: All	Key Decision: Key	
Report of: Kelly McMillan, Business Development Manager		
Accountable Assistant Director: Leigh Nicholson, Assistant Director – Planning Transport and Public Protection, Julie Nelder, Assistant Director – Highways, Fleet and Logistics, Michelle Thompson - Corporate Property.		
Accountable Director: Julie Rogers, Director of Public Realm and Sean Clark, Corporate Director of Resources and Place Delivery, Corporate Finance		
This report is Public		

Executive Summary

This report specifically sets out the charges in relation to services within the remit of this Overview and Scrutiny Committee. Charges will take effect from the 1 April 2022, unless otherwise stated. In preparing the proposed fees and charges, Directorates have worked within the charging framework and commercial principles set out in Section Three of the report. We have also taken into account the effect that Covid-19 has and will continue to have on services, residents and the local economy.

Further director delegated authority will be sought via Cabinet to allow Fees and Charges to be varied within financial year in response to legal, regulatory or commercial requirements.

The full list of proposed charges is detailed in Appendix 1, and the proposed deletion of current fees and charges are detailed in Appendix 2 to this report.

1. Recommendations

- 1.1 **That Planning, Transport and Regeneration Overview and Scrutiny Committee note the revised fees, including those no longer applicable, and comment on the proposals currently being considered within the remit of this committee.**
- 1.2 **That Planning, Transport and Regeneration Overview and Scrutiny Committee note that director delegated authority will be sought via**

Cabinet to allow Fees & Charges to be varied within a financial year in response to commercial requirements.

2. Background

- 2.1 This paper describes the fees and charges approach for the services within the Planning, Transport and Regeneration Overview and Scrutiny Committee remit for 2022/23 and will set a platform for certain pricing principles moving forward into future financial years.
- 2.2 The paper provides narrative for the Planning, Transport and Regeneration areas:
- Highways and Fleet
 - Parking
 - Passenger Transport
 - Highways Infrastructure
 - Network Management
 - Transport Development
 - Planning and Growth
 - Development Management
 - Building Control

3. Thurrock Charging Policy

- 3.1 The strategic ambition for Thurrock is to adopt a policy on fees and charges that is aligned to the wider commercial strategy and ensures that all discretionary services cost recover.
- 3.2 Furthermore, for future years, while reviewing charges, services will also consider the level of demand for the service, the market dynamics and how the charging policy helps to meet other service objectives.
- 3.3 Rather than a set increase across all service lines, when considering the pricing strategy for 2022/23 some key questions were considered:
- Where can we apply a tiered/premium pricing structure
 - How sensitive are customers to price (are there areas where a price freeze is relevant)
 - Consideration with regards to COVID 19 and the impact on fees & charges locally & nationally
 - What new charges might we want to introduce for this financial year
 - How do our charges compare to neighbouring boroughs and private sector competitors (particularly in those instances where customers have choice)
 - How can we influence channel shift
 - Can we set charges to recover costs
 - How sensitive is demand to price
 - Statutory services may have discretionary elements that we can influence

- Do we take deposits, charge cancellation fees, and charge an admin fee for duplicate services (e.g. lost certificates).

3.4 For Planning, Transport and Regeneration a number of different methods to tier their charges depending on the service area are used:

- **Highways Licensing** – Uses a combination of fixed minimum charges, and variable percentage charge based on specific financial thresholds being exceeded.
- **Transport Development** – Use a number of different charging methods, including minimum charges, deposit retention, financial bonds and percentage based charges based on specific financial threshold levels.
- **Planning Performance Agreements** – Uses the number of properties being developed by the developer per annum to set the charge levels.
- **Street Naming** – Use tiered charges based on number of properties

3.5 The key following points should be noted for 2022/23 fees and charges:

- **Permits** – Fees and charges remain unchanged for the 1st and 2nd permit and have increased by £5 (7%) for the 3rd permit for 2022/23
- **Off Street Pay and Display car park charges** – A consistent parking charge has now been set across the council car parks offering the same long stay option in Darnley Road, Grays at the same current charge as all long stay car parks in the area.

To achieve the required consistency across car parks, the tariff linked to long stay at Grays beach will now be set in line with other long stay car parks owned and managed by Thurrock.

Canterbury Parade will continue to offer free parking for the 1st hour to all visitors. Any stay exceeding the 1st free hour will then be charged in line with all other long stay car parks in Thurrock

- **Parking Suspensions** – Charges have increased from £30 to £50 (66%) Parking suspensions do not have a direct impact on residents but mainly effect large private companies who carry out planned works linked to utilities, building or highways. Such applications also serve as requests for priority enforcement at these paid for locations. The increase in charge is reflective of the admin and CEO priority resource required to legally process and effectively support such applications.
- **On street Parking Charges** – Remain unchanged for 2022/23.
- **Penalty Charge Notices** – Are set statutorily and unchanged for 2022/23.
- **Highways infrastructure** – The introduction of several new fees centring on Licensing, and Vehicle Crossing construction. Specific fees and

charges have been revised to better scale with larger application requirements, using value thresholds to switch to a percentage value of actual costs; as well as having the minimum charge fee increased in line with actual costs where applicable.

- **Transport Development** – The majority of transport development fees and charges are unchanged for 2022/23, with the exception of crane oversail, which have increased by 9% (£20) and accident data provision which has increased by 2% (£4)
- **Transport (Fleet)** – Vehicular MOT Testing – charges have increased for 2022/23 except the class 4 & 7 re-test fee which remains at £15
- **Pre-Planning Application** – Charges have increased for 2022/23 between 1% - 8%
- **Planning Performance Agreement** – Charges remain unchanged for 2022/23
- **Land Charges** – A number of previous land charges are now available in the public domain and are therefore now free of charge to access. The remainder of the charges have been increased by 9%-10% for 2022/23, there are also 3 new charges relating to searches.

4. Proposals and Issues

4.1 The fees and charges for each service area have been considered and the main considerations are set out below.

4.2 To allow the Council services to better respond to changes in the commercial environment for fees and charges; delegated authority will be sought through Cabinet to permit the Director of the Service Area jointly with the Director of Finance to vary service charges within financial year due to commercial considerations.

- This will allow service areas, providing services on a traded basis to vary their fees and charges to reflect commercial and operational considerations that impact the cost recoverability calculations.
- Any changes to Fees and Charges due to commercial considerations will require consultation with, and agreement of, the relevant Portfolio Holder.

5. Transport and Highways

5.1 Visitors Permits

Resident Permit schemes were introduced in order to preserve the limited parking spaces available on-street for residents around towns and train stations and to protect residents from the incursion of commuter parking.

All residents entitled to a Resident Permit are entitled to purchase Visitor Permits.

With the first book of Visitor Permits free annually to each household within a Permit area, they are provided in blocks of 20. The cost of Additional Visitor Permit sheets thereafter is £7, a proposed increase from £6.50

5.2 Residents Permits

1st and 2nd permits remain free of charge and the 3rd permit has been increased to £75 which is a £5 (7%) increase

5.3 Parking Charges

The COVID-19 pandemic impacted significantly on vehicle use across the borough as businesses were forced to close and commuters encouraged to work from home in support of government guidance. The total Pay & Display ticket transactions saw a 60% reduction from 250,332 in 19/20 to 97,931 in 20/21.

As a result of reduced occupancy within the car parks and On-Street the overall Pay and Display revenue decreased from £475,761.70 in 19/20 to £133,037.80 in year 20/21. This equates to a decrease in pay and display revenue of 72% over the last financial year.

	2019/20	2020/21	+/-
<i>Pay & Display Revenue</i>	<i>£475,761.70</i>	<i>£133,037.80</i>	<i>-72%</i>
<i>Total Transactions</i>	<i>250,332</i>	<i>97,971</i>	<i>-60%</i>

A number of the Thurrock Borough Council owned and managed car parks have inconsistent car parking charges and there is a need to streamline the tariff where appropriate. In addition there has been no increase in off street Pay and Display charges for over 3 years, not even in line with inflation. As part of this fees and charges review, proposals are being suggested to address these key areas. The below recommendations are:

- **Darnley Road car park** - Currently a short stay car park, it is proposed to offer long stay parking and bring this car park in line with all other long stay (LS) car parks in Grays. The short stay and long stay tariff is the same charge, however a short stay car park does not allow customers to stay over 4 hours. Therefore changing this car park to long stay simply offers the long stay option and is another parking option for commuters.
- **Grays Beach car park** - A long stay car park but does not have consistent charges with all other long stay car parks in Grays it is

therefore proposed to bring this tariff in line with all Grays long stay car parks.

- **Canterbury Parade car park** – A long stay car park but does not have consistent charges with other long stay car parks in Thurrock, it is therefore proposed to bring this tariff in line with all other long stay car park charges, with one exception. It was recognised that this car park is not located in Grays and has a different demographic and client base, attracting less commuters and more local customers who are supporting smaller independent shops. Therefore In support of the local shops and business owners, Thurrock Borough Council recommend 1 free hour of parking to all customers at this car park. Any stay over 1 hour will then fall in line with all other long stay car parks ensuring a more consistent tariff approach.
- **New Pay and Display car parks x 4** – In reference to the paper being considered by PTR O&S in relation to introducing charges to existing free car parks, subject to Cabinet approval, it is recommended the following Council owned and managed car parks will become chargeable and enforced Pay and Display long stay car parks effective Friday 1st April 2022. It is proposed the tariff will be consistent with all Thurrock Borough Council long stay car parks. (Exemption Canterbury Parade)
 - **Coalhouse Fort**
 - **Tamarisk Car Park**
 - **South Ockendon Recreation Park**
 - **Langdon Hills Country Park**
- **Annual Country Park Parking Season Pass (3hr Max Stay)** - In support of regular walkers/dog walkers to the Country Parks, it is recommended that Thurrock Borough Council will offer an annual parking season pass at a charge of £75 per annum. This entitles the season pass holder to park for up to 3hrs with their season pass in the following locations:
 - Coalhouse Fort
 - South Ockendon Recreation Park
 - Langdon Hills Country Park

The pass has been restricted to 3hrs max stay per day to avoid abuse from commuters. The minimum charge for 1 hour parking of £1 across all car parks is recommended as part of the fees and charges review. Based on 5 x 1 hr visits per week, per annum the cost for the customer without the annual permit would be £5 x 52 = £260. The purchase of the annual Country Parking Permit would be a saving of £185 per year for the customer. This saving would be increased if the customer was to visit the parks 7 days a week

Proposal - Pay and Display Tariff increased.

It is proposed to increase all off street car parking tariffs in support of inflation, management and maintenance costs. The income from Pay and Display

revenue contributes towards operational costs, business rates, surface maintenance, and signs and line repairs.

Please see below a table which confirms what the increases across all Pay and Display charges will look like to the customer. *Please note Grays Beach and Canterbury Parade will be subject to the original tariff change required to bring them in line with the long stay tariff as detailed in point 2 & 3 above.*

Car Parks	Current Charges	Proposed Charges	Increase
Argent Street Cromwell Road Crown Road Station House	up to 1 hour = 70p	up to 1 hour = £1	42%
	up to 2 hours = £1.30	up to 2 hours = £1.50	15%
	up to 4 hours = £2.10	up to 4 hours = £2.50	19%
	up to 6 hours = £3.70	up to 6 hours = £4.00	8%
	over 6 hours = £5.80	over 6 hours = £6.50	12%

Car Park	Current Charges	Proposed Charges
Darnley Road	up to 1 hour = 70p	up to 1 hour = £1
	up to 2 hours = £1.30	up to 2 hours = £1.50
	up to 4 hours = £2.10	up to 4 hours = £2.50
	No long stay option	up to 6 hours = £4.00
	No long stay option	over 6 hours = £6.50

Grays Beach	Current Charges	Proposed Charges
	up to 2 hours = 70p	up to 1 hour = £1
		up to 2 hours = £1.50
	over 2 hours = £3.20	up to 4 hours = £2.50
		up to 6 hours = £4.00
		over 6 hours = £6.50

Canterbury Parade	Current Charges	Proposed Charges
	Free up to 1 hour	Free up to 1 hour
	1 to 2 hours 60p	up to 1 hour = £1
	over 2 hours £2.10	up to 2 hours = £1.50
		up to 4 hours = £2.50
		up to 6 hours = £4.00
		over 6 hours = £6.50

New Pay and Display Car Parks x 4	Proposed Charges (in line with all other TBC long stay car parks)
<ul style="list-style-type: none"> • Coalhouse Fort • Tamarisk Car Park • South Ockendon Recreation Park • Langdon Hills Country Park 	up to 1 hour = £1
	up to 2 hours = £1.50
	up to 4 hours = £2.50
	up to 6 hours = £4.00
	over 6 hours = £6.50

5.4 Penalty Charge Notices

The charges for penalty charge notices are statutory charges and cannot be changed by the local authority.

5.5 **Bus Passes**

Any resident that applies for their first bus pass under the government's entitlement criteria receives their pass free of charge. This is a statutory requirement and no changes to this arrangement are proposed.

Any replacement for the loss of any bus pass will be charged an admin fee, £10.20 (2% increase)

5.6 **Highways Infrastructure**

To ensure works are cost neutral and we cost recover on third party incidents on the Highway eight new charges are proposed:

- Highway Infrastructure - A £250 fee to allow cost recovery for the temporary switching off and on of permanent Traffic Signal sites.
- Highway Infrastructure – A £300 fee to undertake trial holes on behalf of third parties to ascertain if vehicle crossings can be implemented. This will allow for the identification of statutory undertaker apparatus or depth of tree roots, which can prove restrictive with respects to the construction of vehicle crossings.
- Highways Infrastructure – A new full width crossing constructed anywhere between the minimum permitted width of 2.7m up to the maximum permitted width of 4.3m – (£950) Only applicable when done in conjunction with the Capital Footway works programme.
- Highways Infrastructure - An extension to an existing vehicle crossing constructed up to the maximum permitted width of 4.3m – (£350) . Only applicable when done in conjunction with the Capital Footway works programme
- Highways Infrastructure - A new full width crossing, constructed to the minimum permitted width of 2.7m – (£600). Only applicable when done in conjunction with the Capital Footway works programme
- Highways Infrastructure – Pavement Licence for Gazebo on the Highway (£150) or Shelving placed on Highway e.g. associated with a shop frontage (£250).
- Charge for the co-ordination of Section 50 license – a fee of £950
- Crane licence when not in association with construction works – a fee of £250. Section 178 of the Highways Act 1980 regulates the placement of apparatus such as rails, beams and cranes over the highway.

5.7 **Transport Development**

Current fees for agreements pursuant to Sections 38 and 278 of the Highways Act (adoption of road and highway licenses for developer works) have been bench-marked against neighbouring Authorities.

Neighbouring Authorities have increased fees over the last few years and Thurrock is comparable.

6. Planning

6.1 Development Management – Standard Planning Fees

Income derived from the previous increase is ring fenced by statute to be used for the development and improvement to planning services. Further information on these fees can be found at the ECAB Planning Portal.

6.2 Development Management - Additional Planning Fees

Thurrock Development Management offers other planning services that are over and above the nationally set fees.

The income received from these services has been ring fenced through the Planning Services Business Plan (2017-2020) which was agreed by the Commercial Board in May 2017. This income has to be spent within the Planning Service.

6.3 Building Control

Fee income is related to market share. The Building Control Account is governed by legislation that requires that the Council does not produce a profit or loss over a three year rolling period and that any increase in income has to be ring-fenced with the Building Control account.

6.4 Land Charges

Local Land Charges (LLC) income is derived from charges associated with the sale and purchase of property in Thurrock. This account functions on a cost recovery basis, therefore any increase in income cannot be used outside of the LLC budget.

7. Reasons for Recommendation

7.1 The setting of appropriate fees and charges will enable the Council to generate essential income for the funding of Council services. The approval of reviewed fees and charges will also ensure that the Council is competitive with other service providers and neighbouring councils. The ability to vary charges within financial year will enable services to more flexibly adapt to changing economic conditions.

7.2 The granting of delegated authority to vary these charges within financial year will allow the Council to better respond to commercial challenges.

7.3 The wider financial implications and effect on individual service budgets will be presented in the final Cabinet Paper in February 2021.

8. Consultation (including Overview and Scrutiny, if applicable)

8.1 Consultations will be progressed where there is specific need. However, with regard all other items, the proposals in this report do not affect any specific parts of the borough. Fees and charges are known to customers before they make use of the services they are buying.

9. Impact on corporate policies, priorities, performance and community impact

9.1 The changes in these fees and charges may impact the community; however it must be taken into consideration that these price rises include inflation and no profit will be made on the running of these discretionary services.

10. Implications

10.1 Financial

Implications verified by: **Joanne Freeman**
Finance Manager

The effect of any changes to fees and charges on individual income targets will be determined as part of the 2022-23 budget setting process in which Corporate Finance and service areas will review anticipated level of demand, fee increases, previous performance and potential associated costs. Covid-19 has significantly impacted the Authority's ability to achieve current income targets and this will be taken into consideration when setting future targets. The Council wide draft budget report will set out the 2022-23 targets across all directorates

10.2 Legal

Implications verified by: **Ian Hunt**
Assistant Director of Law and Governance & Monitoring

Fees and charges generally fall into three categories – Statutory, Regulatory and Discretionary. Statutory charges are set in statute and cannot be altered by law since the charges have been determined by Central government and all authorities will be applying the same charge.

Regulatory charges relate to services where, if the Council provides the service, it is obliged to set a fee which the Council can determine itself in accordance with a regulatory framework. Charges have to be reasonable and must be applied across the borough.

Discretionary charges relate to services which the Council can provide if they choose to do so. This is a local policy decision. The Local Government Act 2003 gives the Council power to charge for discretionary services, with some limited exceptions. This may include charges for new and innovative services utilising the Council's general power of competence under section 1 of the Localism Act 2011. The income from charges, taking one financial year with another, must not exceed the cost of provision. A clear and justifiable framework of principles should be followed in terms of deciding when to charge and how much, and the process for reviewing charges.

A service may wish to consider whether they may utilise this power to provide a service that may benefit residents, businesses and other service users, meet the Council priorities and generate income.

Decisions on setting charges and fees are subject to the Council's decision making structures. Most charging decisions are the responsibility of Cabinet, where there are key decisions. Some fees are set by full Council.

10.3 Diversity and Equality

Implications verified by:

Becky Lee

**Team Manager, Community
Development & Equalities**

The Council is responsible for promoting equality of opportunity in the provision of services and employment as set out in the Equality Act 2010 and Public Sector Equality Duty. Decisions on setting charges and fees are subject to Community Equality Impact Assessment process and the Council's wider decision making structures to determine impact on protected groups and related concessions that may be available.

10.4 Other implications (where significant) – i.e. Staff, Health Inequalities, Sustainability, Crime and Disorder or Impact on Looked After Children.

None

11. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

None

12. Appendices to the report

- Appendix 1 – Schedule of Proposed Fees and Charges for 2022/23.
- Appendix 2 – Schedule of Fees and Charges no longer applicable.
(Removed)

Report Author:

Kelly McMillan
Business Development Manager