

From: **Barbara Cooper, Corporate Director, Growth, Economy and Transport**

To: **Mike Whiting Cabinet Member, Planning, Highways Transport and Waste**

Decision No: **17/00141**

Summary:

This paper details the proposed changes to fees and charges for the 2018/2019 financial year for highway services where a charge is made for the provision of services. This paper also proposes that the Director of Highways, Transportation and Waste is given delegated authority to amend the fees and charges covered by this report up to a maximum of the prevailing Retail Price Index (RPI), or the agreed increase in Council Tax, whichever is the greater.

Recommendation(s):

As Cabinet Member for Planning, Highways, Transport and Waste, I agree to amend fees and to amend fees and charges for 2018/2019 and to delegate authority to the Director of Highways, Transportation and Waste to amend such changes up to a maximum of the prevailing Retail Price Index (RPI), or the agreed increase in Council Tax, whichever is the greater.

1. Introduction

1.1 This report details a number of adjustments to the fees and charges for the services provided by KCC as Highway Authority. KCC recovers its reasonable costs for supplying a range of services. Service fees and charges are reviewed annually and officers have reviewed charges to determine;

- whether reasonable costs are being recovered; and
- how they compare with fees charged by other local authorities

1.2 A copy of the full schedule of Fees and Charges is attached as Appendix B which details Highway Service fees, developer fees, charges for technical information and the provision of training services.

2. The Report

Highway Service Fees

2.1 The Highways & Transportation team within HT&W make charges for a range of services provided to a variety of utilities, consultants, businesses and to a lesser extent, members of the public. It is proposed to increase fees in line with recent council tax increases, unless fees are not covering reasonable costs where a further increase has been proposed.

2.2 The Environment and Transport Cabinet Committee at their meeting on 13th March 2017 proposed a 1.99% increase in line with Council Tax increase. The proposal for 2018/2019 is a further increase in line with the increase in Council Tax (currently anticipated to be 2.99%) Figures have been rounded for ease of application. The effective date for agreed changes to fees and charges is 1 April 2018.

2.3 The exceptions to this increase are:

- Bikeability
- Third Party Signing including tourism signposting
- All Streetworks charges (excluding Failure to comply with the terms of a pavement licence, Site Inspection Fee and failure to comply with terms of a skip licence which are set nationally)

The fees and charges review has determined that current fees for these services no longer cover actual costs or reflect charges made by other Local Authorities. The proposed new fees have therefore been set in respect of actual service costs.

3. Principles for future charging

3.1 In setting a proposed charge, a number of key principles have been applied. These are designed to ensure that the costs of service provision to the County Council are recovered, that the fees and charges are reasonable and broadly in line with charges by other Highway Authorities.

3.3 It is important that the County Council continues to recover its reasonable costs where these are incurred in providing services for which the Council may charge. By charging for these services, HTW is better able to meet demand for services whilst not impacting on the otherwise pressured revenue budgets.

3.4 The proposed Fees and Charges accord with the following key principles:

- It is incumbent on the Service to charge for activities that are discretionary;
- Charges will be costed, reasonable and comply with all applicable legislation, regulation and guidance;
- Charges will be reviewed annually;
- Charges will reflect the direct and indirect cost of service provision. The calculation of indirect costs will include Corporate, Directorate, Divisional and Service overheads;
- Where the County Council is required to source external support to deliver a highway service, i.e. specialist consultants, then the costs incurred by the County Council will be recharged;
- Charges will be easy to administer and simple to understand.

3.5 The proposed charges for specific activities have been established in line with the principles above and our best assessment of the time required to complete tasks and the likely grading of the staff required.

4. Financial Implications

4.1 The increases where proposed ensure we continue to recover our reasonable costs and ensure that revenue budgets are not subsidising highways services to third parties where there is a legal basis for recovering the costs of that service.

5. Legal Implications

- 5.1 The legal authority to set a charge for discretionary services is provided for in the Local Government Act 2003.

6. Equalities Implications

- 6.1 There are no equalities implications to this report.

7. Conclusions

- 7.1 As the economy continues to recover there is an increased demand to provide services and advice to businesses such as developers, utility companies, consultants and legal establishments. To retain fees and charges at current levels will result in the relevant services being subsidised by the Council Tax payer to the detriment of core frontline operations.
- 7.2 Subject to approval, a revised schedule of the Fees and Charges will be published on the KCC website in April 2018, and will be reviewed each financial year.

8. Recommendation

- 8.1 As Cabinet Member for Planning, Highways, Transport and Waste, I agree to amend fees and to amend fees and charges for 2018/2019 and to delegate authority to the Director of Highways, Transportation and Waste to amend such changes up to a maximum of the prevailing Retail Price Index (RPI), or the agreed increase in Council Tax, whichever is the greater.

9. Background Documents

- Record of Decision
- Highways and Transportation – Fees and charges for 2018/2019

10. Contact details

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