

# PORTFOLIO HOLDER FOR LEISURE AND TOURISM

DECEMBER 2023

## REPORT OF THE ASSISTANT DIRECTOR BUILDING AND PUBLIC REALM

### A. Operations and Delivery / Building and Public Realm / Parking - Proposed Fees and Charges for 2022/23

(Report prepared by Ian Taylor)

#### PART 1 – KEY INFORMATION

##### **PURPOSE OF THE REPORT**

To seek the Portfolio Holder's concurrence to the proposed schedule of fees and charges 2023/24 for Operations and Delivery / Building and Public Realm / Parking - Proposed Fees

##### **EXECUTIVE SUMMARY**

- This report sets out the proposed fees and charges for 2023/24 for Operations and Delivery / Building and Public Realm / Parking - Proposed Fees – Appendix A
- Appendix A represents an increase in fees and charges ranging from 10% to 20% and higher. The increase needs to be considered against the fact there has been no increase in car parking fees since 2019, in many instances tariffs have remained unchanged for considerably longer and that many of the proposed increases are derived from a very low initial tariff.
- The most notable proposal is the proposed increase in beach hut permit fees. This reflects the fact the fee has remained unaltered since 2004 and that Tendring Council Tax Payers now receive a free householder parking permit for ten months of the year along with an option to purchase a subsidised permit for the peak months of July and August. The new fee for beach hut owners has been adjusted to ensure parity with permit fees available to local residents for parking in these car parks.
- The fees and charges for parking continue to be considered against a number of key principles that form part of the long term financial forecast approach, which are summarised later on in this report.
- The Operations and Delivery / Building and Public Realm / Parking - Proposed Fees report for 2022/2023 recommended no increase in parking fees and charges but stated the Council would review fees and charges for 2023/2024 .
- Any amendments to income budgets that are required to reflect changes to fees and charges will be included in the detailed budget proposals for 2023/24 that will be considered by Cabinet / Full Council next year.
- In respect of Full Council next year, the individual decisions agreeing fees and charges will be collated and presented as part of the overall budget setting process for 2023/24.

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<b>RECOMMENDATION(S)</b>
<b>That the Schedule of Fees and Charges 2023/24 for Operations and Delivery / Building and Public Realm / Parking - Proposed Fees set out in Appendix A be agreed.</b>

<b>REASON(S) FOR THE RECOMMENDATION(S)</b>
To enable the implementation of a revised schedule of fees and charges for 2023/2024

<b>ALTERNATIVE OPTIONS CONSIDERED</b>
Please see the considerations / reasons behind the proposed fees and charges later on in this report.

## **PART 2 – IMPLICATIONS OF THE DECISION**

<b>DELIVERING PRIORITIES</b>
The forecasting and budget setting process, including fees and charges will have direct implications for the Council’s ability to deliver on its objectives and priorities. At its heart, the ten year approach to the forecast seeks to establish a sound and sustainable budget year on year through maximising income raised from fees and charges, whilst limiting reductions in services provided to residents businesses and visitors.

<b>OUTCOME OF CONSULTATION AND ENGAGEMENT</b>
The Portfolio Holder for Leisure and Tourism has been consulted and is happy with the proposed increase in fees and charges.

<b>LEGAL REQUIREMENTS (including legislation &amp; constitutional powers)</b>
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<b>Is the recommendation a Key Decision (see the criteria stated here)</b>	<b>NO</b>	<b>If Yes, indicate which by which criteria it is a Key Decision</b>	<input type="checkbox"/> <b>Significant effect on two or more wards</b> <input type="checkbox"/> <b>Involves £100,000 expenditure/income</b> <input type="checkbox"/> <b>Is otherwise significant for the service budget</b>
		<b>And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)</b>	

Off-street car parking (“OSCP”) is provided and charged for pursuant to the Road Traffic Regulation Act 1984 (“the RTRA”), specifically Sections 32, 55 and 122.
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Section 55 (1) of the 1984 Act requires a local authority to keep an account of their income and expenditure in respect of their designated parking places.

Subsection (2) stipulates that at the end of each financial year any deficit in the account shall be made good out of the general fund and (subject to subsection (3) below) any surplus shall be applied for all or any of the purposes specified in subsection (4) below and, in so far as it is not so applied, shall be appropriated to the carrying out of some specific project falling within those purposes and carried forward until applied to carrying it out.

Subsection (3), if the local authority so determines, any amount not applied in any financial year, instead of being or remaining so appropriated, may be carried forward in the account kept under subsection (1) above to the next financial year.

Subsection (4), the purposes referred to in subsection (2) above are the following:

- (a) the making good to the general fund ... of any amount charged to that fund under subsection (2) above in the 4 years immediately preceding the financial year in question;
- (b) meeting all or any part of the cost of the provision and maintenance by the local authority of off-street parking accommodation, whether in the open or under cover;
- (c) the making to other local authorities, or to other persons of contributions towards the cost of the provision and maintenance by them, in the area of the local authority or elsewhere, of off-street parking accommodation, whether in the open or under cover;
- (d) if it appears to the local authority that the provision in their area of further off-street parking accommodation is unnecessary or undesirable, the following purposes—
  - (i) meeting costs incurred, whether by the local authority or by some other person, in the provision or operation of, or of facilities for, public passenger transport services,
  - (ii) the purposes of a highway or road improvement project in the local authority's area (\*),
  - (iii) n/a...
  - (iv) the purposes of environmental improvement in the local authority's area,
  - (v) in the case of such local authorities as may be prescribed, any other purposes for which the authority may lawfully incur expenditure;

(\*) (4A) For the purposes of subsection (4)(d)(ii)—

- (a) a highway improvement project means a project connected with the carrying out by the appropriate highway authority (whether the local authority or not) of any operation which constitutes the improvement (within the meaning of the Highways Act 1980) of a highway in the area of a local authority in England or Wales.

(4B) For the purposes of subsection (4)(d)(iv) “*environmental improvement*” includes—

- (a) the reduction of environmental pollution (as defined in the Pollution Prevention and Control Act 1999 (c. 24); see [section 1\(2\) and \(3\)](#) of that Act);
- (b) improving or maintaining the appearance or amenity of:
  - (i) a road or land in the vicinity of a road, or
  - (ii) open land or water to which the general public has access; and
- (c) the provision of outdoor recreational facilities available to the general public without charge.

No Regulations for the purposes of subsection (4)(d)(v) above have been made relevant to the Council however, The Local Government Transparency Code 2015 states the Council must publish on their website, or place a link on their website to this data if published elsewhere:

- a breakdown of income and expenditure on the authority's parking account. The breakdown of income must include details of revenue collected from on-street parking, off-street parking and Penalty Charge Notices, and
- a breakdown of how the authority has spent a surplus on its parking account.

**The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:**

**Section 35C of the Road Traffic Regulation Act 1984 and Regulation 25 of the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996** provide for a Notice of Variation procedure to be followed before the new charges can take effect. This involves publishing the Notice of Variation at least once in a newspaper circulating in the area in which the parking places to which the notice relates are situated at least 21 days before it is due to come into force.

A copy of the Notice of Variation should be displayed, in the off street parking places on the date on which the notice is given and all reasonable steps must be taken to ensure that it continues to be displayed and remains in a legible condition until the date on which it comes into force. Additional copies can also be displayed in the off street parking place and in roads giving access to it.

#### **FINANCE AND OTHER RESOURCE IMPLICATIONS**

Fees and Charges have been reviewed against the key principles that underpin the long term forecast, which includes the generation of income whilst balancing strategic and external market conditions.

Given the significant Financial challenges faced by the Council in 2022/23 and 2023/24, a key underlying principle is to consider inflationary increases wherever possible to support corresponding increases in the Council's own costs in delivering the associated service(s). The current rate of inflation (RPI) is 12%, with predictions of further increases going into 2023. With such a high rate of inflation it may not necessarily be practical / possible to 'translate' such an increase into the actual fee increase proposed. Therefore, set against this inflationary context, any proposed increases in fees and charges must be balanced against other considerations / market conditions, whilst also recognising the restrictions placed on local authorities in terms of setting fees and charges on a cost recovery basis. Further details relating to any proposed increases to fees and charges is set out below.

Any changes to income budgets resulting from any changes in the level of fees and charges agreed, will form part of the detailed budget setting process for 2023/24.

A summary of the major changes are as follows:

- The increase in fees and charges range from 10% to 20% and higher. The increase needs to be considered against the fact there has been no increase in car parking fees since 2019, in many instances tariffs have remained unchanged for considerably longer and that many

of the proposed increases that appear significant in % terms do so because they are derived from a very low initial tariff.

- The most notable proposal is the proposed increase in beach hut permit fees. This reflects the fact the fee has remained unaltered since 2004 and that Tendring Council Tax Payers now receive a free householder parking permit for ten months of the year along with an option to purchase a subsidised permit for the peak months of July and August. The new fee for beach hut owners has been adjusted to ensure parity with permit fees available to local residents for parking in these car parks.
- The Operations and Delivery / Building and Public Realm / Parking - Proposed Fees report for 2022/2023 recommended no increase in parking fees and charges but stated the Council would review fees and charges for 2023/2024 .
- The proposed fees and charges if agreed will generate an estimated £30,000 to £50,000 in the year.

**Service Costs**

Item	2022/23	2023/24
Cost of service	£840,410	£840,410
Total Fee Income	£882,310	£922,310
Difference	£41,900	£81,900

- Tendring District Council car park fees and charges compare favourably with most if not all neighbouring local authorities in terms of level of fees charged and will continue to be following the proposed increase.

**Yes      The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:**

Although there are no further comments over and above those set out elsewhere in the report, it is important to highlight that the demand / volumes used to calculate the estimated total income figures included within this report are based on those held by the Service. The estimated additional income highlighted above will be incorporated within the budget proposals for 2023/24 along with any necessary changes to reflect the requirements of S55 (subsections 2 to 4) of the RTRA as set out in the Legal Section above.

**USE OF RESOURCES AND VALUE FOR MONEY**

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	The proposed increase in fees and charges will support continued delivery of the Council’s parking service and help mitigate the effect of inflation on service budgets.
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B) Governance: how the body ensures that it makes informed decisions and properly manages its risks.	The proposed fees and charges have been discussed with the Portfolio Holder and agreed to be put forward for Council scrutiny.
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C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	<p>The parking service is required to maintain a substantial portfolio of publicly accessible assets and infrastructure.</p> <p>To maintain to safe and operational levels and to develop agreed innovations to meet future demand such as EV charging infrastructure requires the service to have robust and appropriate budget.</p>
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**MILESTONES AND DELIVERY**

Fees and Charges for 2023/24 form part of the wider budget setting process, which culminates in the detailed estimates being presented to Full Council in February 2023. Fees and Charges must therefore be approved in advance of this date.

**ASSOCIATED RISKS AND MITIGATION**

The operation of car parks throughout the District require maintenance to ensure the safety of users and the general public and to preserve the asset for future use..

Maintenance and operational costs have risen considerably in the past 12 months. Car park fees and charges have not increased at all for three years and many tariffs within the fees and charges have not increased for many years, some as far back as 2006.

There has not been an increase in maintenance and service operation budgets for a considerable period of time.

Additional income from fees and charges will enable the safe operation and maintenance of car parks.

As the first place many visitors arrive in the District and often the last place they leave from maintaining well preserved parking areas supports local businesses and the economy of the District.

**EQUALITY IMPLICATIONS**

The proposals in this report do not affect the protected characteristics of any individuals in any immediately identifiable way.

However, many car parks require adaptation to support people with mobility and other issues.

They also require adequate maintenance to support well-lit and safe environments reducing the impact of crime and disorder.

### **SOCIAL VALUE CONSIDERATIONS**

The provision of well-maintained, safe car parks provides significant social value to the District.

### **IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030**

The Council has declared a climate emergency and is seeking to increase the number of electric vehicle charging points in car parks and other buildings.

The proposed increase in fees and charges if agreed could provide budget to support proposals to increase the number of EV chargepoints on council car parks.

### **OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS**

**Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.**

<b>Crime and Disorder</b>	Many council car parks are accredited as safe by design – a crime reduction initiative. Operational budget is required to maintain the standard.
<b>Health Inequalities</b>	Many car parks require further adaptation to support people with mobility and other issues.  The increase in electric vehicle charging infrastructure supports cleaner air and improved health.
<b>Area or Ward affected</b>	<b>All</b>

## **PART 3 – SUPPORTING INFORMATION**

### **BACKGROUND**

Income from fees and charges form an important element of the budget and the financial sustainability of the Council as set out in the long term forecast.

Similarly to previous years, Departments have been asked to review their fees and charges on an individual basis as changes may need to be made to meet specific aims or strategic objectives or in some cases in response to external factors such as market forces.

The review of fees and charges has been set against the following key principles:

- general inflationary increases where possible or lower where appropriate / justified
- amounts rounded for ease of application, which may result in a slightly above inflation increase.
- on a cost recovery basis as necessary

- reflect statutory requirements.
- increases where market conditions allow
- to meet specific priorities or service delivery aims / objectives

As highlighted earlier in this report, the Council faces a number of significant financial challenges in 2023/24 and beyond. It is therefore important that fees and charges are considered against this context and to maximise income opportunities where possible, albeit whilst balancing the various issues highlighted above.

**OPERATIONS AND DELIVERY / BUILDING AND PUBLIC REALM / PARKING - PROPOSED FEES - PROPOSED FEES AND CHARGES 2023/24**

Set against the current fees and charges for 2022/23, **Appendix A** includes the schedule of fees and charges proposed for 2023/24, which have been developed by applying the key principles highlighted above.

A detailed review of fees and charges for parking services was carried out for the 2023/4 financial year. The review reflected three years’ inflation with the object of achieving fee increases of rational round numbers. A marginal increase in fees would be unlikely to increase income in excess of the advertising and signage costs involved.

The fee increases proposed have also been targeted on visitor car parks where demand often exceeds supply during the summer season. This will achieve maximum revenue whilst retaining low tariff off street parking for many of Tendring District Council’s off street car parks.

The high % increases are derived from increasing tariffs that are very low – for example, 50p per day to £1.00 per day is a 100% increase but £1.00 remains a very low parking tariff for a days parking.

**PREVIOUS RELEVANT DECISIONS**

N / A

**BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL**

None

**APPENDICES**

Attached – Detailed fees and charges 2023/24 for the Building and Public Realm – Parking Services

**REPORT CONTACT OFFICER(S)**

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