

Report to the Chief Officer (Highways and Transportation)

Date: 15 March 2016

Subject: Annual Review of Fees and Charges for Various Highway Functions and Services

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. In support of the 'Best Council Plan' objective of becoming a more efficient and enterprising council, the purpose of this report is to seek approval for the proposed level of fees and charges for services delivered by Highways and Transportation. The fees and charges relate to the issue of licenses, permits, the processing of temporary traffic regulation orders and the payment of commuted sums for developer funded highway schemes from 1 April 2016.

Recommendations

2. The Chief Officer (Highways and Transportation) is requested to approve the increase in fees and charges as set out in Appendices A; B and C to this report.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval for the revised level of charges to be applied from 1 April 2016 and until further notice.

2 Background information

- 2.1 The Local Authority (Transport Charges) Regulations 1998 gave the Authority the power to charge for specified functions. The regulations addressed the view that persons benefiting by the issue of licenses, permits etc. should pay the cost of the service, rather than this being borne by the community at large via the Council Tax.

- 2.2 Charges for the services shown in Appendix A have been introduced from 1999 onwards and have been reviewed at periodic intervals and more recently on an annual basis.
- 2.3 The charges have generally increased in line with income inflation and corporate guidelines recommended in the budget circular, unless exceptional circumstances have dictated otherwise. The underlying principle being that the charges reflect no more than the true cost to the authority in delivering the service.
- 2.4 On the 12th June 2012 the Leeds City Council Permit Scheme Order came into force. This order enabled the introduction of a permit scheme for road works in Leeds. The permit scheme allows for fees to be charged to utility companies for checking and approving their permit applications. A separate protocol for reviewing the permit fees has been specified and therefore they are not included in this report.
- 2.5 S278 of the Highways Act 1980 allows for highway authorities to charge for maintenance of works funded by others. In 2012 the policy on charging for additional and enhanced highway infrastructure was agreed. The updated schedule for commuted sum charges is attached at Appendix B.

3 Main issues

- 3.1 The proposed increases in charges to commence on 1 April 2016 are shown in Appendices A and B.
- 3.2 The increase is a direct result of applying general income inflation at 3%, to the 2015/2016 charges in line with corporate guidelines as recommended in the budget circular, for 2016/2017 and rounded to the nearest 10 pence.
- 3.3 A review of the process for a licence to place a structure on the highway has recently been undertaken. As a result, in certain instances notices may now be required to be posted and maintained on site. An additional fee is therefore proposed in Appendix A to cover the costs of this, which has been estimated at £61.80 per site.
- 3.4 Street Café licenses originated for the city centre area with a fee system devised by City Centre Management in partnership with Highways and Transportation. A small number of licenses have been granted for street café's outside of the city centre area using the same process and fee system. City Centre Management administers the applications for areas within the city centre, Highways and Transportation administers the applications elsewhere. A detailed review of the costs has been undertaken following the outcome of the 'Hemming's v Westminster City Council' case. A separate report setting out the proposed fees was approved by City Development Directorate on the 27th January 2016.
- 3.5 Following the recent Environmental Information Regulations, the fees for Street Registry services are proposed to be held at the 2014/15 levels.

3.6 The current fee of £41.20 does not cover the actual cost for the initial assessment and site inspections during construction. The proposed change to a 2 phase process will better reflect the costs involved if a resident wishes to proceed with the works and will reduce the cost where a resident chooses not to carry out the work. The proposed charge would be £22 for an initial assessment and a further £100 to authorise the construction. The increased cost for the 2nd phase of the process would cover the provision of utility apparatus drawings, liaising with Planning where necessary, vetting contractors and inspecting the works at various stages. Our proposal provides a competitive price for the initial assessment compared with other Authorities and whilst our overall cost may not be the cheapest it is comparable with the sample costs listed below.'

Local Authority	Costs	Comments
Barnsley MBC	£51 assessment fee £102 for two inspection fees if a private contractor is employed to do the work.	BMBC will undertake the work and agree specific costs or a private contractor can be employed
Calderdale Council	£21	Assessment only
Doncaster MBC	Free inspection	Specific quote for work
Kirklees Council	£128	Includes permission for contractor to work on the highway and a legal access to the property over the pavement with a vehicle
Manchester City Council	£984	Includes cost of work to be undertaken
North Yorkshire County Council	£96 excluding planning permission £149 including planning permission	Assessment only
Wakefield Council	£45	Assessment only

York City Council	£69	Assessment only
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3.7 A new fee has been introduced for events and processions on or affecting the highway legislated by either Temporary Traffic Regulation Notice, Special Events Act of Town Police Clauses Act, previously these events and processions paid the same fee as Temporary Traffic Regulation Notice however, following a review it has been agreed to separate these charges for clarity although the charge does remain in line with the cost for a Temporary Traffic Regulation Notice.

3.8 A review of the fees for funded highway works by third parties under Section 278 of the Highways Act has been undertaken and the revised fee structure is detailed in Appendix C. The Engineer's fee for work undertaken in preparation of and entering the S278 agreement has been revised to reflect actual average costs incurred in the previous 12 month period.

3.9 The fee increases support the delivery of the Best Council Plan's objective of becoming a more efficient and enterprising council. An examination of the services supplied has been undertaken to ensure that all chargeable services are included and that the actual costs involved to ensure all allowable costs are recovered. We have amended processes to become more efficient to ensure cost increase are at the lowest level and remains in line with general income inflation at 3% which is seen as sustainable and inclusive for local businesses.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 Internal consultation with City Development Finance team and those responsible for issuing permits and licenses only. There were no objections to the content of this report. The contents of this report were also discussed with the Executive Member for Regeneration, Transport and Planning.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 An Equality Diversity Cohesion and Integration screening has previously been undertaken and the process determined that no EDCI Impact Assessment was required.

4.2.2 The screening document identified that there will be no specific impact on people with mobility issues, carers [pram and wheelchair users], young and old people as the charges are minimal and mainly impact on business providers

4.3 Council policies and City Priorities

4.3.1 The proposal reflects Council Policy of an inflationary increase in income charges of 3%, in line with corporate guidelines as recommend in the budget circular, for 2016/2017. The fee increase supports the delivery of the Best Council Plan's objective of promoting sustainable and inclusive economic growth as it is seen as

sustainable and inclusive for local businesses and partners operating in the Leeds area.

4.4 Resources and value for money

4.4.1 The services can be delivered within current staff resources.

4.4.2 Capital Funding and Cash Flow.

Revenue Effects

The income from fees and charges support the current revenue budget allocation.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The report is not eligible for call-in as it falls below the relevant thresholds.

4.6 Risk Management

4.6.1 Failure to implement the recommended charge increases will result in an under funding of the service.

5 Conclusions

5.1 The annual review of fees and charges is in accordance with good financial and resource practice within the authority. The recommended increases reflect the true cost of delivering the services

6 Recommendations

6.1 The Chief Officer (Highways and Transportation) is requested to approve the increase in fees and charges as recommended in Appendices A; B and C to this report.

7 Background documents ¹¹

7.2 Appendix A – List of proposed fees and charges

7.3 Appendix B – Schedule of commuted sum charges

7.4 Appendix C - Fees for S278 agreements

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

Highway & Transportation Fees and Charges Review 2016/17 Appendix A

Proposed Fees and Charges from 1 April 2016

Activity	Charge 2015	Proposed Charge 2016/17	Notes
Skip permit	£22.00	£22.70	
Skip permit (email application)	£20.00	£20.60	
Skip permit (retrospective application)	£75.00	£77.30	
Material on the highway permit	£84.00	£86.50	
Material on the highway permit (retrospective application)	£144.00	£148.30	
Hoarding licence (per street)	£144.00	£148.30	Licence plus first inspection fee - £86.50 + £61.80
Hoarding monthly inspection (per site)	£60.00	£61.80	
Hoarding licence (per street) (retrospective application)	£200.00	£206.00	Licence, plus first inspection fee - £144.20 + £61.80
Scaffolding permit (per street)	£144.00	£148.30	Licence plus first inspection fee - £86.50 + £61.80
Scaffolding monthly inspection	£60.00	£61.80	
Scaffolding licence (per street) (retrospective application)	£200.00	£206.00	Licence, plus first inspection fee - £144.20 + £61.80
Ironworks (repair following failure of utility to respond to S81 notice)	£377.30	£388.60	Minimum charge (charged at actual cost if higher).
S50 licence	£360.00	£370.80	
Sewer connection application	£360.00	£370.80	
Making an excavation in the highway	£225.00	£231.80	
Temporary Traffic Management	£144.00	148.30	
Temporary Traffic Management inspection (per site)	£60.00	£61.80	
Highway Projection including oversail licence for cranes	£196.00	£201.90	
Other licences and permits	£84.00	£86.50	
Other licences and permits (retrospective application)	£144.00	£148.30	
Notice posting (per site)		£61.80	New fee where legislation requires see report paragraph 3.3
Vehicle crossing application – initial inspection and assessment	£41.20	£22.00	Fee reduced as process split see report paragraph 3.6
Vehicle crossing application – processing of full application		£100.00	New fee see report paragraph 3.6

External search fee	£22.00	£22.00	No increase see report paragraph 3.5
External search fee (same day response service)	£64.00	£64.00	No increase see report paragraph 3.5
Temporary Traffic Regulation Order (TTRO)(one street)	£540.00	£556.20	
Extra over TTRO for each additional street	£30.00	£30.90	
Temporary Traffic Regulation Notice (TTRN) (one street)	£495.00	£509.90	
Extra over TTRN for each additional street	£30.00	£30.90	
TTRO/N extension	£117.00	£120.50	
Events and Processions on/affecting the highway legislated by either; Temporary Traffic Regulation Notice (TTRN), Special Events Act or Town Police Clauses Act		£509.90 Major events and procession will be charged on an [agreed] time basis	New fee see report paragraph 3.7
Street Café licence (outside of city centre)	33% of (RV/internal floor area) x external street café floor area	33% of (RV/internal floor area) x external street café floor area or £450 for independent business/ £1000 for a chain whichever higher cost. Plus £395 admin charge	See report paragraph 3.4
Street Café licence – renewal (outside of city centre)	33% of (RV/internal floor area) x external street café floor area	33% of (RV/internal floor area) x external street café floor area or £450 for independent business/ £1000 for a chain whichever higher cost. Plus £195 admin charge	See report paragraph 3.4

**Highway Services Fees and Charges Review 2016 Appendix B
Committed Sums for maintenance liabilities (April 2016- March 2017)**

	Element	Quantity	Unit	Unit rate (£)
1	Carriageway			
	(a) All construction types maintenance category 1, 2, 3a, 3b and 4a (All road types except 4b below)		m ²	24.80
	(b) All construction types, maintenance category 4b (Local access road serving limited numbers of properties carrying only access traffic)		m ²	11.00
	(c) Extra over the above for a carriageway junction of any class (single charge per junction)		No	916.60
	(d) Extra over for application of red anti-skid coloured surfacing		m ²	18.50
	(e) Extra over for application of grey anti-skid coloured surfacing		m ²	18.00
	(f) Vehicle containment kerbs		m	77.20
2	Footway and paved areas		m ²	17.60
	(a) All construction types			
3	Street lighting (Standard)			
	(a) Lighting column up to and including 7m in height (standard)		No	1428.10
	(b) Lighting column over 7m and up to 15m in height (standard)		No	1704.70
	Street lighting (Heritage or Enhanced) (chosen from availability list)			
	(d) Lighting column up to and including 7m in height (heritage or enhanced)		No	1436.50
	(e) Lighting column over 7m and up to 15m in height (heritage or enhanced)		No	1714.70
	Street lighting (Bespoke)			By quotation
4	Illuminated street furniture and signs			

	(a) Any item of illuminated apparatus standard		No	670.60
	(b) Any item of illuminated apparatus heritage or enhanced		No	1065.70
5	Non-illuminated street furniture and signs			
	(a) Non illuminated advanced direction sign		No	404.50
	(b) Non-illuminated sign, bollard or other single point feature		No	404.50
	(c) Pedestrian Guardrail		m	43.61
6	Traffic signals (refer to UTMC)			By quotation
7	Traffic calming features			
	(a) Speed table (by surface area)		m ²	158.30
	(b) Speed cushion		No	443.30
8	Landscaping			
	(a) Hard landscaping area (treat as footway)		m ²	18.20
	(b) Soft landscaping grass		m ²	5.40
	(c) Soft landscaping vegetation or shrub bed		m ²	24.80
9	Drainage			
	(a) Individual road or footway gully		No	254.80
	(b) Kerb drainage systems (not including outfall; treat each outfall as a gully)		m	51.60

Notes:

- 1 Other special features, heritage materials, specialist materials or deviation from design standards should be estimated for separately.
- 2 Sustainable Urban Drainage Systems (SUDS) should be estimated for separately on a scheme specific basis.
- 3 Highway Structures / Retaining features should be estimated for separately on a scheme specific basis.
- 4 The liability period used for the calculation of the above rates is 20 years. Other site specific items will also be based on a liability period of 20 years apart from Structures which will have a liability period of 60 years.

Highway Services Fees and Charges Review 2016 Appendix C

Fees for S278 agreements from 1st April 2016

In 2012 the charging regime for S278 agreements was as follows:

General:

- Fees for preparing legal documentation – at cost, varies but significantly higher if using external solicitors, generally in range £750 to £3,500.
- Fees for Highways Officer in preparation of S278 documentation, highways board report, design brief - £1,000 for standard S278 schemes, increased to £1500 for high value, complex agreements. £500 - £1000 for minor S278 agreements.
- Fees for environmental study – at cost, varies but £500 for desk top study and £1000 for desk top plus noise surveys.
- All minor S278 agreements require the payment of fees at cost for design check and supervision. A bond is obtained for the value of the highway works plus 20%.

For works of value up to £100k for a Standard Agreement:

- Consultation fee – at cost
- Design fees – actual cost incurred up to £10,500
- Supervision fees – actual cost up to £8,500
- Supervision fees for statutory undertakers works – 3% of cost of Statutory
- Undertaker diversions
- £1000 sum for Leeds City Council carrying out the role of the CDM coordinator
- Payment of a commuted sum for future maintenance in accordance with the Third Schedule

For works of value above £100k for a Standard Agreement:

- Consultation fee – at cost
- Design fees – 10.5% cost of the Highway Works
- Supervision fees – 8.5% cost of the Highway Works
- Supervision fees for statutory undertakers works – 3% of cost of Statutory
- Undertaker diversions
- 1% of cost of Highway Works for Leeds City Council carrying out the role of the CDM coordinator
- Payment of a commuted sum for future maintenance in accordance with the Third Schedule (subject to separate review)

A review has been undertaken of these fees against time re-charges at current salaries and it has been found that fees are not covering the costs in many circumstances therefore it is proposed that fees for S278 agreements from 1st April 2016 are as follows:

General:

- Fees for preparing legal documentation – at cost, varies but significantly higher if using external solicitors, generally in range £750 to £3,500.
- Fees for Highways Officer in preparation of S278 documentation, highways board report, design brief - £2,000 for standard S278 schemes, increased to £3000 for high value, complex agreements. £2,000 for minor S278 agreements.
- Fees for environmental study – at cost, varies but £500 for desk top study and £1000 for desk top plus noise surveys.
- All minor S278 agreements require the payment of fees at cost for design check and supervision. An upfront fee of 10% of estimated works costs will be obtained for design checking / inspection fee so that the Highways Engineer is not working at risk. A bond is obtained for the value of the highway works plus 20%.

For works of value up to £100k for a Standard Agreement:

- Consultation fee – at cost
- Design fees – actual cost incurred up to £10,500
- Supervision fees – actual cost up to £8,500
- Supervision fees for statutory undertakers works – 3% of cost of Statutory
- Undertaker diversions
- £1000 sum for Leeds City Council carrying out the role of the Principal Designer under the CDM Regs 2015
- Payment of a commuted sum for future maintenance in accordance with the Third Schedule (subject to separate review)

For works of value above £100k for a Standard Agreement:

- Consultation fee – at cost
 - Design fees – 10.5% cost of the Highway Works
 - Supervision fees – 8.5% cost of the Highway Works
 - Supervision fees for statutory undertakers works – 3% of cost of Statutory
 - Undertaker diversions
 - 1% of cost of Highway Works for Leeds City Council carrying out the role of the Principal Designer under the CDM Regs 2015
 - Payment of a commuted sum for future maintenance in accordance with the Third Schedule (subject to separate review)
-