

# BIRMINGHAM CITY COUNCIL

## REPORT OF THE ASSISTANT DIRECTOR, HIGHWAYS & INFRASTRUCTURE TO THE LICENSING & PUBLIC PROTECTION COMMITTEE

10<sup>TH</sup> APRIL 2019

ALL WARDS

### REVIEW OF CHARGES FOR HIGHWAY SERVICES FOR 2019/2020

#### 1 SUMMARY

- 1.1 This report deals with the annual review of fees and charges for Highway Services within the delegations of this Committee.

#### 2 RECOMMENDATIONS

- 2.1 That the Committee;
- Approves the City Council retained fees and charges, set out in Appendix 1, with effect from 29<sup>th</sup> April 2019,
  - Notes the fees and charges retained by the Highways Maintenance and Management Private Finance Initiative (HMMPFI) Service Provider, Amey, provided in Appendix 1, with effect from 7<sup>th</sup> June 2019.

#### 3 BACKGROUND

- 3.1 The City Council's Financial Regulation 15.2 requires that Chief Officers, at least annually, report to and seek approval from Committee on a review of fees and charges levied for services provided. The last review for Highways Services was approved by the Public Protection Committee on 18<sup>th</sup> April 2018.
- 3.2 Following commencement of the Highway Maintenance and Management PFI Contract in June 2010, specific permits, under the legislation shown in Table 1 below, are prepared by the Council's Highway Maintenance and Management Service Provider, Amey.

Under the terms of the Highway Maintenance and Management PFI Contract, Amey is entitled to retain the fee / charge associated with the issue of certain permits. Table 1 below identifies the fee recipient for different specified licences / permit types;

**Table 1. Recipient of fees and charges**

Statutory Basis	Fee Recipient
<b>Highways Act 1980:</b>	
Section 115E – Street Cafés / Objects or Structures	Authority
Section 139 – Placement of Skips in the Highway	Authority
Section 142 – Plant and Maintain Trees Shrubs etc. in the Highway	Authority
Section 169 – Scaffolding and Cranes	Service Provider
Section 171 – Deposit of materials on the highway	Service Provider
Section 172 - Hoarding	Authority

Section 177 – Oversailing the Highway	Service Provider
Section 184 – Carting Over (Temporary Access)	Service Provider
<b>New Roads and Street Works Act (NRSWA) 1991:</b>	
Section 50 - Licence for Private Apparatus in the Highway	Authority

### 3.3 The key points in relation to this are:

- The setting of the levels of fees and charges retained by the Authority for such permits ultimately remains a matter for this Committee;
- For those permits where Amey retains the fees, this is at a level agreed between the City Council and Amey under the terms of the HMMPFI Contract;
- The maximum level of increase that Amey may request is restricted to the previous rate plus the HMMPFI contractual index (RPIx). This increase is contractually linked to the contract anniversary in June of each year; this increase is capped at 2.5% (January 2019 Index) for 2019/20 but may be rounded up to ensure clarity and consistency with other similar fees and charges;
- Those fees and charges received by the Service Provider (see Table 1) are therefore contractually controlled and are not able to be amended by the committee. They are included for the committee to note.

## 4 PROPOSALS

- 4.1 The fees and charges covered by this report have been reviewed in line with the Corporate Charging Policy. The fees retained by the Service Provider Amey are to be increased by 2.5% in line with the HMMPFI contractual requirements. Those retained by the Authority are to be increased by 5% to allow for inflation, the additional costs of superannuation, national insurance and pay award. These fees and charges, which have been rounded for ease of use and consistency, have been provided in Appendix 1 of this report.
- 4.2 The fees and charges have been compared to those of neighbouring West Midlands local authorities and other UK cities for similar services. The proposed charges are not significantly disparate to those of other authorities.
- 4.3 A new fee covering the administrative costs for processing development related bonds has been introduced.
- 4.4 Where new objects or structures are to be installed by third parties on the highway under s115E Highways Act 1980, a fee is added to cover the costs of this licence. Due to the wide variety of items that could be installed and the different locations these are included simply 'at cost' that will be determined on a case by case basis.

## 5 IMPLICATIONS FOR RESOURCES

- 5.1 Based on estimated usage of services, it is envisaged that implementation of the proposed fees and charges will generate sufficient income to meet budgeted income levels for 2019/20.

## 6 CONSULTATION

Senior officers and the Cabinet Member for Transport and Environment have been consulted.

## **7 IMPLICATIONS FOR POLICY PRIORITIES**

- 7.1 The recommendations contained within this report are in accordance with Financial Regulations, the requirement to balance the Budget and the Corporate Charging Policy.
- 7.2 The extent to which the charges for the services covered by this report comply with the detailed requirements of the Corporate Charging Policy are identified and attached in Appendix 2.

## **8 IMPLICATIONS FOR EQUALITY AND DIVERSITY**

- 8.1 Following an initial equalities assessment (Appendix 3) no specific implications have been identified for equality and diversity.

### **Appendices:**

- Appendix 1: List of Proposed Revised Fees and Charges (separate spreadsheet)
- Appendix 2: Consideration of Policy requirement of Corporate Charging Policy
- Appendix 3: Equalities Analysis (separate document)
- Appendix 4: Public Sector Duty Statement Equality Act 2010.

### **Background Papers:**

- Corporate Charging Policy

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## APPENDIX 2

### CONSIDERATION OF POLICY REQUIREMENT OF CORPORATE CHARGING POLICY

<b>Policy Ref</b>	<b>CORPORATE CHARGING POLICY REQUIREMENT</b>	<b>LICENSES &amp; PERMITS</b>
<b>3a</b>	Distinguished between controllable & non-controllable charges (Set by Government)	Controllable
<b>3c</b>	Considered/identified subsidies	No subsidies
<b>3d</b>	Budget adjusted to reflect policy objectives	Not applicable
<b>3e</b>	Differential charging considered	Not applicable
<b>3f</b>	Charges compared with competitors	Not applicable
<b>3b</b>	Maximises income, covers full cost	Covers cost
<b>4</b>	Discretionary services not charged for considered	Not applicable
<b>7a</b>	Charges simple to understand and administer	Yes
<b>7b</b>	Service users understand charges / payment method before service provided	Yes
<b>7c</b>	Method of payment considered	Yes – payments made through Cashiers
<b>8a</b>	Charges updated at least annually	Yes
<b>8b</b>	Charges take account of what market will bear	Yes, where applicable
<b>8c</b>	3 year Corporate Review of concessionary schemes	Not applicable

## APPENDIX 4

### PUBLIC SECTOR DUTY STATEMENT EQUALITY ACT 2010.

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

1	<p>The Council must, in the exercise of its functions, have due regard to the need to:</p> <ul style="list-style-type: none"><li>(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act;</li><li>(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;</li><li>(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.</li></ul>
2	<p>Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none"><li>(a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;</li><li>(b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;</li><li>(c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.</li></ul>
3	<p>The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.</p>
4	<p>Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none"><li>(a) tackle prejudice, and</li><li>(b) promote understanding.</li></ul>
5	<p>The relevant protected characteristics are:</p> <ul style="list-style-type: none"><li>(a) age</li><li>(b) disability</li><li>(c) gender reassignment</li></ul>

	(d) pregnancy and maternity
	(e) race
	(f) religion or belief
	(g) sex
	(h) sexual orientation