

## **Item: 20**

**Policy and Resources Committee: 25 September 2018.**

### **Corporate Charging.**

**Joint Report by Executive Director of Development and Infrastructure, Executive Director of Education, Leisure and Housing and Head of Finance.**

## **1. Purpose of Report**

To consider undertaking consultation on a number of proposed new and increased charges, prior to submission to the budget setting process.

## **2. Recommendations**

The Committee is invited to note:

### **2.1.**

That, as part of the budget setting process for 2019 to 2020, services were invited to submit proposals for new and/or increased charges.

### **2.2.**

That, on 28 August 2018, the Corporate Charging Member/Officer Working Group considered a number of proposals for new and/or increased charges as follows:

- Development and Infrastructure:
  - Proposed new charge for use of Travel Centre facilities by coaches.
  - Increases to landing fees at Council airfields.
  - Increase to car park excess charge.
  - Increased charges for special (bulky) household waste collection and disposal.
  - Proposed new charge for bin replacement.
  - Increase to charges for road closures for special events.
  - Introduction of charges for overnight parking of campervans, tents and caravans.
  - Proposed new charges for electrical vehicles.
  - Proposed new charge for stray dog uplift.
  - Proposed new charge for Planning (non-material variations).

- Education, Leisure and Housing:
  - Proposed new charge for Papdale Halls of Residence.

### **2.3.**

That the Corporate Charging Member/Officer Working Group subsequently endorsed the proposals, referred to at paragraph 2.2 above, and suggested that the proposals be subject to consultation, as a package.

**It is recommended:**

### **2.4.**

That the Executive Director of Development and Infrastructure and the Executive Director of Education, Leisure and Housing, in consultation with the Head of Finance arrange for a consultation exercise to be undertaken in respect of the proposals for new and/or increased charges referred to at paragraph 2.2 above.

## **3. Background**

### **3.1.**

Section 2.3 of the Corporate Charges and Concessions Policy states that the Corporate Charging Working Group has been formed to consider:

- Charging and Concessions Policy.
- New and existing charges, including concessions.

### **3.2.**

Section 6.5.3 of the Corporate Charging and Concessions Policy states that any proposals from introducing new charges, or for amending existing charges, will be considered as part of the budget setting process and should be included as service submissions as a service contraction/saving.

### **3.3.**

Section 6.5.4 of the Corporate Charging and Concessions Policy states that service users should be consulted on, and informed of, all proposals to introduce new charges or to significantly amend existing charges, prior to the Council taking its final decision.

### **3.4.**

Section 6.5.5 continues that for the purposes of the corporate charging policy “significant” is defined as being above the annual inflation increase, as agreed by the Head of Finance as part of the budget setting process.

## **4. Proposed New and/or Increased Charges**

### **4.1.**

As part of the budget setting process for 2019 to 2020, services were invited to submit proposals for new and/or increased charges, for consideration by the Corporate Charging Member/Officer Working Group in the first instance.

### **4.2.**

On 28 August 2018, the Corporate Charging Member/Officer Working Group met to consider a number of proposals for new and/or increased charges as follows:

- Development and Infrastructure:
  - Proposed new charge for use of Travel Centre facilities by coaches.
  - Increases to landing fees at Council airfields.
  - Increase to car park excess charge.
  - Increased charges for special (bulky) household waste collection and disposal.
  - Proposed new charge for bin replacement.
  - Increase to charges for road closures for special events.
  - Introduction of charges for overnight parking of campervans, tents and caravans.
  - Proposed new charges for electrical vehicles.
  - Proposed new charge for stray dog uplift.
  - Proposed new charge for Planning (non-material variations).
- Education, Leisure and Housing:
  - Proposed new charge for Papdale Halls of Residence.

### **4.3.**

Further details on the proposed new and/or increased charges are attached as Annexes 1 to 11 of this report, updated by the respective services to reflect discussion at the meeting of the Corporate Charging Member/Officer Working Group.

### **4.4.**

The Corporate Charging Member/Officer Working Group subsequently endorsed all the proposals and suggested that they be subject to consultation, as a package. A further meeting of the Working Group will be arranged for December 2018, to review the outcome of the consultation, with the proposed new and/or increased charges, amended if required, thereafter being incorporated into the budget setting process.

## **5. Equalities Impact**

Equality Impact Assessments were completed for each of the charging proposals considered by the Corporate Charging Member/Officer Working Group and will be updated and included in the final budget report for all charges that are progressed to implementation in financial year 2019 to 2020.

## **6. Links to Council Plan**

The proposals in this report support and contribute to improved outcomes for communities as outlined in the Council Plan strategic priority themes of Connected Communities, Caring Communities, Thriving Communities, Enterprising Communities and Quality of Life.

## **7. Links to Local Outcomes Improvement Plan**

The proposals in this report support and contribute to improved outcomes for communities as outlined in the Local Outcomes Improvement Plan priority of A Vibrant Economy.

## **8. Financial Implications**

### **8.1.**

Fees and Charges income is recorded within the Council over a number of discrete codes which enables income to be monitored for individual services.

### **8.2.**

To meet services pressures, there is an increasing need for the Council to examine all potential sources of income, including charging more for services and investigating opportunities for the introduction of new charges.

### **8.3.**

The charging proposals outlined in the annexes would, if they are all implemented, contribute an estimated additional income of £65,800 in financial year 2019 to 2020.

## **9. Legal Aspects**

In respect that the proposed new charge for Papdale Halls of Residence may have a disproportionate impact on school pupils from the North and South Isles in comparison to pupils from the Orkney Mainland, it is likely that, in terms of Section 8 of the Islands (Scotland) Act 2018, the Council would be obliged to prepare an island communities impact assessment prior to approval of this proposal. Although Section 8 of the Act is not yet in force, it is recommended that it would be reasonable for such an assessment to be undertaken in any event.

## 10. Contact Officers

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## 11. Annexes

Annex 1: Proposed new charge for use of Travel Centre facilities by coaches.

Annex 2: Increases to landing fees at Council airfields.

Annex 3: Increase to car park excess charge.

Annex 4: Increased charges for special (bulky) household waste collection and disposal.

Annex 5: Proposed new charge for bin replacement.

Annex 6: Increase to charges for road closures for special events.

Annex 7: Introduction of charges for overnight parking of campervans, tents and caravans.

Annex 8: Proposed new charges for electrical vehicles.

Annex 9: Proposed new charge for stray dog uplift.

Annex 10: Proposed new charge for Planning (non-material variations).

Annex 11: Proposed new charge for Papdale Halls of Residence.

## Annex 1

### **Proposed new charge – Use of Travel Centre Facilities by Coaches.**

#### **Introduction and Background**

It is proposed to establish a charge for use of Travel Centre facilities by bus and coach operators that are not part of the contracted public bus services (currently let to Stagecoach).

#### **Specific Charging Proposals**

To introduce a permit based system for visiting bus/coaches to use the travel centre for the pick up and drop off of passengers. For example, the Cruise Shuttle Bus Service, visiting coach tours etc.

#### **Comparable Charges**

None locally at present and not aware of any such charges at any other 'bus station' – bus stations are generally free to use.

#### **Potential for Savings or Additional Income**

It is anticipated that based on a £500 per month permit fee and historic usage between £3,000 and £5,000 may be achievable (this is not guaranteed as income will depend on usage). However, there is a high degree of confidence in future volume of traffic arising from tourism based coach and bus travel which is anticipated to retain at steady (or potentially increase over the coming years).

#### **Risks and Barriers**

There is a risk that introducing a pre-application fee will lead to diversion of some coach or bus operators to alternative 'free' drop off or pick up sites elsewhere in Kirkwall. This risk will be monitored but it would be impossible to 'force' operators to use the travel centre.

There is a risk that the monies would be hard to collect and almost impossible to collect for less frequent/occasional user and hence the risk of a two tier system whereby the regulars pay and the occasionals get away with payment.

#### **Other Additional Information**

The systems would be permit based upon an anticipated usage from regular users (Maines; JOG Ferry; Shuttle Bus; non contracted Stagecoach Routes).

There would be no way of managing the occasional users other than by 'goodwill' – it would not be cost effective to have staff assigned and the Meet and Greet staff would not be appropriate as they have other duties and they are only present on busier cruise days for part of the day.

#### **Recommendations**

To introduce a permit based access to the Travel Centre for buses and coaches to generate an income of circa £500 overall per calendar month.

**Increases to Landing Fees at Council Airfields****Introduction and Background**

The six North Isles airports are owned and operated by the Orkney Islands Council and are licenced by the Civil Aviation Authority (CAA). Prior permission is required (PPR) before an aircraft lands as a condition of the aerodrome license issued by the CAA. The main purpose of the airports is to accommodate the life line air service, currently operated by Loganair using the Islander aircraft. The airports also act as helicopter landing pads for the Scottish Ambulance Service (SAS) and Coastguard Search and Rescue (SAR) helicopters for the transfer of casualties to and from the North Isles and the mainland of Orkney and Scotland.

Landing fees are normally charged at all licenced aerodromes, charges are often complex, based on aircraft weight and number of passengers. It is also normal to charge an enhanced "out of hours" rate when the airfield is not normally staffed and where fire cover is provided or require an indemnity permit where fire cover is not required, parking charges are also levied based on length of stay and weight of the aircraft.

The new charge is for an annual landing card requested by the locally based private pilots. The increase in helicopter landing fees is to recover the cost of staffing the airfields for Scottish Ambulance Service and Coastguard flights.

**Specific Charging Proposal**

<b>Code</b>	<b>Legislation</b>	<b>Permit description</b>	<b>Charge per</b>	<b>Charges 2018/19</b>	<b>Proposed 2019/20</b>
A	Landing fees annual ticket.	unlimited landings at all airfields	year		£150+VAT
B	Non- Commercial Single Engine.	landing fee	landing	£15	Normal Increase
B	Non- Commercial Single Engine.	day ticket	day	£25	Normal Increase
B	Non- Commercial Twin Engine.	landing fee	landing	£30	Normal Increase
B	Non- Commercial Twin Engine.	day ticket	day	£37.50	Normal Increase
B	Non- Commercial Helicopter.	landing fee	landing	£15	Normal Increase
B	Non- Commercial Helicopter.	day ticket	day	£25	Normal Increase
B	Commercial Single Engine aircraft.	landing fee	landing	£62.50	Normal Increase
B	Commercial Twin Engine (Islander).	landing fee	landing	£65.50	Normal Increase
B	Commercial Helicopter under 9000kg.	landing fee	landing	£62.50	£100.00+VAT
B	Commercial Helicopter over 9000kg.	landing fee	landing	£62.50	£200.00+VAT

B	All non-commercial aircraft.	Landing without PPR or a valid Annual Indemnity Permit	landing	£62.50	Normal increase
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- A new charge
- B existing charge

The charges will be collected using the arrangements already in place.

### Comparable Charges

Shetland Islands Council charge £420 for an annual landing card at Tingwall.

An extract of charges levied by Argyll and Bute Council are shown below:

### Flights Outside of Normal Hours of Availability

(Air Ambulance / Search and Rescue).

Flights outside normal hours of availability of Council airports as published in the UK Aeronautical Information Publication (AIP) and on the Oban and the Isles airports website whereby the type of flight requires a licensed aerodrome. Where flights are made outside of these hours by prior arrangement with the aerodrome operator, Argyll and Bute Council, (minimum 48hrs notice) an out of hours charge will be payable in accordance with the following rates or such rates as agreed at the time of the arrangement:

- Oban £464.00 per hour or part thereof
- Coll or Colonsay £232.00 per hour or part thereof (helicopter fire cover only)

The above rates are subject to a minimum charge equivalent to two hours. *Note: a pre-arranged extension of up to one hour immediately following normal opening hours would incur a charge at 50% of the normal hourly rate i.e. £232.00 for Oban.*

Annual Indemnity Certificate – £45.00 Available for non- commercial aircraft no greater than 2730kg MTOW.

*(Commercial and charter aircraft operators are not permitted to use the ‘Out of Hours Indemnity Permit’ or ‘Holiday Vouchers’ scheme.)*

### Potential for Savings or Additional Income

Based on the landing statistics for 2015 and using the recommended fees for 2016 it is estimated that the annual income from the Air Ambulance would be in the region of £3,960 and the Coastguard helicopter £2,000. The potential income from non-commercial users is more difficult to estimate as they often use the airfields unannounced and are only logged if observed by the airfield staff, but it is estimated that it would be in the region of £500 to £1,000.

### Risks and Barriers

None other than the usual resistance to change. The change for heli-med and casualty evacuation flights could be seen as morally undesirable but all operators expect to pay landing fees.



### **Other Additional Information**

At present the cost of manning and maintaining the airfields is met entirely from the airfields budget. Charging airfield users would contribute to the running costs, staff wages etc. in the same way that is standard practice across other comparable Council areas such as harbours, marinas and car parks.

### **Recommendations**

The charges should be introduced at the earliest opportunity.

### **Increase to Car Park Excess Charge**

#### **Introduction and Background**

The Orkney Islands Council (Off-Street Parking Places) Order 2017 states that where a vehicle is left in a parking place in contravention of the provisions of the order an excess charge of £30 shall be payable. Where this charge has been incurred and is not paid within 42 days an additional charge of £15 is due.

#### **Specific Charging Proposals**

The proposal is to increase the initial excess charge to £60 however if this is paid within 2 weeks of the date of issue this will be reduced to £30. Failure to pay the initial excess charge within 42 days would incur a further £15 charge.

#### **Potential for Savings or Additional Income**

Income from excess charges in the last two years are listed below

<b>Financial Year</b>	<b>Income (exc. VAT)</b>
2016/17	£19,677
2017/18	£25,240

Increasing the excess charge may act as a deterrent and result in car park users complying with the provisions of the order. However, increasing the excess charge to £60 could potentially double the income.

#### **Risks and Barriers**

The main risk as mentioned above is that increasing the excess charge may act as a deterrent and result in car park users complying with the provisions of the order.

#### **Recommendations**

It is recommended that the excess charge notice be increased from £30 to £60, with an early payment reduction of 50% if paid within 14 days. However, a charge of £15 should be applied where payment is not received within 42 days of issue.

### **Increased Charges for Special (bulky) Household Waste Collection and Disposal Service**

#### **Introduction and Background**

The Environmental Protection Act 1990 (EPA1990) as amended, places requirements on the Council to provide:

- waste and recycling collections at no charge to domestic properties for household waste, currently provided via kerbside waste and recycling collections;
- a place for the free deposition of household waste by persons resident in its area, provided by Household Recycling Centres.

In addition to these statutory duties the Council provides a special collection service for the collection of bulky household waste at the kerbside, typically for items too large for the wheeled bin or bagged kerbside collection. This service is 'non-statutory' therefore can be and is charged for.

For 2017/18 359 special collections were provided across Orkney, generating £7,750 of revenue against a cost of delivery of £21,650, recovering 35.8% of total costs annually. Costs are levied against the principle of recovering the cost of collection, not the cost of disposal for domestic items. Charges for these services can be seen in the table below, noting charges are set at a level proportional to the level of service requested.

Table 1: Current Special Collection Charges

<b>Special Collection, service description</b>	<b>Charging Basis</b>	<b>2018 / 2019 Rate excluding VAT</b>
Up to 5 items.	Per load.	£15.83
6 items up to full pick up load.	Per load.	£66.50
Lorry load.	Per load.	£134.00

This proposal aims to increase charges, aimed to recover the full collection costs incurred for the provision of this non-statutory service.

#### **Specific Charging Proposals**

Special collection service requests are currently received by the Customer Services Section, fees are paid on application therefore no additional costs would be incurred by the Council if the proposals are approved.

Proposals are to increase charges, by a factor of 2.79 for Special Collections of Domestic waste, the proposals as provided in the table below. These increases do not include standard annual increases levied by the Council, therefore final costs proposed for 2018/19 would be subject to a further increase in line with inflation, as approved by Council.

Table 2: Proposed Special Collection Charges

<b>Special Collection, service description</b>	<b>Charging Basis</b>	<b>2020 / 2021 excluding VAT</b>
Up to 5 items.	Per load.	£44.17
6 items up to full pick up load.	Per load.	£185.54
Lorry load.	Per load.	£373.86

### **Comparable Charges**

Feedback from 34 Scottish Local Authorities was received with significantly variable charging structures and levels of charging. A small minority provide a special collection free of charge, subject to annual limits, with the majority levying charges either per an uplift or item. Significant variations in charging structures meant no direct comparison can be made however an overview of charging levels is provided in the paragraphs below. All charges were for the collection of domestic waste only.

For charged special collections, charges typically started at a minimum charge of £15 to £65 per collection of between 1 to 6 items. Per item charges (with minimum charges applied) varied from £1.83 to £21.50. Typically, where charges are applied, costs for large quantities, e.g. over 6 items of waste for disposal, were charged at cost with no upper limit.

While no specific links or comparative charging levels or structure can be provided, given findings on other Authority charges, these proposals starting at £44.17, fall at a midpoint within rates and charges typically applied throughout Scotland. Additionally, an upper charge rate limit for this service is set in these proposals, as opposed to 'no limit' or 'at cost' levels provided by other Local Authorities.

### **Potential for Savings or Additional Income**

An increase in income of up to £14,000, should these proposed increases to recover costs be introduced. Noting increased fees may result in reduced uptake for these services, with the service delivered via both existing in-house services and external contractors, any costs associated in terms of reduced turnover are anticipated to be minimal.

### **Risks and Barriers**

Significant increases in the costs for this service could be perceived to lead to an increase in risk of fly tipping, and its associated costs, by members of the public. Increases for similar services have been introduced in the UK with no known evidence of an increase in fly tipping occurring (feedback via industry workshops). Further, given the disposal of domestic items at Recycling Centres is free, this risk is anticipated to be significantly negligible.

Negative publicity is likely to result from any charge increases to services, however this is mitigated through the continued provision of free deposition for domestic waste through the provision of Household Recycling Centres on Orkney.

Concern on provision of disposal facilities on the outer islands is likely given all Recycling Centres are located on the Mainland of Orkney, however all households on the outer islands of Orkney receive an unrestricted kerbside collection for household waste, in terms of the volume collected weekly or fortnightly. This as opposed to

households on the mainland of Orkney whose capacity for disposal of waste at the kerbside is restricted to 240 litres per fortnight.

### **Other Additional Information**

To ensure the service is not abused by contractor or building works giving rise to additional costs, recent reinforcement of the types of materials acceptable for collection took place (i.e. no non-domestic waste types can be collected via special collections). This abuse typically took the form for requests for the collection of building and refurbishment works, which via the provision of a restriction on the types of material accepted into the scheme (i.e. no commercial type material accepted), has been reduced. These measures were required to ensure costs did not spiral out of control

It is important to note that costs charged for this service are for the recovery of collection costs only, given all waste received is domestic no charge for the disposal of items is charged for. All domestic materials received through this service would potentially be received through other statutory services provided free of charge for domestic waste.

With this service area operating in deficit, there is a need to offset costs incurred through the provision of 'additional' services, to ensure continued viable delivery of statutory services.

### **Recommendations**

We recommend charges being introduced to enable full cost recovery for this service, as listed in table 2, for special collection services from the start of the new financial year.

### Introduction of Charges for Bin replacement

#### Introduction and Background

Environmental services are proposing to introduce a charge for bin requests to cover new properties and the replacement of broken, lost or stolen bins as well as requests for additional bins. This is to offset the cost of both the asset, administration and the resource strain these requests place on our service in terms of vehicle movements and manpower.

#### Specific Charging Proposals

We are looking to introduce a conservative charge of £25 for the provision of a new or replacement or additional grey refuse bin (£240L) and £20 for the 140L grey refuse bin. We are not proposing to introduce a charge for recycling bins or boxes/bags in line with other local authority charging policies.

#### Comparable Charges (If applicable)

Charging for new bins to new properties has become far more common over the last three years with a number of councils introducing charging to new builds. In addition, a significant number of councils have been charging for bins if they are lost, damaged or stolen for far longer. Council's don't typically charge for replacement recycling bins or food waste/green garden waste bins. Therefore, we are only proposing to charge for grey refuse bins to encourage residents to take better care of their bins, and to discourage overfilling bins with inappropriate materials, whilst the proposal assumes recycling bins will continue to be free of charge.

The table below sets out some fees and charges charged by other local authorities in Scotland. This charge is based on a 240L refuse bin unless specified otherwise.

Moray	£48.00
Inverclyde	£40 (new bin) £20 (secondhand)
Argyll & Bute	£32.00
Falkirk	£23.40 – new properties
Aberdeenshire	£25 – new properties and replacement
South Lanarkshire	£58.75
North Ayrshire	£41.27 (240L) £28.35 (140L) – no charge for damaged or missing but first bin (new property or additional bin)
North Lanarkshire	£49.37 (new bin) £37.03 (secondhand)
Renfrewshire	£21.5- (240L) £18.10 (140L).
Shetland Islands Council	£54.00
Dunbartonshire	£20.71
Highland Council	£52.78 charged to new builds only – no charge for damaged, lost or stolen.

## **Potential for Savings or Additional Income**

Based on information available for 2017 and 2018 to date, additional income in the region of £10,000 to £15,000 could be raised. This would include charging for additional capacity requests whether it be a grey bin or red bags using the alternate collection method.

## **Risks and Barriers**

There are challenges in introducing these charges and there is likely to be negative publicity as a result. Some people will expect a bin as part of their council tax. Reports of new builds bringing in additional council tax revenue will also play a part and these scenarios have been played out in the press as other local authorities have introduced these charges. It will be viewed by some as another means by which to generate an additional income stream even though the Council is merely trying to recoup the cost of the asset, delivery and administration of the process.

## **Other Additional Information**

Environmental Services currently pays for wheeled bins, the administration of their storage, delivery, repair and replacement is not something OIC has charged for in the past. A significant number of local authorities throughout the UK have introduced charges to recover the cost of the asset and the processes that support the purchase, storage and distribution of the same. Whilst new build properties do return additional revenue in council tax to the Council, none of this is 'passported' to Environmental Services to cover the cost of the bins. The introduction of this charge will hopefully go some way towards recovering the cost, whether it be new builds or existing properties where residents have damaged or lost or even had stolen their wheeled bins.

## **Recommendations**

We recommend a charge of £25 for a 240L wheeled bin for refuse and a lower fee of £20 for the 140L wheeled bin for refuse. The Service would be seeking to introduce this charge at the start of the new financial year – unless support to introduce it earlier is available.

### **Road Closures for Special Events – Development & Infrastructure Committee – Existing Charge Increases**

#### **Introduction and Background**

In 2017 Roads Services introduced charges for road closures associated with special events. These include pipe band parades, galas, fund raising events and cruise liner visits. The costs to the council include advert fee, operational costs and administration fees. The advert is required as part of the regulations for closing the road. The operational cost includes set up and take down of all signing and guarding and in most cases retaining a resource on site to manage the closure.

In 2017 actual costs were established and for charitable or fund-raising events a fee of 10% of this cost was charged. For profit making events or where an entry fee is charged this was set at 20%.

The fees for 2018/19 were set at 4% above that for 2017/18.

Where an event has not taken place in the past, or is a one-off event, a similar event is used to determine the fee that is charged.

Closures for the cruise liner visits are charged directly to the relevant Marine Services finance code.

In 2016/17 the cost for these closures was in the region of £33,000. The amount recharged based on the figures above was £5,500, leaving a deficit of £27,500

Currently road works closures are charged at £207 for a period up to 7 days or £328 for works extending up to 18 months, in addition the applicant pays the cost of the advertisement. There are no operational costs associated with these closures. On average there are 20 closures per year for such works.

#### **Specific Charging Proposals**

There are several options available to address this deficit

1. Charge all applicants 100% of associated costs. This would impact on the events and result in many events being cancelled.
2. Increase the 10% and 20% however again this would impact on the events and result in many events being cancelled.
3. Look to recover the costs by increasing the current charges for closures associated with road works and new developments. Increase for a period up to 7 days to £500 and for works extending up to 18 months to £700,

#### **Potential for Savings or Additional Income**

By choosing option 3 above the table below shows the potential increased income

Current charge	Income based on 10 closures in each charge band	Proposed Charge	Potential Income based on 10 closures



£207	£2070	£500	£5000
£328	£3280	£1000	£10000

Whilst this will not cover the total deficit for special events it will lessen the impact for 2019/20 and give officers an opportunity to discuss with event organisers to look at introducing option 4.

### **Risks and Barriers**

There is a risk in the potential reduction in special events being held in Orkney if the costs to hold these events is increased.

The income from road closures associate with road works is dependent on the volume of work available to the construction and civil engineering industry.

### **Recommendations**

Increase the costs for road works. This will generate an additional £7000 to help lessen the current deficit.

### **Revision**

Following the request from Councillors the proposed charge for all road closures from 8 days to 18 months has been increased on the table able to £1,000, giving a potential income of £10,000. This will potentially generate an additional £15,000 to help lessen the current deficit.

### **Introduction of Charges for Overnight Parking of Campervans, Tents and Caravans.**

#### **Introduction and Background**

It is proposed to establish a charge for overnight parking of campervans, motorhomes, tents and caravans on Council land and car parks.

#### **Specific Charging Proposals**

A £15 per night overnight parking charge to be established for vehicles which would be occupied overnight to park on Council land. The focus of this charge would be car parks, but it is proposed that the charge would apply to other council land where it is possible to park caravans or campervans, for example car parks associated with public toilets and any other land where it is possible to park up. Signage would be placed at appropriate locations directing people to purchase a ticket prior to an overnight stay. This could be administered two ways, firstly through a change to tariffs on existing parking ticket machines or purchase at Council Service Points throughout Orkney, during working hours. The vehicle owner would pre-purchase a ticket from one of these outlets for display overnight, thus avoiding the risk of a penalty charge.

#### **Comparable Charges**

In other places where motorhomes typically visit for the vista (e.g. The Lake District) charges vary from annual permits for infrequent to regular use (£250 - £500 p.a.) as well as daily rates (free - £32.50/night). Similarly, for Kirkwall (Pickaquoy Campsite) and Stromness (Ness Campsite) charges range up to £30/night. The difference being that the higher charges reflect provision of some services such as electricity, water and sewerage facilities.

#### **Potential for Savings or Additional Income**

There is anecdotal evidence of growing use of Council land and car parks for overnight stays by camper vans etc. as an alternative to formal campsites at Birsay, Stromness or Kirkwall. It is proposed to introduce an overnight parking fee of £15 a night. It is difficult to predict income, but there is a realistic expectation of increasing tourism to Orkney in the coming years. It is anticipated that £3,000 to £5,000 a year should be possible (200-333 overnight payments).

#### **Risks and Barriers**

There will be a need to establish a ticketing system and signage across Council land. There will also be the need to undertake spot checks through car parking attendants and there is the risk of non-adherence in more remote locations. There will be a need to review and possibly amend Traffic Regulation Orders and review the layouts to ensure the road lining is appropriate. This is therefore a progressive proposal that would see it implemented over time hence a relatively conservative income target set. However, it is expected that there will be a level of compliance across the campervan population which make this proposal a realistic proposition.

## **Recommendations**

To introduce a service charge of £15 a night for campervans, motorhomes, tents and wishing to be occupied overnight on Council land and car parks.

## **Revision**

Noting additional recommendations following discussion at the fees and Charges MOWG, the proposal is revised as follows;

The introduction of an overnight charge is viewed as premature at this time given perceived complications on how a scheme might be enforced and administered in terms of the logistics of how to access tickets or permits (outlets) at various times folk are coming to Orkney (off the ferries) and thereby how to enforce particularly out of normal working hours.

These are reasonable and practical concerns and therefore a revised proposal is suggested in that consideration be given to a weekly or annual “pass” or “permit”. That it could be purchased by users of our designated facilities directly, possibly well in advance if promoted through existing website outlets (i.e. visit Orkney and similar), this is the preference of the fees and charges MOWG members.

This would seek to target these users (motorhomes, caravanners, camper vans etc) via signposting them to the council’s website and various links, at which an online application form could be filled in and when payment is made a confirmation email would record their vehicles right to use selected facilities and the record would be noted from an enforcement perspective.

This would be, in the initial stages, **managed on trust** and over time may require the existing TRO’s to be amended to accommodate changes or take enforcement action if any area was being abused. The costs associated for any work would be recovered from income generated over time. Noting this would be online information based detailing the rules, regulations, designations, therefore no real need to sign and line those areas not currently set out for this use. The estimated income is very much an estimate and would come over time rather than any massive change immediately, nevertheless the current target would be proposed if this revised proposal could be introduced.

### **Introduction of Charges for Electrical Vehicles**

#### **Introduction and Background**

As part of the 2018 to 2019 budget setting process the Council determined that payment should be introduced for users of the Council's Electric Vehicle charger infrastructure. This follows a growing move of Councils elsewhere in the country to introduce a payment structure after an initial period of years when the infrastructure has dispensed free electricity. The Scottish Government, Hitrans and the Orkney Electric Vehicle user group support the principle of introducing a payment structure as a mechanism to manage the infrastructure for the wider public benefit. Whilst it is unlikely that it will be feasible to establish charges which would make the infrastructure cost neutral, it is likely that a payment structure could be introduced which could cover the electricity costs (circa £18,000 in 2017 to 2018).

#### **Specific Charging Proposals**

The back-office systems are already in place. The collection of payment for electricity/use of the Council's network would not cost the council additional money to introduce.

The following options are being considered:

Option 1 – a £1 minimum dispensing (connection) charge with a 15p Kw per unit top up over the £1 charge.

Option 2 – a £1 connection charge with a 15p KW per unit charge for each unit.

Option 3 – a flat rate £30p per KW charge.

It is also proposed to introduce a penalty for over stay on the charge units. Two options are being considered:

Option 4 – a £5 penalty charge for over 30 minutes use of a rapid charger and over 3 hour use of a fast charger.

Option 5 – a £5 penalty charge for over 1 hour use of a rapid charge and 4 hours use of fast chargers.

Options 3 and 4 are the current working preferences for the Service in advance of engagement with the Scottish Government and the Electrical Vehicle User Group. It is recommended that the Member Officer Working Group indicate a preference, but delegate final decision on which option to proceed to the Director in consultation with the Chair and Vice-chair of Development and Infrastructure after consultation with Scottish Government, Hitrans and the Electrical Vehicle User Group.

## Comparable Charges

	Minimum	Price	Empty to Full 30kWh Vehicle
	Fee	Per kWh	Price for Charging
Highland Council	£1.50	£0.15	£4.50
Shetland Council	£1.50	£0.15	£4.50

## Potential for Savings or Additional Income

It is anticipated that based on historic usage between £15,000 and £18,000 may be achievable (this is not guaranteed as user patterns may change after the introduction of charges).

## Risks and Barriers

Impact on electrical vehicle uptake is uncertain which could risk the overall income achievable, and it is proposed to engage with the Electrical Vehicle Orkney user group as part of this process. It is not anticipated that there will be significant reputational impact arising as it is generally understood that it will be beneficial to the public good to manage use of the infrastructure and cover as far as possible the costs of managing the infrastructure.

At the present time the provision of chargers is typically Government funded, however the maintenance and the energy used at present is a council liability and unfunded. Introduction of charges may go towards reducing the deficit, or if usage falls when a fee is introduced, may reduce use and thereby some costs such as electricity. It is noted that charges alone at this proposed level would not address replacement costs, unless of course the charges rise to cover these costs, or another delivery mechanism can be put in place that has lower running costs.

## Recommendations

It is recommended that the Member Officer Working Group indicate a preference, but delegate final decision on which option to proceed to the Director in consultation with the Chair and Vice-chair of Development and Infrastructure after consultation with Scottish Government, Hitrans and the Electrical Vehicle User Group.

## Revision

Noting additional recommendations following discussion at the fees and Charges MOWG, the proposal is revised as follows;

Currently energy and maintenance costs equate to £25,065.

Members queried if a 15p Kw per unit would be sufficient. With a £1 connection fee and 15p Kw per unit charge based on usage rates for 2017/18 would generate income of £22,958 which is 92% recovery. Using 17p Kw per unit charge would generate income of £25,036.

### **Proposed new charge for Stray Dog Uplift**

#### **Introduction and Background**

Section 149 of the Environmental Protection Act 1990 places a statutory duty on Orkney Islands Council to deal with any reports or incidences of stray dogs within the area of the local authority. The Council's Trading Standards Service is delegated to administer this duty on behalf of the Council.

Section 149 (5) of this Act permits the local authority to prescribe a charge to cover expenses incurred in seizing and detaining any stray dogs. To date no charge has been applied for exercising this duty but it is recommended that this be reviewed.

If the owner of any stray dog reported to OIC cannot be easily identified and contacted, and the dog subsequently has to be boarded, presently under arrangements agreed with Nealand Kennels in Orphir, then a charge should be applied by Orkney Islands Council. There may also be additional boarding expenses which the dog owner must pay Nealand Kennels prior to having their stray dogs returned.

#### **Specific Charging Proposals**

It is proposed that an uplift charge of £125 be introduced for Orkney Islands Council dealing with an incidence of stray dogs where the owner is not immediately contactable. The uplift charge shall be collected via OIC invoice issued by the Trading Standards Service. Ideally the charge will be paid upon collection or return of the stray dog but where this is not possible payment may be pursuant to collection or return.

#### **Comparable Charges (if applicable)**

25 Scottish Councils responded to enquiry as to any charges they applied for dealing with stray dogs. In 14 authorities an uplift fee of £25 was chargeable. Other authorities varied from no charge (3) to £125 (1), but £25 was the charge in the majority of Councils.

#### **Potential for Savings or Additional Income**

Applying an uplift charge would not raise a significant sum of money but would send a message to dog owners of the need to be in control of their dogs at all times.

In 2017 there were 17 reports of stray dogs. In 2016 there were 16 reports of stray dogs. In many cases the dog is quickly recovered by the owner in which case there would be no charge applied. Consequently, an uplift charge of £125 would raise no more than £1,000 per annum.

#### **Risks and Barriers**

Whilst the introduction of a charge may not be popular with some dog owners, the proposed level of charge is not extortionate when compared with other local authorities. It also recognises and acknowledges officer time incurred in dealing with reports of stray dogs.

## **Recommendations**

It is recommended that Orkney Islands Council introduces a charge of £125 for Trading Standards personnel dealing with any reports of stray dogs, chargeable in circumstances where the stray dog cannot be immediately returned to the owner.

### **Proposed new charge for Planning (Non-material Variations)**

#### **Introduction and Background**

Section 64 of the Town and Country Planning (Scotland) Act 1997 allows a Planning Authority to vary any planning permissions granted by them if it appears to them that the variation being sought is not “material”. An approved development may require to be amended by the applicant for any number of practical or design reasons after planning approval has been obtained. There is no statutory definition of ‘non-material’ and the judgement as to when a variation is material is a matter of fact and degree. A non-material variation essentially means that the amendments proposed will not significantly change the scheme that was originally granted planning permission. Alterations that qualify as a non-material variation are therefore by definition minor changes. The Executive Director of Development and Infrastructure has delegated powers to approve non-material variations. Each case is assessed by a Planning Officer on its own merits and if approved, a decision notice is issued to the applicant or agent.

#### **Specific Charging Proposals**

It is proposed that the following charges be introduced to cover the costs of assessing and determining applications for non-material variations:

<u>Application Type</u>	<u>Fee</u>
Householder Development	£50
Local Development	£100
Major Development	£200

There would be no fee for the first application for a non-material variation of any individual application, if received within 12 months of the date of approval.

The above fees will be added to the standard list of planning fees and collected at the same time as an application is made for a non-material variation.

#### **Comparable Charges**

Examples of fees charged by other Councils for non-material variations:

##### Dumfries and Galloway

Any application within 12 months of decision notice – Free  
Householder application - £50  
Local application - £100  
Major application - £200

##### Fife

First application within 12 months of decision notice – Free  
Householder application - £55  
Local application - £100  
Major application - £195



## Highland Council

Householder applications - £44

All other applications - £110

## West Lothian

First application within 12 months of decision notice – Free

Householder application - £50

Local application - £100

Major application - £150

### **Potential for Savings or Additional Income**

Applying a charge for non-material variations would not raise a significant amount of money. Figures for non-material variation requests in the last three years have been as follows:

2015 - 41 (of which, 29 were submitted within one year of original decision)

2016 - 26 (15)

2017 - 25 (19)

Allowing for the applications for which no fee would be charged, and on the basis of the recommended level of charge, the last three years would have raised as follows:

2015 - £1,200

2016 - £1,100

2017 - £600

Based on the above it is estimated that the new charge would raise £800 per annum.

### **Risks and Barriers**

It is not anticipated that there would be any major risk to introducing this additional fee as a charging regime for planning and associated applications is well established at a local and national level.

### **Other Additional Information**

None.

### **Recommendations**

It is recommended that Orkney Islands Council introduce the following charges for non-material variations:

First application, if within 12 months of decision notice - Free

Householder application - £50

Local application - £100

Major application - £200

### **Charging for Residence in Papdale Halls of Residence – New Charge**

#### **Introduction and Background**

Currently no charge is levied for residence in Papdale Halls of Residence. The charge would not achieve full cost recovery but would go some way to offsetting existing service pressure.

#### **Specific Charging Proposals**

Papdale Halls of Residence provides school care accommodation services for secondary school pupils from the north and south Orkney islands to enable them to complete their education.

The service is offered to school pupils of between 11 and 18 years of age and is registered with the Care Inspectorate.

Full occupation is considered to be 70 pupils though this allows some flexibility. Currently the level of occupation is 41 pupils.

Consideration could be given the charging for residence in Papdale Halls of Residence. The proposal is as follows:

- To aim to link the charge to key benefit being child benefit (rates for 2018/19 were £20.70 per week for the first child and £13.70 a week for any further children – child benefit is not payable to those who earn more than £50k per annum).

Given that children and young people stay in Papdale Halls 5 nights per week (generally) the proposal is to charge 5/7ths of the relevant child benefit rate.

The Council would require issuing bills in order to charge parents and recovery would be undertaken in line with normal requirements. While this would require some resource, it should be manageable inside normal staffing levels.

#### **Comparable Charges (if applicable)**

A limited number of Councils have school care accommodation. Highland Council advised that they charge anyone with a placing request to live outwith their catchment area, £22.55 per night dinner bed and breakfast that is £112.75 per week if they are there 5 nights. The Council also asks parents to meet the transport cost.

Shetland have advised that they charge where parents make a placing request and live outwith their catchment area. Their fee is £220 per week for 5 nights full board for financial year 2018/19.

#### **Potential for Savings or Additional Income**

While the intention would be to charge 5/7ths of child benefit, this would be phased in over a period of 2 years to allow parents to become accustomed to the charge. A nominal sum of perhaps £5 per week per child for year one and £10 per week for year 2, over 39 weeks would raise £7,995 for year 1 and £15,990 for year 2.

The proposal is to charge all residents in Papdale Halls of Residence. A total of 20 children are in Papdale Halls based on a placing request. For islands such as Hoy, Flotta and Rousay this applies to 17 children mostly as a result of length of travel time, tiredness and sickness. A further 3 children from the north isles and one from outwith Orkney are placed within Papdale Halls as a result of family issues.

Five families have two children in Papdale Halls amounting to a total of 10 children. The other 31 children are the only child within that family who is resident. If the charge were aligned to 5/7ths of the child benefit, for 39 weeks of the year, this would total £21,567 per annum. This would equate to a charge of £14.70 per week of the school year for families with one child and £24.43 for those with two children resident in Papdale Halls. The precise numbers of residents will vary from year to year.

### **Risks and Barriers**

This is difficult to determine precisely. While there may be a reputational risk to charging, there is also a possibility that the wider public are unaware that there is no charge for being resident in Papdale Halls. Given that charges are routinely applied to related services such as for school meals, there may be an expectation that something similar would apply in Papdale Halls.

The number of related services are limited. Shetland and Highland Councils both have school hostels and so have been asked about their charges and experiences.

### **Other Additional Information**

Consideration needs to be given to the administration of a charge. This raises certain key considerations including:

- Would a blanket policy apply so that if a child were unwell for a couple of days, charges would still apply? Equally if residents were required to stay in the Halls longer due to bad weather, that additional charges wouldn't apply;
- What would be the penalty for parents who do not pay the invoices?;
- A reduction may apply should there be exceptional circumstances such as a longer-term illness, which means that a resident is absent for an extended period of time;
- Residents who are in S4, S5 and S6 will be subject to exam leave during May and the first week in June, it would be anticipated that generally charges would not be levied for those residents for that period of time as generally they would not be resident in Papdale Halls of Residence except for the night before an exam;
- While all families receive child benefit (with the exception of where one individual earns over £50k) some families would be on lower incomes. Would there be a need for a means test or would alignment with child benefit suffice?

### **Recommendations**

- A consultation should be undertaken with parents of children who are resident in Papdale Halls to glean information as to their thoughts on charging and on the preferred model.
- This consultation should also seek information in respect of income to endeavour to determine whether a means test would be required.

- The preferred model would be a nominal charge of £5 per week initially rising to £10 per week for the second financial year with the intention to move to a model aligned with child benefit thereafter.
- A policy should be devised covering charging for Papdale Halls of Residence to ensure clarity on the rules being applied.