

## **Appendix D – Fees and Charges Background**

### **Current Position**

Vehicle Crossovers have two application fees, £75 or £125. The £125 is for applications within a Controlled Parking Zone. The engineer will attend the applicants address and assess the onsite conditions against the current criterion. Where the application is approved an estimate is prepared and a design drawing is completed. All works costs are at the contracted rate and an administration fee of £200 is applied but the initial £75 or £125 application fee is deducted. An application outside of a CPZ has that estimated cost sent to the applicant and if they pay in full the crossover is passed to the contractor to construct within four weeks. There are occasions when the cost of the works exceed the estimate, our customers are not re-charged this cost. Going forward this cost must be covered through the application.

An application in a CPZ has the same work completed but with the estimate is a letter advising them they need to go into a formal consultation process to have the Traffic Order amended so the parking bays can be adjusted to allow the crossover to be constructed. This requires a further £300 to be paid towards the cost of the traffic order, and they will await 9 other applications within any CPZ throughout Merton. They can choose to pay the full cost of £3000 and the consultation can be progressed with just their application. This is rare but it does go ahead sometimes.

### **Comparison with other boroughs**

As part of the Scrutiny Process the Task Group contacted the 32 London Boroughs and London Councils. Representatives from London Councils attended one of the Panel Meetings. They commented that they had responses from many of the boroughs asking for a copy of any policy we agreed, to assist them in dealing with the same issues. Only 7 Boroughs responded to our direct question around fees. Sutton, who have an £80 fee non Refundable, Croydon £150 Fee non refundable, Kingston £80 fee non refundable, Wandsworth only mentioned a £45 admin fee but had a fixed £1493.50 standard crossover construction fee. Bromley £200 fee non refundable, Richmond has a £221 non refundable fee and a £740 admin fee which is included in the crossover fees which average £2000 to £2500. Camden who did not disclose an application or admin fee but said crossovers cost between £2000 and £3000.

### **Re-evaluating our costs**

#### **Application Fee**

Discussions with our finance staff has identified costs around staff hours and office space which we are not capturing through our applications. The current application fees are subsequently deducted from the final Estimate if the application is successful. This means the £200 administration fee within our current charges is the only income. Our contractor rates we apply with no uplift. Within a CPZ where more Officer time is taken the admin fee remains the same at £200. A straight forward crossover will take the engineer 2 hours to measure on site and prepare the estimate. The Technical Admin team spends 2 hours throughout the process. With office space charges and overheads this equates to around £180. However, many applications take more time with customer interaction

especially with refusals on short frontages where measurements are questioned. Each visit can take an hour of the officers time.

CPZ Applications have a further time impact, with traffic engineers evaluating the best out come to support the application with the least impact on that zone. With traffic order amendments and signage put out on site a further 4 hours is spent on these applications.

### **Enforcement of non compliant properties**

Currently, illegally crossing the footway, damage to footway to the side of a crossover, overhanging vehicles and altered properties affecting previously agreed off street parking, are all dealt with without costs. First Warning letters are sent to the property, follow up visits are carried out and second letters are sent. Due to the current budget restraints no further action is taken unless there is a danger to other residents. Only then are restrictive measures put in place but no charge is made. However if the restricted property applies to construct a crossover the cost of removal of the restrictive measures is included in the estimate.

The Task Group supported implementing an enforcement process as part of the revised crossover criterion. This has to generate sufficient income to support and promote equal and fair implementation across the whole borough. The task group were advised by the Parking Manager that a £30,000 one off payment from the transport initiative could generate the starting fund for the Enforcement Budget.

Enforcement action will be taken in line with the second letter, this will be financed from the Enforcement Budget. £50 from each application will be allocated to this Budget to allow enforcement to continue. Any property that has the restrictive measures imposed which then applies to legalise their access through an application will have the enforcement installation costs included in their estimate. When we receive their full payment we will allocate the enforcement cost back into the enforcement Budget.

### **Recommendation of fees and charges**

We receive approximately 450 applications a year, the figures below are for 01<sup>st</sup> January 2016 to the 31<sup>st</sup> December 2017, a 2 year period.

921 applications Received

579 Applications approved paid and constructed

74 Applications in a CPZ

196 Approved and estimates sent but no further contact from the applicant

15 are awaiting CPZ Consultation conclusion

83 refused on insufficient garden depth

15 refused on insufficient width

11 refused on loss of amenity (Grass Verges)

11 refused due to a tree

6 refused too close to a road junction

3 refused due to loss of British Telecom mast or pole

1 refused loss of a Disabled Bay

We have considered the increase in fees and would recommend increasing the application fee to £200. This is non refundable, will not be deducted from the crossover estimate and will not have an increased application fee for CPZ applications. £50 from these applications will support the enforcement budget. The administration fee should be reduced to £100 for non CPZ applications and remain £200 for CPZ applications. This should be declared as a technical services fee.

Based on the increased fees, The above Applications over a two year period would have brought in £306,350 as a fixed income. This is an increase of £114,150 equalling £57,075 for the year. £24,025 would be income for the enforcement budget for one year. By implementing these charges the post would be self funding.

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