

## REPORT

**SUBJECT: Review of the Obstructions in the Public Highway Policy**

**MEETING: Cabinet**

**DATE: 10<sup>th</sup> January 2018**

**DIVISION/WARDS AFFECTED: Countywide**

### 1. PURPOSE

To review the existing Obstructions in the Highway policy and decide if any alterations to the policy are appropriate giving due consideration to feedback from the Strong Communities Select Committee.

### 2. RECOMMENDATIONS

2.1 That the principle of permitting individual businesses be retained.

2.2 That Cabinet decide whether charges in relation to:

2.2.1 A boards remain as approved in the adopted policy ( a 'one off' charge of £50 for each A board approved to be placed on the public highway).

2.2.2 Other items placed in the public highway (tables, chairs, displays etc.) remain as approved in the existing policy and if not what charge might be appropriate.

2.3 That all other aspects of the policy remain unchanged including fines for contravention of the policy.

### 3. KEY ISSUES

3.1 The report to the Strong Communities Select Committee held on the 28<sup>th</sup> September 2017 explains why this Obstructions in the Highway policy has been reviewed but in summary it has been in response to concerns regarding increased costs for retailers arising from the policy coinciding with increased costs for many businesses arising from the revaluation of NNDR applied in this financial year.

3.2 The minutes of the Strong Communities Select Committee reflect the debate but key points are:

The policy adopted by Cabinet in July 2016 requires officers to work with individual businesses to agree where items may be placed in the public highway and that they be issued with a permit to do so. Members supported that officers worked with individual businesses to arrive agree permits.

- 3.3 Strong Communities Select Committee members debated the matter in depth and a local businessman attended the meeting to address members. The detail of the address and the debate may be found by following the link below:

<https://democracy.monmouthshire.gov.uk/mgAi.aspx?ID=5840>

- 3.4 The members of the committee supported the permit scheme approved by Cabinet in July 2016. On being put to the vote a majority of the select committee agreed that a recommendation be put to Cabinet that charges for the permit scheme are ceased (charging had commenced prior to the scheme being paused).

### **3. REASONS**

- 3.1 The policy allows much greater flexibility to work with individual businesses to support their on street advertising (A boards) and to allow them to increase their sales area ( tables, chairs, displays etc.) by expanding their businesses onto the public highway.
- 3.2 The policy brings with it an administrative burden as each business must be visited and individual permits prepared and issued for any item in the public highway. To contribute towards costs the charges were implemented when the policy was adopted.
- 3.3 The recommendation of this report has been split between A boards which offer an advertising opportunity and 'other items' i.e. those that physically increase the sales area available to a business.

### **4. Options and Evaluation Criteria**

- 4.1 The policy was adopted by Cabinet in July 2016 after extensive scrutiny and options appraisal leading up to the recommendations. At this stage the options are about whether charges should be retained and if so for which elements of the policy, specifically 'A' boards and equipment such as tables, displays etc. placed in the highway. The resource implications section below provides more information about assumed income levels associated with these matters.
- 4.2 The evaluation will be based upon income levels, permits in place, fines imposed for non compliance and complaints

### **5. RESOURCE IMPLICATIONS:**

Below is an extract from the Cabinet report on 6<sup>th</sup> July 2016 which summarises the estimated income to be accrued from the permit fee (should Cabinet not amend the current policy).

This was replicated in the report to the Select Committee in September to which were added those paragraphs that follow the chart, i.e. from: 'The income may be considered as two parts:'

Table 1	A BOARD	SEATING/DISPLAYS	ADVERTS/BANNERS	'PITCH' one off
<b>MCC PROPOSAL</b>	<b>£50 one off application 288 x 70% x £50 = £10,080</b>	<b>SEATING / SALE RAILS / DISPLAYS. First application will always be £125.  The annual renewal will be based on area occupied Use Sqm rates: 0 to 6 = £120 6 to 12 =£240 12 to 18 = £360  Larger areas not permitted</b>	<b>Continue with similar policy whereby only charities are allowed to advertise and are not charged. Funding helped by income</b>	<b>£75 first application £50 subsequent</b>
Yearly rental 70% take up	Based on enforcement	31 x 70% x £240 = £5208	£0	

The income may be considered as two parts:

- (i) 'A' board income is a one off charge of £50 per board. Based upon a 70% take up of the scheme it generates an income of £10,080. The income is largely a one off and further income will be negligible as it will only be new applications on an ad hoc basis.
- (ii) Income from seating, sale rails, displays, etc. has two elements, a one off application of £125 followed by a recurring annual charge dependant upon square metres occupied. The one off application has an estimated income of £2,712 (31 sites with 70% take up at £125 per site). The recurring element is estimated at £5,208 and varies according to square metres permitted.

The income contributes to costs associated with administering the scheme which is much more demanding upon staff resources than the previous policy as it requires the drafting of and confirming a formal agreement with individual businesses rather than the blanket approach adopted previously.

There are numerous permutations around how the scheme might be administered if members consider that recommendations should be made to Cabinet to amend the policy in some way (although it acknowledged that members may be content that implementation of the policy recommence as is).

To place the scheme in context the charges levied by other authorities are provided in appendix 1 to the Cabinet report on the 6<sup>th</sup> July 2016.

Permutations are numerous but if the principle is accepted that an A board simply offers an advertising opportunity but a permit for sale rails, tables and chairs etc. actually increases the sale space for a business by using public open space then a reduced or no charge for A boards might be contemplated whilst a charge for permit for space remains as is or even increased to offset the loss of income from A boards.

For example a revised charge for displays, etc. might be:

0-6 sq m - £150 per annum  
6-12 sq m - £300 per annum  
12-18 sq m - £450 per annum

Obviously the income estimate depends upon take up but based upon 70% of the existing 31 customers taking up the scheme, using the average charge then income per annum increases from £5,208 to £6,510.

Whilst in the context of the highways budget overall these amounts are relatively small they do contribute to the administrative costs at a time when capacity amongst staff to undertake further works is at a premium.

## **6. FUTURE GENERATIONS and EQUALITY ASSESSMENT**

**As provided to Cabinet in July 2016. Link provided below:**

<https://democracy.monmouthshire.gov.uk/ieListDocuments.aspx?CId=144&Mid=947&Ver=4>

## **7. CONSULTEES:**

Strong Communities Select Committee  
(Feedback from the Strong Communities Select Committee is provided in paragraphs 3.3 and 3.4 above).  
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## **8. BACKGROUND PAPERS:**

**Report and minutes to Strong Communities Select Committee 28<sup>th</sup> September 2017. Report titled**  
'Review of Commercial Obstructions in the Highway policy'

## **9. AUTHORS**

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