

**CABINET MEMBER FOR RESOURCES, ENTERPRISE AND
ECONOMIC DEVELOPMENT (DEPUTY LEADER)**

AGENDA

DATE: Tuesday, 6 November 2018

TIME: 9.00 am

VENUE: Meeting Room - Civic Centre, St Luke's Avenue, Harrogate, HG1 2AE

MEMBERSHIP: Councillor Graham Swift (Deputy Leader and Cabinet Member for Resources, Enterprise and Economic Development)

1. Fees and Charges 2019-2020 1 - 16
Ripon Town Hall, Knaresborough House, Pateley Bridge
Former Council Offices & Conyngham Hall Business Centre,
Knaresborough:

The Executive Officer – Strategic Property and Major Projects
to submit a written report.
2. Estate Management - Surveyors' Fees 2019-20: 17 - 22

The Executive Officer Strategic Property & Major Projects to
submit a written report.

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| REPORT TO: | Cabinet Member for Resources, Enterprise and Economic Development |
| DATE: | 6 th November 2018 |
| DEPARTMENT: | Place Shaping & Economic Growth |
| REPORTING OFFICER: | Executive Officer – Strategic Property and Major Projects <i>Nigel Thompson</i> (Strategic Property Manager) |
| SUBJECT: | Fees and Charges 2019-2020 Ripon Town Hall, Knaresborough House, Pateley Bridge Former Council Offices & Conyngam Hall Business Centre, Knaresborough |
| WARD/S AFFECTED: | All |
| FORWARD PLAN REF: | N/A |

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek approval for the period 1 April 2019 to 31 March 2020 for;
- i) Room hire charges at, Ripon Town Hall, Knaresborough House and Pateley Bridge Former Council Offices;
 - ii) Office services, the provision of associated services and telephone and internet service charges at Conyngam Hall Business Centre.

2.0 RECOMMENDATIONS

- 2.1 That the Cabinet Member for Resources, Enterprise and Economic Development agrees the new schedule of charges for 2019 – 2020, for
- 1) Room hire charges at Ripon Town Hall, Knaresborough House, Pateley Bridge Former Council Offices and Office services and the provision of associated services at Conyngam Hall Business Centre, as set out in Appendix 1,2,3 and 4 of this report, which incorporates an overall **2.5%** increase in line with corporate targets;
 - 2) Telephone and internet service charges at Conyngam Hall Business Centre as set out in Appendix 5 of this report which incorporates an overall **7.5%** increase in line with market rates.

3.0 RECOMMENDED REASONS FOR DECISIONS

- 3.1 To increase the standard hire charges at Ripon Town Hall, Knaresborough House, Pateley Bridge Former Council Offices and Office services, the hire of the function room the provision of associated services at Conyngham Hall Business Centre is in line with the Council's approved financial strategy for 2019/20, which proposes a guideline increase of **2.5%**.
- 3.2 To increase telephone and internet service charges at Conyngham Hall Business Centre incorporates an overall 7.5% increase in line with market rates.
- 3.3 To increase charges will contribute to the income generated by the Council and support financial targets, as set out in the Council's draft budget for 2019 - 2020.

4.0 ALTERNATIVE OPTIONS CONSIDERED AND RECOMMENDED FOR REJECTION

- 4.1 To increase current charges for room hire, office services, the hire of the function room and the provision of associated service beyond the **2.5%** corporate target –
It is considered that this option would result in the premises being uncompetitive at a time when existing and potential clients are facing significant budget reductions and are increasingly cost conscious.
- 4.2 Not to increase current charges for room hire, office services, the hire of the function room and the provision of associated service by the **2.5%** corporate target –
Not to increase hire charges would be against the approved 2018/19 budget strategy
- 4.3 Not to increase the telephone and internet charges at Conyngham Hall by **7.5%** -
This would not be in line with the market rates from service providers and would result in costs being greater than income.

5.0 PROPOSED CHARGES

- 5.1 The following Appendices set out the proposed charges for the period from 1 April 2019 to 31 March 2020, -

Appendix 1 – Ripon Town Hall which include a **2.5%** increase in accordance with the Council's budget strategy.

Appendix 2 – Knaresborough House which include a **2.5%** increase in accordance with the Council's budget strategy.

Appendix 3 – Pateley Bridge Former Council Offices which include a **2.5%** increase in accordance with the Council's budget strategy.

Appendix 4 – Conyngham Hall Office services, the hire of the function room and the provision of associated services which include a **2.5%** increase in accordance with the Council's budget strategy.

Appendix 5 – Conyngham Hall Telephone and internet charges which include **7.5%** increase ensuring that charges are in line with market rate.

6.0 REQUIRED ASSESSMENTS AND IMPLICATIONS

6.1 The following were considered: Financial Implications; Human Resources Implications; Procurement and Legal Implications; ICT Implications; Strategic Property/Asset Management Considerations; Risk Assessment; Equality and Diversity (the Public Sector Equality Duty and impact upon people with protected characteristics). If applicable, the outcomes of any consultations, assessments, considerations and implications considered necessary during preparation of this report are detailed below.

6.2 Financial Implications

Consultation with finance staff was undertaken during the preparation of this report and their comments taken into account in the proposed recommendations.

6.3 Risk assessment

Not agreeing the proposed fees and charges for Conyngham Hall Business Centre 2019-2020 – This would place Conyngham Hall Business Centre in an unsustainable economic position. Higher charges for the hire of the function room and the provision of associated services would leave the Hall in an uncompetitive position, resulting in less use of office services, reductions in conference room hire and loss of income. Reduced charges would result in costs being substantially greater than income, with detrimental consequences for the Council's budget. Not agreeing to telephone and internet charges would also result in a loss of income as charges would not be comparable with market rates.

7.0 CONCLUSIONS

- 7.1 The standard hire charges at Ripon Town Hall, Knaresborough House, Pateley Bridge Former Council Offices and Office services, the hire of the function room the provision of associated services at Conyngham Hall Business Centre and set out in the Appendices 1, 2, 3 and 4 reflect a **2.5%** increase for the period 1 April 2019 to 31 March 2020.
- 7.2 Telephone and internet service charges at Conyngham Hall Business Centre as set out in Appendix 5 reflect a **7.5%** increase in line with market rates.
- 7.3 The fees and charges set out at Appendices 1-5 are therefore recommended for approval by Cabinet Member for Resources, Enterprise and Economic Development.

Background Papers - None

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| <p>OFFICER CONTACT: Please contact Nigel Thompson, Asset Manager if you require any further information on the contents of this report. The officer can be contacted at Harrogate Borough Council, Knapping Mount, West Grove Road, Harrogate, HG1 2AE by telephone on 01423 556657 or by Email – nigel.thompson-dts@harrogate.gov.uk</p> |
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APPENDIX 1

PROPOSED STANDARD HIRE CHARGES FOR RIPON TOWN HALL COUNCIL CHAMBER

Applicable from 1 April 2019 – 31 March 2020

RIPON TOWN HALL COUNCIL CHAMBER

| General Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|--------------------|-------------------|-------------------|------------------------------|-------------------|
| | April 18 – Mar 19 | April 19 – Mar 20 | April 18 – Mar 19 | April 19 – Mar 20 |
| Mornings | 157.00 | 161.00 | 207.50 | 213.00 |
| Afternoons | 157.00 | 161.00 | 207.50 | 213.00 |
| All Day (Morn/Aft) | 207.50 | 213.00 | 321.50 | 329.50 |
| Evenings | 207.50 | 213.00 | 321.50 | 329.50 |
| Aft/Evg | 289.50 | 297.00 | 422.50 | 433.00 |
| Morn/Aft/Evg | 330.00 | 338.50 | 515.00 | 528.00 |

| Local Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|--------------------|-------------------|-------------------|------------------------------|-------------------|
| | April 18 – Mar 19 | April 19 – Mar 20 | April 18 – Mar 19 | April 19 – Mar 20 |
| Mornings | 90.50 | 93.00 | 104.50 | 107.50 |
| Afternoons | 90.50 | 93.00 | 104.50 | 107.50 |
| All Day (Morn/Aft) | 157.00 | 161.00 | 207.50 | 213.00 |
| Evenings | 157.00 | 161.00 | 207.50 | 213.00 |
| Aft/Evg | 196.50 | 201.50 | 248.50 | 255.00 |
| Morn/Aft/Evg | 249.50 | 256.00 | 330.00 | 338.50 |

| Charity Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|--------------------|-------------------|-------------------|------------------------------|-------------------|
| | April 18 – Mar 19 | April 19 – Mar 20 | April 18 – Mar 19 | April 19 – Mar 20 |
| Mornings | 40.00 | 41.00 | 53.50 | 55.00 |
| Afternoons | 40.00 | 41.00 | 53.50 | 55.00 |
| All Day (Morn/Aft) | 53.50 | 55.00 | 82.00 | 84.00 |
| Evenings | 53.50 | 55.00 | 82.00 | 84.00 |
| Aft/Evg | 74.00 | 76.00 | 107.00 | 110.00 |
| Morn/Aft/Evg | 83.50 | 85.50 | 129.50 | 133.00 |

Charity Use

Standard charity letting rates cover: -

Registered charities, special interest local community organisations, non-profit making organisations fundraising events for any of the above, MP's surgeries

Local community organisations which operate to the benefit of the community as a whole are allowed free use subject to approval by Cabinet Member.

Discounts

| | |
|---|-----|
| Block booking in excess of 3 consecutive days | 25% |
| Regular weekly booking | 30% |

APPENDIX 2

PROPOSED STANDARD ROOM HIRE CHARGES AT KNARESBOROUGH HOUSE

Applicable from 1 April 2019 – 31 March 2020

ASSEMBLY HALL

| General Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|--------------------|-------------------|-------------------|------------------------------|-------------------|
| | April 18 – Mar 19 | April 19 – Mar 20 | April 18 – Mar 19 | April 19 – Mar 20 |
| Mornings | 157.00 | 161.00 | 207.50 | 213.00 |
| Afternoons | 157.00 | 161.00 | 207.50 | 213.00 |
| All Day (Morn/Aft) | 207.50 | 213.00 | 321.50 | 329.50 |
| Evenings | 207.50 | 213.00 | 322.00 | 330.00 |
| Aft/Evg | 289.50 | 297.00 | 422.50 | 433.00 |
| Morn/Aft/Evg | 330.50 | 339.00 | 515.00 | 528.00 |

| Local Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|--------------------|-------------------|-------------------|------------------------------|-------------------|
| | April 18 – Mar 19 | April 19 – Mar 20 | April 18 – Mar 19 | April 19 – Mar 20 |
| Mornings | 90.50 | 93.00 | 104.50 | 107.50 |
| Afternoons | 90.50 | 93.00 | 104.50 | 107.50 |
| All Day (Morn/Aft) | 157.00 | 161.00 | 207.50 | 213.00 |
| Evenings | 157.00 | 161.00 | 207.50 | 213.00 |
| Aft/Evg | 197.00 | 202.00 | 248.50 | 255.00 |
| Morn/Aft/Evg | 249.50 | 256.00 | 330.50 | 339.00 |

| Charity Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|--------------------|-------------------|-------------------|------------------------------|-------------------|
| | April 18 – Mar 19 | April 19 – Mar 20 | April 18 – Mar 19 | April 19 – Mar 20 |
| Mornings | 40.00 | 41.00 | 54.00 | 55.50 |
| 40 | 40.00 | 41.00 | 54.00 | 55.50 |
| All Day (Morn/Aft) | 54.00 | 55.50 | 82.00 | 84.00 |
| Evenings | 54.00 | 55.50 | 82.00 | 84.00 |
| Aft/Evg | 74.00 | 76.00 | 106.50 | 109.50 |
| Morn/Aft/Evg | 83.50 | 85.50 | 129.50 | 133.00 |

Charity Use

Standard charity letting rates cover:-

Registered charities, special interest local community organisations, non-profit making organisations fundraising events for any of the above, MP's surgeries

Local community organisations which operate to the benefit of the community as a whole are allowed free use subject to approval by Cabinet Member.

Discounts

| | |
|---|-----|
| Block booking in excess of 3 consecutive days | 25% |
| Regular weekly booking | 30% |

COMMITTEE ROOM

| General Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|----------------------------------|-------------------|------------------|------------------------------|-------------------|
| | April 18 – Mar 19 | April 19– Mar 20 | April 18 – Mar 19 | April 19 – Mar 20 |
| Mornings | 80.00 | 82.00 | 105.00 | 108.00 |
| Afternoons | 80.00 | 82.00 | 105.00 | 108.00 |
| All Day (Morn/Aft) | 104.50 | 107.50 | 162.00 | 166.50 |
| Evenings | 104.50 | 107.50 | 162.00 | 166.50 |
| Afternoons/Evenings | 146.50 | 150.50 | 212.50 | 218.00 |
| Mornings/Afternoons/ Evenings | 166.50 | 171.00 | 257.50 | 264.00 |

| Local Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|----------------------------------|-------------------|-------------------|------------------------------|------------------|
| | April 18 – Mar 19 | April 19 – Mar 20 | April 18 – Mar 19 | April 19– Mar 20 |
| Mornings | 46.00 | 47.00 | 53.50 | 55.00 |
| Afternoons | 46.00 | 47.00 | 53.50 | 55.00 |
| All Day (Morn/Aft) | 80.00 | 82.00 | 105.00 | 108.00 |
| Evenings | 80.00 | 82.00 | 105.00 | 108.00 |
| Afternoons/Evenings | 100.00 | 102.50 | 125.50 | 129.00 |
| Mornings/Afternoons/ Evenings | 125.50 | 129.00 | 166.50 | 171.00 |

| Charity Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|----------------------------------|-------------------|-------------------|------------------------------|-------------------|
| | April 18 – Mar 19 | April 19 – Mar 20 | April 18 – Mar 19 | April 19 – Mar 20 |
| Mornings | 20.50 | 21.00 | 29.00 | 30.00 |
| Afternoons | 20.50 | 21.00 | 29.00 | 30.00 |
| All Day (Morn/Aft) | 28.00 | 29.00 | 41.00 | 42.50 |
| Evenings | 28.00 | 29.00 | 41.00 | 42.50 |
| Afternoons/Evenings | 38.00 | 39.00 | 54.50 | 56.00 |
| Mornings/Afternoons/ Evenings | 42.50 | 44.00 | 67.00 | 69.00 |

Charity Use

Standard charity letting rates cover:-

Registered

charities, special interest local community organisations, non-profit making organisations fundraising events for any of the above, MP's surgeries

Local community organisations which operate to the benefit of the community as a whole are allowed free use subject to approval by Cabinet Member.

Discounts

| | |
|-----------------------------------|-----|
| Block booking in excess of 3 days | 25% |
| Regular weekly booking | 30% |

COUNCIL CHAMBER

| General Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|------------------------------|-------------------|-------------------|------------------------------|-------------------|
| | April 18 – Mar 19 | April 19 – Mar 20 | April 18 – Mar 19 | April 19 – Mar 20 |
| Mornings | 79.00 | 81.00 | 104.50 | 107.50 |
| Afternoons | 79.00 | 81.00 | 104.50 | 107.50 |
| All Day (Morn/Aft) | 104.50 | 107.50 | 162.00 | 166.50 |
| Evenings | 104.50 | 107.50 | 162.00 | 166.00 |
| Afternoons/Evenings | 146.50 | 150.50 | 212.50 | 218.00 |
| Mornings/Afternoons/Evenings | 166.50 | 171.00 | 257.50 | 264.00 |

| Local Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|------------------------------|-------------------|-------------------|------------------------------|-------------------|
| | April 18 – Mar 19 | April 19 – Mar 20 | April 18 – Mar 19 | April 19 – Mar 20 |
| Mornings | 46.00 | 47.00 | 53.50 | 55.00 |
| Afternoons | 46.00 | 47.00 | 53.50 | 55.00 |
| All Day (Morn/Aft) | 80.00 | 82.00 | 105.00 | 108.00 |
| Evenings | 80.00 | 82.00 | 105.00 | 108.00 |
| Afternoons/Evenings | 100.50 | 103.50 | 125.50 | 129.00 |
| Mornings/Afternoons/Evenings | 125.50 | 129.00 | 166.50 | 171.00 |

| Charity Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|------------------------------|-------------------|-------------------|------------------------------|-------------------|
| | April 18 – Mar 19 | April 19 – Mar 20 | April 18 – Mar 19 | April 19 – Mar 20 |
| Mornings | 20.50 | 21.00 | 29.00 | 30.00 |
| Afternoons | 20.50 | 21.00 | 29.00 | 30.00 |
| All Day (Morn/Aft) | 28.00 | 29.00 | 41.00 | 42.50 |
| Evenings | 28.00 | 29.00 | 41.00 | 42.50 |
| Afternoons/Evenings | 38.00 | 39.00 | 54.50 | 56.00 |
| Mornings/Afternoons/Evenings | 42.50 | 44.00 | 67.00 | 69.00 |

Charity Use

Standard charity letting rates cover:-

Registered charities, special interest local community organisations, non-profit making organisations fundraising events for any of the above, MP's surgeries

Local community organisations which operate to the benefit of the community as a whole are allowed free use subject to approval by Cabinet Member.

Discounts

Block booking in excess of 3 consecutive days 25%
Regular weekly booking 30%

ADDITIONAL CHARGES

| | Monday - Friday | | Sat/Sun/Bank Hols | |
|-----------------------|------------------------|------------------|--------------------------|------------------|
| | Apr 18 Mar 19 | Apr 19 Mar 20 | Apr 18 Mar 19 | Apr 19 Mar 20 |
| Use of Kitchen | 23.00 | 23.50 | 23.00 | 23.50 |
| Hire of Trestle Table | 7.00 | 7.50 | 7.00 | 7.50 |
| Hire of Chair (each) | 5.50 | 6.00 | 5.50 | 6.00 |

The above furniture charges only apply if hired for use at other venues.

APPENDIX 3

PROPOSED STANDARD HIRE CHARGES FOR PATELEY BRIDGE FORMER COUNCIL OFFICES COUNCIL CHAMBER

Applicable from 1 April 2019 – 31 March 2020

**PATELEY BRIDGE COUNCIL OFFICES
COUNCIL CHAMBER**

| General Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|-------------------------|----------------------|-------------------|-------------------------------------|-------------------|
| | April 18 – Mar 19 | April 19 – Mar 20 | April 18 – Mar 19 | April 19 – Mar 20 |
| Mornings | 104.50 | 107.50 | 139.50 | 143.00 |
| Afternoons | 104.50 | 107.50 | 139.50 | 143.00 |
| All Day | 139.50 | 143.00 | 215.50 | 221.00 |
| Evenings | 139.50 | 143.00 | 215.50 | 221.00 |

| Local Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|-----------------------|----------------------|-------------------|-------------------------------------|-------------------|
| | April 18 – Mar 19 | April 19 – Mar 20 | April 18 – Mar 19 | April 19 – Mar 20 |
| Mornings | 61.00 | 62.50 | 72.00 | 74.00 |
| Afternoons | 61.00 | 62.50 | 72.00 | 74.00 |
| All Day | 104.50 | 107.50 | 140.00 | 143.50 |
| Evenings | 104.50 | 107.50 | 140.00 | 143.50 |

| Charity Lettings | Monday-Friday | | Saturday, Sunday, Bank Hols. | |
|-------------------------|----------------------|-------------------|-------------------------------------|-------------------|
| | April 18 – Mar 19 | April 19 – Mar 20 | April 18 – Mar 19 | April 19 – Mar 20 |
| Mornings | 28.00 | 28.50 | 34.50 | 35.50 |
| Afternoons | 28.00 | 28.50 | 34.50 | 35.50 |
| All Day | 36.00 | 37.00 | 55.50 | 57.00 |
| Evenings | 36.00 | 37.00 | 55.50 | 57.00 |

Charity Use

Standard charity letting rates cover:-

Registered charities, special interest local community organisations, non-profit making organisations fundraising events for any of the above, MP's surgeries

Discounts

Block booking in excess of 3 consecutive days 25%
Regular weekly booking 30%

APPENDIX 4

PROPOSED STANDARD CHARGES FOR OFFICE SERVICES AND PROVISION OF ASSOCIATED SERVICES AT CONYNGHAM HALL BUSINESS CENTRE

Applicable from 1 April 2019 – 31 March 2020

| | | | |
|---|---------------------|--------|---------------|
| Meeting Room | per hour | 19.60 | 20.50 |
| Coffee & tea | per serving | 1.95 | 2.00 |
| Coffee, tea & biscuits | per serving | 2.60 | 2.70 |
| Harrogate Spa Water | per serving | 1.25 | 1.30 |
| Office Service Charges | | | |
| Photocopying | Black & White A4 | 0.12 | 0.13 |
| Photocopying | Black & White A3 | 0.12 | 0.13 |
| Photocopying | Colour A4 | 0.42 | 0.44 |
| Photocopying | Colour A3 | 0.72 | 0.75 |
| Transparencies | A4 B&W | 0.42 | 0.44 |
| | A4 Colour | 0.72 | 0.75 |
| Facsimile | outgoing | 1.45 | 1.50 |
| Facsimile | incoming | 1.13 | 1.15 |
| Laminating | A3 | 2.15 | 2.20 |
| Laminating | A4 | 1.85 | 1.90 |
| Virtual Office Services | | | |
| Registration | | 34.75 | 35.75 |
| Mail Box Service | per month | 48.60 | 49.80 |
| Telephone Answering | per month | 68.10 | 70.00 |
| forwarding messages | via phone | 1.45 | 1.52 |
| forwarding messages | via text | 0.72 | 0.74 |
| both mail box and telephone answering services | per month | 104.70 | 107.50 |

APPENDIX 5

TELEPHONE AND INTERNET SERVICE CHARGES AT CONYNGHAM HALL BUSINESS CENTRE

| | | |
|---|------------------------|------------------------|
| Applicable from 1 April 2019 – 31 March 2020 Initial telephone & internet set up charge | Charges 2018-19 | Charges 2019-20 |
| Telephone charges | | |
| Feature phone line connection (per additional line) | 31.50 | 34.00 |
| Feature phone & line rental (per calendar month) | 18.50 | 20.00 |
| Extension phone & line rental (per calendar month) | 15.50 | 17.00 |
| Additional extensions (per calendar month) | 12.00 | 13.00 |
| | | |
| Internet Charges | | |
| Installation & router costs (1 off charge) | 38.00 | 41.00 |
| Internet per additional connection required (per calendar month) | 11.90 | 13.00 |
| | | |
| Call Charges | | |
| UK Geographical Calls | 0.02 | 0.03 |
| 870.00 | 0.05 | 0.06 |
| Local rates NTS (e.g. 0845) | 0.05 | 0.06 |
| | | |
| International various per minute depending on destination | | |
| | | |
| Charges will be invoiced (together with any Office Services Charges due each quarter | | |
| (i.e. 1st April, 1st July, 1st October & 1st January) | | |

| | |
|---------------------------|--|
| REPORT TO: | Cabinet Member for Resources, Enterprise and Economic Development |
| DATE: | 6 November 2018 |
| SERVICE AREA: | Planning & Development |
| REPORTING OFFICER: | Executive Officer Strategic Property & Major Projects (<i>Strategic Estates Surveyor - Glenn Levison</i>) |
| SUBJECT: | ESTATE MANAGEMENT – SURVEYORS’ FEES 2019 / 2020 |
| WARDS AFFECTED: | All |
| FORWARD PLAN REF: | N/A |

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide an annual update for the fees and charges used by the Council’s Estates team when managing the council’s property portfolio.

2.0 RECOMMENDATIONS

- 2.1 That the schedule of fees and charges set out in Appendix 1 be agreed for implementation from 1 April 2019. These include an overall 2.5% increase in line with the council’s medium term financial strategy.
- 2.2 Registered charities continue to be entitled to a 35% discount on any surveyors’ fees charged by the council.
- 2.3 The Executive Officer – Strategic Property & Major Projects will continue to have delegated authority, in consultation with Cabinet Member Resources, Enterprise and Economic Development, to waive or vary the charging of surveyors’ fees where there is a genuine case that the council’s interests in a property transaction may be prejudiced by charging the fees set out in Appendix 1.

3.0 RECOMMENDED REASONS FOR DECISION

- 3.1 To allow for the standard surveyors’ fees charged by Estates to external parties and organisations to be increased so that costs can be recovered

whilst maintaining certainty, transparency and consistency for customers and tenants.

4.0 ALTERNATIVE OPTION CONSIDERED AND RECOMMENDED FOR REJECTION

- 4.1 Not to increase the level of surveyors' fees: The costs of providing the service would not be covered and the quality of service would diminish.

5.0 THE REPORT

- 5.1 Standard fees have been in place since April 2016. Prior to this Estates charged fees for officers' time incurred in certain estate management cases; the approach was neither standard nor consistent.

The proposed fee structure for 2019/2020 is set out in Appendix 1. Surveyors' fees have been increased by 2.5% (rounded to the nearest £ sterling) in line with the councils medium term financial strategy as agreed by Cabinet.

- 5.2 Due to the nature of estate management negotiations, there may be occasions where flexibility is required. For example the council may be negotiating the transfer of a surplus asset to a voluntary group in order to secure continuation of a threatened local community service and achieve revenue savings for the council – this may be a situation where the application of commercial surveyors fees could unduly prejudice the overall outcome or put at risk the achievement of a corporate objective. Therefore whilst the default approach will be that fees are applied consistently in all cases, there are circumstances where there will be a need to either completely waive or vary fees.

- 5.3 Some of the proposed fees are listed as 'minimum' fees rather than fixed fees. This is to reflect the varied nature and scale of property transactions, whereby certain transactions will be larger or more complex and thus will inevitably cost more (in officer time) to negotiate/conclude.

All fees will therefore be explained in advance, in writing as part of initial discussions/negotiations. Written advice will explain that "in the event of the matter being more protracted or complex than initially anticipated the Council reserves the right to charge such additional reasonable fees as is appropriate'.

- 5.4 In the majority of estates management cases, the council's Legal Services service will also be charging fees. These fees are already standardised and subject to periodic review.

- 5.5 This is the third review of the standardised surveyors' fees since their introduction in 2016

6.0 REQUIRED ASSESSMENTS AND IMPLICATIONS

6.1 The following were considered: Financial Implications; Human Resources Implications; Legal Implications; ICT Implications; Strategic Property/Asset Management Considerations; Risk Assessment; Equality and Diversity (the Public Sector Equality Duty and impact upon people with protected characteristics). If applicable, the outcomes of any consultations, assessments, considerations and implications considered necessary during preparation of this report are detailed below

6.2 Financial Implications – Finance staff have been consulted during preparation of this report and are content with the proposals outlined

6.3 Legal Implications – Legal Services have been consulted during the preparation of this report and are content with the proposals outlined.

7.0 CONCLUSION

7.1 The introduction of a standard schedule of surveyors' fees in April 2016 was a positive step forward. It provided certainty, transparency and consistency for tenants and customers as well as ensuring that officer's costs can be partially recovered. The raising of fee levels in line with corporate guidelines for 2019 / 2020 is therefore appropriate.

Background Papers – None

Appendices – Appendix 1: Schedule of Fees and Charges 2019/20

OFFICER CONTACT: Please contact Glenn Levison if you require any further information on the contents of this report. The Officer can be contacted at Council Offices, HCC, Harrogate by telephone on (01423) 500600 or by email at glenn.levison@harrogate.gov.uk

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APPENDIX 1

| HARROGATE BOROUGH COUNCIL | | | | | |
|--|--|-------------------------------|---|---|---|
| PLACE-SHAPING & ECONOMIC GROWTH | | | | | |
| SURVEYORS FEES 2019/20 | | | | 2018/2019 Charge | Proposed Charges for 2019/2020 |
| FREEHOLD & LONG LEASEHOLD DISPOSALS | | CONSIDERATION | | FEE | FEE |
| Sale of freehold or long leasehold interest | | up to £50,000 | | £1,051 | £1,077 |
| <i>NB Consideration is to be taken as sum of all and any benefits paid to the Council</i> | | £50,001 - £100,000 | | £1,576 | £1,615 |
| | | £100,001 - £250,000 | | £2,101 | £2,154 |
| | | £250,001 - £500,000 | | £2,627 | £2,693 |
| | | £500,001 - £750,000 | | £3,152 | £3,231 |
| | | £750,001 - £1,000,000 | | £3,678 | £3,770 |
| | | more than £1,000,000 | £3,678 plus £52 per £10,000 of the sale price over £1,000,000 | | £3,770 plus £53 per £10,000 of the sale price over £1,000,000 |
| Abortive transaction fees | | | | To be agreed having regard to specific circumstances of transaction | To be agreed having regard to specific circumstances of transaction |
| Small parcels of land where value is up to £7,500 | | non POS land | | £2,101 | £2,154 |
| | | POS land | | £2,627 | £2,693 |
| <i>NB for small parcels of land these fees are for combined legal / surveyors fees</i> | | | | | |
| NEW LEASES & LICENCES | | COMMENCING ANNUAL RENT | | FEE | FEE |
| Commercial & Business Properties | | | | | |
| Negotiation / agreement of heads of terms for a new occupational lease | | £5,000 pa or less | | £368 | £377 |
| | | more than £5,000 pa | 7.35% of annual rent agreed | | 7.53% of annual rent agreed |
| <i>NB1: fees to be based on principal rent exclusive of any rent free periods or other incentives</i> | | | | | |
| <i>NB2: where a stepped rent is agreed the fee shall be based on the average annual rent up until the first rent review.</i> | | | | | |
| Negotiation / agreement of heads of terms with parties / organisations other than Statutory Undertakers & similar infrastructure organisations for a short term licence of a building or land (including ones to carry out works or for access) of less than 6 months / Tenancy at Will where the licence agreement is prepared by the council's Legal Services dept. | | £5,000 pa or less | | £158 | £162 |
| | | £5,000 pa or less | | £316 | £324 |
| Negotiation / agreement of heads of terms with parties / organisations other than Statutory Undertakers & similar infrastructure organisations for a short term licence of a building or land (including ones to carry out works or for access) of less than 6 months / Tenancy at Will where the licence agreement is prepared by the council's Development dept. | | £5,000 pa or less | | £324 | £332 |
| | | £5,000 pa or less | | £647 | £663 |
| Economic Development Properties (inc Conyngham Hall, Innovation Centre & Orchard Court Knaresborough, Phoenix Business Centre Ripon, New York Mills Summerbridge, King Street Workshops Pateley Bridge) | | | | | |
| Negotiation / agreement of heads of terms for a new occupational lease where standard lease format exists | | any level of rent | | £210 | £215 |
| Garden Licences/Access Licences/Parking Licences | | | | | |
| Negotiation, agreement and documenting a new garden licence | | any level of rent | | £106 | £109 |
| Agreements with Statutory Undertakers & similar infrastructure organisations (inc Network Rail , The Environment Agency etc) | | | | | |
| Negotiation / agreement of a short term lease or licence with a statutory undertaker for permission to carry out works and / or a works compound where agreement will be provided by council's Legal Services team (fee to be determined relative to scale and | | any level of rent | | £526 minimum | £539 minimum |
| Negotiation / agreement of a short term lease or licence with a statutory undertaker for permission to carry out works and / or a works compound where agreement will be provided by council's Estates team (fee to be determined relative to scale and urgency of requirement) | | | | £769 minimum | £788 minimum |
| Negotiation / agreement of terms for a new wayleave or easement (fee to be determined due to complexities and time involved) | | any level of rent | | £526 minimum | £539 minimum |
| ESTATE MANAGEMENT FEES | | RENTAL LEVEL | | FEE | FEE |
| Consideration and processing of request for consent under a lease to assign / sub-let / under-let | | less than £100 pa | | £158 | £162 |
| Consideration and processing of request for consent under a lease to assign / sub-let / under-let | | more than £100 pa | | £420 | £431 |
| Consideration and processing of a request for landlord's consent under the lease for a change of use, proposed alterations etc | | any level of rent | | £420 | £431 |
| Notes: | | | | | |
| 1. The Council reserves the right to review all fees on the 1st April each year for the following twelve month period. | | | | | |
| 2. The above fee schedule is for guidance only and in all cases, the Council reserves the right to vary the fees being charges in the event of the negotiations for the transaction being more complex or protracted than initially anticipated. In such cases such reasonable additional charges as are appropriate will be charged but in all such cases the Council will provide advance notice of its intention to charge additional fees. | | | | | |
| 3. In circumstances where the Council anticipates charging for surveyors' fees it will notify the other party at the commencement of negotiations | | | | | |
| 4. The Council does not in most cases charge VAT on surveyors fees but reserves the right to do so where it is appropriate and /or required to do so in accordance with regulations provided by HMRC. | | | | | |
| 5. When a registered charity is responsible for the payment of the council's surveyors' fees a discount of 35% will be applied | | | | | |
| 6. The Executive Officer - Strategic Property & Major Projects may exercise discretion to either not charge or vary the level of charge when the council's ability to genuinely conclude a transaction may be prejudiced by the implementation of a surveyors' fee. | | | | | |

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