



Meeting: Environment Directorate - Corporate Director & Executive Member for Managing our Environment

To: Councillor Greg White.

Date: Thursday, 22nd February, 2024

Time: 2.00 pm

Venue: Via Microsoft Teams

AGENDA

Items for Corporate Director Decision

1. Consultation Response on Future Homes Standards and Home Energy Model (Pages 3 - 34)
2. Environmental Services Charges for 2024-25 (Pages 35 - 56)
3. Review of Fees and Charges - General Licences (Pages 57 - 118)

Items for Assistant Director Decision

4. Changes to Services to be delivered by Yorwaste Ltd (Pages 119 - 134)

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15/02/2024

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North Yorkshire Council

Environment Executive Members

22 February 2024

Government Consultations: Future Homes Standard and Home Energy Model

Report of the Assistant Director – Environmental Services and Climate Change

<p>1.0 PURPOSE OF REPORT</p> <p>1.1 To outline the Future Homes Standard consultation and the Home Energy Model: Replacement for Standard Assessment Procedure consultation</p> <p>1.2 To request approval for the North Yorkshire Council consultation response to the Future Homes Standard consultation to be in collaboration with regional partners led by the York and North Yorkshire Combined Authority</p> <p>1.3 That the authority to approve the final responses be delegated to the Assistant Director Environmental Services and Climate Change.</p>

2.0 BACKGROUND

- 2.1 There are two complementary consultations currently in process from Department for Levelling Up, Housing and Communities. These both conclude on 6 March 2024
- Future Homes and Building Standards Consultation [The Future Homes and Buildings Standards: 2023 consultation - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/the-future-homes-and-buildings-standards-2023-consultation)
 - Home Energy Model: Replacement for Standard Assessment Procedure [Home Energy Model: replacement for the Standard Assessment Procedure \(SAP\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/home-energy-model-replacement-for-standard-assessment-procedure)

3.0 CONSULTATION RESPONSES

- 3.1 The delivery of the Climate Change Strategy places an emphasis on 'Built Environment' in section 7(a) and does indicate that energy efficiency and decarbonisation of heat in buildings must be sought and that new properties are sustainable and do not require retrofitting in future. Both consultations provide the framework to enable us to deliver on these key components of the strategy. During the development of the Climate Change Strategy and subsequent public consultation, several responses from residents indicated that they assumed the Council already had powers to ensure new build properties were built to a high thermal efficiency standard, but this is in fact not the case. The current consultation being considered also includes the role Building Standards play in preparing for a changing climate and this further supports our 'Adaptation' priorities in section 8(d) of our Strategy.

3.2 FUTURE HOMES BUILDING STANDARDS

- 3.2.1 Energy efficiency requirements for new homes and non-domestic buildings are set by Part L (Conservation of Fuel and Power) and Part 6 of the Building Regulations 2010 ("the Building Regulations"). The consultation sets out plans for achieving the Future Homes Standard and Future Buildings Standard. Much of this consultation has regard to new homes and non-domestic buildings, however a small number of sections are also relevant to existing buildings.

3.2.2 The consultation also identifies the ‘co-benefits’ associated with the proposed new standards:

- Improve the quality and longevity of buildings
- Reduce running costs for occupants regarding energy bills and maintaining a comfortable temperature environment. It does recognise that the capital cost of property development will increase.
- Improvements to ventilation and energy efficiency standards can prevent damp and mould, excess cold and heat, and improve air quality.
- Benefits to local supply chains for renewable technologies and skills developments for the future.
- Improving resilience to the impacts of climate change.

3.2.3 A summary of the main proposals in this consultation is provided below:

New buildings: Setting the performance requirements at a level which ensures new homes and non-domestic buildings have high fabric standards, use low-carbon heating and are ‘zero-carbon ready’ (meaning no further work will be needed for them to have zero carbon emissions once the electricity grid has fully decarbonised). Importantly consideration for options to reduce running costs, while maintaining thermal comfort, balanced against build costs.

Metrics: Retaining existing metrics for use in the national calculation methodologies as these effectively support policy priorities for the Future Homes and Future Buildings Standards. Proposal that current metrics remains optimal for use in the national calculation methodologies. These metrics cover the most important aspects of building performance, but also do not excessively inhibit design flexibility for developers, designers and architects.

Guidance on fabric and fixed building services: Improvements to the minimum standards for fixed building services and on-site electricity generation. Proposal to improve the guidance and minimum standards for heat losses from building services which directly support the installation of ‘zero-carbon ready’ technologies. Includes new guidance for the installation of smart meters. It is not proposed to change the minimum building fabric standards for homes, provided through the Approved Document guidance, compared to the Part L 2021 standards as they provide a good basis for the Future Homes and Buildings Standards.

Material change of use: Seeking views on improved standards for dwellings created through material change of use. These dwellings contribute to the housing supply and affordable housing objectives but can perform less well relative to new build homes. These changes intend to protect consumers from high bills and reduce emissions as far as practicable.

Real-world performance of homes: Gathering evidence around two proposed measures to improve building performance in new homes against expected energy use: fabric performance testing and improving Home User Guides.

Heat networks: Supporting the expansion of cleaner heat networks. New homes and non-domestic buildings can be connected to existing heat networks, but they should uphold the performance requirements outlined in this consultation. This means that heat networks should produce sufficient clean heat to heat new homes and non-domestic buildings added to the network. At a minimum, the heat required by any additional homes or buildings connected to an existing heat network should match the low-carbon heat generation capacity of the network.

Accounting for exceptional circumstances: Changes to the regulations permitting local authorities to relax or dispense the energy efficiency requirements in cases where they judge that being required to fully meet the standards would be unreasonable. This is in recognition of the fact that as the energy efficiency requirements set for new buildings become stricter the chances that a small number of buildings legitimately cannot be designed to meet them increases.

Legislative changes to the energy efficiency requirements in the Building

Regulations: Changes to the Building Regulations to repeal redundant regulations and to reflect that reducing carbon emissions is a central aim of the Future Homes and Buildings Standards.

Review of approach to setting standards: For domestic buildings, the government is separately consulting on the new 'Home Energy Model' (HEM), which will replace the Standard Assessment Procedure (SAP) for the energy rating of new homes. Alongside this, for domestic buildings the consultation includes improvements to the current 'notional building' approach to setting energy efficiency requirements. For non-domestic buildings, a number of improvements and updates are proposed to the National Calculation Methodology used to assess building performance in non-domestic buildings.

Transitional arrangements: There are two options for transitional arrangements, comprising a 6-month or up to 12-month period between the Future Homes and Buildings Standard legislation being laid (in 2024) and is coming into force (in 2025), followed by a 12-month transitional period. These transitional arrangements are intended to allow industry sufficient time to adapt.

Overheating (call for evidence): Seeking evidence on implementation of the Part O building regulation introduced in 2021 to reduce overheating in new homes, and intent to extend this standard to homes created through conversions. There are 95 questions in the Future Homes Standard consultation which formulate the consultation response. A first draft of the initial response at the time of report writing is included in Appendix A.

3.3 Home Energy Model: Replacement for Standard Assessment Procedure

3.3.1 The [Standard Assessment Procedure \(SAP\)](#) is the methodology currently used by the government to estimate the energy performance of homes across the United Kingdom. It is translated in Energy Performance Certificates commonly referred to as EPCs. This has particular resonance with North Yorkshire Council as performance metrics for the Home Upgrade Grant and the Social Housing Decarbonisation Grant are based on EPC ratings. The consultation proposes that the Home Energy Model will replace the SAP for the energy rating of dwellings. At present, this remains under development, and it is proposed that the Government will implement the first version of this model alongside the Future Homes Standard in 2025.

3.3.2 The requested consultation contributes to supporting the development of the Model while it is still at a formative stage, so that industry can participate in the development process. A key aim of the project has been to increase the transparency of the calculation methodology and Government have therefore published the Home Energy Model codebase and aim to develop it in the open in future. Looking ahead, we will be considering reforms to how the model will recognise new technologies and product-specific performance data, as well as how software is provided to energy assessors. This is a very technical consultation piece and officers will be taking advice from colleague in Property and Housing Services and partners to enable a response.

3.4 Initial responses to the Future Homes Building Standard is in Appendix C. A verbal update will be given at the meeting. At the time of report writing the response to the Home Energy Model is at a formative stage so further detail will be provided.

4.0 CONSULTATION UNDERTAKEN AND RESPONSES

4.1 Climate team officers have requested engagement from Housing, Planning, Building Control, Property and Align Property Services in contributing the consultation response which is being led by the current York and North Yorkshire Local Enterprise Partnership Low Carbon team. Registered Social Landlords have also engaged in developing the response. The Climate Change Business Partner officers for Community Development and Central Services will lead on developing the consultation response with partners.

5.0 CONTRIBUTION TO COUNCIL PRIORITIES

5.1 The Council has declared a Climate Emergency and pledged to play its part in tackling the causes and impacts of climate change.

5.2 The Strategy delivers the following specific Council Plan ambitions:

- Place and Environment:
 - Good quality, affordable and sustainable housing that meets the needs of our communities
- Economy
 - Economically sustainable growth that enables people and places to prosper
- Health and Wellbeing
 - People are supported to have a good quality of life and enjoy active and healthy lifestyles
 - Reduced variations in health through tackling the root causes of inequality
- People
 - In times of hardship, support is provided to those that need it most
- Organisation
 - A carbon neutral council

6.0 ALTERNATIVE OPTIONS CONSIDERED

6.1 To not respond to the consultation: To deliver the Climate Change Strategy and the Routemap to Carbon Negative, we seek to encourage and enable policy change to support net zero ambitions, so engagement in consultations such as this contribute to this aim.

6.2 To formulate an alternative response: The response will be developed collaboratively with partners to accommodate views from the York and North Yorkshire partners.

7.0 FINANCIAL IMPLICATIONS

7.1 The response to the consultation will not have any financial implications for the Council. Government policy on setting the Future Homes Standard and Standard Assessment Procedure regulations will ultimately have financial implications for North Yorkshire Council property and will be taken into account as necessary in future.

8.0 LEGAL IMPLICATIONS

8.1 The response to the consultation will not have a legal implication for the Council at this time.

9.0 EQUALITIES IMPLICATIONS

9.1 There are no impacts on protected characteristics as a result of this consultation. A screening document is located in Appendix B.

10.0 CLIMATE CHANGE IMPLICATIONS

10.1 The consultation response will deliver the Climate Change Strategy ambitions with regarding to mitigation priorities for the built environment, both retrofitting existing property and through ensuring new properties are designed to be climate responsible. Impact assessment included as Appendix C

11.0 REASONS FOR RECOMMENDATIONS

11.1 The recommendations will support delivery of the North Yorkshire Council Climate Change Strategy.

12.0 RECOMMENDATION(S)

- 12.1 That North Yorkshire Council responds to the Future Homes Standard consultation and to the Replacement for Standard Assessment Procedure consultation.
- 12.2 That the Future Homes Standard consultation is in collaboration with regional partners led by the York and North Yorkshire Combined Authority.
- 12.3 That authority to approve the final response be delegated to the Assistant Director Environmental Services and Climate Change.

APPENDICES:

Appendix A – Consultation draft as at 06.02.24

Appendix B – Equalities Impact Assessment

Appendix C – Climate Change Impact Assessment

Michael Leah

Assistant Director – Environmental Services and Climate Change

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Northallerton

07.02.24

Report Author – Jos Holmes, Climate Change Strategy Manager

Presenter of Report – Jos Holmes, Climate Change Strategy Manager

22.02.24 App C – Early draft of consultation response prepared by YNY Combined Authority colleagues following initial collaborative session in January 2024.

[The Future Homes and Buildings Standards: 2023 consultation - GOV.UK \(www.gov.uk\)](#)
Drafted responses to questions are in red – please use track changes to alter these answers or provide feedback.

Questions highlighted in yellow were not tackled at the discussion session on the 26th of January or need further technical knowledge – please use track changes to provide feedback or insight to a response.

Question 1. Are you responding as / on behalf of (select all that apply):

- Member of the public
- Builder/Developer
- Building Control Approved Inspector/Registered Building Control Approver
- Competent Persons Scheme Operator
- Designer/Engineer/Surveyor
- Architect
- Energy sector
- Installer/Specialist sub-contractor
- Local authority
- Housing Association
- Manufacturer/Supply chain
- National representative or trade body
- Professional body or institution
- Property Management
- Research/Academic organisation
- **Other**

Consortium including: York and North Yorkshire Combined Authority, North Yorkshire Council, Broadacres and Yorkshire Housing.

Question 2. If you are responding as a member of the public/a building professional, what region are you responding from? [drop down list of England regions + other]

N/A

Question 3. If you are responding as a member of the public, are you a [checkbox: private tenant, housing association/local authority housing tenant, private landlord, homeowner]

N/A

Question 4. If you are responding on behalf of a business/organisation, what is the name of your business/organisation? [free text]

York and North Yorkshire Combined Authority, North Yorkshire Council, Broadacres and Yorkshire Housing.

Question 5. If you are responding on behalf of a business/organisation, where is your business/organisation based/registered? [drop down list England regions + other]

Yorkshire & the Humber

Question 6. When you respond it would be useful if you can confirm whether you are replying as an individual or submitting an official response on behalf of an organisation and include:

- your name – Lucy Allis
- your position (if applicable), Local Authorities Climate Action Coordinator
- the name of organisation (if applicable), York and North Yorkshire Combined Authority
- an address (including post-code),

- an email address, and
- a contact telephone number

Heat network concurrent notional building options

Question 7. Which option for the dwelling notional buildings (for dwellings not connected to heat networks) set out in The Future Homes Standard 2025: dwelling notional buildings for consultation do you prefer? (See section 4.2.4)

a. Option 1 (higher carbon and bill savings, higher capital cost)

Option 1 is what is required to reach net zero by 2050 and to enable York and North Yorkshire to reach its regional ambitions for net zero by 2034 and carbon negative by 2040. Option 2 will result in missing the 2050 target, as well as reduced comfort and higher costs for building owners and/or occupiers. This approach will also ensure that homes built now will not need to be retrofitted in future years, providing benefits for households.

However, option 1 must link to local strategy and previous work such as Local Area Energy Plans to ensure the right measure in the right place (such as connecting to future heat networks, some areas having less of an emphasis on hydrogen etc.). Additionally, the standard must be flexible to allow innovation and not focus too much on one technology or solution – the current approach seems to rely on electrification which depends on the capacity of the grid and stifles innovation. For example, this approach seems more focused on solar and heat pumps than other technologies – whilst these are important and this response welcomes the approach, other solutions may be more suitable in certain areas. More detail on how reporting, reducing embodied emissions and strategy for existing buildings can be accounted for within option 1 would also be welcome.

There are some concerns about the impact of the higher capital cost of option 1. Without financial support, the additional costs may result in fewer homes being built, particularly if the cost of building the home outweighs its value. There is a wider piece of work to do alongside this standard to reflect energy efficiency in the value of the building. Additionally, skills support is needed to ensure good quality of housing and support industry to deliver the standards. Despite these concerns, option 1 is the only option that is compatible with local and national net zero ambitions.

b. Option 2 (lower carbon savings, increase in bill costs, lower capital cost).

Question 8. What are your priorities for the new specification? (select all that apply)

- low capital cost
- lower bills
- carbon savings
- other (please provide further information)

Carbon savings (including operational and embodied emissions) and lower bills/increased comfort should be the two top priorities for the standard to ensure alignment with net zero targets and ensure better comfort and wellbeing for owners/occupiers. Another priority for the specification should be adapting to our changing climate, such as mitigating against flood risk or overheating. However, to ensure that these priorities can be delivered at pace and scale, financial support and innovative business models should be prioritised so that housing supply is not affected, especially social housing.

Please provide any additional comments to support your view on the notional building for dwellings not connected to heat networks.

Question 9. Which option for the dwelling notional buildings for dwellings connected to heat networks set out in The Future Homes Standard 2025: dwelling notional buildings for consultation do you prefer?

a. Option 1 (higher carbon and bill savings, higher capital cost)

As for question 7, option 1 is what is required to reach net zero by 2050 and to support regional ambitions for net zero by 2034 and carbon negative by 2040. Option 2 will result in missing the 2050 target, as well as reduced comfort and higher costs for building owners and/or occupiers. This approach will also ensure that homes built now will not need to be retrofitted in future years, reducing the pressure on the future supply chain.

However, option 1 must link to local strategy and previous work such as Local Area Energy Plans to ensure the right measure in the right place, particularly where there are plans for future heat networks. Additionally, the standard must be flexible to allow innovation and not focus too much on one technology or solution. For example, this approach seems more focused on solar and heat pumps than other technologies – whilst these are important and this response welcomes the approach, other solutions may be more suitable in certain areas. More detail on how reporting and reducing embodied emissions is accounted for within option 1 would also be welcome.

There are some concerns about the impact of the higher capital cost of option 1. Without financial support, the additional costs may result in fewer homes being built, particularly if the cost of building the home outweighs its value. There is a wider piece of work to do alongside this standard to reflect energy efficiency in the value of the building. Additionally, skills support is needed to ensure good quality of housing and support industry to deliver the standards. Despite these concerns, option 1 is the only option that is compatible with local and national net zero ambitions.

b. Option 2 (lower carbon savings, increase in bill costs, lower capital cost)

Please provide any additional comments on the specification of the heat network in the notional building (See section 4.2.5)

Question 10. Which option do you prefer for the proposed non-domestic notional buildings set out in the NCM (National Calculation Methodologies) modelling guide?

a. Option 1

As option 1 recommends more solar coverage, option 1 should provide more benefits in terms of bills, support the transition to renewable energy and compliment the other performance targets for non-domestic buildings. However, this response questions what the justification is for the figures presented e.g. 40% or 75% coverage – where have these figures come from and how would this work on a case by case basis? Additionally, domestic and non-domestic buildings need to have similar standards and levels of net zero ambition as they are competing for land and it would be challenging if domestic or non-domestic buildings were cheaper and more beneficial for developers to build. This will also support the supply chain to develop.

b. Option 2

Question 11. What are your priorities for the new specification?



low capital cost

- lower bills
- carbon savings
- other (please provide further information)

Carbon savings (including operational and embodied emissions) and lower bills should be the two top priorities for the standard to ensure alignment with net zero targets and to provide an incentive for businesses to decarbonise. Another priority for the specification should be adapting to our changing climate, such as mitigating against flood risk or overheating. However, to ensure that these priorities can be delivered at pace and scale, lower capital costs should also be prioritised.

Please provide additional information to support your view on the proposed non-domestic notional buildings set out in the National Calculation Methodology modelling guide.

Metrics

Question 12. Do you agree that the metrics suggested above (TER, TPER and FEE) be used to set performance requirements for the Future Homes and Buildings Standards? (Section 5.3)

- a. Yes
- b. Yes, and I want to provide views on the suitability of these metrics and/or their alternatives
- c. No, I think delivered energy should be used
- d. No, I think FEE should be changed
- e. No, for another reason (please provide justification)

Updated guidance and minimum standards

Question 13. Do you agree with the proposed changes to minimum building services efficiencies and controls set out in Section 6 of draft Approved Document L, Volume 1: Dwellings? (Section 6.2.1)

- a. Yes
- b. Yes, and I want to provide additional suggestions or information to support my view
- c. No (please provide justification)

Heat pump controls in new and existing homes

Question 14. Do you agree with the proposal to include additional guidance around heat pump controls for homes, as set out in Section 6 of draft Approved Document L, Volume 1: Dwellings?

- a. Yes
- b. Yes, and I want to provide additional suggestions or information to support my view

Providing additional guidance around heat pump controls for homes will ensure compatibility between original and additional controls. However, it would be beneficial to have manufacturer provided training for industry to ensure compatibility on installation, and support for users of the controls. Furthermore, any systems designed as part of the home should be aligned to manufacturer specifications such as using the appropriate pipe diameter to allow for heat pump installation.

- c. No (please provide justification)

Providing additional information about heat pump systems in new homes

Question 15. Do you agree that operating and maintenance information should be fixed to heat pump units in new homes?

- a. Yes
- b. Yes, and I want to provide additional suggestions or information to support my view

Information should be attached to heat pump units in new homes in accessible language to ensure that building residents/owners etc. understand the information as well as installers or maintenance companies. This should also be provided as part of wider information about the home (such as in the Home User Guide), and should provide a way to access further information and ask any questions. This could be provided as a QR code.

In addition to this, in new developments, the developer should also have a key point of contact when homeowners are moving in if they have any questions about how to use the heat pump. It is also suggested that for new developments there is a nominated community champion that can champion best practice.

- c. No (please provide justification)

Question 16. Do you think that the operating and maintenance information set out in Section 10 of draft Approved Document L, Volume 1: Dwellings is sufficient to ensure that heat pumps are operated and maintained correctly?

- a. Yes
- b. Yes, and I want to provide additional suggestions or information to support my view

Yes, but as in the answer to question 15, directions of who to contact or where to visit for more information would be helpful. It would also be useful to be clear about who this information is targeting and to reflect this in the language and approach. Ideally, this information will be easy to understand for landlords, tenants, owner occupiers etc., and will make the benefits of maintaining heat pumps clear to provide an incentive.

- c. No (please provide justification)

Changes to guidance to limit heat loss in new homes

Question 17. Do you agree with the proposed changes to Section 4 of draft Approved Document L, Volume 1: Dwellings, designed to limit heat loss from low carbon heating systems?

- a. Yes
- b. Yes, and I want to provide additional suggestions or information to support my view
- c. No (please provide justification)

MCS requirements already cover a lot of these changes.

Question 18. Do you agree with the proposed sizing methodology for hot water storage vessels for new homes?

- a. Yes
- b. Yes, and I want to provide additional suggestions or information to support my view
- c. No (please provide justification)

Also set out in MCS requirements?

Updated guidance and minimum standards for non-domestic buildings

Question 19. Do you agree with the proposed changes to minimum building services efficiencies and controls set out in Section 6 of draft Approved Document L, Volume 2: Buildings other than dwellings?

- a. Yes
- b. Yes, and I want to provide additional suggestions or information to support my view
- c. No (please provide justification)

Limiting heat losses from building services in new communal areas of flats and non-domestic buildings

Question 20. Do you agree with the proposed guidance on the insulation standard for building heat distribution systems in Approved Document L, Volume 2: Buildings other than dwellings?

- a. Yes
- b. Yes, and I want to provide additional suggestions or information to support my view
- c. No (please provide justification)

Non-domestic buildings of low energy demand (not exempt)

Question 21. Do you agree that the current guidance for buildings with low energy demand which are not exempt from the Building Regulations, as described in Approved Document L, Volume 2: Buildings other than dwellings should be retained without amendment?

- a. Yes
- b. Yes, and I want to provide additional suggestions or information to support my view
- c. No (please provide justification)

Ideally we want as many buildings to be covered by the standard as possible to ensure compatibility with net zero.

Other guidance changes, lifts, escalators and moving walkways

Question 22. Do you agree that lifts, escalators and moving walkways in new buildings (but not when installed within a dwelling) should be included in the definition of fixed building services?

- a. Yes
- b. Yes, and I want to provide additional suggestions or information to support my view

Include to make more energy efficient without compromising safety.

- c. No (please provide justification)

Question 23. Do you agree with the proposed guidance for passenger lifts, escalators and moving walkways in draft Approved Document L, Volume 2: Buildings other than dwellings?

- a. Yes
- b. Yes, and I want to provide additional suggestions or information to support my view
- c. No (please provide justification)

Question 24. Do you have any further comments on any other changes to the proposed guidance in draft Approved Document L, Volume 2: Buildings other than dwellings?

- a. Yes (please provide comments)
- b. No

Material Change of Use Using a whole-building approach

Question 25. Should we set whole-building standards for dwellings created through a material change of use?

a. Yes

The same standards should apply to ensure that building new dwellings to the Future Homes & Buildings Standard is not more 'difficult' than creating dwellings through a Material Change of Use, as this may impact housing supply and lead to less energy-efficient dwellings. However, these whole-building standards should support our current building stock to be utilised to reduce embodied carbon emissions.

b. No, an elemental standard should be set with an option to use a notional building if the designer prefers

c. No, for another reason (please provide justification)

Scope of MCU standard

Question 26. Should the proposed new MCU standard apply to the same types of conversion as are already listed in Approved Document L, Volume 1: Dwellings?

a. Yes

b. No, standards should also apply to non-dwelling accommodation e.g., student or patient accommodation, care homes, and hotels

c. No, the standard should be clearer that it applies to houses of multiple occupation (please recommend specific building types you think the standard should apply to and provide justification)

d. No, for another reason (please provide justification)

Should apply to as many types of buildings as feasible – all types of buildings.

Categorising buildings undergoing an MCU

Question 27. Should different categories of MCU buildings be subject to different requirements?

a. Yes

Low rise buildings vs mid-high rise buildings have different opportunities for intervention, and some interventions may not be possible for certain buildings. There should be a presumption in favour of the highest energy efficiency standards aligned to the priorities of the standard, which can then be examined individually if they are not possible (with justification).

b. No (please provide justification)

Question 28. Which factors should be taken into account when defining building categories? (check all those that apply)

height of the building, i.e., low versus mid- to high-rise buildings

floor area of the building

the expertise of those carrying out the work

whether the conversion is a part- or whole-building conversion

Other (please state) Age of building and listed/conservation area status?

Please provide additional information to support your view.

Performance requirements for MCA – Notional specifications

Question 29. Do you agree with the illustrative energy efficiency requirements and proposed notional building specifications for MCU buildings?

- a. Yes
- b. No

There should be a presumption in favour of the highest energy efficiency standards aligned to the priorities of the standard, which can then be examined individually if they are not possible (with justification).

Question 30. If you answered no to the previous question, please provide additional information to support your view. Select all that apply. The requirements are:

- too stretching
- not stretching enough
- not economically viable
- not practical/technically feasible
- other (please provide further details)

Question 31. Do you agree with using the metrics of primary energy rate, emission rate and fabric energy efficiency rate, if we move to whole dwelling standards for MCU buildings?

- a. Yes
- b. Yes, and I want to provide additional suggestions or information to support my view
- c. No (please provide justification)

Relaxation of the notional building standards for MCU

Question 32. Under what circumstances should building control bodies be allowed to relax an MCU standard?

- a. None, building control bodies should not be able to relax MCU standards
- b. Building control bodies should be able to relax under the following circumstances (please provide further details)
 - the technical or practical feasibility of achieving the standards, for example the weight of insulation or the space available to install loft insulation
 - that space is affected outside of the dwelling, for example pavements or access alleys are made too narrow
 - consideration of historic and traditional dwellings
 - Where there are other interventions that will be more effective e.g. connecting to a heat network rather than having a heat pump – multiple technologies should be considered to allow for innovation.

Question 33. Do you have views on how we can ensure any relaxation is applied appropriately and consistently?

Please select all that apply:

- there should be guidance on circumstances where relaxation of the notional standard may be appropriate
- there should be monitoring of how relaxation is applied
- only formal relaxation or dispensation through the local authority should be possible
- other (please provide further details)

Minimum limiting standards for residential MCU conversions**Question 34.** Should a limiting standard be retained for MCU dwellings?

- a. Yes (please provide further details)
- b. No, it is too strict
- c. No, it is not strict enough
- d. No, there is not enough information
- e. No, for another reason (please provide further details)

Question 35. If a limiting standard is retained, what should the limiting standard safeguard against?

- Please select all that apply:
- risk of moisture, damp and mould
- high energy demand and energy bills (please provide recommended values referring to ADL volume 1 Table 4.3)
- other (please provide further details)

The limiting standard should also safeguard against a lack of comfort (and the resulting impact on wellbeing), and a CO2 emissions standard. It should also safeguard against excessive future costs which may be incurred from any further energy efficiency upgrades by ensuring homes are ready for any future interventions which cannot be provided at the time of building (such as installing infrastructure to support connecting to a heat network).

Unintended consequences including supply impacts**Question 36.** Do you wish to provide any evidence on the impacts of these proposals including on viability?

- a. Yes (please provide evidence)
- b. No

Applying other new build standards to MCU: BREL, photographic evidence, Home User Guides and airtightness testing**Question 37.** Do you agree that a BREL report should be provided to building control bodies if we move to energy modelling to demonstrate compliance with MCU standards?

- a. Yes
- b. Yes, and photographic evidence is needed
- c. Yes, and I'd like to provide further information
- d. No (please provide justification)

Question 38. Do you agree that consumers buying homes created through a material change of use should be provided with a Home User Guide when they move in?

- a. Yes
- b. Yes, and I'd like to provide further information

As with providing information on heat pumps, providing householders with as much information as possible in an accessible way will be really important for helping people to make their homes energy efficient and understand their home. The Home User Guide information could be joined up with the survey process attached to buying homes and similar processes for rental properties to ensure early intervention and a streamlined service. Information should also be included that helps

householders to avoid using buildings in different ways to those assumed at the design stage, such as having the heating on more often.

c. No (please provide justification)

Question 39. Do you agree that homes that have undergone an MCU should be airtightness tested?

a. Yes

b. Yes, and I'd like to provide further information

As in the answer to question 38, providing more information is key. Airtightness testing would provide more information to the householder, allowing them to understand if further upgrades are needed. It will also improve comfort for occupants and make estimates of emissions reductions more accurate.

c. No (please provide justification)

Real-world performance of homes & performance testing

Question 40. Do you think that we should introduce voluntary post occupancy performance testing for new homes?

a. Yes

b. Yes, and I'd like to provide further information

Without further performance testing, emissions reduction estimates are likely to be incorrect, jeopardising net zero targets regionally and nationally. This could also include how householders use their homes and where behaviour changes could be made. It may be beneficial to make these tests mandatory and randomised to provide a clear picture of the housing stock and to link this to RICS surveys. Additionally, there needs to be guidance in place as to what happens if this testing highlights performance issues, particularly as performance gaps are common.

c. No (please provide justification)

Future Homes Standards brand

Question 41. Do you think that the government should introduce a government-endorsed Future Homes Standard brand? And do you agree permission to use a government-endorsed Future Homes Standard brand should only be granted if a developer's homes perform well when performance tested? Please include any potential risks you foresee in your answer.

a. Yes

b. Yes, and I want to provide additional suggestions or information

A brand endorsed by central government would be very helpful – research done locally about retrofit etc. has highlighted that trust and recognising a brand is one of the main barriers to people having energy efficiency improvements done in their home, so choosing a home that has been 'rubber stamped' by government is likely to be an incentive. However, this would need to be performance tested and regularly reviewed e.g. just because a supplier is compliant initially, that doesn't mean they will continue to be. Additionally, this brand would need to interact well with local initiatives for retrofit and energy efficiency such as Retrofit One-Stop-Shops and be sensitive to differences across the country. It is more likely that organisations will engage with the brand if there is funding and training associated with it that comes from central government, and the opportunity to localise the approach.

- c. Yes, but I think there are risks associated with introducing a government-endorsed brand
- d. No (please provide justification)

Commissioning fixed building services

Question 42. Do you agree with the proposed changes to Approved Document F, Volume 1: Dwellings to improve the installation and commissioning of ventilation systems in new and existing homes?

- a. Yes
- b. Yes, and I'd like to provide further information
- c. No (please provide justification)

Question 43. Do you agree with the proposal to extend Regulation 42 to the installation of mechanical ventilation in existing homes as well as new homes?

- a. Yes
- b. Yes, and I'd like to provide further information
- c. No (please provide justification)

Commissioning hot water storage vessels

Question 44. Do you think the guidance on commissioning hot water storage vessels in Section 8 of draft Approved Document L, Volume 1: Dwellings is sufficient to ensure they are commissioned correctly?

- a. Yes
- b. Yes, and I'd like to provide further information
- c. No (please provide justification)

Question 45. Are you aware of any gaps in our guidance around commissioning heat pumps, or any third-party guidance we could usefully reference?

- a. Yes (please provide further details)
- b. No

Commissioning on-site electricity storage systems

Question 46. Do you think the guidance for commissioning on-site electrical storage systems in Section 8 of draft Approved Document L, Volume 1: Dwellings is sufficient to ensure they are commissioned correctly?

- a. Yes
- b. Yes, and I'd like to provide further information
- c. No (please provide justification)

Routes to certification and enforcement mechanisms

Question 47. Do you agree with proposed changes to Approved Document L, Volume 1: Dwellings and Approved Document F, Volume 1: Dwellings to (a) clarify the options for certifying fixed building services installations and (b) set out available enforcement options where work does not meet the required standard?

- a. Yes
- b. Yes, and I'd like to provide further information
- c. No (please provide justification)

Home User Guides

Question 48. Do you think the additional information we intend to add to the Home User Guide template, outlined above, is sufficient to ensure home occupants can use their heat pumps efficiently?

- a. Yes
- b. Yes, and I'd like to provide further information

It may also be helpful to provide information about how to maintain a heat pump here, which is proposed to be fixed to the outside of the heat pump. Additionally, it is important that the onus for explaining this information does not fall on operatives (without proper training/support) – it could be that the guides are accompanied by QR codes/help numbers to government/manufacturer websites/staff.

- c. No (please provide justification)

Question 49. If you are a domestic developer, do you use, or are you planning to use, the Home User Guide template when building homes to the 2021 uplift? Please give reasons in your response.

- a. Yes (please provide further details)
- b. No (please provide further details)

Question 50. Do you have a view on how Home User Guides could be made more useful and accessible for homeowners and occupants, including on the merits of requiring developers to make guides available digitally? Please provide evidence where possible.

- a. Yes, (please provide further details)

More accessible language is needed - for example 'thermal comfort' is not really an accessible term, so either this term should be replaced or there could be a glossary provided explaining what all the terms and phrases mean. The use of a database for Home User Guides is a good idea to ensure that documents are easy to access (alongside paper copies for anyone who requires them) and can be easily transferred between new owners/occupiers. These should also be shared and highlighted along with other documents such as tenancy agreements and surveys when buying or renting a dwelling to ensure it becomes a normal part of the overall package.

- b. No

Question 51. Do you think that there are issues with compliance with Regulations 39, 40, 40A and 40B of the Building Regulations 2010? Please provide evidence with your answer.

- a. Yes (please provide justification)

People completing the work will need support with this, and could be supported via documents like the Home User Guides.

- b. No (please provide justification)

Question 52. Do you think that local authorities should be required to ensure that information required under Regulations 39, 40, 40A and 40B of the Building Regulations 2010 has been given to the homeowner before issuing a completion certificate?

- a. Yes
- b. Yes, and I'd like to provide further information
- c. No (please provide justification)

To incorporate into answer: How do you measure this? If a homeowner has been given the information, does that count or do they need to be satisfied with it and understand everything?

Heat networks

Question 53. Do you agree that new homes and new non-domestic buildings should be permitted to connect to heat networks, if those networks can demonstrate they have sufficient low-carbon generation to supply the buildings' heat and hot water demand at the target CO2 levels for the Future Homes or Buildings Standard?

- a. Yes
- b. Yes, and I'd like to provide further information

Where feasible new homes and non-domestic buildings should be able to connect to heat networks. This should align with the agreed approach for Heat Network Zoning to allow new homes to be connected to new heat networks (or to include the infrastructure to connect them when they exist) and align with Local Area Energy Plans.

- c. No (please provide justification)

Question 54. Do you agree that newly constructed district heating networks (i.e., those built after the Future Homes and Buildings Standard comes into force) should also be able to connect to new buildings using the sleeving methodology?

- a. Yes
- b. Yes, and I'd like to provide further information
- c. No (please provide justification)

Question 55. Do you agree with the proposed guidance on sleeving outlined for Heat Networks included in Approved Document L, Volume 1: Dwellings and Approved Document L, Volume 2: Buildings other than dwellings?

- a. Yes
- b. Yes, and I'd like to provide further information
- c. No (please provide justification)

Question 56. Do you agree that heat networks' available capacity that does not meet a low carbon standard should not be able to supply heat to new buildings?

- a. Yes
- b. No (please provide further details regarding how this unused higher carbon capacity should be accounted for)

To incorporate: Where there are proposed building works near a heat network, can they be supported to decarbonise rather than discounted?

Question 57. What are your views on how to ensure low-carbon heat is used in practice?

Question 58. Are there alternative arrangements for heat networks under the Future Homes and Building Standards that you believe would better support the expansion and decarbonisation of heat networks?

Smart Meters

Question 59. Do you agree that the draft guidance provides effective advice to support a successful smart meter installation in a new home, appropriate to an audience of developers and site managers?

- a. Yes
- b. No

If not, please provide suggestions for how the draft guidance could be improved. Please provide evidence and sources for your statements where appropriate.

Question 60. Do you agree that voluntary guidance referenced in draft Approved Document L, Volume 1: Dwellings is the best approach to encouraging smart meters to be fitted in all new domestic properties?

- a. Yes
- b. No

If not, is there anything else you think the government should be doing to ensure that smart meters are fitted in all new build properties?

Accounting for exceptional circumstances

Question 61. Do you agree that it should be possible for Regulation 26 (CO₂ emission rates) to be relaxed or dispensed with if, following an application, the local authority or Building Safety Regulator concludes those standards are unreasonable in the circumstances?

- a. Yes
- b. No (please provide justification)

Question 62. [If yes to previous question], please share any examples of circumstances where you think it may be reasonable for a local authority to grant a relaxation or dispensation?

Question 63. Do you think that local authorities should be required to submit the applications they receive, the decisions they make and their reasoning if requested?

- a. Yes
- b. Yes, and I'd like to provide further information
- c. No (please provide justification)

Question 64. Are there any additional safeguards you think should be put in place to ensure consistent and proportionate use of this power?

Legislative changes to the energy efficiency requirements

Question 65. Do you agree that Part L1 of Schedule 1 should be amended, as above, to require that reasonable provision be made for the conservation of energy and reducing carbon emissions?

- a. Yes
- b. Yes, and I'd like to provide further information
- c. No (please provide justification)

Regulations 25A and 25B

Question 66. Do you agree that regulations 25A and 25B will be redundant following the introduction of the Future Homes and Buildings Standards and can be repealed?

- a. Yes
- b. Yes, and I'd like to provide further information
- c. No (please provide justification)

A review of our approach to setting standards

Question 67. Do you agree that the Home Energy Model should be adopted as the approved calculation methodology to demonstrate compliance of new homes with the Future Homes Standard?

- a. Yes
- b. Yes, and I'd like to provide further information
- c. No (please provide justification)

Question 68. Please provide any comments on the parameters in the notional building.

Question 69. Minimum standards already state that heat pumps should have weather compensation and we would like to understand if stakeholders think this is enough to ensure efficiency of heat pumps under the varying weather conditions across England. Should the notional building use local weather?

- a. Yes
- b. No

Please provide any evidence you have on the unintended consequences that could arise as a result of using local weather in the notional building. If possible, please comment on the impact on the construction industry in terms of design and building feasibility. We also welcome views on whether weather compensation is sufficient to ensure heat pump efficiency.

To incorporate: Could delay delivery of new homes if materials differ between regions? May put more stress on local supply chains which will impact the wider construction industry.

Buildings that contain multiple dwellings

Question 70. Do you agree with the revised guidance in The Future Homes Standard 2025: dwelling notional buildings for consultation no longer includes the average compliance approach for terraced houses? Please provide any evidence you have on the unintended consequences that could arise as a result of these changes.

- a. Yes

Currently the approach would leave estimates of target emission rate, primary energy rate and fabric efficiency rate as an average of several buildings, failing to highlight individual differences.

- b. No

Secondary Heating

Question 71. Do you agree with the revised guidance in Approved Document L, Volume 1: Dwellings which states that you should not provide a chimney or flue when no secondary heating appliance is installed?

- a. Yes

This would remove one area where warm air commonly escapes buildings, so this is a sensible change.

b. No

Please provide any further evidence.

Window and door U-value calculations

Question 72. Do you agree with the proposed approach to determine U-values of windows and doors in new dwellings?

a. Yes

Would improve the accuracy of the U-values of windows and doors, but would increase heat transfer modelling or testing for different window sizes and configurations.

b. No

Please provide any further evidence.

Thermal bridging

Question 73. Do you agree with the proposal to remove the default γ -value for assessing thermal bridges in new dwellings?

a. Yes

b. Yes, and I'd like to provide further information

c. No (please provide justification)

Curtain walling in homes

Question 74. Do you have any information you would like to provide on the homes built to the Future Homes Standard using curtain walling?

National Calculation Methodologies (NCM) for Non-domestic buildings

Reported underestimates of space heating in the NCM & other updates to SBEM and iSBEM

Question 75. Do you agree with the methodology outlined in the NCM modelling guide for the Future Buildings Standard?

a. Yes,

b. No (please provide justification)

Question 76. Please provide any further comments on the cSBEM tool which demonstrates an implementation of the NCM methodology.

Question 77. Please provide any further comments on the research documents provided alongside the cSBEM tool and which support the development of the NCM methodology, SBEM and iSBEM.

Transitional Arrangements

Question 78. Which option describing transitional arrangements for the Future Homes and Buildings Standard do you prefer? Please use the space provided to provide further information and/or alternative arrangements.

a. Option 1

b. Option 2

Please provide further information or suggest alternative transitional arrangements with your rationale and supporting evidence.

Question 79. Will the changes to Building Regulations proposed in this consultation lead to the need to amend existing planning permissions? If so, what amendments might be needed and how can the planning regime be most supportive of such amendments?

- a. Yes (please provide further information)
- b. No

Sunsetting of previous transitional arrangements for new buildings

Question 80. Do you agree that the 2010 and 2013 energy efficiency transitional arrangements should be closed down, meaning all new buildings that do not meet the requirements of the 2025 transitional arrangements would need to be built to the Future Homes and Buildings Standards?

- a. Yes
- b. No (please provide justification)

Question 81. What are your views on the proposals above and do you have any additional evidence to help us reach a final view on the closing of historical transitional arrangements? **Some mechanism is needed to ensure that the new standards are reflected and there isn't a 'loop hole' for those building slightly before.**

Part O – Call for evidence

Question 82. Part O does not apply when there is a material change of use. Should it apply?

- a. Yes
- b. Yes, but only for some types of conversion (please list from reg 5a-k or describe the type)
- c. No

Please provide more details about why Part O should/should not apply to a material change of use and, if possible, point to existing evidence/examples that demonstrates your view.

Question 83. Apart from material change of use, is there anything missing from the current scope of Part O?

- a. Yes, (please provide justification)
- b. No, (please provide justification)

Question 84. Can you provide evidence on how the addition of extensions or conservatories to domestic buildings can impact overheating risk on an existing building?

- a. Yes, (please provide justification)
- b. No

Requirement O: Overheating mitigation

Question 85. We are currently reviewing Part O and the statutory guidance in Approved Document O. Do you consider there to be omissions or issues concerning the statutory guidance on the simplified method for demonstrating compliance with requirement O1, for buildings within the scope of requirement O1?

- a. Yes (please provide justification)
- b. No

Question 86. Do you consider there to be omissions or issues concerning the statutory guidance on the dynamic thermal modelling method for demonstrating compliance with requirement O1 for all residential buildings?

- a. Yes, (please provide justification)
- b. No

Question 87. Do you consider there to be omissions or issues concerning the statutory guidance on ensuring the overheating mitigation strategy is usable for buildings within the scope of requirement O1?

- a. Yes, (please provide justification)
- b. No

Question 88. Do you consider there to be omissions or issues concerning the statutory guidance on protection from falling?

- a. Yes, (please provide justification)
- b. No

Question 89. Are you aware of ways that Approved Document O could be improved, particularly for smaller housebuilders?

- a. Yes, (please provide justification)
- b. No

Regulation 40B: Information about overheating

Question 90. Does Regulation 40B require revision?

- a. Yes, (please provide justification)

Could add that information must be provided in an accessible format i.e. plain language.

- b. No

Question 91. Do you consider there to be omissions or issues concerning the statutory guidance on providing information?

- a. Yes, (please provide justification)
- b. No

Question 92. Are there any improvements that you recommend making to the information provided about overheating in the Home User Guide template?

- a. Yes, (please provide justification)

As above, use of more accessible language and perhaps pictures or diagrams would help with the readability of the document. It doesn't read currently as though it is consumer facing. The page number for 'staying cool in hot weather' is also incorrect.

- b. No

Question 93. Are there any omissions or issues not covered above with the statutory guidance in Approved Document O that we should be aware of?

a. Yes

b. No

If you answered yes, please provide more details including suggestions on ways to improve the statutory guidance and point to existing evidence/examples that demonstrates why the gaps or issues you have identified should be reviewed as a priority.

Equalities and Impact Assessments

Question 94. Please provide any feedback you have on the potential impact of the proposals outlined in this consultation document on persons who have a protected characteristic. If possible, please provide evidence to support your comments.

Reliance on written and online resources may not be suitable for those with dyslexia or other similar disabilities, or older people/people who do not have online access or cannot get it easily.

Question 95. Please provide any feedback you have on the impact assessments.

Initial equality impact assessment screening form			
This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.			
Directorate	Environment		
Service area	Environmental Services and Climate Change		
Proposal being screened	Government Consultations: Future Homes Standard and Home Energy Model		
Officer(s) carrying out screening	Jos Holmes, Climate Change Strategy Manager		
What are you proposing to do?	To respond to Government Consultation		
Why are you proposing this? What are the desired outcomes?	To enable Climate Change Strategy Delivery		
Does the proposal involve a significant commitment or removal of resources? Please give details.	No		
Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYC's additional agreed characteristics As part of this assessment, please consider the following questions: <ul style="list-style-type: none"> To what extent is this service used by particular groups of people with protected characteristics? Does the proposal relate to functions that previous consultation has identified as important? Do different groups have different needs or experiences in the area the proposal relates to? If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your directorate representative for advice if you are in any doubt.			
Protected characteristic	Potential for adverse impact		Don't know/No info available
	Yes	No	
Age		X	
Disability		X	
Sex		X	
Race		X	
Sexual orientation		X	
Gender reassignment		X	
Religion or belief		X	
Pregnancy or maternity		X	
Marriage or civil partnership		X	
People in rural areas		X	
People on a low income		X	
Carer (unpaid family or friend)		X	
Are from the Armed Forces Community		X	
Does the proposal relate to an area where there are known inequalities/probable impacts (for example, disabled people's access to public transport)? Please give details.	No		
Will the proposal have a significant effect on how other organisations operate? (for example, partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics?	No		

Please explain why you have reached this conclusion.				
Decision (Please tick one option)	EIA not relevant or proportionate:	✓	Continue to full EIA:	
Reason for decision	No adverse impacts are anticipated.			
Signed (Assistant Director or equivalent)	Michael Leah			
Date	07.02.24			

Climate change impact assessment

The purpose of this assessment is to help us understand the likely impacts of our decisions on the environment of North Yorkshire and on our aspiration to achieve net carbon neutrality by 2030, or as close to that date as possible. The intention is to mitigate negative effects and identify projects which will have positive effects.

This document should be completed in consultation with the supporting guidance. The final document will be published as part of the decision-making process and should be written in Plain English.

If you have any additional queries which are not covered by the guidance, please email climatechange@northyorks.gov.uk

Version 2: amended 11 August 2021

Please note: You may not need to undertake this assessment if your proposal will be subject to any of the following:
 Planning Permission
 Environmental Impact Assessment
 Strategic Environmental Assessment

However, you will still need to summarise your findings in the summary section of the form below.

Please contact climatechange@northyorks.gov.uk for advice.

Title of proposal	Government Consultations: Future Homes Standard and Home Energy Model
Brief description of proposal	Response to Govt consultation
Directorate	Environment
Service area	Environmental Services and Climate Change
Lead officer	Michael Leah
Names and roles of other people involved in carrying out the impact assessment	Jos Holmes, Climate Change Strategy Manager
Date impact assessment started	26.01.24

Options appraisal
 Were any other options considered in trying to achieve the aim of this project? If so, please give brief details and explain why alternative options were not progressed.

It is common practice to develop an action plan to delivery strategic aims. The various activities contained therein reflect the numerous projects and activities which we plan to take.

What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?

Please explain briefly why this will be the result, detailing estimated savings or costs where this is possible.

At this stage, there will be no impact on Council budgets. The Delivery Pathway activities which already have budgetary approval are included. Projects which do not yet have budgetary approval will require the normal financial approval processes.

<p>How will this proposal impact on the environment?</p> <p>There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where relevant)</p>	<p>No impact (Place a X in the box below where relevant)</p>	<p>Negative impact (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
<p>Minimise greenhouse gas emissions e.g. reducing emissions from travel, increasing energy efficiencies etc.</p>	<p>Emissions from travel</p>	<p>x</p>				
	<p>Emissions from construction</p>	<p>X</p>		<p>The consultation includes reference to new builds</p>		

How will this proposal impact on the environment? N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.		Positive impact (Place a X in the box below where relevant)	No impact (Place a X in the box below where relevant)	Negative impact (Place a X in the box below where relevant)	Explain why will it have this effect and over what timescale? Where possible/relevant please include: <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	Explain how you plan to mitigate any negative impacts.	Explain how you plan to improve any positive outcomes as far as possible.
Page 31	Emissions from running of buildings	X			The consultation includes reference to reducing the emissions from existing buildings through retrofitting and low carbon heating.		Both operational and resident / business emissions are included.
	Emissions from data storage		X				
	Other	X			A wide range of mitigation measures are proposed.		
	Minimise waste : Reduce, reuse, recycle and compost e.g. reducing use of single use plastic		X				
	Reduce water consumption		X				
	Minimise pollution (including air, land, water, light and noise)	X			The consultation proposals will result in a decrease in pollution as a co-benefit.		

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where relevant)</p>	<p>No impact (Place a X in the box below where relevant)</p>	<p>Negative impact (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
<p>Ensure resilience to the effects of climate change e.g. reducing flood risk, mitigating effects of drier, hotter summers</p>	X			<p>The consultation refers to this in the Adaptation section.</p>		<p>This section will support both internal operational and wider resident and business resilience.</p>
<p>Enhance conservation and wildlife</p>	X	x				
<p>Safeguard the distinctive characteristics, features and special qualities of North Yorkshire's landscape</p>		X				
<p>Other (please state below)</p>						

Are there any recognised good practice environmental standards in relation to this proposal? If so, please detail how this proposal meets those standards.

Existing building control regulations

Summary Summarise the findings of your impact assessment, including impacts, the recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

The consultation is in response to proposals to improve energy efficiency and low carbon heating for both new build, retrofit and converted properties both domestic and non-domestic.

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Sign off section

This climate change impact assessment was completed by:

Name	Jos Holmes
Job title	Climate Change Strategy Manager
Service area	Environment and Climate Change
Directorate	Environment
Signature	J Holmes
Completion date	26.01.24

Authorised by relevant Assistant Director (signature): Michael Leah

Date: 07/02/2024

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North Yorkshire Council

Environment Executive Members

22 February 2024

Environmental Services Charges for 2024-25

Report of the Assistant Director – Environmental Services

1.0 PURPOSE OF REPORT

- 1.1 To inform the Corporate Director of Environment Directorate and the Executive Member for Managing our Environment of charges made for waste services and to obtain approval to set charges for 2024/25.

2.0 BACKGROUND

- 2.1 North Yorkshire Council is a unitary authority and is responsible for both the collection and disposal of household waste. Prior to vesting day, the former District and Borough Councils took different approaches to charging for waste collection services. To be fair and equitable to residents across the North Yorkshire Council area, a common approach to fees and charges is required.

3.0 CHARGEABLE WASTE SERVICES

- 3.1 As a Waste Collection Authority, the council is required by law to arrange for the collection of household waste in its area. No charge will be made by the council for household collections, except in cases where the law provides that a charge may be made, and the council has decided to recover a reasonable charge for the collection of the waste. As a Waste Disposal Authority, the council is required by law to provide places for residents to deposit their household waste. The council provides 20 Household Waste Recycling Centres (“HWRCs”) for residents to deposit their household waste free of charge, and for commercial waste, non-household waste and waste from non-residents to be deposited for a charge. Garden waste is a chargeable opt in service and has been harmonised through a separate process and is excluded from this report.

3.2 Bulky Waste

Oversize (“bulky”) waste is household waste that either exceeds 25kg in weight or does not fit in the general waste or recycling containers provided by the council. This includes items such as mattresses, sofas, and fridges. The council can recover a reasonable charge for the collection of waste from the person who requested it. Appendix A summarises the current approaches to charging for bulky waste across North Yorkshire which reflect the previous policies implemented by the district and borough councils.

- 3.2.1 The different charging methods include the number of items collected for a price (ranging from two to five items per collection), the availability and eligibility criteria for concessions, the types of items collected or excluded, and how items are charged for (a three-piece suite can be one or three items). The cost is between £10 to £25 per item. The lowest fee available excluding concessions is £30 for two items in Ryedale and Scarborough localities, the highest fee is £58.50 for four items in Hambleton.
- 3.2.2 When considering a uniform and consistent approach to charging several factors have been taken into account including:

- Cost of service provision – bulky waste service collection costs are ~£226,000 per annum. It is likely that collection costs will increase should government require councils to keep upholstered waste items that could contain Persistent Organic Pollutants (“POPs”) separate from other waste types. Two localities currently deploy refuse collection vehicles to collect bulky waste. To be compliant with government’s proposal, smaller vehicles will need to segregate POPs which have less capacity, no compaction, and are less efficient. The council receives income of ~£154,000 per annum which does not meet the current costs of providing the service.
- Service user impact – the proposed uniform charge needs to consider the impact on service users. It is likely that some service users do not have access to a vehicle to deliver items to a HWRC free of charge, are lower income households, or are older residents who no longer drive and cannot manoeuvre bulky items. The proposed charge must not adversely affect groups with protected characteristics.
- Financial impact – the requirement to recover a reasonable charge does allow councils to consider different price points, numbers and types of items collected, approach to concessions etc whilst reflecting the challenges and needs of the locality. For example, in North Yorkshire applying the highest existing charge of £25 per item results in a significant uplift of between £10 to £15 per item in six localities. Alternatively, setting a lower charge can maintain existing income levels and allow concessions to low-income residents. Alternative charging options are discussed further in section 4.0.
- Benchmarking – local authorities decide on what constitutes a reasonable charge. Appendix B illustrates that most neighbouring authorities charge less than the current average price in North Yorkshire of £14.31 per item, however each local authority has its own set of challenges and priorities. For example, the geography and rural nature of North Yorkshire inflates the council’s collection costs compared to urban authorities with higher housing densities and lower distances to travel. North Yorkshire Council may prioritise higher discounts to low-income residents by setting a higher standard charge.
- Fly tipping – the council needs to ensure that the price charged for bulky waste is affordable and does not lead to fly tipping. Appendix A shows the level of fly tipping in each locality compared to the current price levied for bulky waste. The categories of fly tipping most likely to include items which would be collected via a bulky waste collection are ‘other household waste’ and ‘white goods/electricals’. There is no correlation between the current cost per item and how likely these types of waste are to be fly tipped.

3.2.3 The proposal is to charge residents £35 for up to two items and £17.50 for each additional item with a 50% reduction in charges for concessions. The impact of the new charging scheme in each locality compared to the current variable approach is shown in Table 1.

Table 1: Proposed bulky waste charging scheme

Locality	Proposed	Current	Proposed – per item	Current – per item
Craven	£35 (2 items)	£36 (3 items)	£17.50	£12
Hambleton	£35 (2 items)	£58.50 (4 items)	£17.50	£14.63
Harrogate	£35 (2 items)	£50 (2 items)	£17.50	£25
Richmondshire	£35 (2 items)	£51 (5 items)	£17.50	£10.20
Ryedale	£35 (2 items)	£30 (2 items)	£17.50	£15
Scarborough	£35 (2 items)	£30 (2 items)	£17.50	£15
Selby	£35 (2 items)	£50 (5 items)	£17.50	£10

3.2.4 The proposed charge of £35 for up to two items is less than the current charge (for a variable number of items) in four out of the seven localities. To address the impact on lower income households, a concession of 50% will be available on a means tested basis (such as council tax support or housing benefit). The impact of concessions within the new charging scheme in each locality compared to the current variable approach is shown in Table 2.

Table 2: Proposed bulky waste concessionary charging scheme:-

Locality	Proposed	Current	Proposed – per item	Current – per item
Craven	£17.50 (2 items)	No concessions	£8.75	£12
Hambleton	£17.50 (2 items)	No concessions	£8.75	£14.63
Harrogate	£17.50 (2 items)	£27 (2 items)	£8.75	£13.50
Richmondshire	£17.50 (2 items)	No Concessions	£8.75	£10.20
Ryedale	£17.50 (2 items)	FoC (2 uplifts/yr)	£8.75	£0
Scarborough	£17.50 (2 items)	No Concessions	£8.75	£15
Selby	£17.50 (2 items)	£37.50 (5 items)	£8.75	£7.50

3.2.5 The proposed concessionary charge of £17.50 for up to two items is less than the current charge (for a variable number of items) in two out of three localities where concessions are levied. The proposed concessionary charge of £8.75 per item is less than the current concessionary or non-concessionary per item charge in five out of the seven localities. It is estimated that 18% of residents will be eligible for concessionary rates. On this basis the Council's income remains at £152,200 compared to a service delivery cost of £226,000 per annum. To ensure that the service is provided in the most cost effective and efficient way, further work will be undertaken to review service delivery models (currently provided through a combination of council inhouse services and Yorwaste teams), and we will put in place robust processes to validate eligibility for concessionary rates.

3.3 Container charges

North Yorkshire Council can provide waste containers (“receptacles”) to householders in a number of ways, including the council supplying free of charge, by charging the householder or by requiring the householder to provide receptacles to the Council’s specification. A combination of wheeled bins, bags, and boxes are currently provided to North Yorkshire residents dependant on their locality. The current charging structure is variable across the County, with some localities levelling a fee and others not. A consistent approach to replacement bins is needed following the creation of the new Authority, to govern the approach to supplying bins and where charges will and will not be applied. A summary of the current practice and proposed fee structure for receptacles for households and developers, is detailed in Appendix C. It is proposed to level a consistent fee across North Yorkshire for the provision of bins; namely £34.00 per bin (rubbish and recycling). For new build properties, developers will be charged per bin, per new dwelling as a cost to the developer, paid for as part of the street naming and numbering process. The proposal is for these fees to be levied from 1 April 2024. Monitoring of the demand for bins for large new developments will take place throughout the year to ensure that all associated costs are covered by this charge.

3.3.1 The cost is an administration fee, and all bins remain the property of the Council. If bins are damaged or fail, except in the case of deliberate misuse, they will be repaired or replaced free of charge. If while emptying a bin it becomes lost in the vehicle then the crews will record this, and the bin will be replaced for free. If a bin is stolen, then we will encourage households to try and locate it prior to requesting and paying the administration fee. If households request, and meet the eligibility criteria for additional capacity, payment of the administration fee, which will cover delivery costs, will be required prior to delivery of the bigger bins. We will not charge for the delivery of boxes or sacks and charges will not apply as part of any wholesale roll-out of new containers to an area/round.

3.3.2 Effort has been made to arrive at a pricing structure that delivers for the organisation but does not act as a barrier for households. Officers will provide a series of FAQs for members and the website to communicate the charging regime and will be subject to the annual review of fees and charges.

3.4 HWRC charges

There are currently charges in place at the HWRCs for commercial, non-household and customers which are not North Yorkshire residents. Charges increase each year by inflation. The estimated income in 2023-24 has marginally increased compared to the previous year. We have allowed for a reduction in income from January to March 2024 (£76,171) as following a change in legislation from 1 January 2024, Councils are no longer able to charge for DIY waste unless criteria are met.

Table 3: HWRC income

HWRC – Commercial and Non-Household Waste	2022-23	2023-24 Est.	2024-25 Est.
	£584,292	£593,889	£211,230

3.4.1 The proposed charges are included in Appendix D. Income for 2024-25 is estimated at £211,230. Income is estimated to be lower than previous years due to DIY waste no longer being charged for unless certain criteria are met. In addition to income reducing due to new legislation, it is highly likely that Councils will face higher operating costs because of residents bringing more DIY waste than when it was a chargeable service.

3.5 Annual inflation to charges

Charges for HWRC waste increase annually by inflation. It is proposed going forward, that HWRC prices increase by inflation on an annual basis without approval, unless inflationary increases fail to cover the cost of the service in which case approval will be sought to vary the charge.

4.0 CONSULTATION UNDERTAKEN AND RESPONSES

4.1 The proposed charges were discussed at the Waste Harmonisation Task and Finish Group on 20 December 2023. The group is chaired by the Executive Member for Managing our Environment and attended by both members and officers. Members gave their views on both bin and bulky waste charging. The £34/ bin charge was largely agreed. Feedback regarding bulky waste fees and charges were that higher standard charges should be considered to apply a larger discount to residents eligible for concessions. This principle forms the basis for the proposed bulky waste charges.

5.0 ALTERNATIVE OPTIONS CONSIDERED

5.1 The determination of a ‘reasonable charge’ for bulky waste collections allows alternative charging options to be considered. The options considered are shown below in Table 4.

Table 4: Bulky waste charging scheme options.

Description	Charge per item	Discount for concessions	Est. Annual Income
As is	Variable	Variable	£154,000
Option 1	£15.00	N/A	£146,000
Option 2	£15.00	25%	£136,000
Option 3	£15.00	50%	£130,000
Option 4	£10.00	N/A	£87,000
Option 5	£12.50	N/A	£109,000
Option 6	£17.00	25%	£154,000
Option 7 (proposed)	£17.50	50%	£152,200
Option 8	Variable (Item 1 £20, Items 2-4 £40, Items 5-9 £80)	50%	£127,000
Option 9	£26.25	N/A	£255,000

- 5.1.1 The proposed fees and charges (option 7) seeks to set a uniform charge across the North Yorkshire area that balances the needs of low-income households by offering a concession to eligible residents whilst sustaining the existing contribution towards the council's service costs. In addition, a more accessible price point for one to two items, may result in an increase in demand for the service and an increase in income. The remaining options do not either sufficiently address the financial constraints of low-income families (options 1 & 6) or do not contribute sufficiently to the council's costs of providing the bulky waste service (options 2 to 5 and 8). Option 9 illustrates the uplift in charge required to meet the savings target discussed in section 6.

6.0 FINANCIAL IMPLICATIONS

- 6.1 The financial impact is set out in detail in the paragraphs above. In summary, this report proposes the financial impact shown in table 5 which is Option 7 is table 4 above.

Table 5: Summary of financial impact

Waste Service	2023/24 est. income	2024/25 est. income	Difference (-cost/ +saving)
Bulky waste	£154,000	£152,200	-£1,800
Waste containers	£118,000	£168,000	+£50,000
HWRCs	£593,900	£211,200	-£382,700
Total	£865,900	£531,400	-£334,500

NB Until further information is available, the estimated costs/ savings exclude any variance in budgets compared to actuals which may affect outturns.

- 6.2 Transformation projects have been agreed and saving targets included in the budget and Medium-Term Financial Strategy. The bulky waste service has a £100,000 saving target in 2024/25. The proposed charges maintain the existing level of income and therefore do not contribute toward the savings target; however, work will continue looking at the efficiency of service delivery and the extent savings can be made in the cost-base. Applying a higher charge will increase the disparity between North Yorkshire and neighbouring authorities' charges and could have a detrimental effect on fly tipping and anti-social behaviour resulting in associated costs to the council.
- 6.3 The waste service has a £100,000 savings target associated with waste containers, clinical waste collections and bulky waste sites. Whilst the target is not assigned to each individual element of the service, the forecast £50,000 saving derived from waste containers will be achieved in 2024/25. A review and changes to clinical waste collections and/ or bring sites will contribute towards the remaining £50,000 saving.

6.4 The HWRC service is facing cost pressures arising from a government decision to prevent local authorities from charging for DIY waste delivered to HWRCs in all but a limited number of circumstances. This paper sets out the estimated reduction in income from accepting DIY waste to be £382,700 in 2024/25, but there is also an expectation that more DIY waste will be delivered free of charge resulting in increased transport and disposal costs. The total annual additional cost/ lost income is estimated at £800,000 which has been built into the 24/25 budget and MTFS. To help offset some of the additional cost the waste service is consulting residents on ways the HWRC service could be provided in a more cost-effective way. Proposals will be developed and the contribution to the £300,000 savings target for 2025/26 identified when the consultation results are received in February 2024. This will be considered in a separate report.

7.0 LEGAL IMPLICATIONS

7.1 The power to charge for these services is included in Table 6.

Table 6: Power to charge

Waste Service	Power to charge
Bulky Waste	Controlled Waste (England and Wales) Regulations 2012, Schedule 1 (4) Table
Containers	Environmental Protection Act 1990 section 46 (4)
HWRCs	Environmental Protection Act 1990 section 51 (3) and Local Government Act 2003 section 93

8.0 EQUALITIES IMPLICATIONS

8.1 Consideration has been given to the potential for any adverse equality impacts arising from the recommendations (Appendix E - EIA Screening Form). It is the view that the recommendations do not have an adverse impact on any of the protected characteristics identified in the Equalities Act 2010. The wider application of concessionary fees across North Yorkshire for bulky waste will have a positive impact.

9.0 CLIMATE CHANGE IMPLICATIONS

9.1 Consideration has been given to the potential for any adverse climate change impacts arising from the recommendation. If people choose to dispose of Commercial and Non-Household waste using other options due to the increase in charges, emissions and pollution may increase. A Climate Change Impact assessment is included as Appendix F of this report.

10.0 POLICY IMPLICATIONS

10.1 Environmental Services will develop a Household Waste and Enforcement policy to consolidate and harmonise approaches to bulky waste, replacement bins, contamination missed bins, side waste, fly tipping and enforcement etc which will include the proposed approach to charging.

10.2 A public consultation is being undertaken into the acceptance of commercial waste at the HWRCs. Following the outcome of the consultation, there may be changes to the service.

11.0 REASONS FOR RECOMMENDATIONS

11.1 North Yorkshire Council is a unitary authority and is responsible for both the collection and disposal of household waste. To be fair and equitable to residents across the North Yorkshire Council area a common approach to waste fees and charges is required. It is proposed that the bulky waste service charges £35 for up to two items, each additional item charged at £17.50 with a 50% concessionary rate available on a means tested basis. Bins, subject to criteria, will be charged £34 including delivery. Charges in place at HWRCs to commercial, non-household and customers which are not North Yorkshire residents will increase by inflation unless operational costs fail to be met in which case future approval will be sought.

12.0 RECOMMENDATION

12.1 It is recommended that the Corporate Director of Environment Services in consultation with Executive Member for Managing our Environment approves proposals for fees and charges for 2024/25 as detailed in this report.

APPENDICES:

Appendix A – Bulky waste charges and fly tipping data

Appendix B – Bulky waste benchmarking

Appendix C – Container charges

Appendix D – HWRC charges

Appendix E – Equalities Impact Assessment screening document

Appendix F – Climate Change Impact Assessment

BACKGROUND DOCUMENTS: None.

Michael Leah
Assistant Director – Environmental Services
County Hall
Northallerton
12 January 2024

Report Author – Aimi Brookes Service Development Manager Waste
Presenter of Report – Peter Jeffreys - Head of Service Waste

Bulky waste charges

Table i. Current charging policies for 2023/24.

LOCALITY	CHARGE (23/24)	No of Items Per Collection	Cost Per Item	Cost Per Additional Item	Concessions
CRAVEN	£36.00	5	£12.00	£11.50	N/A
HAMBLETON	£58.50	4 - maximum of 2 white goods	£14.63	N/A	N/A
HARROGATE	£50.00	2	£25.00	N/A	£27 if in receipt of council tax support or housing benefit
RICHMONDSHIRE	£51.00	5	£10.20	N/A	N/A
RYEDALE	£30.00	2	£15.00	N/A	2 FOC collections per year if in receipt of council tax support or housing benefit
SCARBOROUGH	£30.00	2	£15.00	£15.00	N/A
SELBY	£50.00	5	£10.00	N/A	£37.50 if in receipt of any means tested benefits

Table ii. The number of fly tipping incidents per locality area between April and June 2023, and the cost per item / number of items collected through the current bulky waste services.

LOCALITY	NO. OF INCIDENTS	OTHER HOUSEHOLD WASTE	% OF TOTAL	WHITE GOODS / ELECTRICALS	% OF TOTAL	COST PER ITEM	NO OF ITEMS PER COLLECTION
CRAVEN	18	4	22.22	2	11.11	£12.00	5
HARROGATE	128	52	40.63	8	6.25	£14.63	4
HAMBLETON	84	31	36.90	8	9.52	£25.00	2
RICHMONDSHIRE	50	14	28.00	12	24.00	£10.20	5
RYEDALE	24	10	41.67	3	12.50	£15.00	2
SELBY	150	65	43.33	15	10.00	£10.00	5
SCARBOROUGH*	265	154	58.11	30	11.32	£15.00	2

Bulky collections in Scarborough were carried out by a third party until November 2023

Bulky waste charges - benchmarking

Local Authority	Charge	Charge Per Item	Concessions offered?
Leeds City Council	FOC	£0.00	No
City of York Council	£27 for up to 10 items	£2.70	No
Redcar and Cleveland Borough Council	£17 for 1 to 5 items £34 for 6 to 10 items	£3.40	No
Darlington Borough Council	£21.50 for up to 6 items	£3.58	No
Stockton on Tees Borough Council	£21.50 for up to 6 items	£3.58	No
City of Doncaster Council	£23 for 1 to 4 items £38.50 for 5 - 8 items	£5.75	Yes
Hartlepool Borough Council	£20 for up to 3 items £40 for up to 6 items	£6.67	Yes
East Riding of Yorkshire Council	£37 for 1 to 5 items	£7.40	No
Durham County Council	£18 for up to 2 items	£9.00	No
Northumberland County Council	£19.80 for 1 item £39.60 for 2 to 4 items £79 for 5 to 8 items	£9.90	Yes
Wakefield Council	£30 for up to 3 items	£10.00	No
City of Bradford Council	£30 for up to 2 items	£15.00	No

Current and proposed container charges

Former Locality	Rubbish/ Recycling bin current cost	Rubbish/ Recycling bin proposed cost	Current Cost for developers	Proposed fee for developers (full suite of bins)	Proposed fee for Communal bins	Proposed fee for garden waste bins/sacks	Proposed fee for sacks/boxes
Ryedale	£0	£34	£0	£34 per bin	£275 per bin	£0 provided as part of the cost to developers and the annual subscription	£0
Scarborough	£21	£34	£63	£34 per bin	£275 per bin	£0 provided as part of the cost to developers and the annual subscription	£0
Harrogate	£0	£34	£8.50 per bin delivery fee	£34 per bin	£275 per bin	£0 provided as part of the cost to developers and the annual subscription	£0
Selby	£30 rubbish (free recycling)	£34	£65 (full suite)	£34 per bin	£275 per bin	£0 provided as part of the cost to developers and the annual subscription	£0
Craven	£44.50	£34	£89	£34 per bin	£275 per bin	£0 provided as part of the cost to developers and the annual subscription	£0
Richmondshire	£33	£34	£66	£34 per bin	£275 per bin	£0 provided as part of the cost to developers and the annual subscription	£0
Hambleton	£0	£34	£137.76	£34 per bin	£275 per bin	£0 provided as part of the cost to developers and the annual subscription	£0

HWRC Commercial Waste Charges (all VAT free)

Type	Volume	Current 2023/24 Charges	Proposed 2024/25 Charges
Active waste	Standard waste bags	£4.70	£4.90
	Up to 0.5 standard transit sized van load	£60.30	£62.70
	0.5 to 1 standard transit sized van load	£120.70	£125.50
	1 to 1.5 standard transit sized van loads	£181.10	£188.20
	1.5 to 2 standard transit sized van loads	£241.50	£251.00
Green waste	Standard waste bags	£2.60	£2.70
	Up to 0.5 standard transit sized van load	£43.70	£45.40
	0.5 to 1 standard transit sized van load	£87.20	£90.60
	1 to 1.5 standard transit sized van loads	£131.00	£136.20
	1.5 to 2 standard transit sized van loads	£174.50	£181.40
Wood waste	Standard waste bags	£1.70	£1.80
	Up to 0.5 standard transit sized van load	£53.70	£55.80
	0.5 to 1 standard transit sized van load	£107.30	£111.50
	1 to 1.5 standard transit sized van loads	£161.20	£167.50
	1.5 to 2 standard transit sized van loads	£214.70	£223.20
Cardboard waste	Standard waste bags	£0.70	£0.70
	Up to 0.5 standard transit sized van load	£13.20	£13.70
	0.5 to 1 standard transit sized van load	£26.40	£27.40
	1 to 1.5 standard transit sized van loads	£39.70	£41.30
	1.5 to 2 standard transit sized van loads	£52.90	£55.00
Glass waste	Standard waste bags	£1.30	£1.40
	Up to 0.5 standard transit sized van load	£42.00	£43.70
	0.5 to 1 standard transit sized van load	£83.90	£87.20
	1 to 1.5 standard transit sized van loads	£125.90	£130.90
	1.5 to 2 standard transit sized van loads	£167.80	£174.40
Paper waste	Standard waste bags	£1.60	£1.70
	Up to 0.5 standard transit sized van load	£51.60	£53.60
	0.5 to 1 standard transit sized van load	£103.20	£107.30
	1 to 1.5 standard transit sized van loads	£154.80	£160.90
	1.5 to 2 standard transit sized van loads	£206.50	£214.60
Hardcore/ rubble	Standard hardcore and rubble bag	£3.50	£3.60
Plasterboard	Standard hardcore and rubble bag	£3.40	£3.50
Cooking Oil	Up to 5 litres	£0.70	£0.70

	Up to 25 litres	£3.40	£3.50
LPG bottles (repatriable)	Less than 15kg	£0.70	£0.70
	15kg and above	£3.40	£3.50
Tyres	Standard tyre (car/motorcycle/4x4) (off rim)	£3.20	£3.30
	Standard tyre (car/motorcycle/4x4) (on rim)	£3.20	£3.30
	Truck (off rim)	£12.10	£12.60
	Truck (on rim)	£14.80	£15.40
	Agricultural (off rim)	£20.10	£20.90
	Agricultural (on rim)	£26.80	£27.90
	Solid	£14.80	£15.40

Initial equality impact assessment screening form			
This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.			
Directorate	Environment		
Service area	Environmental Services		
Proposal being screened	Review of Environmental Services Charges		
Officer(s) carrying out screening	Peter Jeffreys		
What are you proposing to do?	To harmonise fees and charges relating to waste services, specifically the bulky waste service, replacement bins and HWRCs.		
Why are you proposing this? What are the desired outcomes?	The existing fees and charges relating to the bulky waste service and replacement bins is inconsistent and reflects the previous approaches adopted by the 7 locality areas. To be fair and equitable across the North Yorkshire area, a consistent approach is proposed. An annual inflationary increase is proposed at the HWRCs.		
Does the proposal involve a significant commitment or removal of resources? Please give details.	No.		
Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYC's additional agreed characteristics As part of this assessment, please consider the following questions: <ul style="list-style-type: none"> To what extent is this service used by particular groups of people with protected characteristics? Does the proposal relate to functions that previous consultation has identified as important? Do different groups have different needs or experiences in the area the proposal relates to? <p>If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your Equality rep for advice if you are in any doubt.</p>			
Protected characteristic	Potential for adverse impact		Don't know/No info available
	No	Yes	
Age	X		
Disability	X		
Sex	X		
Race	X		
Sexual orientation	X		
Gender reassignment	X		
Religion or belief	X		
Pregnancy or maternity	X		
Marriage or civil partnership	X		
NYC additional characteristics			
People in rural areas	X		
People on a low income	X		

Carer (unpaid family or friend)	X		
Does the proposal relate to an area where there are known inequalities/probable impacts (e.g. disabled people's access to public transport)? Please give details.	No.		
Will the proposal have a significant effect on how other organisations operate? (e.g. partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics? Please explain why you have reached this conclusion.	No		
Decision (Please tick one option)	EIA not relevant or proportionate :	X	Continue to full EIA:
Reason for decision	It is not proportionate to conduct a full EIA given the bulky waste charges mitigate the impact on low-income households by adopting the midpoint rather than the highest current charge and applies a maximum increase of £7.50/ item in one locality only (Selby). A means tested concession of 50% will be available to eligible residents. Replacement bin charges reflect the Council's collection and delivery costs. The Council will provide bins free of charge where either the Council is at fault or due to fair wear and tear. Subject to availability second-hand bins will be provided to low income-households at a reduced cost.		
Signed (Assistant Director or equivalent)	Michael Leah		
Date	08 February 2024		

Climate change impact assessment

The purpose of this assessment is to help us understand the likely impacts of our decisions on the environment of North Yorkshire and on our aspiration to achieve net carbon neutrality by 2030, or as close to that date as possible. The intention is to mitigate negative effects and identify projects which will have positive effects.

This document should be completed in consultation with the supporting guidance. The final document will be published as part of the decision-making process and should be written in Plain English.

If you have any additional queries which are not covered by the guidance please email climatechange@northyorks.gov.uk

Title of proposal	Review of Environmental Services Charges
Brief description of proposal	To inform the Corporate Director - Environment Directorate and the Executive Member for Managing our Environment of charges made for waste services and to obtain approval to set charges for 2024/25.
Directorate	Environment Service
Service area	Environmental Services
Lead officer(s)	Joanne Kearney, Waste Contracts Manager
Names and roles of other people involved in carrying out the impact assessment	Peter Jeffreys, Head of Waste (Contracts)
Date impact assessment started	December 2023

Options appraisal

Were any other options considered in trying to achieve the aim of this project? If so, please give brief details and explain why alternative options were not progressed.

The council proposes to recover a reasonable charge for the collection of bulky waste. The council is only seeking a contribution towards the bulky waste service, as full cost recovery would exceed neighbouring authority charges and potentially lead to fly tipping. Cost recovery is sought when supplying and delivering replacement containers to and recover costs from commercial users, residents delivering non household waste, and out of county users at HWRCs.

What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?

Please explain briefly why this will be the result, detailing estimated savings or costs where this is possible.

Waste Service	2023/24 est. income	2024/25 est. income	Difference (-cost/ +saving)
Bulky waste	£154,000	£152,200	-£1,800
Waste containers	£118,000	£168,000	+£50,000
HWRCs	£593,900	£211,200	-£382,700
Total	£865,900	£531,400	-£334,500

The cost estimated at the HWRCs arises from new legislation that prohibits the charging of DIY materials in most cases from 1st January 2024.

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where relevant)</p>	<p>No impact (Place a X in the box below where relevant)</p>	<p>Negative impact (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>	
<p>Minimise greenhouse gas emissions e.g. reducing emissions from travel, increasing energy efficiencies etc.</p>	<p>Emissions from travel</p>			<p>x</p>	<p>As charges are increasing, there is a risk that some existing users who dispose of Commercial and Non-household wastes at the Household Waste Recycling centres (HWRC) or Commercial waste through their collection authorities, may choose other options for disposal of their waste, these may be more or less convenient for them but the impact should be minimal.</p> <p>The bulky waste service is delivered by zonal working to minimise distances travelled and greenhouse gas emissions.</p>	<p>Ensure service data is captured to assess Commercial and Non-Household waste quantities to make informed decisions</p>	<p>N/A</p>

Emission s from constructi on		x				
Emission s from running of buildings		x				
Other		x				
Minimise waste : Reduce, reuse, recycle and compost e.g. reducing use of single use plastic		x		Recycling/ reuse options are available for most types of Commercial and Non-Household wastes at HWRCs and there are no charges for some of these wastes. The council seeks to recover a reasonable charge for the purchase and delivery of waste containers to ensure residents have access to kerbside recycling services.	Continue to encourage separation of wastes and recycling /reuse	
Reduce water consumption		x				
Minimise pollution (including air, land, water, light and noise)			x	As charges are being increased, there is a risk that some existing users who dispose of Commercial and Non- Household wastes at the Household Waste Recycling Centres (HWRC), or Commercial waste through their	Ensure service data is captures to assess Commercial and Non-Household waste quantities to make informed decisions. Continue to benchmark	

				<p>collection authorities, may choose other less environmentally beneficial options for disposal of their waste, but the impact should be minimal.</p> <p>The bulky waste service is delivered by zonal working to minimise distances travelled and greenhouse gas emissions.</p> <p>Recovered bins will be either reused or recycled.</p>	<p>prices against other local authorities where comparable data exists.</p>	
Ensure resilience to the effects of climate change e.g. reducing flood risk, mitigating effects of drier, hotter summers		X				
Enhance conservation and wildlife		X				
Safeguard the distinctive characteristics, features and special qualities of North Yorkshire's landscape		X				
Other (please state below)		X				

Are there any recognised good practice environmental standards in relation to this proposal? If so, please detail how this proposal meets those standards.

Not currently aware of any good practice relating to this.

Summary Summarise the findings of your impact assessment, including impacts, the recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

HWRCs

If people chose to dispose of Commercial and Non-Household waste using other options, due to the increase in HWRC charges, emissions may increase. The same is applicable to pollution. Recycling/ reuse options are available for most types of Commercial and Non-Household wastes and there are no charges for some of these wastes. It is anticipated that there will be minimal, if any, impact on water consumption, resilience, conservation and distinctive features and special qualities of North Yorkshire's landscape.

Bulky Waste

The bulky waste service is delivered by zonal working to minimise distances travelled and greenhouse gas emissions.

Replacement Waste Containers

Recovered bins will be either reused or recycled. The procurement of new containers will evaluate and score accordingly suppliers with recycled content.

The findings of this Climate Change impact is that there is minimal risk of adverse impacts to the climate that directly or indirectly result from this proposal.

Sign off section

This climate change impact assessment was completed by:

Name	Joanne Kearney Peter Jeffreys
Job title	Waste Contracts Manager Head of Waste (Contracts)
Service area	Environment Services
Directorate	Environmental Services
Signature	Joanne Kearney Peter Jeffreys
Completion date	December 2023

Authorised by relevant Assistant Director (signature): Michael Leah

Date: 08 February 2024

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North Yorkshire Council

Environment Executive Member

22 February 2024

Review of Fees and Charges – General Licences

Report of the Assistant Director – Integrated Passenger Transport, Licensing, Public Rights of Way and Harbours

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to present a proposal for the review of all fees and charges relating to the Council's scrap metal, sex establishment, animal welfare, street trading and gambling licensing functions.

2.0 BACKGROUND

- 2.1 The Council may charge a reasonable fee to recover the costs associated with applications and licences in accordance with the following provisions:
- Schedule 1(6) to the Scrap Metal Dealers Act 2013
 - Schedule 3(19) to the Local Government (Miscellaneous Provisions) Act 1982
 - Regulation 13 of The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018
 - Section 15 of the Zoo Licensing Act 1981
 - Section 1 of the Dangerous Wild Animals Act 1976
 - Schedule 4(9) to the Local Government (Miscellaneous Provisions) Act 1982
 - The Gambling (Premises Licence Fees) (England and Wales) Regulations 2007
- 2.2 In the case of scrap metal dealers, the Council must set its fees with due regard to any guidance issued from time to time by the Secretary of State. In accordance with the guidance published by the Home Office in this regard, each local authority must ensure that the income from fees charged does not exceed the costs of providing the service.
- 2.3 Similar principles apply to fees and charges relating to sex establishment licences and animal welfare licences.
- 2.4 In the case of gambling premises licences, the fee shall be determined by the relevant licensing authority but the amount shall not exceed the maximum amounts prescribed by regulations.
- 2.5 Licence fees should be calculated on a cost-recovery basis in order for the associated costs of the service to be met by individuals and businesses benefiting from the licensed activity. Any failure to recover costs in this regard would result in a subsidisation of private enterprise at the expense of other services that the Council provides to its taxpayers.
- 2.6 The current fees relating to scrap metal, sex establishments, animal welfare, street trading and gambling licensing functions are attached at Appendix A along with the proposals to take effect from 01 April 2024. The proposed fees reflect an increase in some instances and a reduction in others to implement a harmonised method of recovering the relevant costs associated with licensing functions throughout North Yorkshire.

3.0 PROPOSED LICENCE FEE REVIEW

- 3.1 It is essential to a well-functioning licensing service that those administering and enforcing the regime are well-resourced. Licensing authorities are expected to regularly review their fees to reflect changes to costs.
- 3.2 The cost of the service is determined by several factors including staffing (salaries, along with National Insurance and pension contributions), accommodation, utilities, IT support, legal costs, software, insurance, printing and postage. The licence fee for each application is then dependent on several other factors including, where applicable, the time spent on administration, inspections, complaints, compliance checks, committees and consultations.
- 3.3 At present, licence fees are charged based on calculations made by the predecessor district authorities prior to local government reorganisation on 01 April 2023.
- 3.4 The costs associated with scrap metal, sex establishment and animal welfare licensing functions in North Yorkshire have been calculated with due regard to the relevant legislation, case law and guidance, accounting for changes in personnel, salaries, overheads and operational service delivery. It is proposed to recover the relevant costs in a simplified, consistent manner throughout North Yorkshire to ensure fairness and to prevent cross-subsidisation. The relevant cost calculations are attached at Appendix B.
- 3.5 Prior to local government reorganisation in North Yorkshire, the seven district licensing authorities operated different street trading regimes, the cost of which was recovered from permit holders in accordance with district authority calculations. The different regimes for street trading remain in place at present and therefore it is proposed to apply a general 6% increase on all existing street trading consent fees to account for salaries and overheads. It has not been possible to harmonise street trading fees throughout North Yorkshire at this stage because this would require a full review of policy and other licensing arrangements, which may have a significant impact on the existing businesses. A harmonised street trading regime will be implemented in due course, at which point, the fees will be reviewed accordingly.
- 3.6 Premises licences issued under the Gambling Act 2005 have also been subject to different fees set by the predecessor district authorities. However, in the majority of cases, the maximum fee permitted by regulations has been applied. The maximum fees have not increased since the regulations came into effect in May 2007. In the interests of consistency, it is proposed to apply the maximum rates in any cases where the fees have previously been set at a lower amount.

4.0 CONTRIBUTION TO COUNCIL PRIORITIES

- 4.1 The Council is committed to protecting communities, safeguarding children and ensuring the safety and wellbeing of the public.
- 4.2 A regular review of licence fees is essential to ensure that the licensing regime is adequately resourced to deliver its public protection functions. Effective delivery in this regard also supports economic growth.

5.0 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 The Council may consider retaining the existing licence fees. However, the fees set by the predecessor authorities vary significantly and therefore costs may be recovered unfairly. Furthermore, any failure to recover costs permitted by statute would require an unnecessary subsidisation of the licensing regime at the expense of the Council's taxpayers.

6.0 FINANCIAL IMPLICATIONS

- 6.1 The proposed fees have been calculated with a view to recovering all costs associated with the applications concerned (where permitted by statute).
- 6.2 Any income received must only be used to fund service delivery relating to the relevant licensing functions and therefore it must be emphasised that a review of the fees will not lead to any additional revenue for the Council.

7.0 LEGAL IMPLICATIONS

- 7.1 The legislative framework for setting licence fees has been explored at paragraph 2.1 of this report.
- 7.2 In accordance with regulation 18(4) of the Provision of Services Regulations 2009, any relevant charges which applicants may incur under an authorisation scheme must be reasonable and proportionate to the cost of the procedures and formalities under the scheme and must not exceed the cost of those procedures and formalities.
- 7.3 In accordance with the Gambling (Premises Licence Fees) (England and Wales) Regulations 2007, fees for Gambling Act authorisations shall not exceed the maximum amounts prescribed by the regulations.
- 7.4 In accordance with *R (on the application of Cummings) v Cardiff City Council* [2014] EWHC 2544 (Admin), the Council must not use licence fees as an income-generating scheme. In the event of any surplus arising from income in relation to a particular licence type, the surplus must be used to reduce the relevant fees charged at the next review.

8.0 EQUALITIES IMPLICATIONS

- 8.1 No equalities implications have been identified in the proposed review of licence fees.

9.0 CLIMATE CHANGE IMPLICATIONS

- 9.1 No climate change implications have been identified in the proposed review of licence fees.

10.0 POLICY IMPLICATIONS

- 10.1 In accordance with the Council's Fees and Charges Policy, the default charging method is to recover the full costs (including overheads, capital charges and recharges) with a view to ensuring no element of subsidy from local taxpayers. The Policy is attached at Appendix C.
- 10.2 HM Treasury's Managing Public Money publication promotes a standard approach to calculating costs and setting charges. Annex 6.1 of the document explores how to calculate the cost of public services. The relevant extract is attached at Appendix D.
- 10.3 The Local Government Association (LGA) has published guidance on locally set fees (December 2023) setting out the legislation, case law and details of the costs that may be recovered. The guidance is attached at Appendix E.
- 10.4 The Home Office has published guidance outlining the costs that can be charged in relation to scrap metal licence fees. The guidance is attached at Appendix F.

11.0 REASONS FOR RECOMMENDATIONS

- 11.1 The Council is expected to conduct regular reviews of licence fees to ensure that, where statutory powers exist, the cost of the licensing regime is recovered from applicants and licence holders.

12.0 RECOMMENDATION(S)

- 12.1 It is recommended that the Corporate Director of Environment, in consultation with the Executive Member for Managing our Environment, approves the proposed variation to fees and charges relating to the Council's scrap metal, sex establishments, animal welfare, street trading and gambling licensing functions, with or without amendments effective from 01 April 2024.

APPENDICES:

- Appendix A – Current licence fees and proposed licence fees
- Appendix B – Cost calculations
- Appendix C – North Yorkshire Council's Fees and Charges Policy
- Appendix D – Extract from 'Managing Public Money' (HM Treasury)
- Appendix E – Local Government Association guidance on locally set fees
- Appendix F – Home Office guidance on scrap metal licence fees

BACKGROUND DOCUMENTS:

None

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Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

Licence Fees

Scrap Metal Dealer Licences

	Craven	Hambleton	Harrogate	Richmondshire	Ryedale	Scarborough	Selby	Proposed
Site licence - new [Per additional site]	£445.20	£296.80 [£74.20]	£462.16	£461	£408.10	£583	£369.10	£435 [£85]
Site licence - renewal [Per additional site]	£445.20	£254.40 [£74.20]	£462.16	£429	£408.10	£583	£369.10	
Collector licence - new	£212	£270.30	£427.18	£461	£217.30	£413	£196.70	£340
Collector licence - renewal	£212	£265	£427.18	£429	£217.30	£413	£196.70	
Change of site	£79.50	£68.90	£266.06	£98.58	£134.62	£413	£123.10	£145
Change of site manager	£79.50	£42.40		£65	£134.62	£31	£123.10	£50
Variation – site to collector	£79.50	£42.40		£65	£53		£123.10	£50
Variation – collector to site [Per additional site]	£79.50	£68.90 [£35]		£99	£187.62		£123.10	£145 [£85]
Change of details	£79.50	£21.20		£40	£53	£31	£32	£40

Note: Current fees are shown only where equivalent charges are made at present

Licence Fees

Sex Establishment Licences

	Craven	Hambleton	Harrogate	Richmondshire	Ryedale	Scarborough	Selby	Proposed
New licence	£2,120	£3,710	£3,344.30	£3,858	£3,180	£4,804	£7,205.90	£3,650
Renewal	£2,120	£2,120	£3,184.24	£2,205	£2,756	£4,183	£7,205.90	
Variation	£1,060		£3,184.24					£1,075
Transfer	£275.60	£1,060	£417.64	£1,102	£625.40	£365	£366.50	£315

Zoo Licences

	Craven	Hambleton	Harrogate	Richmondshire	Ryedale	Scarborough	Selby	Proposed
New licence (4 years)	£636	£1219	£1,085.44	£683	Not fixed**	£1,305	£651.80	£1,000
Renewal (6 years)	£901	£1,735.98	£926.44	£683	Not fixed**	£1,305	£651.80	£1,230
Variation			£636			£201	£436.40	£265
Transfer						£315	£326.40	£200

Note: additional vet fees charged separately at cost price where applicable

**Ryedale fees dependent on actual inspection times

Note: Current fees are shown only where equivalent charges are made at present

Licence Fees

Dangerous Wild Animal Licences

	Craven	Hambleton	Harrogate	Richmondshire	Ryedale	Scarborough	Selby	Proposed
New licence (up to 1 year)	£243.80		£541.66	£347		£315	£253.20	£340
Renewal (2 years)	£243.80	£324.36	£501.38	£347	£241.68	£315	£253.20	£340
Variation			£250.16			£254	£126.60	£170

Note: additional vet fees charged separately at cost price where applicable

Note: Current fees are shown only where equivalent charges are made at present

Licence Fees

Activities involving animals – dog breeding, animal boarding, home boarding arranger, pet shops, exhibition of animals, hiring of horses

	Craven	Hambleton	Harrogate	Richmondshire	Ryedale	Scarborough	Selby	Proposed
<u>1-year licence</u>								
Dog breeding	£424.00	£291.50	£484.42	£405.00	£322.24	£315.00	£253.20	£330
Animal boarding	£185.50	£319.06	£510.93	£399.00	£241.68	£315.00	£253.20	
Home boarding arranger	£185.50	£291.50	£393.26	£345.00	£241.68	£315.00	£253.20	
Pet shop	£185.50	£301.00	£470.64	£345.00	£241.68	£315.00	£253.20	
Animal exhibition	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Riding establishment	£385.00*	£382.00*	£479.12*	£505.00*	£281.96	£315.00	£295.40	
<u>2-year licence</u>								
Dog breeding	£424.00	£362.52	£504.56	£405.00	£322.24	£315.00	£253.20	£360
Animal boarding	£185.50	£390.08	£531.06	£399.00	£241.68	£315.00	£253.20	
Home boarding arranger	£185.50	£362.52	£413.40	£345.00	£241.68	£315.00	£253.20	
Pet shop	£185.50	£368.00	£490.78	£345.00	£241.68	£315.00	£253.20	
Animal exhibition	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Riding establishment	£385.00*	£453.00*	£499.26*	£505.00*	£281.96	£315.00	£295.40	
<u>3-year licence</u>								
Dog breeding	£424.00	£433.54	£524.70	£405.00	£322.24	£315.00	£253.20	£420
Animal boarding	£185.50	£461.10	£552.26	£399.00	£241.68	£315.00	£253.20	
Home boarding arranger	£185.50	£433.54	£433.54	£345.00	£241.68	£315.00	£253.20	
Pet shop	£185.50	£435.00	£511.98	£345.00	£241.68	£315.00	£253.20	
Animal exhibition	£249.10	£390.08	N/A	£345.00	£241.68	£315.00	£253.20	
Riding establishment	£385.00*	£524.00*	£519.40*	£505.00*	£281.96	£315.00	£295.40	
Variation/re-rating	Ranging from £63.60 to £121.90		Ranging from £169.60 to £244.86	£162.00	£60.42	£254.00	£126.60	£200
Minor variation					£60.42	£95.00	£63.30	£65

Note: additional vet fees charged separately at cost price where applicable

* averages used where applicable

Note: Current fees are shown only where equivalent charges are made at present

Licence Fees

Street Trading Consent

Hambleton

Current fees	Proposed fees
12 months: £371	12 months: £390
Up to 4 weeks: £79.50	Up to 4 weeks: £85

Harrogate

Current fees	Proposed fees
<u>Street trading consent</u> 1 day: £108.12 1 week: £145.22	<u>Street trading consent</u> 1 day: £115 1 week: £155
<u>Street market events</u> Up to 20 stalls: £41.34 per metre frontage per day 20 to 50 stalls: £1,198.86 51 to 100 stalls: £1,735.22 100+ stalls: £2,396.66	<u>Street market events</u> Up to 20 stalls: £45 per metre frontage per day 20 to 50 stalls: £1,270 51 to 100 stalls: £1,840 100+ stalls: £2,540

Note: Current fees are shown only where equivalent charges are made at present

Licence Fees

Scarborough

Current fees	Proposed fees
12 months: £710 new or £445 renewal 6 months: £472 3 months: £297 Commercial sale of a vehicle: £28 per vehicle Car boot sales (with free public access): £55 per event Commercial special events: £28 per trader per day	12 months: £750 new or £470 renewal 6 months: £500 3 months: £315 Commercial sale of a vehicle: £30 per vehicle Car boot sales (with free public access): £60 per event Commercial special events: £30 per trader per day

Selby

Current fees	Proposed fees
12 months (non-food): £858.70 12 months (food): £1,709.40 1 day (non-food): £29.40 1 day (food): £72.10	12 months (non-food): £900 12 months (food): £1,800 1 day (non-food): £30 1 day (food): £75

Note: Street trading is not currently regulated in Craven, Richmondshire or Ryedale.

Note: Current fees are shown only where equivalent charges are made at present

Licence Fees

Gambling premises

Hambleton – current fees

Premises licence type	New licence	Annual fee	Variation	Transfer	Reinstatement	Provisional statement	New licence (provisional statement premises)
Regional casino	£1,000	£600	£500	£100	£1,000	£1,000	
Large casino	£1,000	£600	£500	£100	£1,000	£1,000	
Small casino	£1,000	£600	£500	£100	£1,000	£1,000	
Converted casino	N/A	£600	£500	£100	£1,000	N/A	
Bingo	£1,000	£612	£500	£100	£1,000	£1,000	£530
Adult gaming centre	£1,000	£612	£400	£100	£750	£750	£530
Betting premises (track)	£1,000	£612	£450	£100	£800	£800	£477
Family entertainment centre	£1,000	£560	£400	£100	£1,000	£1,000	£477
Betting premises (other)	£1,000	£600	£500	£100	£1,000	£1,000	£530

Richmondshire – current fees

Premises licence type	New licence	Annual fee	Variation	Transfer	Reinstatement	Provisional statement	New licence (provisional statement premises)
Bingo	£1,239	£746	£620	£125	£125	£1,239	£620
Adult gaming centre	£1,239	£746	£493	£125	£125	£930	£620
Betting premises (track)	£1,239	£746	£746	£125	£125	£1,000	£563
Family entertainment centre	£1,239	£678	£493	£125	£125	£1,215	£563
Betting premises (other)	£1,239	£600	£620	£125	£125	£1,239	£620

Note: Current fees are shown only where equivalent charges are made at present

Licence Fees

Ryedale – current fees

Premises licence type	New licence	Annual fee	Variation	Transfer	Reinstatement	Provisional statement	New licence (provisional statement premises)
Bingo	£3,500	£1,000	£1,750	£1,200	£1,200	£1,200	£3,500
Adult gaming centre	£2,000	£1,000	£1,000	£1,200	£1,200	£1,200	£2,000
Betting premises (track)	£2,500	£1,000	£1,250	£950	£950	£950	£2,500
Family entertainment centre	£1,592	£477	£1,000	£950	£950	£950	£1,592
Betting premises (other)	£1,592	£477	£1,000	£1,200	£1,200	£1,200	£1,592

Scarborough – current fees

Premises licence type	New licence	Annual fee	Variation	Transfer	Reinstatement	Provisional statement	New licence (provisional statement premises)
Small casino	£8,000	£5,000	£4,000	£1,484	£1,484	£8,000	£3,000
Converted casino	N/A	£3,000	£1,823		£1,045	N/A	N/A
Bingo	£3,500	£1,000	£1,593	£857	£857	£3,500	£1,200
Adult gaming centre	£1,823	£1,000	£626	£857	£857	£1,823	£1,200
Betting premises (track)	£2,458	£1,000	£914	£571	£571	£2,458	£914
Family entertainment centre	£1,824	£740	£626	£574	£574	£1,823	£915
Betting premises (other)	£3,000	£571	£1,252	£857	£857	£3,000	£1,200

Note: Current fees are shown only where equivalent charges are made at present

Licence Fees

Selby – current fees

Premises licence type	New licence	Annual fee	Variation	Transfer	Reinstatement	Provisional statement
Regional casino	£15,000	£15,000	£7,500	£6,500	£6,500	£15,000
Large casino	£10,000	£10,000	£5,000	£2,150	£2,150	£10,000
Small casino	£8,000	£5,000	£4,000	£1,800	£1,800	£8,000
Bingo	£3,500	£1,000	£1,750	£1,200	£1,200	£3,500
Adult gaming centre	£2,000	£1,000	£1,000	£1,200	£1,200	£2,000
Betting premises (track)	£2,500	£1,000	£1,250	£950	£950	£2,500
Family entertainment centre	£1,000	£300	£1,000	£950	£950	£2,000
Betting premises (other)	£1,000	£300	£1,000	£1,000	£1,000	£1,000

Note: Current fees are shown only where equivalent charges are made at present

Licence Fees

Proposed fees – maximum permitted by regulations (already in effect in Craven and Harrogate)

Gambling Act 2005 premises licences - table of maximum fees
The Gambling (Premises Licence Fees) (England and Wales) Regulations 2007

Premises licence type	New licence	Annual fee	Variation	Transfer	Reinstatement	Provisional statement	New licence (provisional statement premises)
Regional casino	£15,000	£15,000	£7,500	£6,500	£6,500	£15,000	£8,000
Large casino	£10,000	£10,000	£5,000	£2,150	£2,150	£10,000	£5,000
Small casino	£8,000	£5,000	£4,000	£1,800	£1,800	£8,000	£3,000
Converted casino	N/A	£3,000	£2,000	£1,350	£1,350	N/A	N/A
Bingo	£3,500	£1,000	£1,750	£1,200	£1,200	£3,500	£1,200
Adult gaming centre	£2,000	£1,000	£1,000	£1,200	£1,200	£2,000	£1,200
Betting premises (track)	£2,500	£1,000	£1,250	£950	£950	£2,500	£950
Family entertainment centre	£2,000	£750	£1,000	£950	£950	£2,000	£950
Betting premises (other)	£3,000	£600	£1,500	£1,200	£1,200	£3,000	£1,200

Note: Current fees are shown only where equivalent charges are made at present

All licences
Officer hourly rates

NYC Role	Salaries	NI	Pension	Overhead Support	Hourly Rate
Head of Service	£57,134.00	£6,628.69	£10,569.79	£24,567.62	£52.34
Licensing Manager	£45,441.00	£5,015.06	£8,406.59	£19,539.63	£41.63
Senior Licensing Officer	£41,418.00	£4,459.88	£7,662.33	£17,809.74	£37.94
Licensing Enforcement Officer	£36,648.00	£3,801.62	£6,779.88	£15,758.64	£33.57
Technical Licensing Officer	£29,777.00	£2,853.43	£5,508.75	£12,804.11	£27.28

Scrap metal
Annual costs

	Total (minutes)				
	HOS	LM	SLO	LEO	TLO
Service development	120	350	300	300	300
Data protection, FoI requests	15	15	30	0	120
Complaints and investigations	0	480	480	3000	300
Training and research	60	240	240	300	300
Staff (performance, meetings etc)	60	240	240	300	300
Total time (minutes)	255	1325	1290	3900	1320
Total time (hours)	4.25	22.08	21.50	65.00	22.00
Total cost (£)	£222.44	£919.28	£815.76	£2,182.21	£600.12
Active licences	50				
Total annual cost per licence	£4.45	£18.39	£16.32	£43.64	£12.00
	£94.80				

Scrap metal
Processing costs (1 of 3)

		Three years			
Site licence (grant or renewal)		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	0.00	5.00	20.00
Processing application (validation, supporting documents)		0.00	5.00	10.00	15.00
Data entry		0.00	5.00	5.00	20.00
Inspection		0.00	0.00	180.00	0.00
Issue licences etc		0.00	5.00	0.00	10.00
Total time (minutes)		0.00	15.00	200.00	65.00
Time cost (£)		£0.00	£9.49	£111.91	£29.55
Annual costs (£)		£284.39			
Applications per year	8				
Total cost (£)		£435.33			
Additional site (where applicable)					
Inspection		0.00	0.00	150.00	0.00
Total time (minutes)		0.00	0.00	150.00	0.00
Time cost (£)		£0.00	£0.00	£83.93	£0.00
Total cost (£)		£83.93			
Change of site		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	0.00	5.00	20.00
Processing application (validation, supporting documents)		0.00	5.00	5.00	10.00
Data entry		0.00	5.00	5.00	15.00
Inspection		0.00	0.00	180.00	0.00
Issue licences etc		0.00	5.00	0.00	10.00
Total time (minutes)		0.00	15.00	195.00	55.00
Time cost (£)		£0.00	£9.49	£109.11	£25.00
Applications per year	0				
Total cost (£)		£143.60			

Scrap metal
Processing costs (2 of 3)

Change of site manager		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	0.00	5.00	20.00
Processing application (validation, supporting documents)		0.00	5.00	10.00	15.00
Data entry		0.00	5.00	5.00	15.00
Issue licences etc		0.00	5.00	0.00	10.00
Total time (minutes)		0.00	15.00	20.00	60.00
Time cost (£)		£0.00	£9.49	£11.19	£27.28
Applications per year	0				
Total cost (£)		£47.95			

		Three years			
Collector licence (grant or renewal)		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	0.00	5.00	20.00
Processing application (validation, supporting documents)		0.00	5.00	10.00	15.00
Data entry		0.00	5.00	5.00	20.00
Issue licences etc		0.00	5.00	5.00	15.00
Total time (minutes)		0.00	15.00	25.00	70.00
Time cost (£)		£0.00	£9.49	£13.99	£31.82
Annual costs (£)		£284.39			
Applications per year	8				
Total cost (£)		£339.69			

Scrap metal
Processing costs (3 of 3)

Variation (collector to site)		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	0.00	5.00	20.00
Processing application (validation, supporting documents)		0.00	5.00	5.00	10.00
Data entry		0.00	5.00	5.00	15.00
Inspection		0.00	0.00	180.00	0.00
Issue licences etc		0.00	5.00	0.00	10.00
Total time (minutes)		0.00	15.00	195.00	55.00
Time cost (£)		£0.00	£9.49	£109.11	£25.00
Applications per year	0				
Total cost (£)		£143.60			
Additional site (where applicable)					
Inspection		0.00	0.00	150.00	0.00
Total time (minutes)		0.00	0.00	150.00	0.00
Time cost (£)		£0.00	£0.00	£83.93	£0.00
Total cost (£)		£83.93			
Variation (site to collector)		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	0.00	5.00	20.00
Processing application (validation, supporting documents)		0.00	5.00	5.00	10.00
Data entry		0.00	5.00	5.00	15.00
Issue licences etc		0.00	5.00	5.00	15.00
Total time (minutes)		0.00	15.00	20.00	60.00
Time cost (£)		£0.00	£9.49	£11.19	£27.28
Applications per year	0				
Total cost (£)		£47.95			

Sex establishments

Annual costs

	Total (minutes)				
	HOS	LM	SLO	LEO	TLO
Policy and service development	120	300	30	30	30
Data protection and FoI requests	15	15	30	0	120
Enforcement, complaints and investigations	120	120	60	480	30
Inspection (during licence period)	0	0	120	360	30
Training and research	120	360	240	600	600
Staff (performance, meetings etc)	30	80	60	90	90
Total time (minutes)	405	875	540	1560	900
Total time (hours)	6.75	14.58	9.00	26.00	15.00
Total cost (£)	£353.29	£607.07	£341.48	£872.88	£409.17
Active licences	1				
Total annual cost per licence	£353.29	£607.07	£341.48	£872.88	£409.17
	£2,583.89				

Sex establishments
Processing costs

		One year			
New Application		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	10.00	20.00	30.00
Processing application (validation, supporting documents)		0.00	10.00	20.00	20.00
Data entry		0.00	5.00	5.00	15.00
Inspection		0.00	60.00	360.00	30.00
Committee hearings and appeals (on initial application only)		600.00	240.00	240.00	60.00
Issue licences etc		0.00	5.00	5.00	15.00
Total time (minutes)		600.00	330.00	650.00	170.00
Time cost (£)		£416.28	£208.68	£363.70	£77.29
Applications per year	1				
Annual costs (£)		£2,583.89			
Total cost (£)		£3,649.84			

Variation		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	10.00	20.00	30.00
Processing application (validation, supporting documents)		0.00	10.00	20.00	30.00
Data entry		0.00	5.00	5.00	20.00
Inspection		0.00	60.00	360.00	30.00
Committee hearings and appeals (on initial application only)		600.00	240.00	240.00	60.00
Issue licences etc		0.00	5.00	5.00	15.00
Total time (minutes)		600.00	330.00	650.00	185.00
Time cost (£)		£416.28	£208.68	£363.70	£84.11
Applications per year	1				
Total cost (£)		£1,072.77			

Transfer		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	5.00	10.00	20.00
Processing application (validation, supporting documents)		0.00	10.00	10.00	20.00
Data entry		0.00	5.00	5.00	10.00
Inspection		0.00	60.00	360.00	30.00
Issue licences etc		0.00	5.00	5.00	15.00
Total time (minutes)		0.00	85.00	390.00	95.00
Time cost (£)		£0.00	£53.75	£218.22	£43.19
Applications per year	1				
Total cost (£)		£315.16			

Zoos
Annual costs

	Total (minutes)				
	HOS	LM	SLO	LEO	TLO
Service development	30	60	30	30	30
Data protection and Fof requests	30	30	30	0	120
Training and research	30	60	60	60	60
Staff (performance, meetings etc)	15	30	30	30	30
Total time (minutes)	105	180	150	120	240
Total time (hours)	1.75	3.00	2.50	2.00	4.00
Total cost (£)	£91.59	£124.88	£94.86	£67.14	£109.11
Active licences	10				
Total annual cost per licence	£9.16	£12.49	£9.49	£6.71	£10.91
	£48.76				

Zoos
Processing costs (1 of 2)

		Four years			
New Application		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	5.00	10.00	20.00
Processing application (validation, supporting documents)		0.00	10.00	10.00	20.00
Data entry		0.00	5.00	5.00	20.00
Inspections x4		0.00	0.00	1320.00	0.00
Issue licences etc		0.00	5.00	5.00	15.00
Total time (minutes)		0.00	25.00	1350.00	75.00
Time cost (£)		£0.00	£15.81	£755.38	£34.10
Annual costs (£)		£195.04			
Applications per year	0				
Total cost (£)		£1,000.32			

		Six years			
Renewal application		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	5.00	10.00	20.00
Processing application (validation, supporting documents)		0.00	10.00	10.00	20.00
Data entry		0.00	5.00	5.00	10.00
Inspections x6		0.00	5.00	1560.00	0.00
Issue licences etc		0.00	5.00	5.00	15.00
Total time (minutes)		0.00	30.00	1590.00	65.00
Time cost (£)		£0.00	£18.97	£889.67	£29.55
Annual costs (£)		£292.55			
Applications per year	2				
Total cost (£)		£1,230.75			

Zoos
Processing costs (2 of 2)

Variation application		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	5.00	10.00	20.00
Processing application (validation, supporting documents)		0.00	10.00	10.00	20.00
Data entry		0.00	5.00	5.00	10.00
Inspections		0.00	0.00	360.00	0.00
Issue licences etc		0.00	5.00	5.00	15.00
Total time (minutes)		0.00	25.00	390.00	65.00
Time cost (£)		£0.00	£15.81	£218.22	£29.55
Applications per year	1				
Total cost (£)		£263.58			

Transfer application		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	5.00	10.00	20.00
Processing application (validation, supporting documents)		0.00	10.00	10.00	20.00
Data entry		0.00	5.00	5.00	10.00
Inspections		0.00	0.00	240.00	0.00
Issue licences etc		0.00	5.00	5.00	15.00
Total time (minutes)		0.00	25.00	270.00	65.00
Time cost (£)		£0.00	£15.81	£151.08	£29.55
Applications per year	1				
Total cost (£)		£196.44			

Dangerous wild animals
Annual costs

	Total (minutes)				
	HOS	LM	SLO	LEO	TLO
Service development	0	30	30	30	0
Data protection and FoI requests	0	0	30	0	120
Training and research	20	60	60	60	30
Staff (performance, meetings etc)	15	30	30	30	30
Total time (minutes)	35	120	150	120	180
Total time (hours)	0.58	2.00	2.50	2.00	3.00
Total cost (£)	£30.53	£83.26	£94.86	£67.14	£81.83
Active licences	3				
Total annual cost per licence	£10.18	£27.75	£31.62	£22.38	£27.28
	£119.21				

Dangerous wild animals
Processing costs

		Up to one year			
New Application		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	5.00	5.00	20.00
Processing application (validation, supporting documents)		0.00	5.00	10.00	20.00
Data entry		0.00	5.00	5.00	20.00
Inspection		0.00	0.00	300.00	0.00
Issue licences etc		0.00	0.00	0.00	15.00
Total time (minutes)		0.00	15.00	320.00	75.00
Time cost (£)		£0.00	£9.49	£179.05	£34.10
Annual costs (£)		£119.21			
Applications per year	2				
Total cost (£)		£341.84			

		Two years			
Renewal Application		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	5.00	5.00	10.00
Processing application (validation, supporting documents)		0.00	5.00	5.00	10.00
Data entry		0.00	0.00	5.00	5.00
Inspection		0.00	0.00	120.00	0.00
Issue licences etc		0.00	0.00	0.00	15.00
Total time (minutes)		0.00	10.00	135.00	40.00
Time cost (£)		£0.00	£6.32	£75.54	£18.19
Annual costs (£)		£238.41			
Applications per year	2				
Total cost (£)		£338.46			

		LM	SLO	LEO	TLO
Variation					
Receiving application (appointments, photocopies etc)		0.00	5.00	5.00	10.00
Processing application (validation, supporting documents)		0.00	5.00	5.00	10.00
Data entry		0.00	0.00	5.00	10.00
Inspection		0.00	0.00	240.00	0.00
Issue licences etc		0.00	0.00	0.00	15.00
Total time (minutes)		0.00	10.00	255.00	45.00
Time cost (£)		£0.00	£6.32	£142.68	£20.46
Applications per year	1				
Total cost (£)		£169.47			

Activities involving animals (dog breeding, animal boarding, home boarding arrangers, pet shops, exhibition of animals, hiring of horses)
Annual costs

	Total (hours)				
	HOS	LM	SLO	LEO	TLO
Service development	10	20	10	60	30
Data protection and Fol requests	5	10	10	30	30
Training and research	10	20	10	150	30
Complaints and investigations	5	20	10	150	20
Staff (performance, meetings etc)	5	10	10	30	30
Total time (minutes)					
Total time (hours)	35.00	80.00	50.00	420.00	140.00
Total cost (£)	£1,831.87	£3,330.21	£1,897.11	£14,100.44	£3,818.93
Active licences	400				
Total annual cost per licence	£4.58	£8.33	£4.74	£35.25	£9.55
	£62.45				

Activities involving animals (dog breeding, animal boarding, home boarding arrangers, pet shops, exhibition of animals, hiring of horses)

Processing costs (1 of 3)

		One year			
New or renewal application		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	5.00	5.00	15.00
Processing application (validation, supporting documents)		0.00	5.00	10.00	20.00
Data entry		0.00	5.00	10.00	15.00
Inspection and report		0.00	10.00	360.00	0.00
Issue licences etc		0.00	5.00	10.00	10.00
Total time (minutes)		0.00	30.00	395.00	60.00
Time cost (£)		£0.00	£18.97	£221.02	£27.28
Annual costs (£)		£62.45			
Applications per year	14				
Total cost (£)		£329.71			

		Two years			
New or renewal application		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	5.00	5.00	15.00
Processing application (validation, supporting documents)		0.00	5.00	10.00	20.00
Data entry		0.00	5.00	10.00	15.00
Inspection and report		0.00	10.00	300.00	0.00
Issue licences etc		0.00	5.00	10.00	10.00
Total time (minutes)		0.00	30.00	335.00	60.00
Time cost (£)		£0.00	£18.97	£187.45	£27.28
Annual costs (£)		£124.89			
Applications per year	65				
Total cost (£)		£358.59			

Activities involving animals (dog breeding, animal boarding, home boarding arrangers, pet shops, exhibition of animals, hiring of horses)
Processing costs (2 of 3)

		Three years			
New or renewal application		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	5.00	5.00	15.00
Processing application (validation, supporting documents)		0.00	5.00	10.00	20.00
Data entry		0.00	5.00	10.00	15.00
Inspection and report		0.00	10.00	300.00	0.00
Issue licences etc		0.00	5.00	10.00	10.00
Total time (minutes)		0.00	30.00	335.00	60.00
Time cost (£)		£0.00	£18.97	£187.45	£27.28
Annual costs (£)		£187.34			
Applications per year	89				
Total cost (£)		£421.03			

Re-rating		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	5.00	5.00	20.00
Processing application (validation, supporting documents)		0.00	5.00	20.00	20.00
Data entry		0.00	5.00	10.00	10.00
Inspection and report		0.00	0.00	240.00	0.00
Issue licences etc		0.00	5.00	10.00	10.00
Total time (minutes)		0.00	20.00	285.00	60.00
Time cost (£)		£0.00	£12.65	£159.47	£27.28
Applications per year	10				
Total cost (£)		£199.39			

Activities involving animals (dog breeding, animal boarding, home boarding arrangers, pet shops, exhibition of animals, hiring of horses)

Processing costs (3 of 3)

Variation		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	5.00	5.00	20.00
Processing application (validation, supporting documents)		0.00	5.00	20.00	20.00
Data entry		0.00	5.00	10.00	10.00
Inspection and report		0.00	0.00	240.00	0.00
Issue licences etc		0.00	5.00	10.00	10.00
Total time (minutes)		0.00	20.00	285.00	60.00
Time cost (£)		£0.00	£12.65	£159.47	£27.28
Applications per year	10				
Total cost (£)		£199.39			

Minor variation		LM	SLO	LEO	TLO
Receiving application (appointments, photocopies etc)		0.00	5.00	5.00	20.00
Processing application (validation, supporting documents)		0.00	5.00	20.00	20.00
Data entry		0.00	5.00	10.00	10.00
Issue licences etc		0.00	5.00	10.00	10.00
Total time (minutes)		0.00	20.00	45.00	60.00
Time cost (£)		£0.00	£12.65	£25.18	£27.28
Applications per year	10				
Total cost (£)		£65.10			

North Yorkshire Council

Fees & Charges Policy

1.0 Introduction and Context

- 1.1 Income generation is an important part of the Council's overall resources. Fees and charges can help to achieve income to support frontline service delivery and future investment, can influence customer behaviour and can help to ensure the council's policy objectives are achieved.
- 1.2 In total in 22/23 the former 8 councils in North Yorkshire expect to generate £113m from discretionary fees and charges - 11% of total income budgeted for the year. An effective Fees and Charges Policy will help to maximise income raised and lower the burden to Council Tax payers of providing various council services, instead ensuring that where appropriate, it is the direct users of these services that are paying towards the costs of these services.
- 1.3 The principle aims of this Fees and Charges Policy are to support future budget setting and medium-term financial planning processes and to provide a framework for the Council's approach to charging for services.
- 1.4 With this in mind, this Policy has been developed, to provide Service Managers with a centralised framework to consider when reviewing their fees and charges, helping to ensure a consistent approach across the Council.

2.0 Scope

2.1 This Policy applies to:

- Non-Discretionary (Statutory) Services that a Local Authority is mandated, or has a duty to provide, where charging is permissible in the legislation;
- Discretionary Services that a Local Authority has the power, but is not obliged, to provide and may cost recover for providing such services.

2.2 This Policy does not apply to:

- Any service where there is no ability to cost recover (charge) for such services;
- Council Tax and Business Rates – local taxation charges are covered by separate legislation;
- Fees and Charges that are set in statute and regulations, for example, Planning Application Fees;
- Services that are free of charge at the point of delivery, under legislation, for example domestic general waste collection;
- Contributions to the cost of care, as defined by social care legislation;
- Housing Revenue Account (HRA) housing rents – a separate HRA rents policy covers these particular charges;
- Services traded through North Yorkshire Education Services (NYES) and
- Wholly controlled companies – as separate legal entities (within the NYC Group) fees and charges are set separately in accordance with their approved objectives, business plans and governance arrangements.

3.0 Roles and Responsibilities

- 3.1 Within the Council's Constitution, Directors are responsible for establishing and reviewing fees and charges for their directorate in accordance with this corporate policy framework, the legal framework which enables such charges and the approved budget envelope.
- 3.2 The Corporate Director of Resources is responsible for reviewing this policy and providing advice and guidance for its implementation.

4.0 Objectives

- 4.1 With the ever-increasing budget pressures facing the public sector, it is important for the Council to increase resilience and independence wherever possible. One of the main areas this can be explored through is Fees and Charges.
- 4.2 In line with the Council's savings requirements and commercial stance, it is vital to regularly review the continuing provision of those discretionary services where the council is unable, or unwilling, to recover the full costs of service. It is also important to ensure that where there is an opportunity to introduce new fees and charges, this opportunity is investigated fully to understand the implications of doing so.
- 4.3 The Fees and Charges Policy therefore has the following objectives:

4.3.1 Maximising consistency across services:

As part of local government reorganisation, there is a need to move towards a consistent approach to fees and charges to ensure charges reflect service costs and are fair across the whole of North Yorkshire. This Policy acknowledges that there will be different fees and charges in operation across North Yorkshire as services work towards single operating models. This Policy does not specify if, when or how the various fees and charges across all 8 former councils should be harmonised but as services are brought together, it provides a unified set of principles for services to follow.

Any departure from the agreed Policy should be clearly documented and clearly explained. A corporate list of fees and charges is maintained by Finance and will allow Directors and Service Managers to record when a charge was last reviewed and what was considered. To assist with this process, a Fees and Charges calculation tool/guidance has been developed. (Link to Intranet)

4.3.2 Ensuring Fees and Charges are robust and up to date:

All fees and charges are to be reviewed on an annual basis. Whilst it is acknowledged that a full review of each fee and charge implemented by the Council is not practicable each financial year, it is considered that as a minimum the fees and charges already charged by the Council are to be adjusted in line with inflation each year. This will ensure that any inflationary change to the costs of providing a service will be matched by a corresponding change to the charge made for the service. The inflation rate to be applied each year will be notified by the Corporate Director of Resources as part of the budget setting process. All fees and charges must be subject to a detailed review at least every 3 years.

4.3.3 Ensuring that Fees and Charges are clearly understood:

As part of the review of Fees and Charges, the cost of providing each service, and any legislation pertaining to this service, is to be considered. As services start to work together under local government reorganisation and budgets are re-worked, services will be better placed to understand the costs of providing services and will help inform future decisions around fees and charges. The Fees and Charges calculation tool will allow Directors and

Service Managers to calculate the cost of providing a service and record any relevant legislation and store this information for future reference.

4.3.4 Maximising Council income:

When reviewing existing fees and charges, or when considering the implementation of a new charge, the charge should be set at such a level as to maximise the income received by the Council. Please see (Link to intrant) for further guidance on the approach to use when determining a fee and charge.

Service income budgets will rise in line with inflation in each year. As budgeted income targets are set to increase, it is important for fees and charges to be regularly reviewed and updated to help in meeting this increased level of budgeted income.

It is also important to ensure that fees and charges are reflective of the council's costs of service provision, to ensure that services are not being inadvertently subsidised without a positive decision to this effect.

5.0 Implementation

5.1. The following costing approach to fees and charges should be adopted:

- When introducing or reviewing a fee or charge, the Council will follow one of three models set out below.
- As a general rule, Fees and Charges should be aimed towards full-cost recovery, including an appropriate share of corporate and departmental overheads.
- If the Council is unable, or unwilling, to recover the full costs of providing a discretionary service, then as part of the annual review, the continued provision of this service should be considered along with the rationale of the charging policy adopted.
- When finalising the costs of each fee and charge, consideration should be given to any wider implications of setting the charge at the proposed rate, to avoid any unintended consequences.

Costing Model	Objective	Key Considerations
1. Full Cost Recovery	To cover the full costs of delivering the service ensuring no element of subsidy from local taxpayers.	<ul style="list-style-type: none"> • This is the Council's default charging method; • Charges should recover the full costs, including overheads, capital charges and recharges;
2. Cost Plus	To cover the full costs of delivering the service plus a margin to contribute to re-investment in services.	<ul style="list-style-type: none"> • In limited circumstances it may be appropriate to add a margin to full cost recovery, for example to contribute to re-investment in services where the income will not generate a surplus or profit against the service in totality. Guidance from Finance should be obtained before considering such charges

3. Subsidised	To cover all or part of the costs of service delivery with support from local taxpayers.	The level of subsidy should have regard to the full cost of service delivery and there should be a clear and agreed rationale for subsidy
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- 5.2 Fees and Charges should be benchmarked against other local authorities to help identify potential best practice. When appropriate to the Fee and Charge in question, benchmarking against other relevant competitors in the market should also be undertaken.
- 5.3 Each Directorate is responsible for ensuring that their Fees and Charges are appropriately monitored and up to date. Each Directorate's list of Fees and Charges is to be overseen by the Directorate's lead Finance Business Partner.
- 5.4 Annual reviews should consider the following factors:
- Inflationary pressures, and when a flat rate uplift might not be the most appropriate option due to specific changes to the cost-of-service delivery;
 - Service-level budget targets, with the context of council-wide targets and advice from lead Finance Business Partners;
 - Cost of administration;
 - Scope for new charging areas, this might be entirely new discretionary service to deliver, or existing services that are currently not charged for;
 - Demand/volume and sensitivity to price changes;
 - Use stakeholder engagement and comparative data, where appropriate, to ensure that charges do not adversely affect the take up of services or restrict access to services (other than where this is a desirable outcome).
- 5.5 If a decision is taken to not increase some fees and charges the budget shortfall that this creates will need to be bridged through other operational and cost savings. Conversely, if charges are increased above inflation this can contribute to Directorate savings targets.
- 5.6 Service users should be given a reasonable period of notice before the introduction of new or increased charges and there may be a requirement to consult.
- 5.7 To ensure cost effectiveness and efficiency when setting and amending charging levels, the following are to be considered:
- The desirability of increasing the Council's market share e.g., temporarily reducing a fee or charge in order to stimulate demand for a service, leading to increased income generation;
 - Obstacles to maximising full cost recover when providing the service;
 - Future investment required to improve or maintain the service;
 - If full cost recovery would require a sudden and large uplift and may reduce market share, it may be prudent to phase-in that price rise over a longer period with a temporary agreed discount;
 - The desirability of reducing the uptake of a given service, i.e., raising charges during peak times.
- 5.8 Once the review of existing fees and charges has been completed, or any proposal for a new fee or charge has been developed, these will need to pass through each Directorate's agreed approval process before implementation.

5.9 Further guidance is available as part of the Fees and Charges Calculation Tool.

6.0 Regularity of Review

6.1 The Policy is to be reviewed every four years as a minimum and any required amendments will be subject to approval of the Executive.

Annex 6.1

How to calculate charges

This annex discusses how to calculate the cost of public services for which a fee is charged.

Introducing a new or updated charge bearing service

A6.1.1. Public sector organisations planning to set up or update a service for which a fee may be charged shall ensure early engagement with Treasury. Advice should be sought at the earliest opportunity if there are any variations on the standard model. Proposed variations may be agreed in certain instances, considering each on its merits. Each will need to be justified in the public interest and on value for money grounds.

A6.1.2. Practical issues which organisations will need to consider when setting up or refreshing a charge bearing service include: the definition of the service and its rationale; the proposed financial objective (for instance, full cost recovery; 70% of full cost plus a 30% public subsidy); how the service is to be delivered and which organisation is to deliver it; whether the provider should retain any income from charges; the proposed charging structure (for instance, a single service or several sub-services). Organisations will also need to refer to the checklist in box 4.9 of factors to consider when planning policies and projects.

Measuring the full cost of a service

A6.1.3. With agreed exceptions, fees for services should generally be charged at cost, sometimes with an explicit additional element to match the returns of commercial competitors. So to set fees for public services it is essential to calculate the cost of providing them accurately.

A6.1.4. The main features to be taken into account in measuring the annual cost of a service are set out in box A6.1A. Not everything in the list will apply to every service and the list may not be exhaustive. It is important that the calculation is comprehensive, including all relevant overheads and non-cash items.

A6.1.5. So far as possible the calculation should use actual costs, where they are known. For services just starting, there may be no alternative to using best estimates, geared to estimated consumption patterns.

A6.1.6. Start-up costs which are capitalised in the accounts and the cost of fixed capital items are scored in the accounts in full. These costs should be attributed to the cost of the service as the depreciated value each year.

A6.1.7. Start-up costs which cannot be capitalised in the accounts are scored as they are incurred. Such costs may be recovered through fees and charges by spreading them over the first few years of service provision. It is also good

practice to set fees to recover costs which cannot be capitalised in the accounts and which have been incurred to improve efficiency and effectiveness so that charges are lower or offer better value. This needs explicit Treasury agreement and may require statutory backing.

A6.1.8. For services which are charged at different rates, the same procedure should be used to set the different rates. That is, the cost of any premium service should be objectively justifiable by its additional cost (e.g. where faster shipping is offered); or conversely any discount should be justifiable by saving to the supplier (e.g. using the internet rather than over the counter). Note, however, that sometimes the legislation permits differential pricing unrelated to the relative underlying costs – though even then there should be good policy reason for the difference.

Box A6.1A: elements to cost in measuring fees

- Accommodation, including capital charges for freehold properties
- Fixtures and fittings
- Maintenance, including cleaning
- Utilities
- Office equipment, including IT systems
- Postage, printing, telecommunications
- Total employment costs of those providing the service, including training
- Overheads, e.g. (shares of) payroll, audit, top management costs, legal services, etc
- Raw materials and stocks
- Research and development
- Depreciation of start upstart-up and one-off capital items
- Taxes: vat, council tax, stamp duty, etc
- Capital charges
- Notional or actual insurance premiums
- Fees to sub-contractors
- Distribution costs, including transport
- Advertising
- Bad debts
- Compliance and monitoring costs
- Provisions

But not:

- Externalities imposed on society (e.g. costs from pollution and crime)
- Costs of policy work (other than policy on the executive delivery of the service)
- Enforcement costs⁹²
- Replacement costs of items notionally insured
- Start-up costs (those which are capitalised in the accounts) and one-off capital items

Financial objectives

A6.1.9. The standard approach to setting charges for public services (including services supplied by one public sector organisation to another) is full cost recovery. It normally means recovering the standard cost of capital, currently 3.5% in real terms. Some exceptions are noted in section 6.4.

A6.1.10. One other exception is commercial services, i.e. those services which compete or may compete with private sector suppliers of similar services. These should aim to recover full costs including a real rate of return in line with the rates achieved by comparable businesses facing a similar level of risk. The normal range of rates is 5-10% but rates as high as 15% may be appropriate for the very highest risk businesses.

A6.1.11. Great care should be taken in pricing commercial services where public sector suppliers have a natural dominant position. The market prices of competitors will often be a good guide to the appropriate rate of return if there is genuine competition in the market. Where there are limited numbers of buyers and sellers in a market, it may be better to take other factors into account as well. These might include past performance, the degree of risk in the underlying activity and issues bearing on future performance.

Accidental surpluses and deficits

A6.1.12. Despite every effort to measure and forecast costs, surpluses and deficits are bound to arise from time to time. Causes may include variations in demand, in year cost changes, and so on. It is good practice to consider mid-year adjustment to fee levels if this is feasible.

A6.1.13. It is also good practice to set fees to recover accumulated past deficits. This may require statutory backing through a s102 order (see paragraph 6.3.3).

A6.1.14. Where significant surpluses have arisen, these should usually be refunded to the payees at the earliest opportunity.

⁹² See HMT guidance on receipts

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/226421/PU1548_final.pdf



LGA guidance on locally set licensing fees

This guidance aims to help councils to understand the full breadth of issues that should be considered when setting local licence fees in order to meet legal obligations and provide the necessary reassurances to local businesses.

14 Dec 2023

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Introduction

Councils are responsible for administering a range of licences and approvals relating to both national legislation and discretionary functions that are adopted locally. For the majority of these regimes the costs are recovered through fees set by each council and paid by the licence applicant. It is an accepted principle in relation to these functions that those who benefit from the system (such as licence holders) should cover the cost of it. Locally set fees are a vital means of ensuring both that full costs can be recovered by each and every council, reducing the risk of a subsidy from local taxpayers, and that businesses do not pay more than they should.

Licensing decisions that are made by councils can face scrutiny from businesses, the public and in the media, particularly in relation to fee setting. Therefore, every council should ensure it sets fees in a legally robust and transparent manner.

This guidance aims to help councils to understand the full breadth of issues that should be considered when setting local licence fees in order to meet legal obligations and provide the necessary reassurances to local businesses. It does not contain a fees calculator because this

assumes a uniformity of service design and associated costs, when it is vital that councils are free to design services that best serve the needs of their community and recover costs accordingly. Whilst this guidance is focused primarily on licensing fees, the principles of good fee setting apply equally to other fees set by council regulatory services (and beyond) so officers working in those fields may also find this guidance useful.

Key issues for consideration

Balancing the need for funding with a proportionate approach

Regulatory services are at the heart of councils' approaches to economic growth. Officers working in licensing, environmental health and trading standards have regular interactions with businesses and can therefore have an important role in helping them become established and grow, at the same time as ensuring they adhere to important safeguards.

To ensure that councils can promote growth and protect the public, there is a need to ensure that licensing and wider regulatory regimes are adequately resourced. This requires funding, and it is an accepted principle that licensed activities should be paid for by those benefiting from the licensed activity, rather than drawing on the public purse.

Where councils have the flexibility to set local fees, it is possible to consider how resources can be focused on risk; whether business support is effective; and how the burden of inspections can be removed where it is not necessary. A streamlined approach to licensing will ensure that fees are kept to a minimum and businesses can be encouraged to prosper. However, councils should ensure they are accurately setting their fees, including checking that the hourly rates of licensing and other officers are correct and considering wider costs such as administration or on-site costs, to enable full cost recovery.

What are the Provision of Services Regulations 2009 and how do they impact on locally set licence fees?

Whilst the detail of what may or may not be chargeable under a licensing scheme is sometimes set out in individual pieces of legislation, or is established through case law, councils need to be aware of and comply with the **Provision of Services Regulations 2009**. These Regulations have important implications for licence fee setting, and there have been legal challenges to licensing fees based on the Regulations in the past.

The Provision of Services Regulations protect UK businesses and consumer rights by maintaining obligations on UK competent authorities to ensure that their regulation of service activity through authorisation schemes is proportionate, justified in the public interest and such authorisation schemes are administered in a fair, accessible and transparent way.

They were first introduced in 2009 and transposed the European Union Services Directive 2006, which aimed to make it easier for businesses to provide cross-border services with other European Economic Area countries by lowering non-tariff barriers to trade. This included reducing administrative and regulatory burdens on businesses providing a service activity. The European Services Directive no longer applies to UK law following the UK's exit from the European Union. However, the European Union (Withdrawal) Act 2018 preserved the Provision of Services Regulations 2009 under UK law, so councils still need to comply with the requirements of the Regulations. For example, the principles of no profit-making, no cross subsidies between licence types or leakage to the General Fund, taking forward deficits and surpluses when deciding following years' fee levels, and using fees to cover enforcement costs where relevant domestic legislation allows still apply.

Councils should note that the Government has been conducting a review of the Regulations and intends to reform the Provision of Services Regulations using the powers within the Retained EU Law (Revocation and Reform) Act.

[Further guidance about the Provision of Services Regulations is available on the Department for Business and Trade's website. \(https://assets.publishing.service.gov.uk/government/uploads/system/](https://assets.publishing.service.gov.uk/government/uploads/system/)

[uploads/attachment_data/file/975587/provision-of-services-guidance-march-2021.pdf](#)) Councils should specifically note that the Regulations do not apply to the licensing of taxis or gambling activities; however, the principles remain a helpful way of providing a transparent and business-friendly approach to licensing.

Principles of the Provision of Services Regulations

The general principles of the Regulations apply to the processes and procedures applied by competent authorities (regulators and councils) who administer authorisations schemes. These provide benefits to service providers when seeking a relevant authorisation, such as a licence, in order to establish their business.

The core principles of the Regulations – **justified by an overriding reason relating to the public interest (such as public safety, public health or public policy); proportionate to the public interest objective; clear and unambiguous; objective; made public in advance; transparent and accessible** – apply to fee setting and are already practiced by a large number of councils with the aim of ensuring a fair and transparent approach for local businesses and communities.

Councils should also ensure that the principle of non-discrimination applies. When considering fee setting, councils should ensure that all applicants are treated equally irrespective of protected characteristics, location and/ or nationality. However, councils do have a discretion not to impose a full cost recovery charge, provided this is to achieve a legitimate aim.

The importance of this approach has also been established by case law on taxi and PHV licensing which, although not covered by the Regulations, illustrates an important precedent which councils should adhere to. *Cummings v Cardiff* ruled that the charges within a licensing regime for different categories of licence should not subsidise each other; so, a surplus gained on hackney carriage licences should not reduce the cost of a private hire vehicle licence. This can be logically extended to mean that the fees received under one licensing regime must not subsidise fees charged under another. For instance, a surplus generated by taxi fees must be reinvested back into taxi licensing and

not used to reduce the cost of, for instance, a scrap metal dealer's licence. Councils should also be aware of the *R (Rehman) v Wakefield* case, which made it clear that driver enforcement costs cannot be covered by vehicle licences, but they can be covered by driver licence fees.

All councils should, therefore, ensure that they have individual, discrete cost-calculations for each of the licensing regimes that they operate. This may require a change in the way that some councils operate.

Administering payment of fees

Under the Provision of Service Regulations councils need to ensure that details of any fees are easily accessible online, including the ability to make payments online.

Councils should be able to separate out the cost of processing an initial application from those costs associated with the ongoing administration of a scheme, because this latter element cannot be charged to unsuccessful licence applicants.

Hemming v Westminster

In *Hemming v Westminster*, the Supreme Court referred to the European Court of Justice (ECJ) the issue of how the charges were levied. The Court identified two different approaches to charging fees:

(a) Whereby a council charged a fee upon application (covering the costs of authorisation procedures) and a subsequent fee to successful applicants (covering the cost of administering and enforcing the framework) - the 'type A' approach.

(b) Where a council charged a single fee on application covering all costs, on the basis that the relevant proportion of the fee would be refunded to unsuccessful applicants – the 'type B'

approach.

The Court found the type A approach of charging two fees is permissible under the European Services Directive and the Provision of Service Regulations but felt that the type B approach of charging a single fee was not compatible with the Services Directive or the Regulations.

Therefore, licensing authorities should confirm that their fee structures ensure that application fees relate solely to the cost of authorisation procedures (the costs associated with reviewing an application and granting / refusing a licence). Under the type A approach, successful licence applicants should subsequently be charged an additional fee relating to the costs of administering and enforcing the relevant licensing framework.

Not all legislation in England and Wales permits councils to separate out elements of the fee in this way. For instance, the Licensing Act 2003 has nationally set fees, which constrains councils' ability to adopt this approach. It is therefore unclear whether a council could offer a refund of the enforcement element if an application is refused under this Act: the LGA view is that this is not possible, as the legislation requires that the specified amount (fee) must be paid on application.

Nevertheless, despite these constraints, councils could consider calculating the notional costs of administration and enforcement separately and make applicants aware of the two elements to the fee. In addition to meeting the transparency requirements of the Provision of Service Regulations, this enables councils to examine the efficiency of their internal processes and make improvements where necessary. The process adopted and information available about this should be simple and cost effective for both the council and businesses.

Reasonable and proportionate

The Regulations also includes specific requirements that apply to the charging of fees. Charges must be reasonable and proportionate to the cost of the processes associated with a licensing scheme. **Councils must not use fees covered by the Regulations to make a profit or act as an economic deterrent to deter certain business types from operating within an area.**

Keeping fees under review

Fees should be broadly cost neutral in budgetary terms, so that, over the lifespan of the licence, the budget should balance. Those benefitting from the activities permitted by the various licences should not, so far as there is discretion to do so, be subsidised by the general fund.

To ensure that fees remain reasonable and proportionate it is necessary to establish a regular and robust review process. This has particular advantages in the early stages of a new licensing regime, where fees have been set on best guess estimates of the number of applications that will be received.

Annual reviews allow for the fine tuning of fees and allow councils to take steps to avoid either a surplus or deficit in future years. This will not immediately benefit licence holders where the licence has been granted for a number of years and paid for in a lump sum, but will ensure new entrants to the licensing scheme are charged appropriately.

Councils that divert fees' income from the relevant licensing scheme to fund other licensing work, or to fund other council activities, will be breaking the law.

Where fees charged result in a surplus, both *Hemming v Westminster* and *Cummings v Cardiff* stated that this surplus must be used to reduce the fees charged in the following year. It is possible to extend the reinvestment of the surplus over more than one year, but this will need careful consideration about whether contributors may leave the licensing system over that period and therefore lose out on the return. Deficits can similarly be recovered, although where there is a significant deficit, councils may want to consider how recovery can be undertaken over more than one year so as not to financially harm otherwise viable businesses.

The case of **R v Tower Hamlets LBC (1994)** may also be of relevance, as the High Court indicated that “a council has a duty to administer its funds so as to protect the interests of what is now the body of council taxpayers”.

Open route for challenge

In the interests of transparency, it is helpful to give an indication of how the fee level has been calculated; the review processes in place and a contact method for businesses to query or challenge the fees. Open consultation with businesses and residents to design a local service, including understanding the implications for fees, helps to provide a robust answer to challenge.

It may also prove helpful to engage elected members in the scrutiny of fees. They will use their knowledge as local representatives to consider councils’ assumptions and challenge them where necessary.

What can be included in a licence fee?

Local authorities and organisations such as the LGA have previously identified that cost recovery and charging models for chargeable services is a key issue affecting the financial sustainability of regulatory services, and this can in part be due to outdated charging approaches. Councils should take a holistic approach to costs and think about the total cost of putting an officer on the ground, and not just their salary cost. As such, councils should consider the following elements when setting licence fees. It should be noted that this list is for **consideration only**, as councils may choose not to charge for all the elements listed if they do not apply locally, or there may be additional areas of work carried out during the licensing process that are not included in this guidance.

Individual pieces of legislation may also have specific items that may or may not be chargeable under the scheme. The lists below will apply for most schemes, but should always be checked against the relevant piece of legislation. If councils have any concerns, they should seek the advice of their in-house legal department.

More generally, when thinking about fees it is crucial that councils have a clear understanding of what the hourly rates of their licensing officers are. The LGA has a broad concern that councils often underestimate the overall hourly rate of officers, and this can lead to councils not recovering their costs.

Initial application costs could include:

Administration – This could cover basic cost of office administration to process the licence application, such as resources, photocopying, postage or the cost of handling fees through the accounts department. This could also include the costs of specialist licensing software to maintain an effective database, and printing licences.

Initial visit/s – This could cover the average cost of officer time if a premises visit is required as part of the authorisation process. Councils will need to consider whether the officer time includes travel. It would also be normal to include 'on-costs' in this calculation. Councils will need to consider whether 'on-costs' include travel costs and management time.

Third party costs – Some licensing processes will require third party input from experts, such as veterinary attendance during licensing inspections at animal related premises.

Liaison with interested parties – Engaging with responsible authorities and other stakeholders will incur a cost in both time and resources.

Management costs – Councils may want to consider charging an average management fee where it is a standard process for the application to be reviewed by a management board or

licensing committee. However, some councils will include management charges within the 'on-costs' attached to officer time referenced below.

Local democracy costs – Councils may want to recover any necessary expenditure in arranging committee meetings or hearings to consider applications.

On costs – including any recharges for payroll, accommodation, including heating and lighting, IT hardware and supplies and services connected with the licensing functions. Finance teams should be able to provide a standardised cost for this within each council.

Development, determination and production of licensing policies – The cost of consultation and publishing policies can be fully recovered.

Web material – The Provision of Services Regulations require that applications, and the associated guidance, can be made online and councils should effectively budget for this work.

Advice and guidance – This includes advice in person, production of leaflets or promotional tools, and online advice.

Setting and reviewing fees – This includes the cost of time associated with the review, as well as the cost of taking it to a committee for approval.

Further compliance and enforcement costs could include:

- **Additional monitoring and inspection visits** – Councils may wish to include a charge for risk-

based visits to premises in between licensing inspections and responding to complaints. As with the initial licensing visit, councils can consider basing this figure on average officer time, travel, administration, management costs and on costs as suggested above.

■ **Local democracy costs** – Councils may want to recover any necessary expenditure in arranging committee meetings or hearings to review existing licences or respond to problems.

■ **Registers and national reporting** – some licensing schemes require central government bodies to be notified when a licence is issued. The costs of doing this can be recovered.

Charging for action against unlicensed traders

Councils' ability to charge for these costs as part of a licensing scheme depends on the licensing scheme in question. In **Hemming v Westminster**, the Supreme Court ruled that the Services Directive made no mention of enforcement costs. Councils' ability to charge these costs to applicants for licences is therefore dependent on the UK legislation.

The Court ruled that licensing authorities are entitled under the **Local Government (Miscellaneous Provisions) Act 1982** to impose fees for the grant or renewal of licences covering the running and enforcement costs of the licensing scheme; in this case, the licensing scheme for sex shops.

Taxi and PHV licensing case law is clear that driver enforcement costs cannot be covered by vehicle licences, but they can be covered by driver licence fees. This was established by the **R (Rehman) v**

Wakefield case. The LGA believes that section 70(1) of the 1976 Act makes it clear that the costs of enforcement against licensed operators can also be recovered through a fee; however, the position on recovering these costs is contested.

[Home Office guidance under the Scrap Metal Dealers Act \(https://www.gov.uk/government/publications/scrap-metal-dealers-act-2013-supplementary-guidance\)](https://www.gov.uk/government/publications/scrap-metal-dealers-act-2013-supplementary-guidance),

Councils **[must have regard to this guidance \(https://www.gov.uk/government/publications/scrap-metal-dealers-act-2013-supplementary-guidance\)](https://www.gov.uk/government/publications/scrap-metal-dealers-act-2013-supplementary-guidance)**, which prevents the recovery of enforcement costs against unlicensed dealers only. Great care must therefore be taken when setting fees to check what is and is not permitted under that specific licensing regime.

Unrecoverable costs

It is worth considering that the costs of defending appeals in the magistrate’s court or via judicial review can be recovered through the courts. Including these costs within the fee's regime could lead to recovering the costs twice, which would be inconsistent with the Provision of Service Regulations

Do	Don't	Maybe
Check the relevant legislation	Use a surplus from one fee to subsidise another	Include the costs of enforcement against unlicensed traders
Calculate processing costs and enforcement costs separately	Allow fees income to be drawn into the council’s general fund	Include a condition on the issued licence that requires the payment of the enforcement part of the fee, where this is not charged upfront
Clearly communicate to applicants the elements that make up the fee	Allow fee levels to roll-over each year without a review	

Do	Don't	Maybe
Ensure fees are determined by the right person	Forget to ask the courts to award costs during a prosecution	
Include staff on-costs		
Include training costs for officers and councillors		

Further support

The practical approach to designing a local licensing service, allocating costs accurately and considering legal implications can be a difficult task; therefore, it is strongly recommended that licensing teams work with their legal advisors and finance teams to make the best use of all expertise.

In addition, councils should consider working collaboratively with neighbouring authorities to provide mutual support. Working with other councils and reviewing fees set by similar authorities can be an extremely valuable way of ensuring that fees are not perceived to be disproportionate by businesses.

This document sets out high-level, over-arching principles for fee setting that apply across most licensing regimes. It is always important to check the specific details of the regime in question. The following links will take you to relevant legislation or guidance for the most common licensing regimes.

▼ Relevant guidance links

[Licensing Act 2003 \(//www.gov.uk/government/publications/alcohol-licensing-fee-levels \)](https://www.gov.uk/government/publications/alcohol-licensing-fee-levels)

Gambling Act 2005 (<http://www.legislation.gov.uk/ukpga/2005/19/section/212>) and **The Gambling (Premises Licence Fees) (England and Wales) Regulations 2007** (<http://www.legislation.gov.uk/uksi/2007/479/contents/made>)

Scrap Metal Dealers Act 2013 (<https://www.gov.uk/government/publications/scrap-metal-dealer-act-2013-licence-fee-charges>)

Taxis and PHV Licensing (Local Government Miscellaneous Provisions Act 1976 (<http://www.legislation.gov.uk/ukpga/1976/57/section/70>))

Sexual Establishments (Local Government Miscellaneous Provisions Act 1982 (<http://www.legislation.gov.uk/ukpga/1982/30/schedule/3>))

Street Trading (Local Government Miscellaneous Provisions Act 1982) (<http://www.legislation.gov.uk/ukpga/1982/30/schedule/4>)

Provision of Services Regulations 2009 (<https://www.legislation.gov.uk/ukdsi/2009/9780111486276/contents>)

Case law

Hemming v Westminster

The Hemming v Westminster case (<https://www.supremecourt.uk/cases/uksc-2013-0146.html>) tested the degree to which fees and processes must be proportionate, as well as the administrative processes for calculating fees, in the context of licensing sex establishments. The case established a number of key points about setting fees under the European Services Directive and Provision of Service Regulations.

The case has passed through a number of courts, including the Court of Appeal and Supreme Court, with different elements of the case being settled at different stages.

In 2013, the Court of Appeal ruled that the fees set must not exceed the costs of administering the licensing regime. This meant that the council was no longer able to include the cost of enforcement against unlicensed sex establishment operators when setting the licence fee. The Court of Appeal held that such costs could not be deemed to fall within the **EU Services Directive 2006** and associated **UK Provision of Services Regulations 2009**.

The Directive states that charges levied by a competent body on applicants under an authorisation scheme must be reasonable and proportionate to the cost of the *'procedures and formalities'* of the scheme and must not exceed these costs. However, the cost of visits to licensed premises to monitor compliance could be recovered through fees.

The judgement also found that the annual reviews were conducted by an officer of Westminster City Council who did not have delegated authority so to do, and that it was the Committee that was supposed to set the fees. However, the judgement did not suggest there was anything intrinsically wrong with an officer undertaking this function provided the function has been properly delegated (where it can be), and that the officer takes relevant considerations into account. The judge rejected the council's submission that the fee had been fixed on an open-ended basis in 2004 so that the fee rolled over from one year to the next. Westminster City Council was consequently ordered to repay fees charged over that period.

The judgement would have left Westminster, and potentially other councils, liable to refund the proportion of sex shop licence fees deemed to be unlawful, dating back to the introduction of the Regulations in 2009.

Westminster appealed the Court of Appeal's judgement on the recovery of enforcement costs, and the case was heard by the Supreme Court in January 2016. Other matters determined by earlier hearings, such as the need to review fees annually and the requirement for councils to ring-fence income from licensing fees so that any surplus or deficit is carried forward to the next year's budget, were not contested.

The council's position that it was lawful for it to seek to recover all enforcement costs was supported by the LGA, which submitted written interventions to the Supreme Court. A range of regulatory bodies, as well as HM Treasury, also submitted written interventions in the case.

The Supreme Court ruled that licensing authorities are entitled under the **Local Government (Miscellaneous Provisions) Act 1982** to impose fees for the grant or renewal of licences covering the running and enforcement costs of the licensing scheme. Crucially, it reasoned that the **European Services Directive** deals only with the issue of authorisation procedures and fees relating to applications to exercise a service activity (such as operating a sex shop).

Therefore, the Directive does not prevent licensing authorities from charging those who receive licences, fees that are proportionate to the cost of administering and enforcing the licensing framework for that activity.

Cummings v Cardiff (https://docs.wixstatic.com/ugd/241720_86a9559ead8b44569ef0153631a1b766.pdf)

Cardiff Council had proposed a significant increase to hackney carriage and private hire vehicle charges in July 2013. Cummings and other claimants then challenged Cardiff City Council by way of judicial review over the manner in which these costs had been calculated. In 2014, Mr Justice Hickinbottom granted the claim for the review on the grounds that:

- the level of fees set failed to have regard to and/or account for any surplus or deficit generated in previous years dating back to 1 May 2009
- the level of fees set failed to account for any surplus or deficit accrued under each of the hackney carriage and private hire licensing regimes within the regime under which they have accrued
- the level of fee set for hackney carriage licences in 2013 included part of the cost of funding taxi marshals for the Council's administrative area.

The Judge also made declarations that:

(1) A local authority when determining hackney carriage and private hire licence fees under ss.53 and 70 of the LG(MP) Act 1976 must take into account any surplus or deficit generated from fees levied in previous years in respect of meeting the reasonable costs of administering the licence fees as provided by ss.53 and 70 above.

(2) A local authority must:

- keep separate accounts for hackney carriage and PHV licence fees under ss.53 and 70 of the LG(MP) Act 1976
- ensure that any surplus or deficit identified under each part of the hackney carriage and private hire licensing regimes is only applied to the part of the system from which it has been raised/lost
- ensure that any surplus from one licensing regime shall not be used to subsidise a deficit in another.

References

▼ References

R v Westminster City Council ex parte Hutton (1985) 83 LGR 516.

R v London Borough of Tower Hamlets ex parte Tower Hamlets Combined Traders Association, 19 July 1993; [1994] COD 325 QBD Sedley J. Although the decision was about the London Local Authorities Act 1990, it would appear to have general effect as a principle.

Scrap Metal Dealer Act 2013: guidance on licence fee charges

Context

The Scrap Metal Dealers Act 2013 (referred to in this guidance as the 2013 Act) received Royal Assent on the 28 February 2013, delivering much needed reform of the scrap metal sector. The 2013 Act will provide effective and proportionate regulation of the sector, creating a more robust, local authority run, licensing regime that will support legitimate dealers yet provide the powers to effectively tackle unscrupulous operators. It will raise trading standards across the whole sector.

Introduction

The 2013 Act will allow local authorities to decide who should and should not be licensed, allowing them to refuse a licence upon application or to revoke a licence at any time if they are not satisfied that the applicant is a suitable person to carry on business as a Scrap Metal Dealer. The act also creates closure powers for unscrupulous dealers who operate without a licence. It extends the record keeping requirements placed upon scrap metal dealers and requires the verification of the people Scrap Metal Dealers are transacting with. The act will integrate the separate regulation for motor salvage operators with the scrap metal sector and bring to an end the cash exemption given to some collectors under the 1964 Act.

Finally, the 2013 Act creates a fee raising power, to allow local authorities to recover the costs stemming from administering and seeking compliance with the regime. This element of the legislation will be the focus of this guidance.

The intention is for the act to be implemented in October 2013.

Licensing requirements placed upon scrap metal dealers

Section one of the 2013 Act requires a scrap metal dealer to obtain a licence in order to carry on business as a scrap metal dealer¹. It will be an offence to carry on a business as a scrap metal dealer in breach of the requirement to hold a licence. This offence is punishable on summary conviction with a fine not exceeding level 5 on the standard scale. In addition, Schedule 1(6) of the 2013 Act provides that an application must be accompanied by a fee set by the authority.

Aim and scope

Local authorities will be responsible for administration and compliance activity in relation to the 2013 Act. This guidance is provided to local authorities in relation to the carrying out of their fee raising function. It also provides information for the benefit of those who will be applying for a scrap metal dealer's licence and the general public. This guidance applies to local authorities in England and Wales and is produced in accordance with the 2013 Act.

Legal status

Schedule 1(6) of the 2013 Act provides that an application must be accompanied by a fee set by the local authority. In setting a fee, the authority must have regard to any guidance issued from time to time by the Secretary of State with the approval of the Treasury. This Guidance is therefore binding on all licensing authorities to that extent.

What costs can local authorities charge for when issuing a licence?

The 2013 Act provides that an application for a licence must be accompanied by a fee set by the local authority. This fee raising power is an essential component of the legislation as it will provide local authorities with the funding they need to administer the regime and ensure compliance.

The power to set fees has been passed to individual local authorities, so that any fees levied in each local area is set by reference to the actual costs to each authority. The EU services directive states that a licence fee can only be used to pay for the cost associated with the licensing process. In effect, each local authority must ensure that the income from fees charged for each service does not exceed the costs of providing the service.

LAs should specify fees for each category of application. Specifically we would expect a fee to be specified for the assessment of an application for a licence, the assessment of an application to vary a licence, and the assessment of an application for licence renewal.

Local authorities should specify fees which are payable by licence applicants for the assessment and administration activity within the new licensing regime brought about by the 2013 Act. They should do this by identifying what they need to do to assess the type of licence in question and calculating their best estimate of the cost to be incurred by the LA. The authority will then be able to calculate a best estimate of unit cost for each case.

In effect, the costs of a licence should reflect the time spent assessing and administering applications, processing them, having experienced licensing officers review them, storing them, consulting on the suitability of an applicant, reviewing relevant offences, the decision on whether to issue a licence, as well as the cost of issuing licences in a format that can be displayed. Consulting the local authority's enforcement records in order to determine the suitability of the applicant is chargeable within the licence fee costs as are costs associated with contested licence applications.

Registering authorities should review fees regularly to check whether they remain appropriate.

Can a local authority charge for enforcement activity?

The licence fee cannot be used to support enforcement activity against unlicensed scrap metal dealers. Any activity taken against unlicensed operators must be funded through existing funds. Such activity against unlicensed operators includes issuing closure notices; with applications for closure orders subsequently made to a magistrates court. The cost of applying to the Magistrates Court for a warrant (Section 16(5)(6) and (7) of the 2013 Act) for entry to unlicensed premises, by force if necessary, will incur legal costs to be borne by the local authority and police.

What are the different types of licences?

There are two types of licence specified within the act, one is for a site licence and the other is for a mobile collector licence (carrying on business otherwise than at a site). The licence authorises the licensee to carry on business as a scrap metal dealer at the sites listed in it (in the case of a site licence) or within the local authority area (in the case of a mobile collector's licence).

Site licences

A site licence requires all of the sites at which the licensee carries on the business as a scrap metal dealer within the local authority area to be identified and a site manager to be named for each site. In doing so, they will be permitted to operate from those sites as a scrap metal dealer, including transporting scrap metal to and from those sites from any local authority area.

Collectors licences

A collector's licence authorises the licensee to operate as a mobile collector in the area of the issuing local authority, permitting them to collect any scrap metal as appropriate. This includes commercial as well as domestic scrap metal.

The licence does not permit the collector to collect from any other local authority area. A separate licence should be obtained from each local authority from which the individual wishes to collect in. A collector's licence does not authorise the licensee to carry on a business at a site within any area. Should a collector wish to use a fixed site, they will need to obtain a site licence from the relevant local authority.

The Act 2013 also specifies that a licence will be issued by the local authority in whose area a scrap metal site is situated, or (in respect of a mobile collector) in the area that the collector operates.

Do different fees apply?

Yes. Fees charged for a site licence would reflect the extra work involved in processing these licences and will vary from a collector's licence.

Display of licences

The form in which a licence is issued must enable it to be displayed in accordance with section ten of the 2013 Act. All licensees are therefore required to display a copy of their licence. For site operators the licence must be displayed in a prominent place in an area accessible to the public. For mobile collectors, it must be in a manner which enables the licence to be easily read by a person outside the vehicle. A criminal offence is committed by any scrap metal dealer who fails to fulfil this requirement. This offence is punishable on summary conviction with a fine not exceeding level 3 on the standard scale.

The cost of providing a licence in a form which can be displayed should be included in the local authority licence fee charges.

Police objections to licence applications

The police may object to a licence application where they believe that the applicant is not a suitable person as defined within the act. The police can object where, for example, the applicant has been convicted of a relevant offence. LAs should also consider representations from other organisations or individuals in considering the applicant's suitability

Where the police do object, the local authority should take this into consideration but must use their own judgement and discretion when taking a licence decision. The local authority must allow for the person whose licence is about to be refused or revoked to be afforded the right to make representations. The local authority considering the matter must restrict its consideration to the issue of suitability of applicant and provide comprehensive reasons for

its decision.

Costs associated with considering oral and written representations should be included in licence fee charges.

Appeals

There is a right of appeal to the Magistrates' Court against a decision to refuse a licence application, to include a condition within the licence, to revoke the licence or to vary the licence. The costs associated with appeals and the costs of defending an appeal in the Magistrate Court should not be included in licence fee charges.

The costs associated with defending a Judicial Review into whether the local authority has failed to have regard to the guidance on fees is not chargeable under the licence regime.

Revocation of a licence and formulating and imposing licence conditions

If a licence has been granted, it may be revoked or licence conditions imposed on a scrap metal dealer if the subsections within Clause 4 of the Scrap Metal Dealers Act are triggered. A local authority may impose conditions pending an appeal against revocation (section 4 (7)) or if the applicant or site manager has been convicted of a relevant offence (section 3 (8)).

Variation of licence

Schedule 1 paragraph 3(1) indicates that a local authority may, on an application, vary a licence by changing it from one type to another and (2) if there is a change in any of the matters mentioned in section 2(4)(a), (c) or (d) or (6)(a).

These changes should be recorded by the local authority. The applicant is also under a duty to notify any convictions for relevant offences to the local authority. These measures ensure that a single record will be held of the licence holder's history in terms of licensing matters.

National Register of Scrap Metal Dealers

Whilst a local authority can recover any costs incurred in transmitting information about a licence, the costs which the Environment Agency incurs are not chargeable under the licence regime.

How long will a licence be valid for?

Schedule 1 paragraph 1 of the 2013 Act specifies the terms of a licence. It indicates that a licence expires at the end of the period of 3 years beginning with the day on which it is issued.

Additional regulations and guidance

The Home Office will be publishing regulations in relation to relevant offences and the identification required to sell scrap metal over the summer of 2013. These regulations will be published on www.gov.uk. We will also be working with the Local Government Association, the British Metal Recycling Association and British Transport Police to produce additional guidance on the requirements of the new act.

The Local Government Association guidance will include a breakdown of reasonable timescales for each of the activities associated with setting a fee.

Annex A - Definitions

What is a local authority?

'Local authority' means —

- (a) in relation to England, the council of a district, the Common Council of the City of London or the council of a London borough;
- (b) in relation to Wales, the council of a county or a county borough.

What is a scrap metal dealer?

21 'Carrying on business as a scrap metal dealer' and 'scrap metal'

(2) A person carries on business as a scrap metal dealer if the person—

- (a) carries on a business which consists wholly or partly in buying or selling scrap metal, whether or not the metal is sold in the form in which it was bought, or
- (b) carries on business as a motor salvage operator (so far as that does not fall within paragraph (a)).

What is a mobile collector?

'Mobile collector' means a person who—

- (a) carries on business as a scrap metal dealer otherwise than at a site, and
- (b) regularly engages, in the course of that business, in collecting waste materials and old, broken, worn out or defaced articles by means of visits from door to door.

What is a motor salvage operator?

(4) For the purposes of subsection (2)(b), a person carries on business as a motor salvage operator if the person carries on a business which consists —

- (a) wholly or partly in recovering salvageable parts from motor vehicles for re-use or sale and subsequently selling or otherwise disposing of the rest of the vehicle for scrap,
 - (b) wholly or mainly in buying written-off vehicles and subsequently repairing and reselling them,
 - (c) wholly or mainly in buying or selling motor vehicles which are to be the subject (whether immediately or on a subsequent re-sale) of any of the activities mentioned in paragraphs (a) and (b), or
 - (d) wholly or mainly in activities falling within paragraphs (b) and (c).
-

North Yorkshire Council

Environment Directorate

22 February 2024

Changes to Services to be delivered by Yorwaste Ltd musing the 'Teckal' Procurement Exemption

Report of the Head of Service - Waste

This report contains information of the type defined in paragraph 3 or Part 1 of Schedule 12A Local Government Act 1972) as amended

1.0	PURPOSE OF REPORT
1.1	To inform the Executive Member for Managing our Environment and the Assistant Director Environmental Services and Climate Change of proposed changes to services to be delivered by Yorwaste Limited through a directly awarded contract using the 'Teckal' procurement exemption.
1.2	To inform Executive Members and the Assistant Director Environmental Services and Climate Change of the mechanisms by which those changes are to be implemented.
1.3	To seek the necessary approvals to implement the changes and vary the Services Contract with Yorwaste Limited.

2.0 BACKGROUND

- 2.1 On 18 March 2014, the North Yorkshire County Council (NYCC) Executive agreed:
- The principle of awarding relevant contracts for future waste services to Yorwaste Limited (Yorwaste) without competitive procurement, where the conditions for the Teckal exemption are satisfied.
 - To delegate authority to the Corporate Director (BES) to determine which future waste service contracts are to be awarded to Yorwaste.
- 2.2 To be able to use the Teckal exemption, Yorwaste has to satisfy the following requirements (in accordance with the Public Contracts Regulations 2015 (PCRs) regulation 12):
- The Contracting Authorities who are the shareholders of the company must exercise the same level of control over the company as they do over their own departments (known as the Control test). The North Yorkshire Council (NYC or the Council) and City of York Council (CYC) are the shareholders of the company and collectively have more than 50% of the voting directors on the board; and
 - A minimum of 80% of the turnover of the company must be generated from work delivered to its shareholders (the 80:20 rule or the functional test).
- 2.3 On 18 September 2015, NYCC and Yorwaste entered into a contract (the Services Contract) for the provision of waste management services utilising the Teckal exemption. CYC and Yorwaste entered into separate services contracts at the same time. The individual services being provided are detailed in a series of schedules to the Services Contract (Schedule), each Schedule setting out the specification in relation to each service. The addition or removal of services is practically achieved by varying the agreement to add or remove Schedule(s).

- 2.4 A collaboration agreement was entered into between NYCC, CYC and Yorwaste on 18 September 2015 (the Collaboration Agreement). This provides the mechanism for collaboration in respect of waste activities across North Yorkshire and beyond. Additional Contracting Authorities wishing to join the collaboration are able to accede to the Collaboration Agreement using the process set out within the agreement. The service is then provided by the Teckal compliant company via either of the Authorities through the collaboration. Additional Contracting Authorities were some of the former district and borough councils, although this did not include Scarborough Borough Council and Selby District Council. Ryedale District Council signed a collaboration agreement on 06 December 2017 to allow Yorwaste to accept, transport and process their DMR. They did not collaborate for the acceptance and processing of garden waste.
- 2.5 With the formation of The North Yorkshire Council on 01 April 2023, the new North Yorkshire Council is able to directly provide services in its administrative area through the Services Contract between the Council and Yorwaste, and so Collaboration Agreements are no longer required for the former district and borough areas.
- 2.6 There is a potential conflict of interest in relation to the fact that the Corporate Director of Environment is also a Director of Yorwaste. For this reason, any Council decisions made in relation to Yorwaste were delegated to the Assistant Director of Environmental Services and Climate Change on 06 December 2023.

3.0 CURRENT ARRANGEMENTS AND PROPOSAL FOR VARIATION

- 3.1 The Council, as a Unitary Authority, has a duty under the Environmental Protection Act 1990 to arrange for the collection and disposal of household waste. This includes arrangements for the processing of garden waste and dry mixed recyclables (DMR).
- 3.2 Ryedale, Scarborough and Selby localities currently have contracts with Yorwaste for the acceptance and processing of garden waste. The Ryedale contract ended on 30 November 2023 when garden waste collections ceased over the winter period. Scarborough ends on 30 June 2024 and Selby contract ends on 30 November 2024. The new contract will start 01 July 2024, with the exception of Selby which will start 01 December 2024. Temporary provision is being put in place for Ryedale between 01 March and 30 June 2024.
- 3.3 Scarborough deliver a fully co-mingled recycling service, with paper and card, cans, plastics and glass being collected fortnightly in a 240l wheeled bin. Scarborough entered into a contract with Eren (previously Shotton Mill) for the recycling of dry mixed recycle (DMR) on 01 July 2014. This contract is due to expire 30 June 2024. There is an option for one extension of 10 years. Eren have subcontracted the waste transfer facility provision to Yorwaste, who provide Seamer Carr and Whitby waste transfer stations (WTS).
- 3.4 It is proposed that once the existing contracts have ended, these services will become part of the Services Contract between Yorwaste and the Council through the addition of new schedules. New schedules for the acceptance and processing of garden waste from Ryedale, Scarborough and Selby localities are in draft. A schedule for the acceptance and processing of DMR from Scarborough locality is also in draft. New schedules are being added, rather than existing schedules for garden waste and DMR being amended due to different collection arrangements across the localities.
- 3.5 The current processing points for garden waste rounds are within a short drive time of the kerbside collection rounds. Additional resource would be required such as vehicles and staff if garden waste was delivered to alternative processing points.

- 3.6 Yorwaste are unable to process fully co-mingled DMR inhouse so a procurement exercise will be undertaken for the haulage and processing of the DMR. This will be a sub-contract arrangement between Yorwaste and the relevant provider. The contract will be for 2 years, with two 1-year extensions.
- 3.7 Benefits to the Council of the service being delivered by Yorwaste include:
- The certainty and control that go with delivering services through a company owned by the Council.
 - No requirement for the Council to carry out a procurement exercise and avoids the cost that goes with that.
 - The householder will not see any change in the collection of their recycling materials, but if the Council does decide to change collection methodology in future to support countywide harmonisation of services and to achieve the aims of Simpler Recycling, then a contract with Yorwaste provides better flexibility on changes to service.
 - Contributes to contract management overheads.
 - Increases the 80% public sector work enabling Yorwaste to increase the 20% commercial share of the business.

4.0 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 There are areas that require alternative provision therefore a procurement exercise is being undertaken for provision of garden waste processing in Ryedale, Scarborough and Selby to cover the geographical areas of the localities which deliver to alternative facilities (areas that cannot be delivered to Yorwaste facilities). It was decided to not include the geographical areas that Yorwaste cover, as market research has identified there are no alternative garden waste processing points in the vicinity, therefore these areas can clearly be covered through the Teckal Services Contract.
- 4.2 Utilising the Teckal compliant Services Contract also removes the cost and time attached to the complex procurement of multiple services, when similar arrangements are already provided to the Council by the Teckal company.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The garden waste tonnage collected may fluctuate depending on the weather, however total cost of the service estimated using tonnage averages for the previous 4 years show there is sufficient budget available.
- 5.2 There has not yet been a full year of garden waste charging for Selby district. Until the number of subscriptions is known for 24/25 it is difficult to accurately determine tonnages. There is the possibility that tonnages will decrease in 24/25.
- 5.3 The procurement for the processing and haulage of Scarborough DMR has not yet been tendered so the cost per tonne of the haulage and processing of the material, and the rebate value per tonne from the sale of materials is currently unknown until a procurement has been completed by Yorwaste. There is an expectation that the overall cost per tonne for the Scarborough DMR will increase compared to previous years. This is due to the decrease in price per tonne for the sale of materials. Recycling markets are being impacted by the additional fuel cost to transport material around the Cape of Good Hope, due to the Suez Canal issue. The decrease in crude oil prices has reduced the requirement for the recycling of plastics. There is no expectation that prices will increase in the near future.
- 5.4 There are no procurement costs for the Council attached to using the proposed approach.

- 5.5 Yorwaste Limited are required under the Services Contract to show value for money in all services that they currently deliver on behalf of the Council. Both parties will monitor the new Schedules against a range of agreed performance indicators to ensure value for money is being delivered.
- 5.6 Further financial information is available in Appendix A, however as this is commercially sensitive it is treated as confidential for the purposes of this report. There is currently an existing budget pressure, but this isn't as an impact of the proposal within this report.

6.0 LEGAL IMPLICATIONS

- 6.1 As described in paragraph 2.2 above, Yorwaste is a 'Teckal' company meaning that contracts are permitted to be directly awarded to it without the need for a procurement exercise by either of its owning Authorities. The award of these additional services by NYC to Yorwaste is therefore compliant with Regulation 12 of the PCRs.
- 6.2 In accordance with the Council's Contract Procedure Rules, a procurement Gateway 3 report was signed on 11 September 2015 to record the decision to award the Services Contract to Yorwaste.
- 6.3 This variation to the Services Contract will require a Gateway 4(a) Contract Extension / Variation report under the Council's Contract Procedure Rules. Procurement resource has been requested to produce a Gateway 4(a) report.
- 6.4 Legal Services will assist with the preparation of the documentation required to vary the Services Contract, as necessary. The variation will need to be executed by both Yorwaste and the Council and comply with the change control procedures set out in the Services Contract.

7.0 EQUALITIES IMPLICATIONS

- 7.1 There are no impacts on any of the protected characteristics for equalities as a result of the matters discussed in this report. An Equalities Impact Assessment screening form is attached at Appendix B.

8.0 CLIMATE CHANGE IMPLICATIONS

- 8.1 A climate change impact assessment has been completed, attached as Appendix C.

9.0 REASONS FOR RECOMMENDATIONS

- 9.1 In order to ensure that service delivery is not interrupted it is essential that garden waste processing facilities are in place for Ryedale, Scarborough and Selby at the end of the current contracts. A DMR contract for the transport and processing of DMR is also required.
- 9.2 It has been determined that provision of those services by Yorwaste Limited through the Teckal compliant Services Contract provides best value to the Council.
- 9.3 The recommendations allow for the variation of the Teckal compliant Services Contract.

10.0 RECOMMENDATIONS

- 10.1 It is recommended that the Executive Member for Managing our Environment and the Assistant Director Environmental Services and Climate Change note the contents of the report.
- 10.2 It is recommended that the Assistant Director Environmental Services and Climate Change, in consultation with the Executive Member for Managing our Environment, agrees to vary the Services Contract between NYC and Yorwaste Limited to provide garden waste processing for Ryedale, Scarborough and Selby, and DMR arrangements for Scarborough as detailed in this report.

APPENDICES:

Appendix A – Finance information – CONFIDENTIAL
Appendix B – Equalities Impact Assessment screening form
Appendix C – Climate Change Impact Assessment

BACKGROUND DOCUMENTS:

None

Kerry Green
Contracts and Compliance Manager
County Hall
Northallerton
08 February 2024

Report Author – Joanne Kearney Waste Contracts Manager

Presenter of Report – Kerry Green Contracts and Compliance Manager

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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Initial equality impact assessment screening form This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.			
Directorate		Environment	
Service area		Waste Management	
Proposal being screened		Changes to Services to be delivered by Yorwaste Ltd using the 'Teckal' Procurement Exemption	
Officer(s) carrying out screening			
What are you proposing to do?		To obtain approval to vary the Yorwaste Services Contract to add new Schedules for garden waste processing and DMR acceptance, transport and processing for Scarborough.	
Why are you proposing this? What are the desired outcomes?		To ensure continuity in service provision once the existing contracts end.	
Does the proposal involve a significant commitment or removal of resources? Please give details.		No	
<p>Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYC's additional agreed characteristics</p> <p>As part of this assessment, please consider the following questions:</p> <ul style="list-style-type: none"> To what extent is this service used by particular groups of people with protected characteristics? Does the proposal relate to functions that previous consultation has identified as important? Do different groups have different needs or experiences in the area the proposal relates to? <p>If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your directorate representative for advice if you are in any doubt.</p>			
Protected characteristic	Potential for adverse impact		Don't know/No info available
	Yes	No	
Age		X	
Disability		X	
Sex		X	
Race		X	
Sexual orientation		X	
Gender reassignment		X	
Religion or belief		X	
Pregnancy or maternity		X	
Marriage or civil partnership		X	
People in rural areas		X	

People on a low income		X	
Carer (unpaid family or friend)		X	
Are from the Armed Forces Community		X	
Does the proposal relate to an area where there are known inequalities/probable impacts (for example, disabled people's access to public transport)? Please give details.	No		
Will the proposal have a significant effect on how other organisations operate? (for example, partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics? Please explain why you have reached this conclusion.	No		
Decision (Please tick one option)	EIA not relevant or proportionate:	<input checked="" type="checkbox"/>	Continue to full EIA: No
Reason for decision	This relates to a variation of an existing contract and has no impact on people with protected characteristics		
Signed (Assistant Director or equivalent)	Michael Leah		
Date	08/02/2024		

The purpose of this assessment is to help us understand the likely impacts of our decisions on the environment of North Yorkshire and on our aspiration to achieve net carbon neutrality by 2030, or as close to that date as possible. The intention is to mitigate negative effects and identify projects which will have positive effects.

This document should be completed in consultation with the supporting guidance. The final document will be published as part of the decision making process and should be written in Plain English.

If you have any additional queries which are not covered by the guidance please email climatechange@northyorks.gov.uk

Version 2: amended 11 August 2021

Please note: You may not need to undertake this assessment if your proposal will be subject to any of the following:

Planning Permission
Environmental Impact Assessment
Strategic Environmental Assessment

However, you will still need to summarise your findings in the summary section of the form below.

Please contact climatechange@northyorks.gov.uk for advice.

Title of proposal	Changes to Services to be delivered by Yorwaste Ltd using the 'Teckal' Procurement Exemption
Brief description of proposal	To obtain approval to vary the Yorwaste Services Contract to add new Schedules for garden waste processing and DMR acceptance, transport and processing for Scarborough.
Directorate	Environment
Service area	Waste Management
Lead officer	Joanne Kearney
Names and roles of other people involved in carrying out the impact assessment	
Date impact assessment started	5 February 2024

Options appraisal

Were any other options considered in trying to achieve the aim of this project? If so, please give brief details and explain why alternative options were not progressed.

The option to procure the garden waste requirements for Ryedale, Scarborough and Selby was considered, but market testing failed to identify alternative outlets within the geographical area.

What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?

Please explain briefly why this will be the result, detailing estimated savings or costs where this is possible.

The proposal will have an impact on council budgets, particularly the total cost for Scarborough DMR. This is due to increased costs in the processing of materials, and a reduction in the rebate value of the recyclables.

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	Positive impact (Place a X in the box below where	No impact (Place a X in the box below where	Negative impact (Place a X in the box below where	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>	
<p>Minimise greenhouse gas emissions e.g. reducing emissions from travel, increasing energy efficiencies etc.</p>	Emissions from travel		X		<p>We are unable to determine if there will be a positive or negative impact on emissions from travel for Scarborough DMR as this is dependent on the location of the contractor which is successful in winning the tender for the haulage and processing of this material. There is no impact to the other services, as the existing processing points for garden waste will continue to be used. There is a question within the quality questions asking how the contractor will reduce carbon emissions when delivering the contract.</p>		
	Emissions from construction		X		No anticipated impact		
	Emissions from running of buildings		X		No anticipated impact as a building already exists.		

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where</p>	<p>No impact (Place a X in the box below where</p>	<p>Negative impact (Place a X in the box below where</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>	
<p>Page 132</p>	<p>Emissions from data storage</p>		<p>X</p>		<p>No anticipated impact</p>		
	<p>Other</p>						
<p>Minimise waste: Reduce, reuse, recycle and compost e.g. reducing use of single use plastic</p>	<p>X</p>			<p>As part of future service integration across NYC, a review of all refuse and recycling services will be undertaken. LGR also provides opportunity for increased levels of collaborative activity on recycling and waste minimisation.</p>		<p>Government's recently announced Simpler Recycling now provides the framework for harmonised services across NYC and key dates that we will work towards.</p>	
<p>Reduce water consumption</p>		<p>X</p>		<p>No anticipated impact</p>			
<p>Minimise pollution (including air, land, water, light and noise)</p>		<p>X</p>		<p>No anticipated impact</p>			

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	Positive impact (Place a X in the box below where	No impact (Place a X in the box below where	Negative impact (Place a X in the box below where	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> Changes over and above business as usual Evidence or measurement of effect Figures for CO₂e Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
Ensure resilience to the effects of climate change e.g. reducing flood risk, mitigating effects of drier, hotter summers		X		No anticipated impact		
Enhance conservation and wildlife		X		No anticipated impact		
Safeguard the distinctive characteristics, features and special qualities of North Yorkshire's landscape		X		No anticipated impact		
Other (please state below)						

Are there any recognised good practice environmental standards in relation to this proposal? If so, please detail how this proposal meets those standards.

The recently announced Simpler Recycling policies and statutory guidance will identify further best practise and minimum service standards.

Summary Summarise the findings of your impact assessment, including impacts, the recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

Including provision of services for garden waste and Scarborough DMR within the Yorwaste Teckal Services Agreement allows North Yorkshire Council to carry out a full waste service review to ensure future services are efficient, effective and high performing. The Teckal Services Agreement allows for greater flexibility in service provision than a traditional outsourced contract and so is more reactive if future improvements to environmental performance are identified. As the waste services harmonisation progresses, further climate change impact assessments will be carried out as appropriate and will give further detail about potential positive environmental impacts and outcomes.

Sign off section

This climate change impact assessment was completed by:

Name	Joanne Kearney
Job title	Waste Contracts Manager
Service area	Waste Management
Directorate	Environment
Signature	Joanne Kearney
Completion date	05/02/2024

Authorised by relevant Assistant Director (signature): Michael Leah

Date: 08/02/2024