



Executive Director/Director Non-Key Executive Decision Report

**Author/Lead Officer of Report: Mark Reeder
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and Address Management**

Tel: 0114 474 2509

Report to: Head of Waste Management and Hub, Interim
Head of Highway Maintenance

Date of Decision: 22nd August 2022

Subject: of *Proposal to introduce charges for providing the
discretionary services related to the addressing of
properties.*

Which Cabinet Member Portfolio does this relate to? Operational Services

Which Scrutiny and Policy Development Committee does this relate to? *(Insert name of
Committee)*

Has an Equality Impact Assessment (EIA) been undertaken? Yes No

If YES, what EIA reference number has it been given? *(Insert reference number)*

Does the report contain confidential or exempt information? Yes No

If YES, give details as to whether the exemption applies to the full report / part of the
report and/or appendices and complete below: -

*"The (report/appendix) is not for publication because it contains exempt information
under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local
Government Act 1972 (as amended)."*

Purpose of Report:

1. The purpose of this report is to seek approval for the introduction of cost recovery charges for providing discretionary services associated with the allocation of addresses (including amendments to existing addresses) by the Street Naming and Numbering (SNN) service.

Recommendations:

2. To approve the introduction of cost recovery charges for providing discretionary services associated with the allocation of addresses (including amendments to existing addresses) by the Street Naming and Numbering (SNN) service.
3. That the fees are reviewed annually in line with the retail price index (published January RPIX) and to ensure that increases in overheads and staffing costs are covered.

Background Papers:

Appendix A SNN Charging Proposal V1.6

Lead Officer to complete: -							
1	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;">I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.</td> <td style="width: 50%; vertical-align: top;">Finance: <i>Chloe Parker/Damian Schofield</i></td> </tr> <tr> <td></td> <td style="vertical-align: top;">Legal: <i>Richard Cannon</i></td> </tr> <tr> <td></td> <td style="vertical-align: top;">Equalities: Annemarie Johnston</td> </tr> </table> <p><i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i></p>	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Chloe Parker/Damian Schofield</i>		Legal: <i>Richard Cannon</i>		Equalities: Annemarie Johnston
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1. PROPOSAL

To apply a charge to enable the recovery of costs associated with providing discretionary services provided by the Street Naming and Numbering (SNN) service. Discretionary services are those services that an authority has the power but not a duty to provide.

Discretionary services associated with the SNN service are currently provided (primarily to private developers) without any fee. Sheffield, unlike comparable core cities (Leeds, Liverpool, Manchester and Birmingham), appear to be alone in providing this service without charge. All other South Yorkshire Authorities apply a charge for certain aspects of their SNN services.

Local authorities have a statutory duty to ensure that properties are named/numbered. The parts of the SNN service which are carried out pursuant to its statutory duty cannot be subject to a charge as the Council is not empowered to charge for them.

Although authorities are not permitted to charge for the elements of the service which are carried out pursuant to its duty, a fee can be charged to cover administration costs unrelated to the carrying out of the duty. The costs associated with the provision of these discretionary services may be recovered where the Council is empowered to do so.

Any charges proposed as part of the SNN service would therefore relate only to discretionary services including, but not limited to:

1. Liaison with Royal Mail to update PAF (Postcode Address File) and obtain postcodes
2. Notification and provision of paperwork to the applicant
3. Notification and provision of paperwork to a mailing list of additional internal & external services
4. Amending approved addresses at new developments where updated plans are submitted by the developer
5. Making non-essential address changes at the request of the resident (e.g. adding a property name)
6. Challenges to existing official naming and numbering schemes
7. Provision of paperwork to confirm existing addresses
8. Investigation & resolution of other queries

Points 1 to 4 are discretionary and the duty to name and number streets could be fulfilled without them. However, the Council considers them to be best practice and therefore standard as part of its process when carrying out the SNN service. Without points 1 – 4 being carried out, new home buyers are reliant on developers notifying the external bodies e.g. Royal Mail and utilities. There is no legislation that requires developers or homeowners to contact these organisations, but failing to do so will likely lead to delivery issues (not having a recognised Royal Mail address) and also difficulty obtaining connections from utilities e.g. Broadband/telephone connection.

The proposed fees are shown in the table featured on page 10 of Appendix A – SNN Charging Proposal v1.6. The process and level of fee will be reviewed after an initial 12-month period. The fees will also be subject to an annual review covering inflation (in line with the Retail Price Index RPIX, published January rate), overheads and staffing costs.

2. HOW DOES THIS DECISION CONTRIBUTE?

The proposal to introduce these charges will contribute to the Corporate Plans need to address the financial challenges that the Council faces in order to provide a balanced budget.

In most cases this service is provided to private property developers. As such, it is not considered appropriate to continue funding this part of the service from public money.

Applying these charges will ensure that the Council is able to continue offering these discretionary services alongside their Street Naming and Numbering duties.

3. HAS THERE BEEN ANY CONSULTATION?

There has been no consultation in this instance, as the proposed changes do not affect the way in which the Council is exercising its powers insofar as they relate to the way in which it is fulfilling its statutory duty for street naming and numbering. There is no requirement to consult where the Council is considering charging for discretionary services, and it is not deemed appropriate to do so in respect of the current proposal.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

No equality impacts, positive or negative, have been identified from this proposal

4.2 Financial and Commercial Implications

The current cost of providing the full service (including the non-statutory aspects) is £66,647 (£34.64 per hour). This total includes the current SNN Officer's salary (£34,926) and all other associated costs and overheads.

Based on the current workload and taking previous years into account, it is estimated that making a charge for these discretionary services will generate an income in the region of £40000 per annum.

Given the challenging financial position that the City Council finds itself in, there is a need to minimise costs and maximise cost recovery, this is a timely opportunity to review the need for charging.

In some scenarios the proposed charges may not entirely cover the total discretionary costs associated with the Street Naming and Numbering service. As the City Council currently receives no revenue for this service, the proposal would provide a new much needed revenue stream.

The proposed charging rates sit reasonably in comparison to other local authorities, whereas a higher charge may dissuade developers from applying for addresses.

4.3 Legal Implications

The Council may recover costs associated with providing discretionary services using the powers available under Section 93 of the Local Government Act 2003.

The Council is under a duty, contained in sections 64 and 65 of the Town Improvement Clauses Act 1847, to ensure that streets are named, and properties are numbered. These powers do not provide that the Council may charge for the functions discharged in fulfilment of this duty. The proposal in this report describes services which the Council is not under a duty to carry out (they are not essential to the fulfilment of the duty to ensure that streets are named and numbered) and they can therefore be deemed to be discretionary. In virtue of these services being discretionary, the Council may charge for their provision on a cost recovery basis.

4.4 Other Implications

Additional time taken to calculate and process collection of fees.

Currently, some developers fail to apply for new addresses and do not respond to requests to apply. It is anticipated that the frequency of this scenario may increase (though very slightly) if charges are introduced. Some developers may choose not to select the discretionary options and, if this is the case, the onus will likely fall on future residents to apply and on SNN Officer to resolve any issues which arise from the lack of an address.

Some applications may be subject to exemptions or concessions (such as the example above). An objective assessment of these cases will be required.

Increased expectation levels of applicants could lead to complaints or requests for compensation if services levels are not met or errors are made.

5. ALTERNATIVE OPTIONS CONSIDERED

To continue providing the complete service (statutory and discretionary) free of charge.

Reason for rejection:

It is not considered appropriate to continue providing (free of charge) the discretionary services (primarily to private developers) with public funds.

6. REASONS FOR RECOMMENDATIONS

Due to the current financial situation the service is required to identify cost savings and income generation opportunities that will enable the service to continue but minimise impact to the residents of the City. This proposal will enable the Street Naming and Numbering Service to continue to maintain the high level of service that property developers and the people of Sheffield expect.