

Committee(s) Planning and Transportation	Dated: 18/12/2018
Subject: Street Naming and Numbering Service: Introduction of Charges	Public
Report of: Policy and Performance Director	For Decision
Report author: Stuart O’Callaghan, Department of the Built Environment	

Summary

This report advises Members of a proposal to introduce charges for the discretionary elements of the City Corporation’s Street Naming and Building Naming/Numbering service as a contribution to the running costs of the service.

Recommendation(s)

Members are recommended to:

- Approve the introduction of charges for the discretionary elements of the Street Naming and Numbering function.
- Approve the schedule of charges set out in Appendix 1, to be applicable from 1st April 2019.

Main Report

Background

1. The City of London Corporation’s duties and powers in respect of naming and numbering of streets and buildings are set out in the London Building Acts (Amendment) Act 1939. The statutory responsibility includes ensuring that authorised addresses are displayed in an appropriate manner and keeping a record of authorised addresses which enables the emergency services and postal services to identify premises quickly and efficiently.
2. The statutory responsibilities are complemented by a discretionary service inviting applications to change addresses, discussing and consulting on such applications, and then notifying interested parties of the authorisation. This discretionary service, which encourages public involvement and best practice in naming and numbering, has until now been provided without charge. However, a local authority may charge for providing discretionary services as a contribution to its running costs in accordance with Section 93 of the Local Government Act 2003.
3. The naming and numbering service processes applications to change street names or building names/numbers which are usually the result of the redevelopment of City buildings or their change of use or occupier. This involves proactive engagement with developers/owners to ensure compliance with our

naming and numbering guidelines, consultation notices being posted on site, and notification of interested parties after authorisation.

4. In addition, the service regularly submits updated addressing data to the National Address Gazetteer where it is available for public, emergency service and commercial use through the Ordnance Survey AddressBase product. National Address Gazetteer data is used widely within the City Corporation and beyond for indexing a range of property information (e.g. Planning, Building Control, Council Tax, Electoral Registration). Gazetteer updating will not be included in the proposed charges as it also fulfils the responsibility to keep a record of streets which are highways maintainable at public expense in accordance with the section 36 of the Highways Act 1980. It is also a contractual obligation under the national Public Sector Mapping Agreement by which we supply address updates and receive access to Ordnance Survey maps.

Current Charging Context

5. The City Corporation does not currently charge applicants to process a naming or numbering application. Most local authorities now charge for processing such applications to cover some of the processing costs incurred. A recent survey by GeoPlace (who administer the National Address Gazetteer) found that approximately 70% of local authorities who responded charge for processing naming and numbering applications (although outside London those functions are carried out under different legislation). Within London, 85% of local authorities (28 of 33) currently charge for processing applications.
6. Charging for the processing of naming or numbering applications would contribute to the costs of providing this service and would help deliver departmental budget efficiency savings. It would help ensure the City Corporation continues to deliver an important, high-quality service and to maintain accurate and up to date addresses for local use and submission to the National Address Gazetteer.

Options for a Charging Schedule

7. Nationally, most local authority income from charging for processing naming or numbering applications is related to processing addressing proposals for large residential schemes with fees related to the number of dwellings being addressed. This widespread approach would not be appropriate for the City because office-led mixed used redevelopments are much more common than residential schemes. Therefore, office-led mixed-use schemes should generate most charge income to help recover the costs of processing address applications. The City needs a charging approach based on the size of commercial floorspace instead of the number of addresses, with higher charges for the larger, usually more complex schemes. Residential applications in the City should also contribute based on the number of dwellings to be addressed.
8. The City Corporation has discretion to set its own charge rates, but they must not generate an income which exceeds the cost of providing the discretionary service, taking one financial year with another, in accordance with powers in

Section 93 of the Local Government Act 2003. The proposed approach is consistent with this Act and has had regard to the statutory guidance relating to the exercise of this power.

Proposed City of London Charging Schedule

9. The proposed charging schedule for the City of London is set out in Appendix 1. The proposed charges applicable to new and refurbished commercial developments will vary from £300 to £1500 with the size of the scheme. The non-residential floorspace size bands proposed are consistent with those already used to determine pre-application meeting charges. For residential schemes the size bands are based on the number of residential units, in line with the approach taken by neighbouring authorities. Applications to name a new street will be charged £500. Applications to re-name an existing street will be charged £1000 in recognition of the increased work involved in consulting those existing occupiers that might be affected directly. Applications to re-name or re-number an existing property will be charged £300.
10. The proposed charge rates are higher than those set by neighbouring authorities but are still likely to recover just part of the discretionary costs incurred. Consideration was given to setting higher charges to recover more of the application processing costs, but this was not considered appropriate as it might jeopardise early engagement by those seeking address changes, leading to inaccurate addressing. Early engagement with potential applicants is desirable to agree a suitable naming and numbering approach before confusion is caused by the early marketing of inaccurate scheme names and addresses. There is also a risk that high charge rates might discourage the occupiers of existing buildings from formalising unofficial changes of names and numbers they have made. Such inconsistencies need to be prevented where possible because the official address gazetteer, which is relied on by emergency services, needs to be accurate and up to date.

Corporate & Strategic Implications

11. It is important that the City Corporation's naming and numbering service operates to high and consistent standards as the service is an integral part of the broad range of services which the City Corporation provides to those wishing to bring about redevelopment and change in the City. The introduction of charges for the discretionary elements of the service will help with its future funding as part of a wider objective of delivering departmental efficiency savings. The extra funds will enable the naming and numbering service to continue to play its part in the Corporate Plan aims of supporting a thriving economy and shaping outstanding environments.

Legal Implications

12. The City Corporation's functions in respect of Street Naming and Numbering are set out in Part II of the London Building Acts (Amendment) Act 1939 as amended. Section 93 of the Local Government Act 2003 contains a power to charge for discretionary services. Discretionary services are those services that an authority

has a power but not a duty to provide. An authority can only charge for such services, where the person who receives the service has agreed to its provision and to pay for it. The charging power therefore operates on the basis that the discretionary service is offered at a charge and that anyone who requires the service agrees to take it up on those terms. The power to charge is subject to a duty to secure that, taking one financial year with another, the income from charges for the service charged for, does not exceed the costs of its provision. Within that framework the authority may set charges as it thinks fit and may in particular (i) charge only some persons for providing a service; (ii) charge different persons different amounts for the provision of a service. In carrying out functions under this section, an authority must have regard to the statutory guidance which has been issued.

Financial Implications

13. Appendix 1 shows the income that would have resulted from the proposed charge rates if they had applied in the last 3 calendar years. The annual income would have been volatile, varying from £12,800 to £26,300. For 2019/20 budget purposes an assumption is being made that income from the new charges would be in the middle of the range, £18,000. The income from the proposed charges has already been taken into account within the 2019/20 budget estimates.
14. It is estimated that the current annual cost of processing naming and numbering applications is £25,000. Therefore, the charge rates proposed in Appendix 1 would fully recover these discretionary costs in a strong year for income and would cover part of the costs in an average year. Income and costs will continue to be monitored and the charge will be subject to periodic review in accordance with the Act. The first review is intended to be after 3 years of operation.
15. The proposed introduction of charges for processing naming and numbering applications has been subject to an Equalities Impact Assessment which has concluded that there will be no negative impact on people with protected characteristics.

Conclusion

16. The introduction of charges for the discretionary elements of the naming and numbering service would provide a source of income to cover part of the cost of processing the applications. Most local authorities have introduced such charges and the charge rates being proposed are considered to strike a reasonable balance between cost recovery and not deterring formal applications which are desirable to maintain the quality and reliability of the National Address Gazetteer.

Appendices

Appendix 1: Proposed Charging Schedule for Naming and Numbering Applications to the City of London Corporation

Paul Beckett

Policy and Performance Director

T: 020 7332 1970 E: paul.beckett@cityoflondon.gov.uk

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Category	Land Use	Threshold	Charge	Number cases			Projected Income		
				2015	2016	2017	2015	2016	2017
			£				£	£	£
New and Refurbished Developments:									
• Basic	Re-instatement of previous address following redevelopment		300	1	1	0	300	300	0
	Residential Units	1-4	300	4	3	0	1,200	900	0
	Non residential floorspace (GIA sq.m.)	<500	300	8	6	4	2,400	1,800	1,200
• Minor	Residential Units	5-9	400	2	1	2	800	400	800
	Non residential floorspace (GIA sq.m.)	500-999	400	0	1	3	0	400	1,200
• Medium	Residential Units	10-19	600	1	0	1	600	0	600
	Non residential floorspace (GIA sq.m.)	1,000 to 1,999	600	0	3	0	0	1,800	0
• Large	Residential Units	20-49	800	1	1	1	800	800	800
	Non residential floorspace (GIA sq.m.)	2,000-9,999	800	2	7	5	1,600	5,600	4,000
• Major - lower scale	Residential Units	50-99	1,000	1	0	1	1,000	0	1,000
	Non residential floorspace (GIA sq.m.)	10,000-49,999	1,000	2	4	2	2,000	4,000	2,000
• Major - higher scale	Residential Units	>100	1,500	0	2	0	0	3,000	0
	Non residential floorspace (GIA sq.m.)	>50,000	1,500	0	3	3	0	4,500	4,500
Existing Street or Property									
• Naming of new street			500	0	2	2	0	1,000	1,000
• Re-naming of existing street			1,000	0	0	0	0	0	0
• Naming or re-naming of a property			300	5	4	2	1,500	1,200	600
• Re-numbering of a property			300	2	2	4	600	600	1,200
TOTAL PROJECTED INCOME							12,800	26,300	18,900