

# CABINET

## Corporate Fees & Charges 2026/27 13 January 2026

### Report of Chief Officer (Resources)

#### PURPOSE OF REPORT

The report asks Members to endorse the Fees and Charges Policy for 2026/27 and also to consider a range of charging options as deemed appropriate to the service area.

Key Decision	Y	Non-Key Decision		Referral from Cabinet Member	
Date of notice of forthcoming key decision		16 December 2024			
This report is public					

#### RECOMMENDATIONS OF COUNCILLORS

- (1) That Cabinet endorses the Fees and Charges Policy as set out at Appendix A, and during 2026/27 as part of the mid-year budget strategy review determines whether any other areas of income generation be explored further for 2026/27 onwards.
- (2) That Cabinet endorses the freezing of garden waste collection charges for 2026/27.
- (3) That Cabinet endorses the introduction of new fees and charges within Planning & Climate Change as detailed in section 3.2.
- (4) That Cabinet proposes the increasing of selected car parking pay and display charges plus establishment of new charges as appropriate, in line with those listed in section 3.3, to be consulted upon with partners ahead of final decisions at Cabinet on 10<sup>th</sup> February 2026.
- (5) That Cabinet endorses the application of inflationary increases to fees and charges across all remaining areas as appropriate, as reported as part of the current 2026/27 budget setting process.

#### 1.0 Introduction

- 1.1 Inflation means that the cost of delivering Council services has also increased. Charging for some local services, where appropriate, makes a significant contribution to council finances and the delivery of the Council Plan which in turn bring benefits to local

communities. (Note that all fees and charges within this report are stated exclusive of VAT). The level of income generated by fees and charges and in particular projected increases which the Council can influence, form a key part of the council's financial planning and is therefore reflected in the Medium Term Financial Plan.

## 2.0 Proposal Details

### 2.1 GENERAL POLICY

This report sets out the proposed fees and charges framework for 2026/27. The current policy was last considered by Cabinet at its meeting on 14 January 2025 and a copy is attached at **Appendix A**. No substantive updates of the policy are being proposed at this stage.

In terms of fee increases, all relevant fees and charges have been reviewed and increased as appropriate. The larger income generation areas and new areas of charging are discussed further within section 3 of this report.

- 2.2 In support, **Appendix B** provides a listing of the General Fund fees and charges for 2024/25 actuals, the 2025/26 original budget plus mid-year review position and the 2026/27 latest draft budget. This shows that the total estimated base income to be generated from fees and charges (including rents) is now projected to be £19.535M next year. Of this total, around £16.630M has been subject to increase as appropriate. The majority of the remaining income relates to statutory fees, commercial charges, general cost recovery and fixed contracts. As such these income areas allow for little or no discretion in setting fee increases (aside from any consideration of market share etc). Furthermore, certain fees such as various licensing fees cannot by law be set by Cabinet.
- 2.3 From Appendix B, it can be seen that between 2025/26 and 2026/27 gross income from comparative fees and charges is expected to reduce from £19.659M to £19.535M, representing a reduction of £0.124M before any expenses are deducted.
- 2.4 Where fees and charges are to change in line with policy and/or the budget, these will be amended through existing Officer delegations and therefore no Cabinet decision is required – and so no detail is provided within this report. It should be noted that in exercising their delegated authority, Officers may well consider groupings of charges for similar or related activities and within those groupings, they may vary individual fees (or concessions) above or below inflation, for example – but as long as in totality, it is reasonable to assume that the relevant income budget will be met and the variances do not go against any other aspect of policy, then no Cabinet decision is required.
- 2.5 Separate to the annual budgeting exercise, if there are any significant matters arising during the course of a year, such as in cost, market forces or service levels, which materially affect current service costs and revenues, then relevant fees and charges should be reviewed. If it is reasonable for them to be adjusted in year, to keep within the budget framework, then the Chief Officer has delegated authority to do so, as long as any fee or charge under question was not explicitly approved by Members during the last budget process. Any such changes must be reported to Cabinet retrospectively as part of usual quarterly monitoring arrangements.

2.6 Cabinet is requested to indicate whether there are any other specific areas for income generation that it wishes to consider as part of its budget development, primarily for 2026/27 onwards, on top of those already included.

### **3.0 OTHER SPECIFIC CHARGING CONSIDERATIONS**

#### **3.1 Environmental & Place: Garden Waste**

The current price of a subscription is £46 per annum and within the calendar year of 2025 there were just under 24,000 subscribers resulting in income of £1.096M towards the general fund's net financial position

There are a number of issues surrounding waste collection at the moment, these include :-

- Weekly food waste collection will commence in April 2026
- Three weekly collection of household waste and recycling will commence in April 2026
- Garden waste will continue to be collected on a fortnightly basis
- Increase in price can lead to a reduced number of subscriptions, which could possibly lead to the income target not being achieved

Given the above factors, it is proposed to freeze the annual charge for 2026/27 and the draft revenue budget has been updated to reflect this.

#### **3.2 Planning & Climate Change: EV Charging**

Following successful redirection of DEFRA funding, an energy hub is being installed at Auction Mart Car Park. The hub is primarily aimed at providing access to more affordable electric vehicle charging for taxi drivers and local residents.

In order to regulate the length of stay and discourage drivers from leaving their vehicles plugged in after charging is complete, an overstay fee is being proposed. This will help ensure that charge points remain available for other users.

The proposed charges will be on a fair charging basis and will generate income for the Council whilst offering reduced price EV charging when considered against other service providers. Full details can be found at **Appendix C**.

#### **3.3 Sustainable Growth: Car Parking**

Off-street car parking is a key council service which helps to support the Council's statutory and extensive provision of discretionary services.

As part of the review of the fee structure for 2025/26, tariffs were frozen. Latest monitoring suggests that usage is down by approximately £50K per annum and the draft budget for

2026/27 has been updated to include this reduced amount.

The request is to add 20p to the 30 minutes, 1 hour and 2 hours bands. The overnight tariff is to be increased by 30p but will now start from 5pm instead of 6pm to support the evening economy.

All daytime tariffs above 2 hours are to remain frozen to encourage longer dwell time by visitors. Officers have modelled the impact of this and after factoring resistance it is estimated that this will generate sufficient income to cover the required amount to address the budgeted inflationary uplift.

Car parking permits will be subject to inflationary increases in line with the general fees and charges factor.

#### **4.0 Details of Consultation**

4.1 This report forms part of the Council's budget proposals which will be consulted on as part of that exercise. Specific elements of this report will also be shared with organisations that have a particular interest.

#### **5.0 Options and Options Analysis (including risk assessment)**

	<b>Option 1: To support the inflationary increases/changes as outlined in the report.</b>	<b>Option 2: To not support the inflationary increases/changes as outlined in the report.</b>
Advantages	<p>Fees and charges contribute further to the general fund net position.</p> <p>Costs of delivering Council services have increased as has demand in some areas. Not increasing costs means that further pressure is created on the Council's ability to deliver its core services.</p>	Maintains the cost of services at 25/26 levels or at less than proposed in this report.
Disadvantages	The draft revenue budget has been prepared with the inclusion of the items raised in this report. Any further proposals would require further consideration prior to being fed into the budget process.	Costs of delivering Council services have increased as has demand in some areas. Not increasing costs means that further pressure is created on the Council's ability to deliver its core services.
Risks	Increasing fees to higher than suggested levels would most likely result in further resistance and potentially not achieve the targets originally set.	Cost of living increases and the return from the pandemic have reshaped people's habits. The income targets already set may not achieve projected levels in 26/27, resulting in a shortfall within the accounts.

## **6.0 Officer Preferred Option (and comments)**

6.1 The Officers preferred option is Option 1.

## **7.0 Conclusion**

7.1 Fees and Charges are reviewed on an annual basis and as outlined within the report, significant factors have become apparent as to why differing treatment is required within a couple of areas. It is felt that the recommendations made are of a fair nature and in-line with the attached policy.

### **RELATIONSHIP TO POLICY FRAMEWORK**

Fees and charges form an integral part of the budget setting process, which in turn relates to the Council's priorities. Under the Medium Term Financial Strategy (MTFS), income generation is a specific initiative for helping to balance the budget.

### **CONCLUSION OF IMPACT ASSESSMENT**

**(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)**

The proposed increases are considered to be fair and reasonable; generally, equality considerations are provided for within the attached policy.

### **LEGAL IMPLICATIONS**

Local authorities have a variety of powers to charge for specific statutory services.

The Local Government Act 2003 also provides a power to charge for discretionary services. Authorities are under a duty to secure that, taking one year with another the income from charges for these services do not exceed the cost of provision.

The power to charge for discretionary services is therefore on a cost recovery basis only and is not available if there is a statutory duty to provide the service or if there is a specific power to charge for it or if there is a prohibition on charging.

Additionally, the Localism Act 2011 provides local authorities with the general power of competence that confers on them the power to charge for services but again subject to conditions/limitations similar to those noted above.

Where authorities have a duty to provide a statutory service free of charge to a certain standard, no charge can be made for delivery to that standard, however delivery beyond that point may constitute a discretionary service for which a charge could be made.

### **FINANCIAL IMPLICATIONS**

As set out in the report and further detailed financial implications are included in the relevant appendices.

**OTHER RESOURCE IMPLICATIONS**

**Human Resources:** No specific resource implications.

**Information Services:** No specific resource implications.

**Property:** No specific resource implications.

**Open Spaces:** No specific resource implications.

**SECTION 151 OFFICER'S COMMENTS**

The Section 151 Officer has been consulted and has no further comments.

**MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no further comments.

**BACKGROUND PAPERS**

None

**Contact Officer:** Andrew Kipling

**Telephone:** 01524 582143

**E-mail:** akipling@lancaster.gov.uk

**Ref:** n/a