

Title: Fees and Charges 2026/27
Lead Officer: Tony Sidhu (01926 456810)
Portfolio Holder: Councillor Chilvers
Wards of the District directly affected: All

Approvals required	Date	Name
Portfolio Holder	15/09/2025	Councillor Chilvers
Finance	05/09/2025	Steven Leathley
Legal Services		Kathryn Tebbey
Chief Executive	15/09/2025	Chris Elliott
Deputy Chief Executive	15/09/2025	Darren Knight
Strategic Director	15/09/2025	David Elkington
Head of Service(s)	11/09/2025	Andrew Rollins
Section 151 Officer	11/09/2025	Andrew Rollins
Monitoring Officer	15/09/2025	Graham Leach
Leadership Co-ordination Group	29/09/2025	

Final decision by this Committee or rec to another Cttee / Council?	Recommendation to: Council on 12 November 2025 from Cabinet
Contrary to Policy / Budget framework?	No
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	No
Accessibility Checked?	Yes

Summary

The report details the proposals for discretionary Fees and Charges in respect of the 2026 calendar year. It also shows the latest Fees and Charges 2025/26 income budgets, initial 2026/27 budgets and the actual out-turn for 2024/25.

Recommendation(s)

- (1) That Cabinet recommends to Council the Fees and Charges proposals set out in Appendices A1 and A2 to the report, to operate from 2 January 2026 unless stated otherwise, for the reasons set out in Appendix B.
 - (2) That Cabinet recommends to Council the changes proposed by Everyone Active to the core products and prices from January 2026 which are within the 2025 June RPI as per contract, as set out in Appendix C.
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1 Reasons for the Recommendation

1.1 The Council is required to update its Fees and Charges in order that the impact of any changes can be fed into the setting of the budget for 2026/27. Discretionary Fees and Charges for the forthcoming calendar year must be approved by Council.

1.2 Fees and Charges Guidelines

1.2.1 In accordance with the Financial Strategy and Code of Financial Practice it is appropriate to consider certain other factors when deciding what the Council's Fees and Charges should be:

- The impact of the Fees and Charges levels on delivery of the Council's Corporate Strategy.
- The level of prices the market can bear including comparisons with neighbouring and other local authorities.
- The level of prices to be sufficient to recover the cost of the service and the impact on Council Finances, where this is not the case.
- The impact of prices on level of usage.
- The impact on the Council's future financial projections within the Medium-Term Financial Strategy.
- Ensuring that fees, in particular those relating to licensing, reflect the current legislation. The regulatory manager has to ensure that the fees charged should only reflect the amount of officer time and associated costs needed to administer them.
- Whether a service is subject to competition from the private sector, such as Building Control. This service has to ensure that charges set remain competitive within the market.
- Income generated from services including Building control, land charges and licensing is excluded from the Medium-Term Financial Strategy and is managed through ring-fenced accounts, due to the legislation and criteria under which they operate.
- Management of the Council's Leisure Centres is by Everyone Active. The contract definition states that 'The Contractor shall review the core products and prices in June of each year and submit any proposed changes to the Authority for approval (the "Fees and Charges Report")'. Appendix C outlines the core fees. RPI in June 2025 was at 4.4%.

- 1.2.2 Services are not asked to bring forward a % price rise, but a % rise in total income. This can be achieved in a number of different ways, not necessarily a price rise. For instance a reduction in price on bulky item collections has led to a higher total income. We ask all areas to think about new ways they can deliver their service and invest to save funding is available through the change programme to bring forward new ideas.
- 1.2.3 Car Parking Fees have been removed from this submission because it will be brought forward for Cabinet approval in late-November following a Parking Strategy review. Please refer to Appendix B 4.4 for further details.
- 1.2.4 An assumption underpinning the Council’s Medium Term Financial Strategy (MTFS) is that Fee income will be increased by 3% per annum across all areas except for Green Waste and Car Parking at 10%, and this was included within the MTFS approved as part of the Budget setting report February 2025. Managers have been challenged on ensuring income maximisation and cost recovery where appropriate, and have provided commentary on the rationale behind some of the charges highlighted in Appendix B.
- 1.2.5 A review was carried out by Commercial Gov in 2024/25, and focused on 10 key areas of Fees and Charges. The findings of the review have been shared with service managers. The review by Commercial Gov has been assessed by service managers, with either the recommendations implemented in full, or reasoning provided as to why adopting these as outlined is either not viable or recommended.
- 1.2.6 Commercial Gov’s recommended approach for current and future years would see the Council adopt a fees and charges policy which tracked more closely to CPI.
- 1.2.7 In addition to the work carried out by Commercial Gov, historical fees and charges data has been analysed to see:
- Whether prior year targets have been achieved in setting budgets,
 - How actual income generated compares with the original budget set
 - How the budget target compared with CPI
 - How significant new fees introduced (such as green waste charging) impacted upon the delivery of budget target and actual income received.
- 1.2.8 A summary of this analysis, covering the period 2020-21 to 2025-26, is provided below. From the summary, in years where a fee target was set at a level above CPI, unless there was a significant new charge introduced, the budget approved fell short of the target. However, the budget set was always above that year’s CPI.

	20/21	21/22	22/23	23/24	24/25	25/26
CPI	1.70%	0.50%	3.10%	10.10%	6.70%	3.80%
MTFS target	3.00%	15.00%	15.00%	15.00%	10.00%	3.00%
Budget Increase	5.14%	5.58%	3.33%	27.65%*	8.02%	3.77%

*introduction of green waste charges

1.2.9 In previous financial years, the actual income generated from fees and charges on general fund services fell short of the budget until 2024/25 where budget target was achieved.

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Budget	7,421	7,835	8,096	10,334	10,629
Actual	6,584	7,545	7,561	9,973	10,535
Variance	-11.27%	-3.70%	-6.60%	-3.50%	-0.88%

1.2.10 It should be noted that the period covered by this review includes years where there was a direct impact from COVID-19. The Council's response to the pandemic, driven by the loss of significant income sources (at times due to national policy such as lockdowns), can be seen in the fee targets set (15%) and the fall in actual income received (in 2020/21 and 2021/22).

1.2.11 With inflation (CPI) in July 2025 at 3.8%, with a national target of 2%, this reinforces the Commercial Gov benchmarking data that previous MTFS of a year on year 10% increase would not be achievable.

1.2.12 Importance should therefore be placed on how service demand and delivery is maximised to achieve the MTFS assumptions rather than on a reliance of above inflation fee increases, which may not even be possible for fees regulated by cost recovery or those set within a competitive commercial environment. Cabinet expects proposals to continue to come forward to the Change Programme to deliver services in a way that delivers better outcomes and value for money for the public.

2 Alternative Options

2.1 The alternative options would be to either:

2.1.1 Leave all fees and charges at 2025 levels, or increase at a reduced level. This would increase the level of savings to be found through the Change Programme over the next five years unless additional activity could be generated to offset this.

2.1.2 Increase at a level higher than proposed in the report. Excessive increases could deter usage where the take up is discretionary. Customers may choose to use the service less frequently or use an alternative supplier where one is available.

2.1.3 The judgement and expertise of managers was taken into consideration when assessing the two options presented in 2.1.1 and 2.1.2. In some instances, it was deemed that the options were unrealistic and may ultimately result in income reducing due to competition or reduced customer retention. Where possible, managers have used the insights and information proposed by Commercial Gov to propose different approaches to achieving the same or similar levels of income, and these have been included within the proposals.

2.2 All of the above are considered not to be realistic options given the increased cost of delivering some services, the current position of the Financial Strategy, and the level of savings required.

3 Legal Implications

3.1 The fees proposed in the report are set in line with current legislation where applicable.

4 Financial Implications

4.1 As part of the Budget setting process for 2025/26, a target of 3% was agreed in respect of additional income generated from discretionary fees and charges for all service except Green waste. where the increase is based on number of permits sold (Cira 9% increase in fees), and Car Parking which is 10% within the Medium-Term Financial Strategy (MTFS). Consequently, Budget Managers have been tasked with seeking to achieve this increase on charges within the Council's control to set. Some fees and charges are subject to legislation which dictates what value can be charged, and therefore may not have been able to be considered for increases as part of this process. These have been set in accordance with such legislation and service knowledge provided by the managers. Further, in some instances, service managers have proposed smaller increases or even fee reductions where necessary to maximise income generation through increased demand. Such decisions are intended to contribute towards the Council addressing the deficit position as presented in the latest (MTFS).

4.2 As a result of the fees and charges income projections outlined in Appendix A1, the report presents an overall increase in General Fund income of £211,800 or 3.22% when compared to the latest budgeted income for 2025/26. As explained in section 1.2.3 Car Parking fees have not been included in these figures.

4.3 Appendix A1 also outlines an increase in income within the Housing Revenue Account of £20,000, or 2.99%. This will be factored into the HRA budgets and Business Plan.

4.4 The revenue effects of the proposed Fees and Charges are summarised in the following table (Car Parking has been removed): A breakdown of the key drivers of the 2026/27 Fees and Charges is provided in Appendix B of this report.

General Fund Services	Actual 2024/25 £ '000	Budget 2025/26 £ '000	Proposed 2026/27 £ '000	Change 2025/26 - 2026/27 %
Community Protection	149	234	243	3.50%
Customer & Digital Services	53	69	71	3.07%
Neighbourhood (excluding Car Parking)	4,455	4,379	4,525	3.33%
Place, Arts & Economy	460	562	571	1.58%
Ring Fenced Budgets	1,100	1,337	1,382	3.43%
Total General Fund Services	6,219	6,580	6,792	3.22%
Housing Revenue Account	649	668	688	2.99%

- 4.5 The MTFS target increase on budget for Fees and Charges 2026/27 (excluding Car Parking) is £375,000. The Proposed Budget increase for 2026/27 is £211,800, a shortfall of £163,200. This and any other shortfall will need to be made up from reserves or by increasing the savings from the change programme. Shortfalls may have knock on effects for future years requiring more allocation of reserves/savings which will be modelled within the MTFS.
- 4.6 The current forecasts for 2025/26 and 2026/27 will be further reviewed as part of the Budget setting process (Report due February 2026). Managers will also continue to review their projections for reporting within the quarterly budget monitoring reports.

5 Corporate Strategy

- 5.1 Warwick District Council has adopted a Corporate Strategy which sets three strategic aims for the organisation.
- 5.2 Delivering valued, sustainable services. Setting the fees and charges for the upcoming year is an integral part of the budget setting process for the Council. Discretionary fees are a key income stream for the Council, and one that it has the most control over. Other funding sources, such as those delivered through the Local Finance Settlement, have not kept pace with increased service cost and demand. Fees and charges forms one strand of the Change Programme approved by Council in March 2024.
- 5.3 Low cost, low carbon energy across the district.
- 5.4 Creating vibrant, safe and healthy communities of the future.

6 Environmental/Climate Change Implications

- 6.1 Not applicable.

7 Analysis of the effects on Equality

- 7.1 The impact of Fees and Charges (and possible increases) are assessed by Service Area managers, with concessions offered in some areas to ensure all residents can access these services, if required. In particular, a number of fees are set with the purpose of supporting community activity. Considerations have been made to protect vulnerable and protected groups, keep charges competitive, or keep charges in-line with neighbouring authorities.

8 Data Protection

- 8.1 Not applicable.

9 Health and Wellbeing

- 9.1 Some fees and charges are linked to health and well-being activities. Fees proposed have been considered in conjunction with the service areas to ensure any negative impacts are minimised, and mitigations such as those outlined in 7.1 are in place if required.

10 Risk Assessment

- 10.1 Increasing prices could deter usage where the take up is discretionary. Customers may choose to use the service less frequently or use an alternative supplier where one is available.
- 10.2 A 3% increase had been assumed within the Council's MTFS for increases to

most discretionary fees and charges for 2026/27 and thereafter. With inflation (CPI) in July 2025 at 3.8%, with a national target of 2%, an importance should be placed on how service demand and delivery is maximised to achieve the MTFS assumptions rather than on a reliance of above inflation fee increases, which may not even be possible for fees regulated by cost recovery or those set within a competitive commercial environment. It is therefore important that demand targets are also realistically set, as any significant adverse variation will result in less income being achieved, and a shortfall in the assumptions built into the Medium-Term Financial Strategy. Any shortfall would have to be made up, either through the use of reserves or potential changes to how the finance settlement funding is allocated. This could result in other service activity being reduced in scale or not taking place at all.

- 10.3 Future social and economic changes cannot be foreseen. In recent years, we have seen significant events such as COVID-19, and the cost of living crisis underpinned by high inflation and interest rates have significant impacts upon some of the fee generating services. In the current year, weather has also adversely impacted upon take up of services, including green waste permits. Further pressures within the wider economy may result in a decline in the Council's income, which if not replaced, would have implications for the MTFS. It will be important for the Council to identify opportunities that could also generate additional income.
- 10.4 Managers will review activity levels over the next few months, with any revised forecasts being built into the final 2026/27 Budgets presented to Members in February 2026. Budgets are monitored and reviewed by Managers on at least a monthly basis throughout the year, with formal reports to Cabinet on a quarterly basis.

Background papers:

Fees and Charges 2025/26 (Cabinet 17 October 2024 – Item 4) to Council 27 November 2024

Budget Setting report 2025/26 (Cabinet 06 February 2025 – Item 5) to Council 19 February 2025

Supporting documents:

WDC Code of Financial Practice