

Meeting	CABINET
Portfolio Area	Resources and Performance
Date	8 October 2026
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REVIEW OF FEES AND CHARGES

KEY DECISION

1. PURPOSE

- 1.1 This report seeks approval for the proposed Fees and Charges for the 2027/28 financial year, covering services within both the General Fund (GF) and the Housing Revenue Account (HRA).
- 1.2 Fees and Charges are reviewed and recommended for approval annually. For General Fund services, the majority of revised charges will be implemented from January 2027. For the Housing Revenue Account, the updated charges will take effect from April 2027.
- 1.3 Fees and Charges represent a vital component of the Council's financial Balancing the Budget (BTB) strategy. It is essential that charges are set prudently to ensure cost recovery, while also being fair, transparent, and applied consistently across services.

2 RECOMMENDATIONS

- 2.1 That Fees and Charges 2027/28 for the General Fund (GF), as shown at Appendix A, be approved.
- 2.2 That Fees and Charges 2027/28 for the Housing Revenue Account (HRA), as shown at Appendix B, be approved.

3 BACKGROUND

- 3.1 Stevenage is a relatively young and economically active town, benefiting from strong employment opportunities and earnings levels that are generally around the national average. Its location within the London commuter belt, together with the presence of major employers in sectors such as advanced manufacturing, engineering, defence and life sciences, supports a resilient local economy. However, despite improvements in earnings and household incomes in recent years, many residents continue to experience financial pressures arising from housing, energy, food and other essential living costs.
- 3.2 While overall economic performance within the borough is positive, levels of income, deprivation and financial resilience vary across communities. Stevenage remains the most deprived district in Hertfordshire based on the 2025 Index of Multiple Deprivation, although nationally it sits around the middle of English local authorities, ranking 151st most deprived out of 296 based on average deprivation scores. Some households continue to face affordability challenges and rely on welfare support to meet essential living costs. These factors have been considered as part of the review of fees and charges for 2027/28 to help ensure that proposed increases are proportionate, balanced and mindful of their potential impact on residents, whilst supporting the Council's financial sustainability and service delivery objectives.
- 3.3 Stevenage Borough Council has experienced significant reductions in government funding over the last decade. However the introduction of Fair Funding from 2026/27 has improved the Council's financial outlook, although overall funding remains below historic pre-2010/11 levels in real terms. The Council continues to review its fees and charges annually to help support the ongoing delivery of services and maintain financial sustainability through the BTB priority.
- 3.4 Despite the financial challenges faced by local government, Stevenage Borough Council has a strong track record of delivering efficiencies and maintaining financial sustainability. Since 2010/11, the Council has delivered circa £18 Million of recurring savings through its BTB programme including fees and charges.
- 3.5 Balancing the Budget is one of the Council's key, Making Stevenage Even Better (MSEB) priorities, helping to ensure that the Council remains financially resilient while continuing to deliver its strategic priorities and essential services across both the General Fund and the Housing Revenue Account.

Figure 1. Balancing the Budget Priority

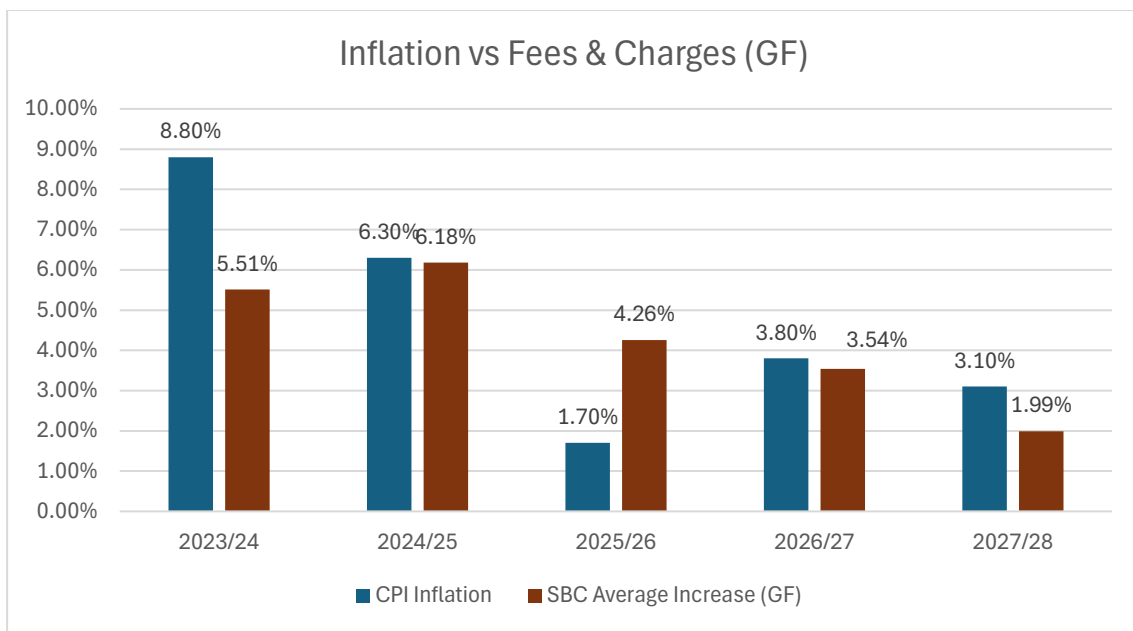


- 3.6 As part of this approach, services are encouraged to identify efficiencies, reduce the cost of service delivery, improve cost recovery and move towards financially sustainable operating models.
- 3.7 The 2026 Stevenage Residents' Survey indicated that residents generally favour generating additional income through fees and charges ahead of reducing or cutting services and increasing the Council Tax. The survey also identified service modernisation and increased use of digital services as residents' preferred approach to achieving budget savings.
- 3.8 Officers have proposed a targeted approach to the 2027/28 review of fees and charges. Careful consideration has been given to affordability, service costs, demand and market conditions when determining proposed charges.
- 3.9 As a result, a number of charges are proposed to be frozen or restricted to inflationary increases only. This approach recognises the financial pressures facing residents and businesses, whilst balancing the need to recover the costs of delivering services.
- 3.10 The Council remains committed to delivering high-quality services and supporting the local economy. The proposed fees and charges seek to achieve a balanced approach that maintains affordability for service users whilst contributing towards the financial sustainability of Council services.

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

- 4.1 The General Fund Medium Term Financial Strategy (MTFS), approved by Cabinet in September 2026, identified a *Balancing the Budget* savings target of £350,000 for 2027/28. This target is significantly lower than in recent years, reflecting the positive impact of the Government's Fair Funding reforms on the Council's financial position. The MTFS includes cumulative savings targets of £1.0 Million over the period 2027/28 to 2029/30, rising to £1.2 Million by 2030/31. The annual review of fees and charges forms an important part of the Council's wider approach to delivering these savings targets whilst supporting the continued delivery of Council services.
- 4.2 The Housing Revenue Account also faces significant financial pressures. The HRA Medium Term Financial Strategy (MTFS), approved by Cabinet in September 2026, identifies a savings requirement of £1.7 Million in 2027/28, rising to cumulative savings of £3.2 Million by 2029/30 and £3.6 Million by 2030/31. The annual review of HRA fees and charges forms part of the wider approach to maintaining a sustainable HRA Business Plan whilst continuing to provide services to tenants.
- 4.3 At the time of setting the 2026/27 General Fund budget, income from fees, charges and contributions totalled £29.2 Million, with the four largest income streams (parking, commercial property, garages and contributions) accounting for approximately 75% of the total
- 4.4 Income generated through fees and charges helps to support the delivery of wider Council services. It is therefore important that the Council continues to identify sustainable income opportunities and incorporates these within its Medium Term Financial Strategy (MTFS) to help address funding pressures and maintain financial resilience.
- 4.5 Members should note that the General Fund MTFS identified inflationary pressures of approximately £1.155 Million for 2027/28 based on assumptions including a 3.0% pay award and 2.5% CPI inflation and other service cost increases. Whilst inflation has reduced from the peaks experienced in recent years, cost pressures remain across Council services. The proposed fees and charges have therefore been reviewed in the context of these inflation assumptions, whilst also taking account of affordability, market conditions and service-specific factors.

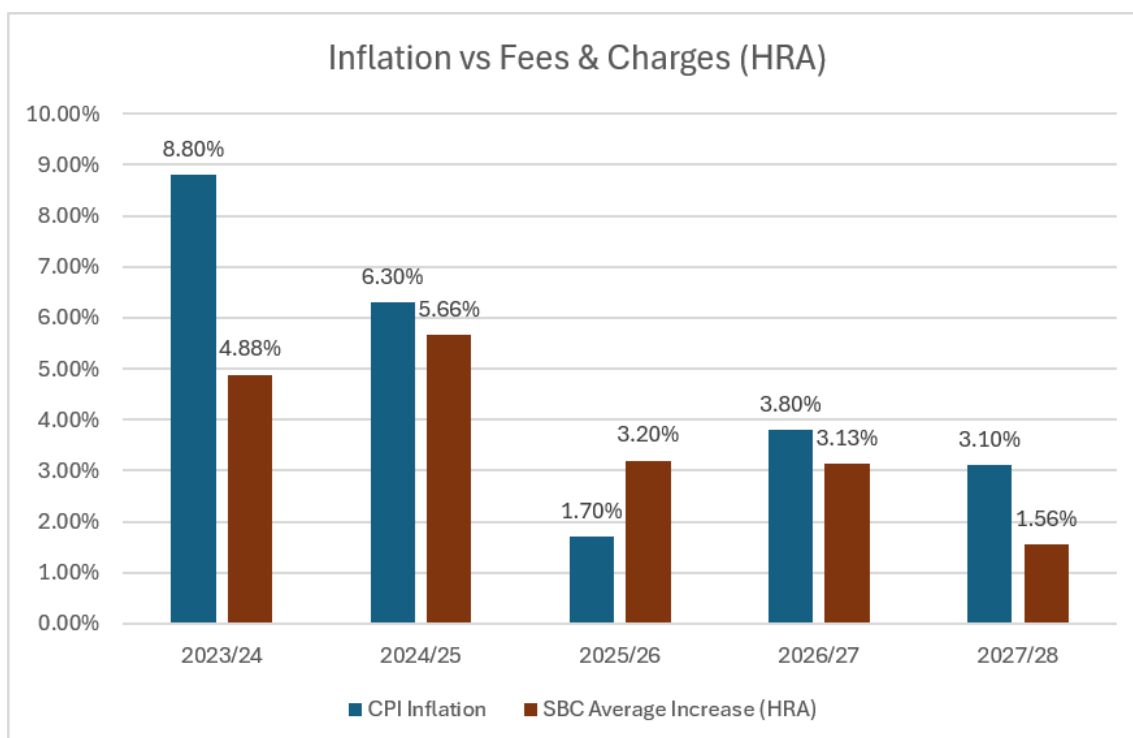
Figure 2. Trajectory of Inflation vs Fees and Charges (General Fund)



CPI rates are as of September.

For 2027/28, latest available CPI is August's CPI of 3.1%.

Figure 3. Trajectory of Inflation vs Fees and Charges (HRA)



CPI rates are as of September.

For 2027/28, latest available CPI is August's CPI of 3.1%.

- 4.6 At the time of drafting this report, the latest available CPI rate was 3.1% in August 2026. The Bank of England expects CPI inflation to rise in the near term, reflecting the direct and indirect effects of higher energy prices, before easing. The outlook remains uncertain, with the ongoing conflict in the Middle East contributing to volatility in global energy prices. Without corresponding funding support, councils may continue to experience financial strain and face significant pressure to bridge the budget gap.
- 4.7 Looking ahead to 2027/28, the savings required to meet the target as per the MTFs (paras 4.1 & 4.2) will be identified through a combination of measures, including the annual Fees and Charges review, the Star Chamber process and the identification of further efficiency savings and income opportunities. The Council remains committed to its established fees and charges principles, which include ensuring that costs are recovered where appropriate and, where feasible, achieving full cost recovery through service charges.
- 4.8 All fees and charges proposals are assessed against the following key considerations:
- True cost of service delivery
 - Charging model category (e.g. subsidised, cost recovery, commercial)
 - Service specific inflationary pressures
 - Demand levels and market competition
 - Impact on residents and businesses
 - Benchmarking against comparable services
 - Changes in trading and charging legislation

Figure 4. Timeline for Fees and Charges 2027/28

October 2026	January 2027	Staggered 2027
Approval of Fees and Charges at Cabinet <u>8th October</u>	Implement Majority of General Fund Fees and Charges	Implement Housing Revenue Account Fees and Charges in April 2027
Overview and Scrutiny <u>13th October</u>		Implement General Fund Fees and Charges exceptions: such as Garages, Pavilions, and meeting rooms in April 2027 Bowls pitches in May 2027 Football pitches In September 2027

- 4.9 **Trade Waste** – No increase is proposed to Trade Waste charges for 2027/28. The service has secured additional income from commercial

customers, enabling charges to be held at current levels whilst continuing to support local businesses. Maintaining current charges will help ensure the service remains competitive within the local market and supports continued customer growth.

4.10 **Leisure (Parks and Open Spaces)** - Whilst bookings for certain leisure services continue to be administered by Everyone Active, responsibility for maintaining these services remains with Stevenage Borough Council. These charges have therefore been included within the Council's Fees and Charges Schedule to ensure transparency and appropriate governance arrangements.

4.11 **Planning Fee** – Planning fees are proposed to increase by an average of 3% for 2027/28. However, a draft statutory instrument, *The Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) (Amendment) Regulations 2026*, has been published setting out proposed national increases to planning fees and associated procedural changes. As the regulations remain in draft form, they are not yet in force and may be amended following consultation and parliamentary scrutiny. The proposed changes aim to increase cost recovery and simplify certain fee categories. Should the regulations be approved, the Council's planning fees will need to be updated accordingly and may differ from those set out in this Fees and Charges Schedule.

4.12 **Off-Street Parking –**

- a) Car park charges across the New Town are proposed to have modest increases and remain below current inflation on average, whilst season ticket prices have generally been frozen.
- b) It is proposed that the annual Blue Badge season ticket charge is removed for all car parks except the Railways car parks, where it would remain at £65 per annum.
- c) A new annual administration fee of £30 per annum has been proposed for Blue Badge holders using other eligible car parks to help recover the costs of administering the permit scheme.
- d) Parking charges in the Old Town are proposed to increase modestly, with most tariffs rising by only small amounts.
- e) Higher increases have been proposed to longer-stay parking tariffs to encourage shorter-stay visits and support continued access to the town centre, local businesses and services.
- f) All charges for up to 1 hour have been frozen.

4.13 **On-Street Parking –**

- a) All parking charges in the Town centre are proposed to be frozen.

- b) At King George V Playing Fields Car Park, a new charge has been proposed for longer stays to encourage the availability of parking spaces for visitors, whilst shorter visits would continue to benefit from free parking.
- c) Parking charges at Coreys Mill are proposed to increase but remain significantly lower than those at Lister Hospital, continuing to provide a more affordable parking option.
- d) Parking permit charges have also been reviewed to reflect increased administration and material costs, although some permit prices have remained unchanged for a number of years.
- e) Charges for H-bar markings are proposed to be frozen and parking bay suspensions are proposed to increase modestly to reflect the cost of providing these services.

4.14 HRA Fees and Charges Changes

- a) Independent Living Support Services - Dryer Charge. The proposed introduction of a £1 dryer token charge, which remains heavily subsidised during its first year. Given the significantly higher energy consumption of dryers compared with washing machines, the proposed charge is intended to encourage responsible use and partially recover operating costs. The laundry wash charge is proposed to remain at its current level.
- b) Statutory Mutual Exchange Service: There is no change to the existing statutory mutual exchange service, which is proposed to continue to be provided at no charge, as has always been the case.
- c) Mutual Exchange Additional works and services: Proposed introduction of charges for additional works or services that fall outside the statutory mutual exchange requirements, such as missed appointments, repeat or multiple appointments, and other additional services. These charges are intended to recover some of the additional costs incurred in providing services beyond the statutory requirements and reflect an approach adopted by a number of other local authorities. Some of these charges will be priced accordingly to the request and associated cost.
- d) Further details on the statutory service, the additional chargeable services and the rationale for introducing these charges are provided in the Additional Considerations section of the HRA EqIA (Appendix D).

5 IMPLICATIONS

5.1 Financial Implications

- 5.1.1 If the changes to fees and charges for the General Fund are all approved, this will result in an increase net budgeted income by £239.5K (average increase of 1.99% after considering any budget rebasing) for 2027/28. This will make a significant contribution towards the Council's remaining Balancing the Budget target of £273K as identified in the Medium Term Financial Strategy approved in September 2026. Equality Impact

Assessments (EqIAs) for both GF and HRA have been completed for the proposed changes to fees and charges across all service areas.

- 5.1.2 It is recommended that Members approve the increase in General Fund fees and charges mostly effective from January 2027, with the exception of garage and leisure fees which are to be implemented across 2027.
- 5.1.3 If the changes to fees and charges for the Housing Revenue Account are all approved, this will result in an increased income of £11,860 (average increase of 1.56%) and will be implemented in April 2027.

5.2 Legal Implications

- 5.2.1 The Local Government Act 2003 (LGA 2003) includes a general power for local authorities in England and Wales to charge for discretionary services. The discretionary charging powers do not apply to services which an authority is mandated or has a duty to provide. However, councils can charge for discretionary services. In order to do so, the recipient of the discretionary service must have agreed in advance, to pay for the provision of such services. The 2003 Act cannot be used where charging is prohibited or where another specific charging regime applies. Charging is limited to cost recovery and statutory guidance published in 2003 outlines how costs and charges should be established.

5.3 Risk Implications

- 5.3.1 The impact of Fees and Charges is evaluated through the completion of Equality Impact Assessments (EqIA) for each service area.
- 5.3.2 The overarching EqIA for Fees and Charges for the General Fund 2027/28 is shown in Appendix C.
- 5.3.3 The overarching EqIA for Fees and Charges for the Housing Revenue Account 2027/28 is shown in Appendix D.

APPENDICES

- A Fees and Charges 2027/28 – General Fund
- B Fees and Charges 2027/28 – Housing Revenue Account
- C Equality Impact Assessment – General Fund
- D Equality Impact Assessment – Housing Revenue Account

BACKGROUND DOCUMENTS

- BD1 MTFS GF Report, Cabinet 10 September 2026
- BD2 MTFS HRA Report, Cabinet 10 September 2026