PORTFOLIO HOLDER FOR LEISURE AND PUBLIC REALM

4 March 2026

REPORT OF THE DIRECTOR FOR PLANNING AND COMMUNITY

A.1 Planning and Community / Property & Projects / Beach Huts - Proposed Fees and Charges for 2026/27
(Report prepared by Jennie Wilkinson)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
To seek the Portfolio Holder's concurrence to the proposed schedule of fees and charges 2026/27 for Planning and Community / Property & Projects / Beach Huts

EXECUTIVE SUMMARY
This report sets out the proposed fees and charges for 2026/27 for Planning and Community / Property & Projects / Beach Huts. They continue to be considered against a number of key principles that form part of the long term financial forecast approach which are summarised later on in this report.

RECOMMENDATION(S)
That the Schedule of Fees and Charges 2026/27 for Planning and Community / Property & Projects / Beach Huts set out in Appendix A be agreed.

REASON(S) FOR THE RECOMMENDATION(S)
To enable the implementation of a revised fees and charges schedule for 2026/27.

ALTERNATIVE OPTIONS CONSIDERED
Please see the considerations / reasons behind the proposed fees and charges later on in this report.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES
The forecasting and budget setting process, including fees and charges, will have direct implications for the Council's ability to deliver on its objectives and priorities. The Council's financial position now needs to be considered within the interim period before

new / successor Unitary Councils are established from the current expected date of 1 April 2028. It is important to keep up a sound and sustainable budget year on year where maximising income, including income raised from fees and charges, continue to be an important element, in order to continue to deliver services and put a new / successor Unitary Council in the best financial position.

OUTCOME OF CONSULTATION AND ENGAGEMENT

The Portfolio Holder is comfortable to increase fees by 3.5% in accordance with the 12 month CPI percentage increase as at December 2025, in accordance with the fee increase terms set out in the proposed beach hut leases.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

Is the recommendation a Key Decision (see the criteria stated here)	**No**	**If Yes, indicate which by which criteria it is a Key Decision**	☐ **Significant effect on two or more wards** ☐ **Involves £100,000 expenditure/income** ☐ **Is otherwise significant for the service budget**
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	N/A

These decisions are to record the Schedule of Fees and Charges for Executive functions only.

The general power to charge is set out in the Local Authorities (Goods and Services) Act 1970 and the Local Government Act 2003 – Section 93 respectively. The latter also requires that charges for discretionary services should be on a cost recovery basis. Trading powers can only be exercised through a separate company and are not relied upon for the purposes of this report.

As some of these fees relate to the use of Council land to site a Beach Hut, through either a licence or lease, this is not regarded as providing a service therefore, the Council is relying on different powers. In this case, Section 123 Local Government Act 1972 provides the Council with the power to dispose of land held by them in any manner they wish.

Subsection (2) states a council shall not dispose of land under this section, otherwise than by way of a short tenancy, for a consideration less than the best that can reasonably be obtained. This does not however, prevent the Council in seeking to achieve consideration on the market value.

Beach Hut leases fall within the definition of short term tenancy. In the case of Gilpin v. Legg [2017], it was considered whether beach huts situated on plots of land were being occupied under a licence or a periodic tenancy under a lease, and therefore if the landowner was entitled to possession of the land. The court declared that the beach huts were occupied under annual periodic tenancies. The case is a good reminder of the difference between a lease and a licence and that form of a lease does not matter if the arrangement has exclusive possession for a fixed or periodic term with rent.

Under Schedule 3 of the Council's Constitution - Responsibility For Executive Functions - Para 4.4: Delegation of Executive Functions to Officers - General Responsibilities Delegated To Officers 4.4.1 (8) Part 3.45 of the Council's Constitution, all Assistant Directors, in consultation with the relevant Portfolio Holder, Management Team Member and the Director (Finance & IT), are authorised to decide the level of the annual discretionary fees and charges for their service (including any in-year changes that may be required) for inclusion within the Council's corporate schedule of fees and charges. Following the above consultation, an Officer decision must be published.

Fee and Charge	Legislative Power Being Relied Upon
Beach Hut Site Fees	Section 123 Local Government Act 1972. This is the same legislative basis on which these fees and charges were set last year.

X	**The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:**

FINANCE AND OTHER RESOURCE IMPLICATIONS

Fees and Charges have been reviewed against the key principles that underpin the long term forecast, which includes the generation of income whilst balancing strategic and external market conditions.

Given the significant on-going financial challenges faced by the Council from 2026/27, a key underlying principle is to consider inflationary increases wherever possible to support corresponding increases in the Council's own costs in delivering the associated service(s). Although set against the current inflationary environment, any proposed increases in fees and charges must be balanced against other considerations / market conditions, whilst also recognising the restrictions placed on local authorities in terms of setting fees and charges as set out within the legal section above. Further details relating to any proposed increases to fees and charges is set out below.

There are no proposed changes to the budget over and above those adjustments already included within the 'base' budget agreed by Full Council in February 2026.

X	**The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:**

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services.	Please see relevant comments elsewhere in this report.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks.	
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	

MILESTONES AND DELIVERY

Fees and Charges for 2026/27 form part of the wider budget setting process.

ASSOCIATED RISKS AND MITIGATION

No specific risk has been identified in increasing fees and charges as proposed.

EQUALITY IMPLICATIONS

No implications identified

SOCIAL VALUE CONSIDERATIONS

No implications identified

IMPLICATIONS RELATED TO DEVOLUTION AND/OR LOCAL GOVERNMENT REORGANISATION

As set out earlier within the report, the Council’s financial position will need to be considered within an interim period before new / successor Unitary Councils are established from the current expected date of 1 April 2028.

The development of fees and charges proposals therefore need to be undertaken within this context whilst acknowledging the future consideration / harmonisation of financial forecasting and planning across partners as part of the various stages and activities associated with the implementation of a new unitary council from as early as 1 April 2028. Although there are no direct implications for 2026/27, this underlying approach will remain under consideration during 2026/27, as timely opportunities to further review fees and charges may emerge from on-going LGR activities.

IMPLICATIONS FOR THE COUNCIL’S AIM TO BE NET ZERO BY 2030

No implications identified

OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS	
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.	
Crime and Disorder	No implications identified
Health Inequalities	No implications identified
Area or Ward affected	Various

PART 3 – SUPPORTING INFORMATION

BACKGROUND

Income from fees and charges form an important element of the budget and the financial sustainability of the Council as highlighted earlier.

Similarly to previous years, Departments have been asked to review their fees and charges on an individual basis as changes may need to be made to meet specific aims or strategic objectives or in some cases in response to external factors such as market forces.

The review of fees and charges has been set against the following key principles:

- general inflationary increases where possible or lower where appropriate / justified
- amounts rounded for ease of application, which may result in a slightly above inflation increase.
- on a cost recovery basis as necessary
- reflect statutory requirements.
- increases where market conditions allow
- to meet specific priorities or service delivery aims / objectives

As highlighted earlier in this report, the Council continues to face a number of significant financial challenges in 2026/27 and beyond. It is therefore important that fees and charges are considered against this context and to maximise income opportunities where possible, albeit whilst balancing the various issues highlighted above.

OPERATIONS AND DELIVERY / BUILDING AND PUBLIC REALM / PROPERTY AND PROJECTS / BEACH HUTS - PROPOSED FEES AND CHARGES 2025/26

Set against the current fees and charges for 2025/26, **Appendix A** includes the schedule of fees and charges proposed for 2026/27, which have been developed by applying the key principles highlighted above.

In finalising the proposed fees and charges for 2026/27, the table below sets out a summary of the associated review:

Element of This Year's Review	Comments
1. Background to the annual review process and reasoning behind the fees and charges proposed.	
The proposed new draft leases adopt the basis of annual CPI increases calculated from December of the previous year. This year's proposed fee increase is on this basis, with the CPI percentage increase calculated from December 2025 being 3.5%	
2. Is the Associated Service Subsidised in 2025/26. (i.e. is there a budgeted deficit for the service the fee and charge relates to)	
No. The beach hut service brings in a surplus to the Council, with the budgeted income taken into the Council's finances centrally to be used to support a portion of the budgets of other seafront services, for example seafront toilets, taps, gates, promenade maintenance etc. Any income brought in above the budgeted amount is set aside into a seafront improvements budget, which can be used to pay for larger seafront projects. Spend on this budget for projects is subject to decision by the relevant Portfolio Holder. This budget has recently funded replacement lighting along Dovercourt seafront and replacement beach hut stagings at the Leas. Replacement access steps at Walton and Frinton are imminent and there are also ongoing current projects to repair pathways at Southcliff, Walton as well as replacement of further staging sections at the Leas. In Brightlingsea, there is a project planned to improve the promenade around the paddling pool area and regrade the falls to try and improve natural drainage and prevent pooling.	
3. Expected impact of the proposed fees and charges on the budgeted income position.	
Because of the difference in cost between resident and non-resident fees, as well as the unknown number of new licences/leases issued on the sale of a hut, it is not possible to know the exact amount of additional income that will be achieved. However, 3.5% of the income received for beach huts this year is around £43,000.00 and therefore the increase in income for 2026/27 is likely to be in this region.	
4. Is it proposed to use any of the additional income raised?	
Income will continue to support the wider seafront amenities etc. as highlighted above. It is also important to highlight that the charges proposed are effectively 'property' transactions and therefore outside of the cost recovery restrictions imposed by the Local Government Act 2003 – Section 93 respectively. Income from these charges totalling £100k has been included within the Council's wider base budgets for 2026/27 as part of its savings and efficiency plans.	
5. Impact on the Net Budget	

Budget Line	2025/26	2026/25
Expenditure	£344,870	£330,860
Income	(£1,052,440)	(£1,176,741)
Net Position	**(£707,570)**	**(£845,881)**

Please see points 2 to 4 above in terms of the application of budget surpluses generated.

6. Other important issues to highlight.

As part of the implementation of the Beach Hut Strategy (2023) a new specification has been prepared that looks to regularise the situation in respect of currently unauthorised balconies, as well as any future construction of balconies at Southcliff, Walton. In this regard, an additional one off fee has been added for a compliance and safety certificate.
A decision in respect of the potential introduction of annual fees for the additional land for balconies has been deferred for this year in order to allow time for the new specification to be introduced and complied with.

PREVIOUS RELEVANT DECISIONS

Adoption of the Beach Hut Strategy – 17 February 2023

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

N/A

APPENDICES

Attached – Detailed fees and charges 2026/27 for Operations and Delivery / Building and Public Realm / Property and Projects / Beach Huts

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