

Dear Councillor

COUNCIL - MONDAY, 24 FEBRUARY 2025

Please find attached, for consideration at the meeting of the Council on Monday, 24 February 2025, the following reports that were unavailable when the agenda was published.

Agenda No Item

11. **Report of Cabinet - 19 February 2025 (Pages 3 - 92)**

Following the Cabinet meeting, the report of Cabinet is enclosed.

The Liberal Democrat alternative budget proposals for 2025/26 are enclosed alongside the Cabinet recommendations.

12. **Council Tax 2025/26 (Pages 93 - 108)**

Following a change in precept request from New Milton Town Council, a revised Council tax report for 2025/26 is enclosed.

13. **Questions (Pages 109 - 112)**

To ask questions under Standing Order 22. Questions received are enclosed.

16. **Allocation of Seats and Appointments to Committees and Panels (Pages 113 - 118)**

The allocation of seats table, and the Committee and Panel Memberships are enclosed.

Yours sincerely

Kate Ryan
Chief Executive

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Council – 24 February 2025

Report of Cabinet – [19 February 2025](#)

Part I – Items resolved by Cabinet

None

Part II – Recommendations to Council

1. Housing Revenue Account Budget and Housing Public Sector Capital Expenditure Programme 2025/26

Portfolio – Housing and Homelessness

Recommended:

That Council approve the following:

1. that from 07 April 2025, an increase in dwelling rents of 2.7% from the 2024/25 weekly rent level, in accordance with Government guidelines, be agreed;
2. that from 07 April 2025, an increase in garage rents of 2.7% from the 2024/25 weekly rent level be agreed;
3. that from 07 April 2025, an increase in shared ownership property rents of 3.2% from the 2024/25 weekly rent level, in accordance with Government guidelines of RPI +0.5%, be agreed, and that the weekly rent of one additional property sold under previous legislation be increased by 2.7%;
4. that from 07 April 2025 Service Charges will continue to reflect actual charges and following a reduction in window cleaning and utility costs, these respective charges will be reduced;
5. that the HRA budget, as set out in Appendix 1 of the Cabinet report, be agreed; and
6. that a Housing Capital Programme to 2027/28, as set out in Appendix 4 to the Cabinet report, be agreed.

Cabinet Discussion:

The Portfolio Holder for Housing and Homelessness reported he was delighted to present the HRA report which proposed a balanced budget for 2025/26 for approval, supporting the Corporate Plan commitments.

The proposed budget included a rent increase of 2.7%, which should be viewed against the current inflation rate of 3%. An uplifted maintenance budget was proposed of £18.93 million to be spent on maintaining tenants' properties during 2025/26. This included investment on additional windows, bathrooms, replacement heating and insulation to accelerate improvements to council housing which would reduce household energy bills for the benefit of tenants. This was a key priority of the Cabinet.

The development and acquisition of new council properties was proposed to continue. The budget was supported by a 30 year business plan, which detailed the spending decisions which would support the sustainability of the HRA for the duration of the plan.

The Strategic Director of Housing and Communities further highlighted that the budget proposed continued support for compliance and safety of tenants and their properties. The budget proposed £1.5 million for fire safety works and £1.87 million for decarbonisation works to support the energy efficiency measures which had already been highlighted.

In addition to these works, there was a proposed increase in expenditure, which was more than in previous years in order to support the Cabinet in the Corporate priorities. This included an increased level of borrowing. Borrowing over a 30 year period had been forecast and this was supported within the plan.

Rent was proposed to be increased, however the flexible service charging approach, instigated last year meant that some service charges would decrease. This was possible due to savings passed on by procuring a better value window cleaning contract, and a reduction in the utility costs for communal areas.

The Portfolio Holders each spoke in support of the report, recognising the benefits of a balanced budget and that it proposed an ambitious programme of works in difficult and challenging financial times. The importance of continuing to invest in properties to provide high standards to tenants and the decarbonisation works were welcomed. Finally, the housing team was praised for their work and it was noted that this had been recognised through the Corporate Peer Challenge.

A non Cabinet Member recognised the positive work which had been carried out, including the completion of the Stock Condition Surveys on the housing stock, to understand the future works which would need to be carried out. It was questioned how the programme of improvement works would be communicated to tenants.

The Portfolio Holder for Housing and Homelessness acknowledged the point made and recognised that the volume of works to be scheduled as part of the maintenance programme was huge. The works were prioritised and residents would be informed at the appropriate time.

The Strategic Director of Communities and Housing in addition to this, reported that investment had been made into forecasting software for maintenance works. Following the completion of the Stock Condition Surveys, there was a good understanding of the condition of properties and when the component parts would need to be replaced. A programme of works had been estimated over 30 years. It was important however to avoid setting false expectations to tenants as the programme of works was subject to change. Tenants were provided with details of the short term programme of works they could expect to be carried out, however, consideration would be given regarding whether this could be extended further, without setting false expectations.

In response to a question from a non Cabinet Member about the proportion of council homes which had been brought up to an EPC C rating, the Strategic Director of Housing and Communities reported that a plan was in place to bring properties up to the EPC C rating by the 2030 deadline. £1.8 million had been allocated to these improvement works, and it was hoped that the council would be successful in receiving grant funding, which would enable the work to be carried out on a 50:50 shared cost basis. It was highlighted that the Council had been successful in the delivery of retrofit work and last year and windfall grants had been received to support an enhanced programme of retrofit work, which had been successfully completed. It was reported that 2,700 properties would need retrofit work to be carried out in order to achieve the EPC C requirement. The worst performing council properties had already received retrofit works, these being properties with an EPC rating of G, F or E. The work required to the remaining properties was fairly minimal and this was expected to be completed by the 2030 target.

Appendix 1 – Background Report to Cabinet

2. Medium Term Financial Plan and Annual Budget 2025/26

Portfolio – Finance and Corporate

Recommended:

That Council approve:

1. the updated Medium Term Financial Plan (MTFP) and financial strategy, as set out in the Cabinet report and throughout appendices 1-3, be approved;
2. there is a General Fund Net Budget Requirement in 2025/26 of £25.509 million, as set out in appendices 5a - 5d to the Cabinet report;
3. the New Forest District Council Band D Council Tax for 2025/26 shall be £205.77 (paragraph 24);
4. the General Fund Capital Programme for 2025/26 of £19.411 million, as set out in appendix 6 to the Cabinet report be approved;
5. the proposed fees and charges as included at appendix 7 to the Cabinet report be approved; and
6. the principal of utilising up to £1.377 million of the budget equalisation reserve to fund investment in community assets, supporting the future transition to the new unitary authority and town and parish councils, is approved.

Cabinet Discussion:

The Cabinet heard from two members of the public, speaking in opposition to the proposed fees and charges in relation to the beach huts in the district. This was contained within recommendation 5. of the Cabinet report and Appendix 7.

Melissa Ashman Kulesza addressed Cabinet reporting that she was speaking on behalf of the Barton on Sea beach hut owners, strongly objecting to the proposed increase in fees. The reasons for this objection included; that beach hut fees had been increased by over 20% last year; that they were unjustified, other than to maximise income; were discriminatory, alleging they were in breach of the Equalities Act 2010 and it was felt that the fee structure with differential charges for residents and non residents (41% increase in annual charge) was both unfair and unethical. It was highlighted that the proposed increases had created much stress and anxiety amongst beach hut owners and it was

felt that a fairer and equitable solution would be to increase the fees and charges by a small amount to all owners or not at all.

Malcolm Wells addressed the Cabinet as a Calshot beach hut owner. He reported he had owned and enjoyed his beach hut for 15-20 years. It was in good condition, recently being rebuilt and he was proud of it. The fees about 10 years ago had been circa £500-600 a year. The annual fee had increased by 20% last year and a further 30% increase was proposed for the next financial year, taking the annual licence fee to just under £1,400 a year for a non resident. The annual licence fee proposed for a resident of the District was £899. The disparity between the two figures was questioned and considered unfair. The proposed administration fee to transfer a beach hut was felt to be too high, and it was reported that the proposed fee was higher than other local areas, highlighting that a fee was proposed even if an owner passed away. It was acknowledged that the council was under financial pressure, however, it was asked that the fees and charges reviewed to be fair and that the imbalance be addressed.

The Portfolio Holder for Finance and Corporate reported he was pleased to present the Medium Term Financial Plan and annual budget report setting out a balanced budget for 2025/26. It continued to support residents, visitors and businesses by investing in the delivery of corporate priorities. This achievement was in spite of what had essentially been a reduction in Government funding through the financial settlement. This was further compounded by the significant shortfall in the promised financial funding meant to offset the increase in employers National Insurance.

Notwithstanding these challenges, a balanced budget had been achieved, which would fund investment into council services and has been as a result of continuous improvement and diligent financial stewardship of the Council.

One of the most significant activities in the forthcoming coming year would be the implementation of the new waste strategy. This would see over £2 million invested in the revenue budget supporting the transition to the new service, including the new weekly food waste collection. Furthermore, over £8 million in capital expenditure was proposed for new vehicles and bins across the district. Significant investment was proposed towards transformation, to support modern digital customer services, with a movement towards more customer self service, in line resident expectations. ICT improvements were therefore more important than ever and it was necessary to ensure that services were fit for devolution and local government reform.

£250,000 of revenue funding was proposed towards community grants. In addition, it was proposed to utilise up to £1.377 million from reserves over the medium term to invest in community assets. This would support the future transition to the new unitary authority and town and parish councils, to ensure that the council's assets could be handed over in the best possible condition.

Finally, the Portfolio Holder thanked Cabinet Members for their involvement in what had been a collective piece of work and he expressed his thanks to staff in the delivery of the work, recognising that they were essential in the provision of council services.

The Assistant Director of Finance confirmed that the report proposed a balanced budget for 2025/26. The net budget requirement for 2025/26 was £25.5 million. In addition to those items already referenced, the budget made provision for other significant sums including; £1.36 million to cover the increase in pay costs. This included the known and forecast pay award implications and the requirement to cover the 75% shortfall in support of employer national insurance costs. £100,000 had been made available to manage inflationary pressures.

There were a number of one off items which had been removed in relation to 2024/25 activities as they had been concluded, with £40,000 included to fund reviews for commercial waste and the glass collection services.

Whilst a significant amount was proposed to be spent on the new waste collection service, as referred to by the Portfolio Holder, the budget included assumptions that £1.175 million of Extended Producer Responsibility funding and £1.5 million of new burdens support to the new food waste service, would be forthcoming.

Additional income to fees and charges was proposed following an external benchmarking exercise. All fees and charges for 2025/26 had been detailed in Appendix 7 of the report.

Council tax was proposed to be increased by 2.99% in line with government expectations and the flexibilities allowed. This equated to a £5.98 increase for Band D properties, which would mean that all services provided by the District Council cost just under £4 per week and accounted for approximately 9% of the total Council Tax bill.

Paragraph 31 of the report was highlighted which demonstrated the balanced budget position for 2025/26 and 2026/27 and showed a £2.22 million gap in funding over the remainder of the medium term.

Subject to future assumptions regarding fees and charges there would be a requirement to draw down £1.3 million from the budget equalisation reserve. This would provide up to £1.377 million to be considered to support the investment in community assets as detailed earlier by the Portfolio Holder.

The revenue budget included £2.5 million to support the asset maintenance and replacement programme and the recommendation sought to approve the £19.411 million capital programme. This had been considered at the previous Cabinet meeting.

The Section 25 Statement from the Section 151 officer was highlighted from paragraph 39. of the report which set out their satisfaction that the figures included in the report, including estimates were appropriate and robust and that the availability of cash and level of reserves held by the council was appropriate in the medium term.

The Portfolio Holder for Environment and Sustainability spoke in relation to the proposed beach hut fees and charges, which had been raised by the public speakers at the meeting. He understood the concerns which had been expressed regarding the price increases on the beach huts. Great consideration had been given to them and the proposed increase had not been taken lightly. An extensive benchmarking exercise had been carried out looking at beach hut fees across the country, particularly focusing on the local area. The exercise indicated that the proposed increases to the fees and charges were both fair and reasonable. Whilst the proposed increases were not desirable, it was highlighted that the Council was facing significant financial challenges in the budget and therefore they necessary in order to address these.

The Portfolio Holder for Finance and Corporate highlighted that the Medium Term Financial Plan showed extreme pressure on the Council's finances. All Portfolio Holders had been asked to review fees and charges in order to maximise income to address these budget pressures. Any shortfall in the budget would come from council tax and this could be detrimental to residents, particularly those in deprived areas. The Portfolio Holder expressed sympathy to the speakers in relation to the increases to the charges and reported that it was not something he wanted to do. However, with the reduction in central government funding and the budgetary pressures, it was important to ensure that the council continued to deliver essential services to local residents.

A non Cabinet Member recognised the uncertainty ahead with devolution and the local government review, and sought confirmation that conversations between partners were ongoing to ensure that any movement to a new authority and that any transfer of assets would be

as smooth as possible. The Leader responded and confirmed that these conversations and considerations were taking place.

In addition, a non-Cabinet Member questioned how the benchmarking had been carried out and whether it had included the fees and charges of the Cadland Estate, which was privately run. A comment was made that non residents were being charged disproportionately and that this could be considered differently.

Appendix 2 – Background Report to Cabinet

Cabinet – 19 February 2025

Housing Revenue Account Budget and Housing Public Sector Capital Expenditure Programme 2025/26

Purpose	For Decision
Classification	Public
Executive Summary	<p>The report sets out a proposed balanced HRA budget for 2025/26, including decisions to be taken on dwelling rents, garage rents, shared ownership and service charge.</p> <p>The proposed budget includes uplifted maintenance budgets meaning that a total of £18.939 million will be spent on maintaining tenant’s properties in 2025/26. This proposal supports the Council’s Corporate Plan commitments and responsibilities to its tenants.</p> <p>Budgets of £1.5 million and £1.87 million are proposed for Fire Safety & Statutory compliance, and Decarbonisation respectively.</p> <p>The proposed Capital Programme totals £30.820 million, including spend of £15.2 million on the continued development and acquisition of new Council dwellings. The Capital programme requires external loan finance of £12.865 million, with the cost of this borrowing covered in the medium-long term through the rents payable.</p> <p>The budget is supported by a 30 year business plan forecast and spending decisions taken within this proposed budget support the financial sustainability of the HRA over this longer term period through the protection of the minimum reserve balance and an appropriate level of interest cover.</p>
Recommendations	<p>That Cabinet recommend approval of the following to Council:</p> <p>1. that from 07 April 2025, an increase in dwelling rents of 2.7% from the 2024/25</p>

	<p>weekly rent level, in accordance with Government guidelines, be agreed;</p> <p>2. that from 07 April 2025, an increase in garage rents of 2.7% from the 2024/25 weekly rent level be agreed;</p> <p>3. that from 07 April 2025, an increase in shared ownership property rents of 3.2% from the 2024/25 weekly rent level, in accordance with Government guidelines of RPI +0.5%, be agreed, and that the weekly rent of one additional property sold under previous legislation be increased by 2.7%;</p> <p>4. that from 07 April 2025 Service Charges will continue to reflect actual charges and following a reduction in window cleaning and utility costs, these respective charges will be reduced;</p> <p>5. that the HRA budget, as set out in Appendix 1 of this report, be agreed; and</p> <p>6. that a Housing Capital Programme to 2027/28, as set out in Appendix 4, be agreed.</p>
Reasons for recommendation(s)	<p>The Current National agreed Rent Settlement allows for social housing rents to be increased by up to CPI +1%.</p> <p>To maximise rental income to continue to afford and provide energy efficient, safe and quality housing to our tenants, and to continue to provide new affordable housing it is recommended to set the rent increase to the maximum allowable and to confirm the capital programme to comply with statutory compliance regulations, the Social Housing Regulation Act 2023 and the Council’s Corporate Plan commitments.</p>
Ward(s)	All
Portfolio Holder(s)	Cllr Steve Davies – Housing and Homelessness

Strategic Director(s)	Richard Knott – Strategic Director Housing and Communities
Officer Contact	<p>Alan Bethune Strategic Director Corporate Resources and Transformation (S151) 023 8028 5001 Email: alan.bethune@nfdc.gov.uk</p> <p>Richard Knott Strategic Director Housing and Communities 023 8028 5242 Email: Richard.knott@nfdc.gov.uk</p> <p>Kevin Green Principal Service Accountant 023 8028 5067 Email: kevin.green@nfdc.gov.uk</p>

Introduction and background

1. This report sets out the proposed Housing Revenue Account (HRA) budget, the proposed rent levels and other charges, the maintenance programme and a proposed Housing Public Sector Capital Programme for 2025/26 – 2027/28.
2. The proposed budgets for 2025/26 were considered by tenants on the Tenants Involvement Group on 16 January 2025 and by the Housing and Communities Overview and Scrutiny Panel on 22 January 2025. Their comments are included in paragraphs 44-50 of this report.
3. The proposed HRA budget is attached as **Appendix 1**, the detailed maintenance programme at **Appendix 2**, the 3-year forecast medium term financial position at **Appendix 3**, the proposed Capital programme at **Appendix 4** and a 30 year business plan briefing document at **Appendix 5**.

Key Issues

4. Housing Authorities and Registered Providers face on-going challenges to maintain the continuation of high-quality services to their tenants, ensuring that buildings are safe and free from hazards and delivering greater energy efficiency measures in the retrofitting of their stock, as well as delivering more affordable homes. Tenants, too, are facing challenges over rises in the cost of living. The

proposal set out below to increase rents in line with the Government's current recommendation is considered to strike the right balance to ensure that the Council continues to provide high quality services to tenants and that the necessary programmes of maintenance and repairs to council housing stock are undertaken, as well as delivering Decarbonisation targets and new affordable council homes in the district.

5. Members are asked to consider a number of financial issues for 2025/26.

Housing Rents

6. The proposed budget identifies a social rent increase of 2.7%, in line with the Government's policy rent increase guidelines. It is the sixth increase, following a previous four-year social rent reduction programme.
7. Following the rent increase, average weekly rents will be £125.78 for 2025/26. The actual increase will vary by property but will amount to an average increase of £3.31 per week. Over 60% of tenants are in receipt of benefits to help pay rent costs.

Service Charges – Hostels & Flat Accommodation

8. Service Charges are currently used by the Council as a method to recover Council Tax and domestic and communal energy costs from tenants where their personal usage costs are charged directly to the Council by the respective billing organisations. Service Charges are also used to recover some aspects of equipment provision, cleaning and communal heating and lighting costs from tenants, which are also incurred in their respective properties.
9. From April 2024 an additional 800 tenants were charged their share of communal and domestic costs, not previously recovered. All charges were also revised and disaggregated to reflect accurate charges, and which then could be adjusted more flexibly each year. Therefore 1,300 tenants pay service charges to the Council and a review of costs and rates commences at the end of each calendar year to inform this report.
10. For 2025/26 total service charge income will reduce by £27,000, reflecting 1 less rent week during the year, and a small reduction in costs to the council for providing a new window cleaning contract and a reduction in utility costs.

Garage Rents

11. It is proposed that garage rent charges are increased in 2025/26 by 2.7% (£0.37 per week) to £14.27 per week, plus VAT where applicable.

Planned Maintenance & Improvement Works

12. The report proposes total budgetary provision of £13.534 million for planned maintenance and improvement works to houses and estates. This, together with budgetary provision of £5.405 million for reactive maintenance works means that, in total, £18.939 million will be spent on tenant's properties in 2025/26. Details of the proposed works for 2025/26 and an indication of proposals for the following two years are set out in **Appendix 2**.

Fire Risk Assessment Works

13. Between 2022/23 and 2024/25 the Council will have spent £6.4 million on fire safety and statutory compliance matters. Further funding of £1.5 million has been allocated for 2025/26 to continue the requirements to address identified actions from Fire Risk Assessments (FRAs) in flat blocks.

Decarbonisation Programme

14. In 2023/24 work to establish the future upgrade programmes to deliver all homes to EPC C by 2030, and net zero carbon by 2050 were established. Measures required to each home within the Council stock to meet these targets is known and estimated costs applied up to 2050. 2024/25 was considered a transition year where planning the upgrade strategy began to be overtaken by the delivery of increased retrofit activity. Funding of £1.870 million is proposed for 2025/26, but total expenditure up to 2030 is likely to be £15 million, with a further £115 million required to meet net zero targets by 2050.
15. Expenditure in the next 3 years will likely be offset by securing a grant of up to £4.008 million from the Social Housing Decarbonisation Fund (SHDF).

HRA Income 2025/26

16. Estimated total income for 2025/26 is £860,000 higher than the original budget for 2024/25. The income variations from the 2024/25 approved budget are set out below:

	Change £000	Paragraph
Dwelling Rents	(834)	17
Non – Dwelling Rents	40	18
Service Charges	27	19
Contributions to Expenditure	(68)	20
Other Income	(25)	21
Total	<u>(860)</u>	

17. **Dwelling Rents (£834,000 increase)** – The proposed budget for 2025/26 includes the benefits of £913,000 arising from the proposed 2.7% rent increase, £118,000 from a net increase in property numbers from the development programme, including new shared ownership properties, offset by Right to Buy Sales, £23,000 from flexible rent and capped rent changes and £437,000 ongoing increased income arising during 2024/25. These additional items are offset by a reduction of £657,000 from the impact of the 2024/25 53-week rent year.
18. **Non - Dwelling Rents £40,000 reduction** – This income is derived from garages and rents of other housing land. The overall reduction reflects a £45,000 impact of reduced lettings due to voids and an ongoing project to provide a full options appraisal of all sites, and £14,000 from the impact of the 53-week rent year, offset by a £19,000 benefit arising from the proposed 2.7% increase in charges.
19. **Service Charges £27,000 reduction** – The service charges proposals detailed in Section 3 will result in reduced income of £27,000 largely due to income loss of £22,000 from the 53 rent week impact and £5,000 from reduced charges to reflect a reduction in costs to the council for providing a new window cleaning contract and a reduction in utility costs.
20. **Contributions to Expenditure (£68,000 increase)** – This additional income reflects a contribution of £51,000, from the Government, towards the estimated £200,000 additional costs arising from the National Insurance changes announced in the Budget and a £17,000 Government grant towards Tenant Satisfaction Measures Costs. The significant shortfall in National Insurance grant will impact the level of loan repayment possible, as detailed in paragraph 29.

21. **Other Income (£25,000 increase)** – The Shared Amenities contribution from the General Fund has increased by £48,000 to cover inflationary increases in costs and increases in expenditure on trees and other estate budgets. This is offset by a reduction in anticipated interest earnings of £23,000 due to lowering interest rates offset by increased opening balances brought forward from 2023/24.

HRA Expenditure 2025/26

22. Budgeted operating expenditure for 2025/26 is £2.027 million higher than the approved budget for 2024/25. After allowing for depreciation charges and transfers of £150,000 from reserves for specific earmarked projects, surplus resources available for making principal repayments on borrowing have reduced by £1.517 million to maintain a balanced Housing Revenue Account for the year, as detailed in paragraph 29 The major variations are set out below:

	Change £000	Paragraph
Cyclical/Reactive Maintenance	833	23
General Management	523	24
Grounds Maintenance and Trees	152	25
Housing Schemes and Temporary Accommodation	48	26
Capital Financing Costs - Interest	471	27
Operating Expenditure	<u>2,027</u>	
Contribution to Capital – Supporting Housing Strategy	500	28
	<u>2,527</u>	
Capital Financing Costs – Principal	<u>(1,517)</u>	29
Total	<u>1,010</u>	

23. **Cyclical/Reactive Maintenance £833,000** – Increased maintenance budgets are principally due to pay and prices increases of £209,000, £216,000 for the continuation of additional supplies and hired services costs identified and reported during 2024/25, an increase of £265,000 on cyclical maintenance due to the expansion of external cleaning works and other audit/maintenance contracts, the transfer of £56,000 of ICT costs previously allocated to General Management and the allocation of additional £47,000 depot asset maintenance costs.
24. **General Management £523,000** - Supervision and Management budgets will increase due to pay and prices increases of £349,000, by £478,000 for allocated costs from the Transformation Programme

and by additional Corporate and Democratic Process cost allocations of £404,000, representing £882,000 of additional corporate costs for the HRA to absorb, but these are offset by the removal of the 2024/25 £60,000 budget for a garages' sites survey, the transfer of £288,000 Planned Maintenance Staffing costs to capital budgets, to better utilise the Major Repairs funding, the removal of £53,000 from a vacant Housing Development Team post, a reduction of £98,000 in ICT allocations (£56,000 transferred to repairs and maintenance), a reduction of £70,000 in the pay award contingency to cover the excess impact of the 2024/25 award and £80,000 in reduced allocable corporate costs largely due to changes in ICT work programme allocations.

25. **Grounds Maintenance and Trees £152,000** – An increase in budgets is principally due to pay and prices increases of £43,000, an increase of £50,000 in trees maintenance costs following a contract retender, and £59,000 additional charges from the internal grounds' maintenance team, covering additional depot costs and additional ICT and mobile phone costs, following a detailed review of the allocation methodology.
26. **Housing Schemes and Temporary Accommodation £48,000** – Additional costs are principally due to inflation £17,000, the inclusion of an £18,000 allocation from the CCTV/Community Alarms team to cover monitoring in older persons accommodation and an increase of £9,000 in ICT allocations following the change in allocation methodology.
27. **Capital Financing Costs Interest £471,000** – Capital Financing costs have increased by £471,000. This is due to interest costs of £308,000 on forecast new borrowing for the proposed 2025/26 capital programme set out in paragraphs 34-38 of this report and £279,000 interest costs of the 2023/24 outturn and latest 2024/25 capital programmes, offset by a reduction of £116,000 in interest costs due to the repayment of the next £4.1 million instalment of the settlement borrowing in March 2025.
28. **Contribution to Capital - Supporting Housing Strategy** – This budget is the prescribed calculation of dwellings depreciation that needs to be charged to the Housing Revenue Account and is used to part fund the capital programme. The figure is based on a combination of factors including property valuation, component costs and remaining component life. Due principally to increased materials costs the estimated charge has been increased by £500,000 to £10.2 million.
29. **Capital Financing Costs – Principal (£1.517 million reduction)**– After allowing for transfers from reserves of £150,000, the Council is

required to set a balanced budget for the year. Increased operating expenditure of £2.527 million exceeds estimated increased operating income of £860,000, reducing the annual amount available for repaying principal on borrowing by £1.517 million. This means that there will not be sufficient resources to enable the maturing loan of £4.1 million to be repaid during 2025/26 and therefore additional new borrowing of £1.075 million will be required.

HRA Reserve Balance

30. The HRA Reserve balance as at 1 April 2024 was £1 million. This is a prudent level and meets with good governance practice.
31. The original 2024/25 HRA budget showed a break-even operating position, with no proposed reserves transfers. A financial update report for the year was presented to Cabinet on 5 February 2025, which included forecast variations to the year end. In accordance with current policy, any surplus or deficit for the year will be balanced by a transfer to or from the Acquisitions and Development Reserve, but assuming a break-even HRA position for the year 2024/25, this will result in a year-end balance of c£4.4 million as at 31 March 2025, after funding the capital programme.
32. The proposed HRA budget for 2025/26 currently shows a break-even position and therefore the estimated Housing Revenue Account balance (cash reserve) as at 31 March 2025 and 31 March 2026 will be £1 million.

30 Year Business Plan

33. In 2024/25 the Council, with the assistance of an external consultant produced an initial 30-year HRA business plan projection, a summary of which was included in the budget report last year. This projection was further refined during the last year which will inform a formal plan with an agreed strategic direction for stock investment and new housing development. A Briefing document is attached at **Appendix 5**.

Capital Programme

34. The proposed Housing Public Sector capital expenditure programme for 2025/26 totals £28.620 million. The detailed programme and anticipated funding is set out over the page with indicative details for future years in **Appendix 4**.

	Original 2024/25 £000	Latest 2024/25 £000	Original 2025/26 £000
Proposed Expenditure			
Fire Risk Assessment Works	1,000	1,000	1,500
Major Structural Refurbishments	1,260	1,260	0
Planned Maintenance & Improvements	8,600	8,600	11,100
Decarbonisation Works	2,170	1,970	1,870
Estate Improvements	200	200	200
Disabled Facilities Adaptations	950	950	950
Development Strategy	18,200	18,200	15,200
TOTAL	32,380	32,180	30,820
Funded by			
Revenue	9,700	9,700	10,200
Capital Receipts	2,000	4,200	4,000
Acquisitions and Dev. Reserve	1,768	950	950
Government Grant	7,922	6,676	2,805
External Borrowing	10,990	10,654	12,865
TOTAL	32,380	32,180	30,820

35. Significant works to properties, including mandatory compartmentation and new fire doors, are being carried out following detailed Fire Assessment surveys. Further funding of £1.5 million is proposed for 2025/26.
36. The Major Repairs budget has been increased by £2.500 million in 2025/26 to £11.100 million to reflect identified programme needs and the transfer of Planned Maintenance staffing costs previously charged to revenue. Details of the proposed programme are set out in Appendix 2 but include an increase in gas boiler replacements, and a catch-up programme of new window and door replacements which are required for the Council's drive to have all of its homes certified EPC C by 2030.
37. Funding of £1.870 million is proposed in 2025/26 to continue works for decarbonisation of the Council's housing stock and take advantage of any government grant funding available, as covered in more detail in paragraphs 14 and 15. Additional insulation programmes will be launched in 2025 to enhance the energy rating of properties and reduce fuel bills.

38. The Council's current Housing Strategy and Corporate Plan prioritise the delivery of new affordable housing homes covering the period 2018 - 2026. The proposed capital programme for 2025/26 includes £15.200 million to be invested in additional homes. Expenditure is also expected over the period post 2025/26 through to the end of 2028, which has been accounted for in Appendix 3 with similar levels of proposed expenditure.

HRA Medium Term Financial Position

39. Attached at **Appendix 3** is an indication of HRA budgets for two years post 2025/26 and is included to enable decisions for 2025/26 to be made in the context of affordability for the medium term. With the onset of a significant decarbonisation programme and the increasing expenditure required to maintain the aging stock the HRA is placed under continuing significant pressure. It currently shows an estimated operating deficit of c£2.1 million in 2026/27 and £2.3 million in 2027/28. Expenditure and income budgets will be reviewed for those years with a view to reducing the gap, but any remaining deficit will be closed by reducing the loan principal amount repaid to the externally borrowed commitment level of £4.1 million. Significant future costs of the Major Repairs Programme and the Decarbonisation requirements will require both revenue and capital programme spend priorities to be reconsidered in accordance with the Corporate Plan priorities.

Corporate plan priorities

40. People Priority 1: Helping those in our community with the greatest need: Provide more quality, temporary accommodation for single people and families and work with our partners to tackle homelessness.
41. People Priority 3: Meeting housing needs: Provide increased numbers of affordable homes by 2026. Improve the energy efficiency of over 3,200 council houses by 2030. Work with our housing tenants to understand their needs and provide high quality service standards in line with the government's new Social Housing Charter and regulatory regime.

Options appraisal

42. All spending options were considered, including postponing required capital works, but there is a risk that revenue spending will increase fixing end of life components.
43. Due to the age of a significant number of gas boilers, where parts are no longer available, there are very few alternative options to consider. Phasing of boiler replacements over a number of years has

already taken place, following the obsolescence of major parts in October 2024.

Consultation undertaken

Tenants' Views

44. Members of the Tenants' Involvement Group (TIG) were given the opportunity to review, scrutinise and challenge senior managers on the proposed HRA budget and report for 25/26.
45. Members of the TIG understand the recommended rent increase and, notwithstanding the recognised impact on tenants, realise the necessity and welcome continued input on the budget and budget setting. The TIG also understand that the majority of Councils and providers of social housing will be increasing rents by the allowed 2.7%.
46. Tenants feel the Council continue to take the 'tenant voice' and impact on tenants into account within budget setting and providing housing services.
47. The TIG group appreciate the Council's proposed focus on tenants' homes, reflected in the budgets outlined for both reactive maintenance and planned work, alongside a continued and appropriate focus on sustainability through the Council's decarbonisation and energy efficiency programmes.
48. Tenants also recognise the need for new Council homes and support the proposed budget to continue to provide much needed affordable homes in our communities.
49. Members of the TIG are reassured with the explanation from Officers of the Council, alongside answers to questions from the TIG, that the proposed budget and spend on tenants' homes and services has been thoroughly considered to ensure the right spend for both tenants and the Council

Housing & Communities Overview and Scrutiny Panel Comments

50. The Housing and Communities Overview and Scrutiny Panel considered the proposed HRA budget and housing public sector capital programme for 2025/26 and supported the recommendations.

Financial and resource implications

51. Attached at **Appendix 3** is an indication of HRA budgets for two years post 2025/26 and is included to enable decisions for 2025/26 to be made in the context of affordability for the medium term. With

the onset of a significant decarbonisation programme and the increasing expenditure required to maintain the aging stock the HRA is placed under continuing significant pressure. Whilst these budgets will be amended in future years, it shows an estimated operating deficit of c£2 million. Significant future costs of the Major Repairs Programme and the Decarbonisation requirements will require both revenue and capital programme spend priorities to be reconsidered in accordance with the Corporate Plan priorities.

Legal implications

52. The recommended capital and revenue funding levels for 2025/26 ensure ongoing compliance with legislation and guidance set by central government. Maintaining good quality and safe housing mitigates housing disrepair claims and other health and safety related claims.

Risk assessment

53. Risks related to safety compliance, maintaining the decent homes standard and maintaining the momentum toward achieving EPC C and net zero have been addressed by the recommended revenue and capital programmes.

Environmental / Climate and nature implications

54. The capital works programme continues to provide more sustainable measures to improve the thermal efficiency of Council housing stock, through more efficient window replacement programmes, insulation, boiler replacements and air source heat pumps. Following the previous work of the Greener Housing Task and Finish Group and the Greener Housing Strategy, the Council is committed to undertaking more sustainable measures year on year to reach the target of all 5,200 properties having a minimum energy efficiency rating of EPC C, which will require in excess of £6 million over the next 3 years to fund the initial phases of the work, and up to a further £9 million by 2030.
55. In the long-term decarbonisation of the entire stock will begin to take priority over meeting the EPC target, which will require the HRA to fund an additional £115 million of expenditure. This will present significant challenges to the HRA and future priorities and strategic choices will need to be carefully considered. Whilst meeting net zero will require some carbon off-setting in due course the programme will remove several thousand tonnes of carbon emissions each year.
56. Initially works are targeted at the worst performing properties, which are often off the gas network and in rural areas. As a result, carbon

reduction impacts are likely to be higher at the outset of the programme and targeted in specific geographical areas.

57. All products used in the repair, maintenance and improvement of Council homes are selected to ensure the minimum impact upon the environment, are sourced from recycled materials where possible and at the same time balance the need to improve the energy efficiency of tenants' homes in order to meet the requirement for thermal efficiency under the Decent Homes Standard and meet specified and legal safety standards.

Equalities implications

58. All equality and diversity implications will be considered at every stage of the process of commissioning and carrying out planned maintenance, improvement and cyclical maintenance works. In addition, any contractor used for works will have been assessed, as part of the process in becoming an approved NFDC contractor, in respect of their adherence to equality and diversity principles.
59. The HRA funding priorities support the funding and commissioning of necessary works with a view to improving building quality and safety, and the energy efficiency performance of the council stock, which supports vulnerable people reduce household bills at a time of cost of living pressures, and which reduces disrepair and the exposure to damp and mould tackling health and housing inequalities.
60. The Tenancy Account Team, which incorporates a dedicated support worker, will continue to support and signpost tenants experiencing difficulties paying their rents, working collaboratively with community support networks.
61. The continued support for the development and acquisitions programme in 2025/26 addresses housing need issues and increases the supply of properties in where there is high demand for social housing, and which supports the Council's aims of tackling homelessness in vulnerable communities.
62. The continued support for the funding of Disabled Facilities Grants in the Council Owned stock support vulnerable and disabled tenants to remain in their own homes or provides suitable alternative housing options for applicants and existing tenants whose needs cannot be met by their existing accommodation.

Crime and disorder implications

63. Many aspects of work identified within this report will improve the security of tenants' homes and improve the condition and aesthetics of neighbourhoods.

Data protection / Information governance / ICT implications

64. There are no implications arising from the recommendations.

Conclusion

65. The proposed uplifted rent (in line with government guidelines) and service charges, as well as partial re-financing of the HRA settlement loan enable increased expenditure on housing maintenance and capital programmes. This increased expenditure ensures compliance with Housing Regulatory Standards. The proposed budget is supported with 30 year projections and potential for fiscal borrowing and debt increases to accommodate the programme.

Appendices:

Appendix 1 – Summary HRA
Appendix 2 – Maintenance Programme
Appendix 3 – 3 Year HRA MTFP
Appendix 4 – Capital Programme
Appendix 5 – 30 Year Business Plan
Briefing Document.

Background Papers:

HOUSING REVENUE ACCOUNT BUDGET

	2024/25 £'000	2025/26 £'000	Variation £'000	Para
INCOME				
Dwelling Rents	-33,396	-34,230	-834	17
Non Dwelling Rents	-775	-735	40	18
Service Charges	-1,169	-1,142	27	19
Contributions towards Expenditure	-60	-128	-68	20
Interest Receivable	-441	-418	23	21
Sales Administration Recharge	-33	-33	0	21
Shared Amenities Contribution	-313	-361	-48	21
TOTAL INCOME	-36,187	-37,047	-860	
EXPENDITURE				
Repairs & Maintenance				
Cyclical Maintenance	1,886	2,234	348	23
Reactive Maintenance - General	3,400	3,520	120	23
Reactive Maintenance - Voids	1,521	1,886	365	23
General Management	7,765	8,288	523	24
Grounds Maintenance and Trees	935	1,087	152	25
Housing Schemes and Temporary Accommodation	1,151	1,199	48	26
Provision for Bad Debt	150	150	0	
Capital Financing Costs - Interest/Debt Management	5,137	5,608	471	27
TOTAL EXPENDITURE	21,945	23,972	2,027	
HRA OPERATING SURPLUS(-)	-14,242	-13,075	1,167	
Contribution to Capital - Supporting Housing Strategy	9,700	10,200	500	28
Capital Financing Costs - Principal	4,542	3,025	-1,517	29
HRA Total Annual Surplus(-) / Deficit	0	150	150	
Use of Reserves for Major Projects	0	-150	-150	
HRA TOTAL ANNUAL SURPLUS(-) / DEFICIT	0	0	0	

2025/26 - 2027/28 MAINTENANCE BUDGETS

CYCLICAL MAINTENANCE	2025/26	2026/27	2027/28
External Cleaning and Decoration	637,000		
Appliance servicing (including gas, oil, solid fuel)	1,097,840		
Lift Servicing	100,000		
Fire Alarm Servicing	76,000		
Portable Appliance Testing	4,300		
Fire Risk Assessments	28,000		
Air Source Heat Pump Servicing	15,000		
CCTV, Laundry & Door Entry Servicing	62,000		
Legionella Testing	32,780		
Automatic Door Servicing	29,648		
Window Cleaning	18,900		
Alarms & Telecommunications	50,000		
Emergency Lighting	83,000		
TOTAL CYCLICAL MAINTENANCE BUDGET	2,234,468	2,301,500	2,370,550

PLANNED MAINTENANCE & IMPROVEMENTS	2025/26	2026/27	2027/28
Heating Replacement Gas	2,267,880		
Electrical Rewiring	884,220		
Sheltered Schemes Minor Works	221,080		
Low Maintenance Eaves	250,000		
External Door Replacements	1,038,000		
Pitched Roofing	685,000		
Repointing	10,500		
Window Replacements	1,750,000		
Kitchen Refurbishments	1,000,000		
Drainage	100,000		
Structural Works	300,000		
Asbestos surveys and removal	100,000		
Garages	200,000		
Bathroom Refurbishments	450,000		
Insurance Work	10,000		
Water Main Renewals	35,000		
Miscellaneous	1,798,320		
TOTAL PLANNED MIANTNENACE & IMPROVEMENT BUDGET	11,100,000	11,433,000	11,775,990

ESTATE IMPROVEMENTS	2025/26	2026/27	2027/28
Provision of estates works and paving	200,000		
TOTAL ESTATE IMPROVEMENTS BUDGET	200,000	200,000	200,000

TOTAL FORECAST MAINTENANCE EXPENDITURE	2025/26	2026/27	2027/28
TOTAL EXPENDITURE	13,534,468	13,934,500	14,346,540

MEDIUM TERM FINANCIAL PLAN - HOUSING REVENUE ACCOUNT

	Budget 2025/26 £'000	Forecast 2026/27 £'000	Forecast 2027/28 £'000
INCOME			
Dwelling Rents	-34,230	-35,688	-37,042
Non Dwelling Rents	-735	-757	-780
Service Charges	-1,142	-1,176	-1,212
Contributions towards Expenditure	-128	-128	-128
Interest Receivable	-418	-350	-289
Sales Administration Recharge	-33	-33	-33
Shared Amenities Contribution	-361	-372	-383
TOTAL INCOME	-37,047	-38,504	-39,866
EXPENDITURE			
Repairs & Maintenance			
Cyclical Maintenance	2,234	2,301	2,370
Reactive Maintenance - General	3,520	3,626	3,734
Reactive Maintenance - Voids	1,886	1,943	2,001
General Management	8,288	8,537	8,793
Grounds Maintenance and Trees	1,087	1,120	1,153
Housing Schemes and Temporary Accommodation	1,199	1,235	1,272
Provision for Bad Debt	150	150	150
Capital Financing Costs - Interest/Debt Management	5,608	6,060	6,504
TOTAL EXPENDITURE	23,972	24,971	25,977
HRA OPERATING SURPLUS(-)	-13,075	-13,533	-13,889
Contribution to Capital - supporting Housing Strategy	10,200	10,500	10,800
* Capital Financing Costs - Principal	3,025	5,099	5,357
HRA Total Annual Surplus(-) / Deficit	150	2,066	2,268
Use of Reserves for Major Projects	-150	0	0
HRA TOTAL ANNUAL SURPLUS(-) / DEFICIT	0	2,066	2,268
OPTIONS IDENTIFIED TO CLOSE THE DEFICIT			
General Process Efficiency and Channel Shift		200k-500k	200k-500k
* Loan Re-financing		upto £4.1m	upto £4.1m

CAPITAL PROJECTS REQUIREMENTS WITH FINANCING

PUBLIC SECTOR HOUSING CAPITAL PROGRAMME

		PROJECT REQUIREMENTS £			2025/26 PROJECT FINANCING £				
		2025/26	2026/27	2027/28	Grants & Conts.	Cap Receipts / DC's	Internal/External Borrowing	HRA	HRA Reserves
Fire Risk Assessment Works	HRA	1,500,000	0				1,100,000	400,000	
HRA - Major Repairs	HRA	11,100,000	11,890,000	12,180,000			1,500,000	9,600,000	
Decarbonisation Works	HRA	1,870,000	1,920,000	1,970,000	926,000		944,000		
Estate Improvements	HRA	200,000	200,000	200,000				200,000	
Council Dwellings - Strategy Delivery	HRA	15,200,000	15,200,000	15,200,000	1,879,000	4,000,000	9,321,000		
Disabled Facilities Grants	HRA	950,000	950,000	950,000					950,000
		30,820,000	30,160,000	30,500,000	2,805,000	4,000,000	12,865,000	10,200,000	950,000
									30,820,000

30 Year HRA Business Plan Briefing

1. Introduction

This note has been prepared by Housing Finance Associates, using information supplied by officers at New Forest District Council about the authority's housing revenue account (HRA). It presents a baseline position plus two alternative development scenarios, which have been prepared using working papers and assumptions agreed with the authority using figures available during its budget-setting process in late 2024.

The projections summarise expenditure, investment, capital financing and borrowing in respect of council housing over a 30 year period, starting in 2024/25. We have presented a baseline position that reflects the authority's best available data and assumptions. The baseline allows for inflationary pressures to impact on budgets and programmes from 2025/26 onwards. It also assumes that National rent policy will permit maximum rent increases of CPI +1% until 2030/31, which is in line with a current consultation by government. Alongside this baseline we have also shown the effects of two separate alternative scenarios for future development:

1. Extending the current development programme by a further four years until 2038/39.
2. Continuing to replace dwellings sold under the Right to Buy for the full thirty-year period.

Note that our scenarios are intended to illustrate potential changes to the baseline, which could flow from policy decisions on the part from the council. They are not decisions made, nor do they constitute a full stress test of the authority's position. We recommend that the authority reviews the risks facing its HRA regularly, with a view to identify the effects of emerging situations at an early stage, testing its response and taking appropriate action to eliminate or mitigate the risk.

The first part of this note focuses on the baseline projections.

NB Since the publication of this briefing document there are some additional corporate costs proposed to be borne by the HRA in the HRA Budget 25/56 report which will require factoring in to long term projections.

2. Baseline projections

2.1. Baseline assumptions

The baseline assumptions reflect the revised 2024/25 revenue budget, draft 2025/26 budget and medium term projections for capital and revenue prepared by the authority's finance team. These update the approved budgets that were reported to Cabinet in the annual budget-setting report from February 2024. Other information and assumptions we have used in preparing this baseline projection include:

- Updated information on the authority's programme for developing and acquiring new dwellings over the medium term.
- Data from the right to buy pooling returns that the authority submits to MHCLG
- We have assumed that the authority sells 25 homes under the right to buy in 2024/25 and 40 homes in 2025/26, while it processes an influx of applications that followed publication in October 2024 of the government's plans to reform the Right to Buy and reduce discount levels. From 2026/27 onwards we have allowed for 10 to 11 sales pa.
- The authority aims to maintain a minimum HRA balance of £1.000m, adjusted for inflation
- Any sums generated by the HRA that exceed the minimum balance are made available to finance the capital programme or to repay debt.
- Actual rents increase at the maximum rate currently permitted by the rent standard. The maximum rent increase for existing tenants in 2025/26 has been set at 2.7%. Under the policy statement recently issued by government for consultation an increase of CPI +1% is expected to apply until 2030/31. We have made the prudent assumption that rent increases will be limited to a CPI uplift from April 2031.
- Formula rents increase at CPI +1% until 2030/31, in line with the government's policy statement consultation. From 2031/32 onwards we have assumed that formula rents increase in line with CPI.
- In 2024/25 the authority re-lets 5.5% of its social rent stock (282 units) at formula rent, with future relets in the same proportion. A small number of these dwellings (6 pa) are also re-let with an additional 5% rent flexibility charge, which is permitted under the rent standard.
- Depreciation costs have been estimated in line with the authority's budget, uplifted for inflation at CPI.
- Inflation has been applied as follows:
 - Underlying inflation for 2025/26 is linked to the CPI inflation rate of 1.7% for September 2024, as published by the Office for National Statistics. House prices for 2025/26 are assumed to have reduced b1.0%, in line with the house price index published for the New Forest by HM Land Registry for August 2024.
 - CPI at 2.25% in the final quarter of 2025 and 1.5% in the final quarter of 2026, based on projections prepared by the Bank of England and published in the August 2024 monetary policy report. These rates have been used to reflect underlying inflation for 2026/27 and 2027/28 respectively. From 2028/29 onwards we have assumed CPI runs at 2% pa.
 - RPI tracks at CPI +1%
 - General management and special management costs increase by underlying CPI.
 - Building costs increase at RPI. This affects spending projections for day to day repairs and maintenance, major works to existing homes and the provision or acquisition of new homes.
 - Other costs in the capital programme have been inflated by CPI.

- The baseline allows for the HRA to develop or acquire approximately 464 new homes between 2024/25 and 2034/35.
- Major works and component replacements are treated as 100% variable from 2027/28. These costs have an element that flexes to reflect increases and reductions in the housing stock.
- At the start of the planning period HRA debt includes internal borrowing from the Council of £9.812m.
- The projections assume a pooled interest rate of 4.8% would apply to new loans in 2024/25 and 2025/25, reducing to 4.2% for 2026+/27 and 2027/28, then a rate of 3.8% from 2028/29 onwards.

In preparing this projection we have assumed that the HRA would attempt to repay any additional external borrowing that it undertakes as quickly as possible. Our reason for making this assumption is that it gives a clearer indication of how well the HRA can service and repay any borrowing that is required to deliver its long term capital programme. Any actual borrowing undertaken by the authority would be subject to the prevailing market conditions and guidance received from the authority's treasury advisors.

2.2. Gaps in the data and potential risks

Note that there are gaps in the data available to the authority, which have required us to make assumptions about future expenditure in key areas. The two principal gaps we have identified relate to:

- The cost of unforeseen works that may be required when investing in the authority's existing housing stock. We have included a contingency to allow for such works.
- Lack of certainty around future National policies impacting on the Right to Buy, decarbonisation of the housing stock and associated funding. We have made prudent assumptions to accommodate these risks.

The profile of component replacements required for the existing stock is generated from the authority's stock condition data. We recommend continuing to update the modelling assumptions to accommodate new information from the stock condition data, as soon as it becomes available.

Other key risks include:

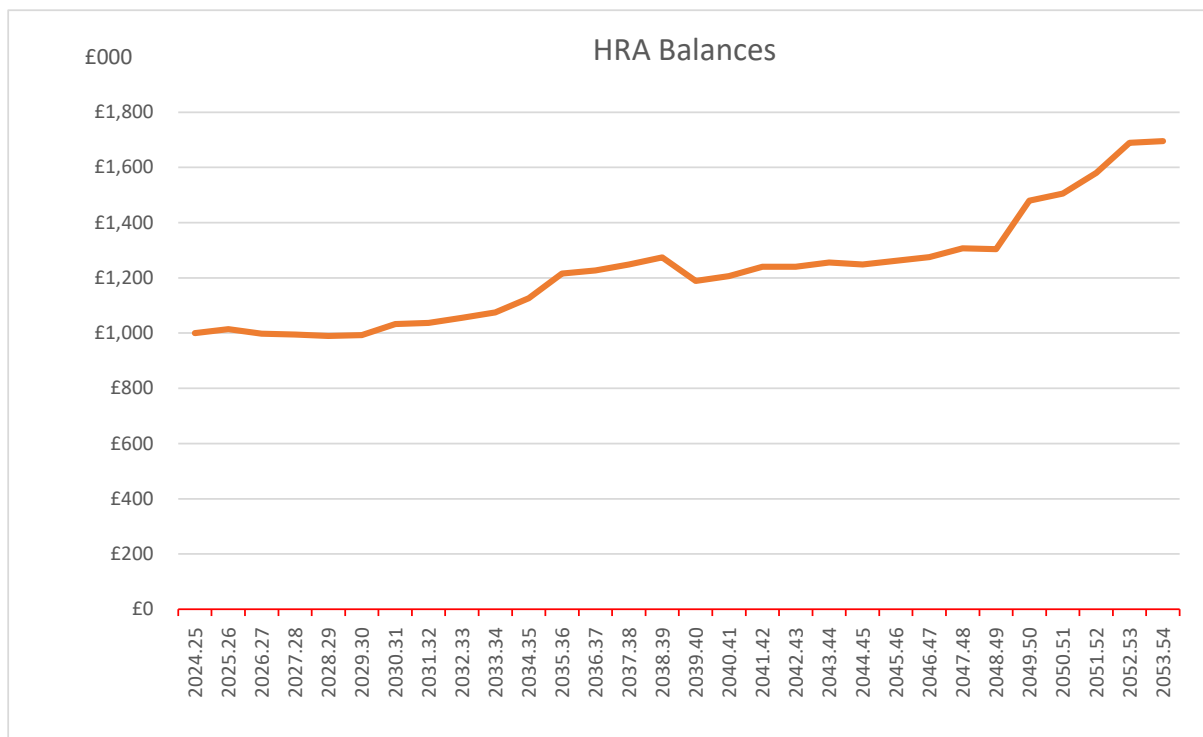
- fluctuations in the underlying rate of inflation, which can impact on both costs and income
- further constraint imposed on rent increases, whether by government or the authority itself
- increases in the costs of works and services that are not matched by increases in income
- changes to underlying interest rates

We recommend that the authority reviews the potential HRA impact of these risks regularly, as part of its early warning system. This will enable it to identify the effects of emerging situations at an early stage, test its response and take appropriate action to eliminate or mitigate the risk.

The effects of the baseline assumptions are shown in the following sections.

2.3. Baseline - revenue position

The chart below shows the authority's ability to maintain a minimum level of balances during the 30 year period covered by the baseline projection:

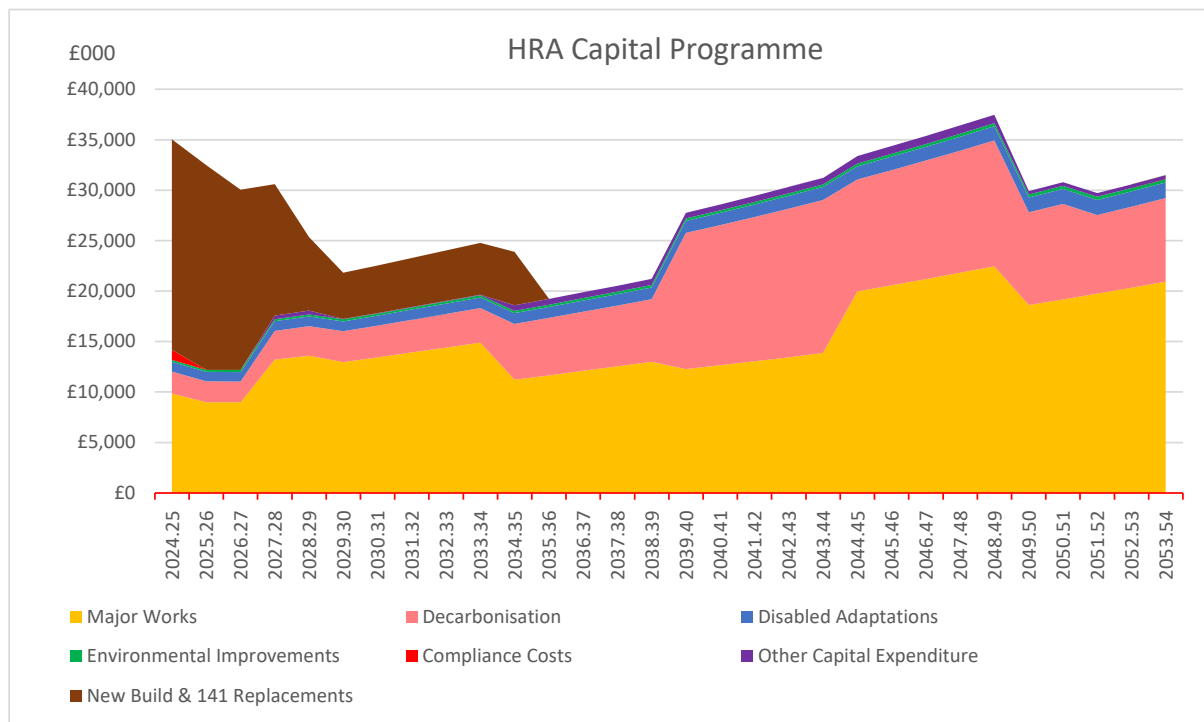


In this chart the orange line projects the cumulative HRA balance at the end of each year.

The authority maintains its minimum HRA balance of £1.000m (plus inflation) throughout the projections. During this period, any "spare" rents generated are used to pay for capital projects or to repay debt.

2.4. Baseline -capital programme

The next chart shows the scale and composition of the authority's projected capital programme:



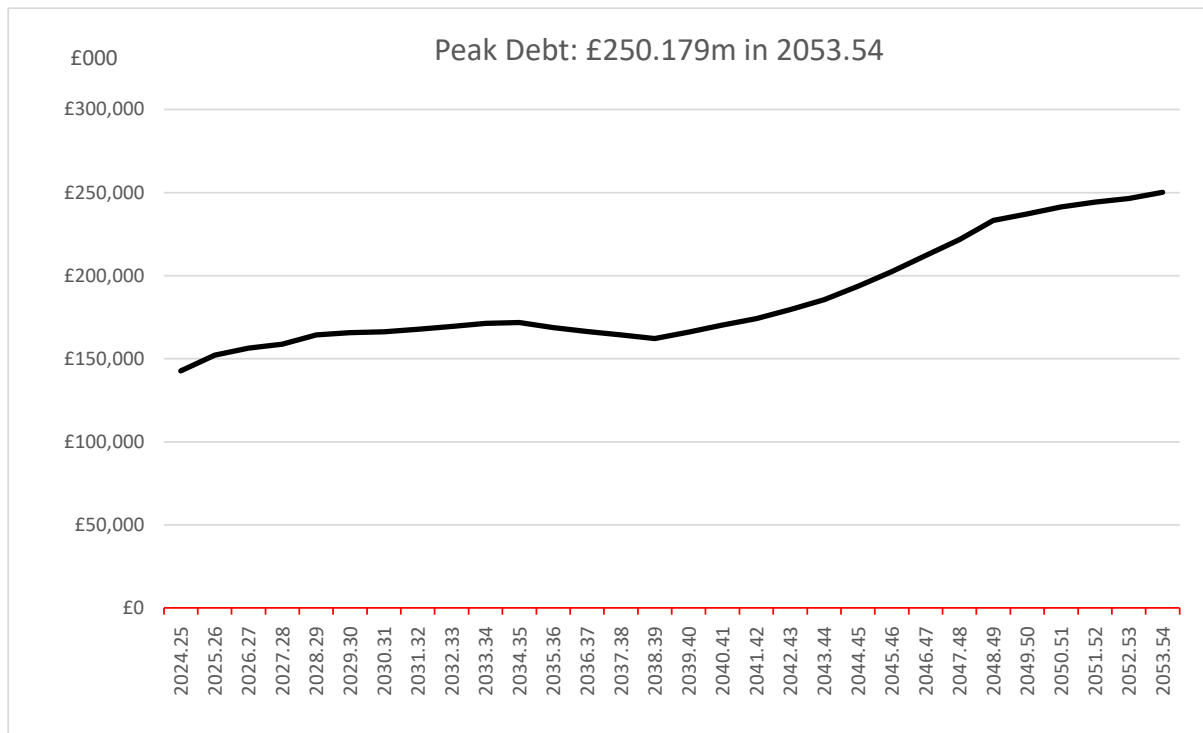
This projection includes a cautious 10 year programme for new build and stock purchase that produces 464 new properties between 2024/25 and 2034/35 (brown area). This reasonably represents the authority's commitment to increasing its housing stock over the medium term.

The amber area allows for investment required on stock condition, based on the existing capital programme and stock condition data, with a contingency for (as yet) unidentified additional stock investment. The pink area shows an allowance for improving energy efficiency of existing homes to EPC level C standard by 2030, plus wider decarbonisation works. This allowance is based on the existing capital programme and stock condition data, with a contingency for additional decarbonisation works. The total amount of decarbonisation investment in the above chart is consistent with representative levels assumed by other local authorities.

The average cost of major works at current prices, £50,190 per dwelling (excluding decarbonisation works). The allowance for decarbonisation comes to £25,015 per dwelling at current prices over the same period. These allowances are consistent with representative levels of investment in other authorities.

2.5. Baseline – debt

The next chart projects movements in the level of HRA debt during the planning period:



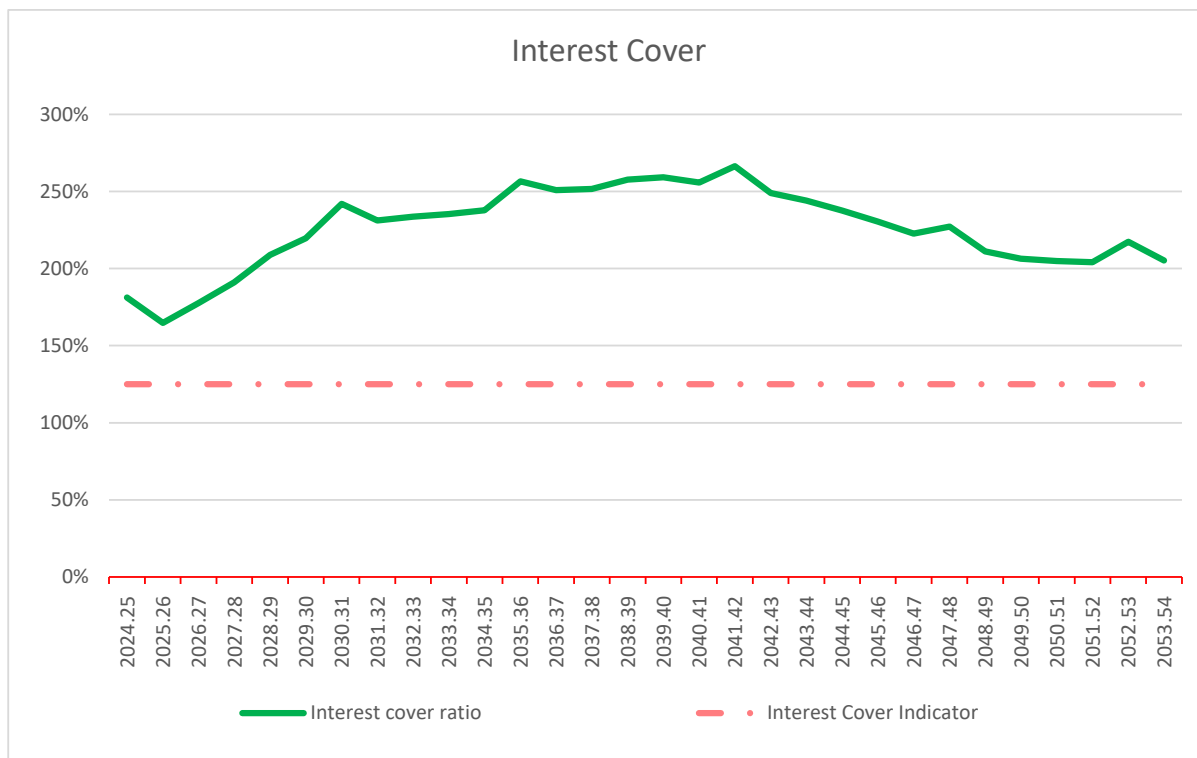
On these assumptions, the authority is unable to finance its capital programme entirely from its Major Repairs Reserve, revenue surpluses generated by the HRA and projected right to buy receipts. This causes the HRA to rely on borrowing to part-finance its HRA capital programme throughout the thirty year period.

HRA-related debt is projected to rise in most years, reaching a peak of £250.179m in 2053/54 – the final year of the projections. It is noticeable that the authority is able to repay some debt between 2035/36 and 2038/39 although this remains a choice due to the capacity to service debt and the potential future pooling of HRAs under Local Government Reorganisation, which follows the end of the medium term development programme and precedes an expected increase in decarbonisation investment. From 2039/40 onwards the HRA needs to borrow more to finance its capital programme than it can afford to repay from the available resources, causing debt to rise for the remainder of the period.

Debt is at its peak level in 2053/54 and continuing to rise. This means that the authority would be exposed to potential fluctuations in interest rates over the long term. It will therefore be important to continue reviewing the authority's options as the underlying economic circumstances evolve.

2.6. Baseline – affordability

Alongside our projection of the ability of the HRA to repay the debt required to finance the assumed capital programme, the chart below compares the level of operational surplus it generates with a standard indicator used by other landlords:



The green line in this chart shows the number of times the revenue HRA surplus is able to cover the assumed interest charges on its debt. When the green line goes down the authority's HRA is either making smaller surpluses or paying more in interest charges and the reverse is true when the green line goes up. The static dashed pink line suggests a minimum level of 125%, below which the authority would be at risk of being unable to cover its interest costs from its operating surplus.

This chart shows reasonable levels of interest cover throughout the projections, which implies that the authority would be able to afford the level of borrowing required under the baseline assumptions. It is noticeable that performance against this metric deteriorates in the latter half of the planning period. This reflects an expectation that some costs will rise at a faster rate than income over the long term, as well as increases in borrowing to deliver the 30 year capital investment requirement. If debt continues to rise at the projected rate, it would eventually reach a level that is unaffordable to the HRA.

Any further increase in costs or loss of income would cause the drop in performance under this metric to accelerate, unless the authority is able to make cost savings or generate additional income to compensate. The types of additional cost that the authority could encounter might result from higher inflation, increases in interest charges, commitments to spend more on providing additional or improved services, or additional costs to secure compliance with regulatory requirements. Any constraint on rent levels (whether imposed by government, or by a local decision to set rents at a lower level) would have a similar negative impact on interest cover performance.

Note that the requirement for borrowing is very sensitive to assumptions relating to cost levels, income from rents and other sources, plus interest rates. Initial sensitivity testing of these

assumptions indicates that the authority should continuously seek to minimise costs and maximise income as a way of keeping debt levels down and minimising the associated risks.

2.7. [Baseline – summary](#)

The baseline assumptions produce a position that looks affordable but starts to weaken over the long term. The HRA can use borrowing to increase the number of units over the medium term, but to protect the long term financial health of the HRA the authority needs to be cautious about future commitments, potentially forecasting in 5 year rolling periods. It will be important to continue to minimise costs, while maximising income and resources. Where possible, spending pressures should be contained within the levels of income growth the authority can achieve from rents and other charges.

3. Development Scenarios

3.1. Scenarios tested

The alternative scenarios we have tested for the authority are designed to indicate the potential impact of less cautious development programmes on the financial health of the authority's HRA.

Scenario 1 – development programme extended to deliver 524 new homes by 2038/39

Under Scenario 1 the authority would extend its development plans by a further 4 years, to 2038/39. This increases the number of new homes from the baseline assumption of approximately 464 dwellings by 2034/35, to approximately 524 new homes by 2038/39. All homes would be let at a social rent.

Scenario 2 –replace all RTB disposals for 30 years, delivering 673 new homes

Scenario 2 allows for the authority to replace dwellings sold under the right to buy over 30 years. This increases the new homes delivered from the baseline assumption of approx. 464 dwellings by 2034/35, to approx. 673 new homes by 2053/54. Again, all new homes would be let at a social rent.

3.2. Use of scenarios

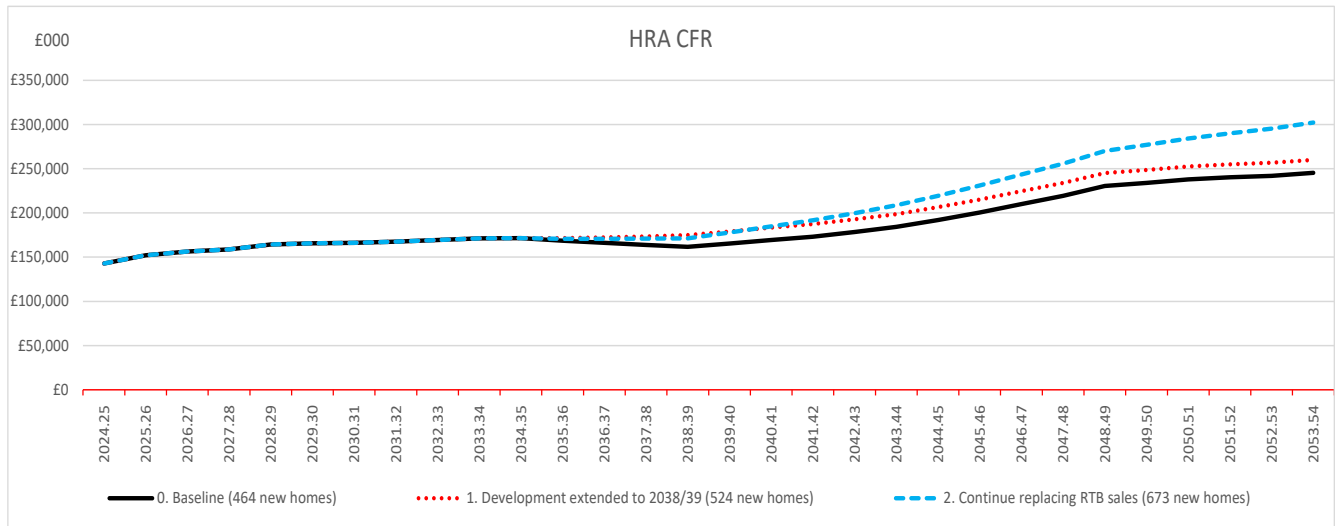
We recommend that the authority routinely reviews its HRA assumptions and tests the potential impact of different decisions, evolving economic circumstances and changes in government policy. In particular, it should regularly review its assumptions on inflation and interest rates, while updating expenditure assumptions to reflect its in-year monitoring of budgets and programmes.

Adopting a rigorous approach to stress testing the authority's HRA will help it to identify the effects of potential risks at an early stage, test its response and take appropriate action to eliminate or mitigate the risk.

3.3. Scenario results

The table below summarises the effects of each scenario on key financial metrics for the HRA. These are shown alongside the results produced by the baseline position.

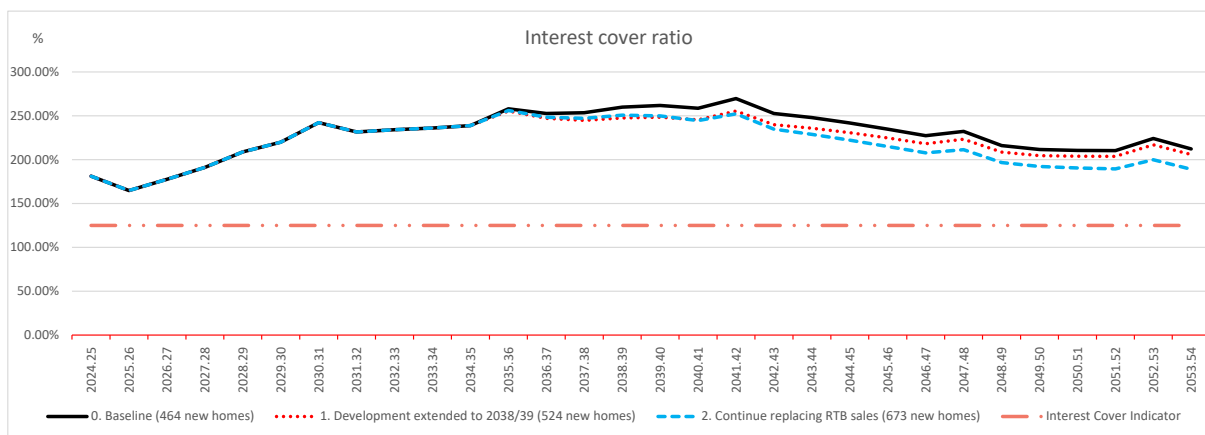
Our first chart shows the impact of the two different levels of development on the baseline debt projection:



In this chart the black line shows the baseline position (464 homes by 2034/35), as presented in section 2.5 of this briefing. The red dotted line shows Scenario 1 (524 homes by 2038/39) and the blue dashed line represents Scenario 2 – a 30 year programme of replacing RTB sales (673 homes by 2053/44). As might be expected, both of the scenarios require the authority to borrow more from 2035/36 onwards. Under Scenario 2, the authority needs to borrow at higher levels and debt continues to grow at a faster rate by the end of the period.

The authority’s exposure to interest rate risk increases under both scenarios and is significantly higher under Scenario 2.

Our next chart shows the impact of each scenario on the affordability of HRA-related debt:



The black line in this chart shows the baseline position (464 homes by 2034/35), as presented in section 2.6 of this briefing. The red dotted line shows Scenario 1 (524 homes by 2038/39) and the blue dashed line represents Scenario 2 – a 30 year programme of replacing RTB sales (673 homes by 2053/44).

Under each scenario the higher debt level required means that the authority must pay more in interest charges than it generates from additional rents. As a result, the authority has less revenue resource available than under the baseline. Each scenario becomes less affordable than the baseline, as they have less available to spend on stock investment and the management and maintenance of its existing homes.

Under either of these scenarios the authority would need to consider mitigating action to help improve the financial health of its HRA over the long term. These actions might include:

- Reviewing service charges to ensure that they remain sufficient to cover the costs of the services provided
- Considering its choice of tenures when developing or acquiring new homes
- Committing to a medium term cost reduction programme that maintains downward pressure on the costs of housing management and repairs
- Generating additional capital receipts from disposal of appropriate assets on the open market
- Seeking additional external funding (e.g. for decarbonisation investment)
- A combination of the above measures

3.4. Scenarios – summary

Both of the scenarios weaken the position set by the baseline assumptions. It is clear that increasing the scale of the development programme:

- Increases the authority's reliance on debt finance; while
- Raising the associated costs of interest charges; and
- Reducing its ability to repay debt.

The HRA needs to operate as a business and many recent activities within the service demonstrate this transition, including service charge changes, new rent setting policy, receipt of grant funding, mini restructures, voids and rents improvement projects in place, the journey to meet consumer standards and business systems transformation including self-serve will reduce transactional costs and improve efficiency. Costs are only affordable while they are covered by the rents that tenants pay.

It is important that the authority continuously monitors the situation and takes steps to ensure that it protects the capacity of its HRA to deliver the investment required over the medium and long terms. There may also be further financial changes proposed by the national government following recent consultations to consider in due course. However, steps it might consider include:

- Ensuring that service charges are sufficient to cover the costs of the services provided
- Considering its choice of tenures when developing or acquiring new homes
- Committing to a medium term efficiency programme to maintain downward pressure on operating costs
- Generating additional capital receipts from disposal of appropriate assets on the open market
- Seeking additional external funding
- A combination of the above measures

Cabinet – 19 February 2025

Medium Term Financial Plan and Annual Budget 2025/26

Purpose	For Decision
Classification	Public
Executive Summary	<p>This report sets out for Cabinet’s consideration and recommendation to Council the proposed 2025/26 budget and Council Tax.</p> <p>The report sets out what is considered the most likely medium-term financial scenario, based on latest updates from the government and from within the council.</p> <p>The budget includes significant investment across both revenue and capital towards agreed Corporate Plan Priorities, including most notably the roll-out of the new waste service commencing in 2025/26.</p> <p>The proposed balanced budget includes a recommendation to increase Band D equivalent Council Tax by £5.98 (2.99%) in 2025/26 in line with government’s annual threshold.</p> <p>The report gives due consideration to the changing local government landscape as a result of the government’s English Devolution White Paper and confirms the need for the council to still have due regard to the long-term impact of decisions taken in the course of setting a sound balanced budget.</p>
Recommendation(s)	<p>Cabinet is asked to recommend to Council that:</p> <ol style="list-style-type: none"> 1) the updated Medium Term Financial Plan (MTFP) and financial strategy, as set out in the report and throughout appendices 1-3, are approved 2) there is a General Fund Net Budget Requirement in 2025/26 of £25.509 million, as set out in appendices 5a - 5d to this report; 3) the New Forest District Council Band D Council Tax for 2025/26 shall be

	<p>£205.77 (paragraph 24);</p> <p>4) the General Fund Capital Programme for 2025/26 of £19.411 million, as set out in appendix 6 to this report be approved;</p> <p>5) the proposed fees and charges as included at appendix 7 to this report be approved; and</p> <p>6) the principal of utilising up to £1.377 million of the budget equalisation reserve to fund investment in community assets, supporting the future transition to the new unitary authority and town and parish councils, is approved.</p>
Reasons for recommendation(s)	The council is required to set an annual balanced budget. This report enables members to consider the development of the Medium Term Financial Plan, set the General Fund revenue and capital budgets for 2025/26, set the level of Band D Council Tax for 2025/26, and make determinations on the future level of fees and charges.
Ward(s)	All
Portfolio Holder(s)	Councillor Jeremy Heron – Finance and Corporate
Strategic Director(s)	Alan Bethune – Strategic Director Corporate Resources and Transformation (Section 151 Officer)
Officer Contact	Paul Whittles Assistant Director – Finance (Deputy Section 151 Officer) 02380 285766 paul.whittles@nfdc.gov.uk

Introduction and background

1. On 2 October 2024 and 4 December 2024, the Cabinet considered a number of issues through the established Medium Term Financial Plan (MTFP) reporting that would affect the annual budget for 2025/26. Regular Financial Monitoring reporting throughout 2024/25 has also highlighted areas for consideration in setting the budget for 2025/26.

2. The figures, as included in the October and December MTFP reports, were based on latest information available at that time, before the provisional local government finance settlement had been released and before various new funding measures had been announced, as part of the government's pledge to support local government from the ongoing financial issues facing the sector as a whole. The financial assumptions in this paper are based on the final finance settlement for 2025/26.
3. The medium-term position to 2028/29 forecasts a budget deficit of £2.222 million. The Senior Leadership of the council are absolutely committed to ensuring the council remains well placed to invest in services and key priorities and continue to deliver a balanced budget over the medium-term period.
4. In accordance with the council's financial strategy this report sets out the final proposals for the:
 - a. General Fund Net Budget Requirement for 2025/26
 - b. Level of Council Tax for 2025/26
 - c. Medium Term Financial Plan to 2028/29
 - d. General Fund Capital Programme for 2025/26
5. The local government finance settlement for 2025/26 was once again only a one-year finance settlement. The most significant difference was the change in approach from the previous Funding Guarantee (providing a 4% increase to core spending power before an annual Council Tax increase is taken into account) to a Funding Floor (only guaranteeing the council's core spending power would not reduce in comparison to the previous settlement). This resulted in an unchanged level of Government funding for 2025/26, despite the council initially assuming growth in Core Spending Power would be realised (as usual) through annual Council Tax growth and an inflationary increase on the Business Rates baseline. The new approach by the government was to counter these growth areas with a reduction in core settlement grant, creating a £487,000 reduction in funding compared to the December MTFP position. Furthermore, the council's allocation of the £515 million, earmarked by government to fund increased pressures due to the change in employer National Insurance contributions, falls significantly short of our forecasted costs. Our allocation shall only mitigate approximately 25% of our increased costs.
6. As part of the finance settlement announcement the government stated its intention to fundamentally improve the way councils are

funded including implementing reforms following the Fair Funding Review; *¹'we will reform the local government finance system to put councils on the road to recovery...We will begin this process at the 2025-26 Settlement...From 2026-27, we want to fundamentally improve the way we fund councils and direct funding to where it is most needed'*. This extends to resetting the business rates retention system with a desire to match funding where there is greatest need; *'We intend to 'reset' the business rates retention system, as was originally intended when the previous government established the system. This is long overdue...'*. The Government has demonstrated a clear intention to introduce these reforms from 2026/27 as part of a multi-year settlement. As a consequence, the MTFP makes allowances for a tapering of business rates resources in 2027/28 and 2028/29.

7. The council has protected itself against any immediate financial challenge that might come about as a result of Levelling Up and Fair Funding Reform, through the inception and accumulation of a Budget Equalisation Reserve. In addition to a likely static government core funding position, it is business rate growth of c£4 million, as included within the council's MTFP each year, which is most at risk in any revised finance settlement formulae. Transitional funding is expected, but quantum and longevity are yet to be determined.
8. The Bank of England interest rate has remained comparatively high throughout 2024, albeit reducing by 0.75% over the past year to the current 4.50% base rate figure (February 2025). Inflation continues to be greater than the government's 2% target (2.5% December 2024). The important context of high costs of borrowing and above target inflation indices cannot be forgotten when balancing the needs of the council to cover its own expenditure pressures to deliver services to residents, and the proposed levels of Council Tax.
9. Notwithstanding the government's white paper regarding devolution and local government reorganisation (LGR), the council's MTFP and Annual Budget for 2025/26 has been prepared based on business as usual for the authority; that is to align financial resources to enable service delivery, and the alignment of resources to key priorities in accordance with the Corporate Plan. Subject to the pace of change, members need to be cognisant of the potential for future in-year budgetary changes in response to any emerging requirements due

¹ [Local government finance policy statement 2025 to 2026 - GOV.UK](https://www.gov.uk/government/consultations/local-government-finance-policy-statement-2025-to-2026)

to local government reform. For the avoidance of doubt, it is also right and proper that the council continues to forecast its medium-term financial position on a going-concern basis over a 4 year period, and councillors must have due regard to the medium-long term implications of any financial decisions taken in setting the 2025/26 budget and adopting the latest MTFP.

Financial Strategy

10. The council's proposed budget has been set out in line with the financial strategy for 2025/26:
 - a. The provision of additional financial resources to facilitate the delivery of key strategic objectives
 - b. The establishment of a transformation governance framework to ensure delivery of projects, taking opportunities as they arise to crystallise efficiencies, income, and savings to protect the delivery of frontline services provided to the Community
 - c. The maximisation of income, including reviews of fees and charges
 - d. Supporting investment in capital infrastructure and services through the prudent use of its reserves and affordable external borrowing
 - e. Sufficient and appropriate level of reserves are available during the period of the MTFP to safeguard frontline services; and
 - f. An understanding of balancing the needs of service users and council taxpayers
11. In order to appropriately utilise reserve balances and address the forecast deficit to 2028/29, the council's financial strategy over the medium-term period extends to:
 - a. A broad council-wide focus on delivery and transformation to identify and deliver a programmed approach to assets, services, and ways of working
 - b. Continuation of partnering and collaboration with others to transform service delivery in the context of the devolution and LGR agenda and timetable.
 - c. Supporting the orderly transition of services and assets to the new unitary authority and town and parish councils as part of LGR.

- d. The release of accrued short-term reserve balances to assist in the damping of the Fair Funding Review (and impact this has specifically to retained business rates) as necessary
- e. The utilisation of reserve balances (and when necessary external borrowing) to deliver community infrastructure projects, invest in assets and assist in supporting a vibrant and robust New Forest Economy, whilst targeting valuable additional income
- f. Ensuring strategies developed through the corporate framework appropriately feed into the council's financial strategy; and
- g. Investing in an environmentally sustainable approach to financial planning and spending.

General Fund Budget 2025/26

12. The backdrop of the council's annual budget process has been in the context of available funding, including Council Tax increases, still failing to meet the additional service costs, let alone enabling a surplus for investment in enhanced activity and delivery. However, thanks to the ongoing identification and delivery of savings and additional income being brought into the council, the council is able to set a balanced budget for 2025/26 which includes: a) the significant investment required to roll out the new waste service, b) investment to deliver on its key priorities, AND c) supporting the financing of the Capital Programme through the Revenue General Fund Budget.
13. The updated resource summary and budget requirements (both totalling £25.509 million for 2025/26) are provided as appendix 1 and 2. Within the 2025/26 proposed budget, specific new budgetary provision has been made for targeted investment in the following areas;
 - a. Waste Strategy; The council's 2025/26 revenue budget includes £2.297 million supporting the transition and roll out of the new service in full during 2025/26 partially mitigated by the receipt of £1.175 million Extended Producer Responsibility for Packaging (pEPR) funding and additionally supported by the one-off use of £346,000 from the corporate priority reserve as detailed as part of the 5 February 2025 Financial Monitoring Report to Cabinet. Going forward into 2026/27, it is assumed that new burdens funding of £1.5 million will be

received to contribute towards the cost of the new food waste service, budgeted (annual steady state) at £1.892 million.

- b. Transformation; £328,000 up front investment (in line with the approved business case) supporting the dedicated team and mobilisation of the Transformation Programme and the development of modern working practices and a digitally supported council.
 - c. Devolution and LGR programme; £150,000 has been built into the 2025/26 budget to support the council in preparing for Local Government Reorganisation.
 - d. Information Governance and Complaints; The council's revenue budget includes £59,000 to fund additional resources supporting the administration of complaints.
 - e. People Strategy; An additional post (£50,000) to support staff with change management and learning & development has been proposed within the 2025/26 budget, to ensure our staff remain well placed and appropriately supported through the significant change process that comes with LGR.
 - f. Community Grants; An additional £40,000 has been added to the Community Grants Fund, with a total of £250,000 revenue grant funding available to support our communities.
14. The latest triennial pension fund valuation (2022) was positive, confirming the fund was in overall surplus, to the extent that asset values were higher than scheme liabilities by 7.1%. The council has therefore not been required to make an annual deficit payment to the fund between in 2023/24 and 2024/25 and will not be required to make a payment in 2025/26. Latest fund performance has been positive, and the fund remains in surplus based on interim valuations.
15. Tying in with the summary headings as used within appendix 2, other material changes not already referenced above in paragraph 12 and greater than £50,000, or worthy of note, which have been made within the budgets in comparison to 2024/25 include;
- a. Pay & Price Increases: +£1.360 million in 2025/26
 - i. Pay Award; additional budgeted pay award costs (including 2024/25 pay award beyond the original assumption anticipated) and incremental progression have totalled £1.260 million (this includes a £600,000 assumption regarding the increase in National Insurance

costs built into the proposed 2025/26 budget, which is partially offset by new government support of (£155,000).

- ii. Inflation and cost increases; £100,000 is included within the 2025/26 budget to allow for inflation, including insurance and contractual uplifts.
- b. Budget Adjustments relating to one-off items: -£562,000 in 2025/26
- i. Homelessness & Housing; The present level of demand requires the council to maintain its current budget level, consequently the originally assumed £334,000 reduction from the additional £1 million budget included within the homelessness service for 2023/24 will not be removed in 2025/26.
 - ii. £602,000 of adjustments relate to the reversal of one-year budgets provided for in 2024/25 to invest in strategies and the initial stages of the Local Plan as laid out in the previous year's report.
 - iii. A one-off investment of £40,000 for a review of Commercial Waste and Glass collection rounds has been added in 2025/26.
- c. Waste Service Change: +£776,000 in 2025/26; -£1.442 million in 2026/27; -£120,000 in 2027/28
- i. Transition costs; the 2025/26 budget includes transition budget of £842,000 (an increase of £556,000 on 2024/25), with the removal of the full transition budget over the following two years (£120,000 retained in 2026/27 before complete removal the year after).
 - ii. Food waste transition; removal of the anticipated £150,000 one off funding budget from 2024/25 supporting the introduction of food waste collection.
 - iii. New Service Rollout; commencing in 2025/26, new service delivery costs, covering refuse, recycling, and food waste collections, of £1.591 million have been assumed for 2025/26. Full new service costs totalling £2.125 million then take effect from 2026/27.
 - iv. pEPR funding of £1.175 million will be received in 2025/26 and is assumed to continue at the 2025/26

value over the medium-term. A one-off contribution of £346,000 will be drawn down from the Corporate Priority Reserve in 2025/26. Additionally, new burdens funding forecast at £1.500 million regarding food waste collections is expected to commence in 2026/27 to support the increased costs.

d. Ongoing Savings and Income Generation: -£844,000 improvement in 2025/26

i. Efficiency Programme and Fees and Charges Yield

1. Garden and Trade Waste Charges have been reviewed, with new charges forecasting an additional yield of £156,000 to the council.
2. New parking service charges with effect from 1 January 2025 are forecast to generate an additional net yield (after some direct service costs being taken into account) of £250,000 to the council for 2025/26.
3. Other fees and charges reviews have taken place, including the annual rent increase at Stillwater Park, new charges for street naming and numbering and charges across the foreshore adding £203,000 to 2025/26 budgets.

ii. Contractual income

1. Contractual increases in income relating to our leisure facilities are forecast to yield an additional £146,000 in 2025/26 and a further £494,000 growth over the subsequent 3 years.
2. Contractual increases to glass recycling prices are expected to yield an additional £75,000 in 2025/26.

iii. Income Adjustments

1. Damage caused during the winter storms is impacting the level of beach hut income achievable with an adverse adjustment of £30,000 in 2025/26.
2. Adjustments have been made to reduce income expectations in Planning income by £170,000 as

reported in the council's Financial Monitoring Reports throughout 2024/25 (albeit with the potential for mitigation through increased householder statutory fee levels from April 2025).

iv. Ongoing Savings

1. A review of vacancies has determined £175,000 can be permanently removed from service budgets, including Revenue and Benefits (£75,000), Planning (£46,000) and Economic Development (£54,000) creating an ongoing saving in the MTFP with no impact on current service and delivery.

v. Strategy Delivery

1. Uplifts in commercial property income generate an additional £39,000 from 2025/26.
2. No change has been made to anticipated Treasury Management interest earnings in 2025/26, but treasury income budgets then gradually reduce between 2026/27 and 2028/29 due to an expectation of falling interest rates and investment balances.

e. Alignment of budget to Priorities and New Budget Requirements: +£243,000 in 2025/26

i. New Budget Requirements

1. Investment in ICT Hardware provides an additional £125,000 to support the Azure cloud migration requirements.
2. ICT Software requires an extra £213,000 to fund the cost of council software licences.
3. A review of General Fund recharges has increased the net recharge to the HRA by £687,000. An element of this is due to the share of upfront investment in Transformation totalling £73,000.
4. £50,000 is required to fund a review of Public Space Protection Orders (PSPOs) in 2025/26 as they are set to expire at the end of their 3 year term at the end of June 2026.

5. The removal of the internal courier service in 2024/25 has created ongoing annual savings of £44,000.
6. £94,000 of additional depot costs predominately relating to Business Rates following the transfer from Claymeadow depot to Hardley depot have been allowed for in 2025/26.
7. Periodic air quality monitoring enables the removal of £54,000 in 2025/26, noting its reinstatement in 2027/28.
8. Additional minor adjustments across services result in a net adjustment required of -£81,000.

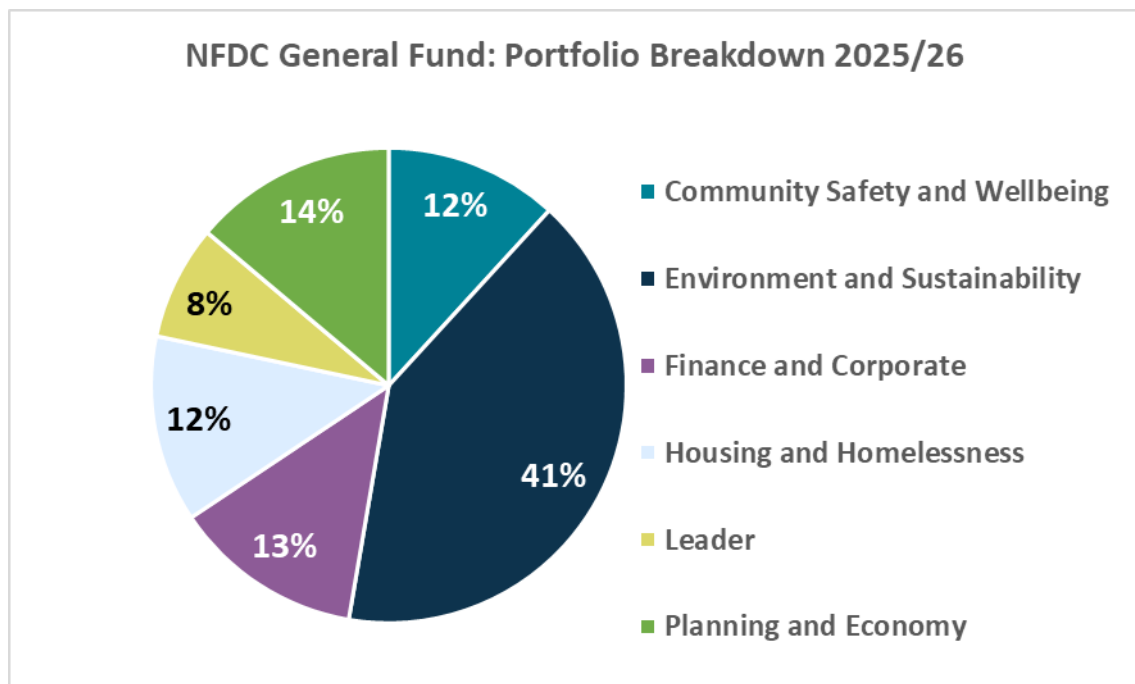
Planned use of and contributions to Reserves

16. Appendix 5d outlines all movements in reserves actioned in the 2025/26 General Fund revenue budget setting. In summary, the original 2024/25 budget allowed for net transfers from reserves totalling £410,110. In 2025/26, planned net transfers from reserves total £1,645,310. A full breakdown of the Transfer from and to are shown at Appendix 5d.
17. As included in the recommendations it is proposed to consider the utilisation of a proportion of the budget equalisation reserve to seed fund investment in community assets for the purpose of facilitating Community Asset Transfers, supporting any transition to the new unitary authority and revised arrangements with town and parish councils. Based on the current MTFP and the potential requirement to use £1.322 million from the reserve to close the gap (subject to meeting the fees and charges income expectations), up to £1.377 million could be made available.

Summary of Proposals and Council Tax for 2025/26

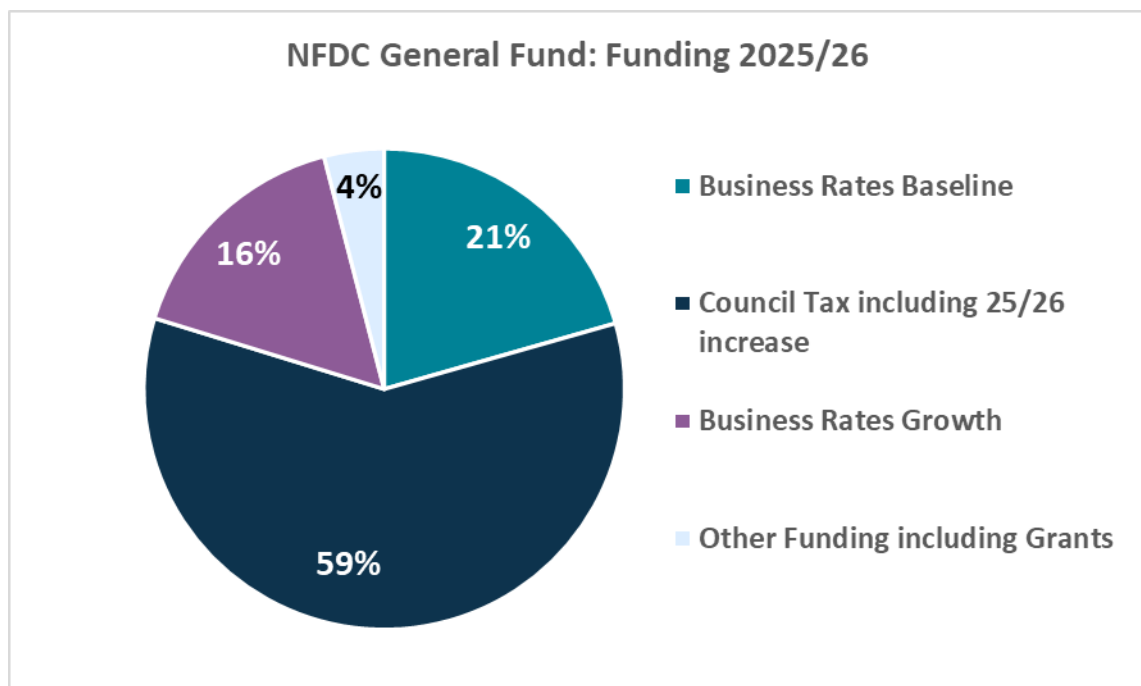
18. The General Fund net budget requirement for 2025/26 will be £25.509 million (appendix 5a & 5b), an increase of £973,000 on the 2024/25 budget requirement.
19. The General Fund budget is split across six portfolios (as per appendix 5a). Due to their nature, the costs of some corporate resources are apportioned across several, if not all, portfolios and so to support transparency, warrant separate inclusion as part of this budget setting report (appendix 5c). The breakdown of the 2025/26 budget at ultimate Portfolio level is as follows:

20. Graph A – NFDC General Fund: Portfolio Breakdown 2025/26



21. The budget is funded predominantly through Council Tax and Business Rates, with further support coming via central government grants:

22. Graph B – NFDC General Fund: Funding Breakdown 2025/26



23. At the Cabinet meeting on 5 February 2024, the Cabinet agreed to the recommendations as included within the 'Community Grant Funding 2025/26' paper. This confirmed the award of £274,730 of revenue and capital community grants for the 2025/26 financial

year. The council also has £48,000 budgeted under the councillors grant scheme, resulting in total community grant awards of £322,730 for the year.

Council Tax for 2025/26

24. The proposed balanced budget for 2025/26 includes a proposed New Forest District Council Band D Council Tax increase of £5.98 (2.99%), resulting in a New Forest District Precept of £205.77 for the year (equivalent to £3.95 per week for all services provided by New Forest District Council).
25. Out of the overall General Fund Net Budget Requirement in 2025/26 of £25.509 million, the overall cost to be met by council taxpayers will be £15.094 million.

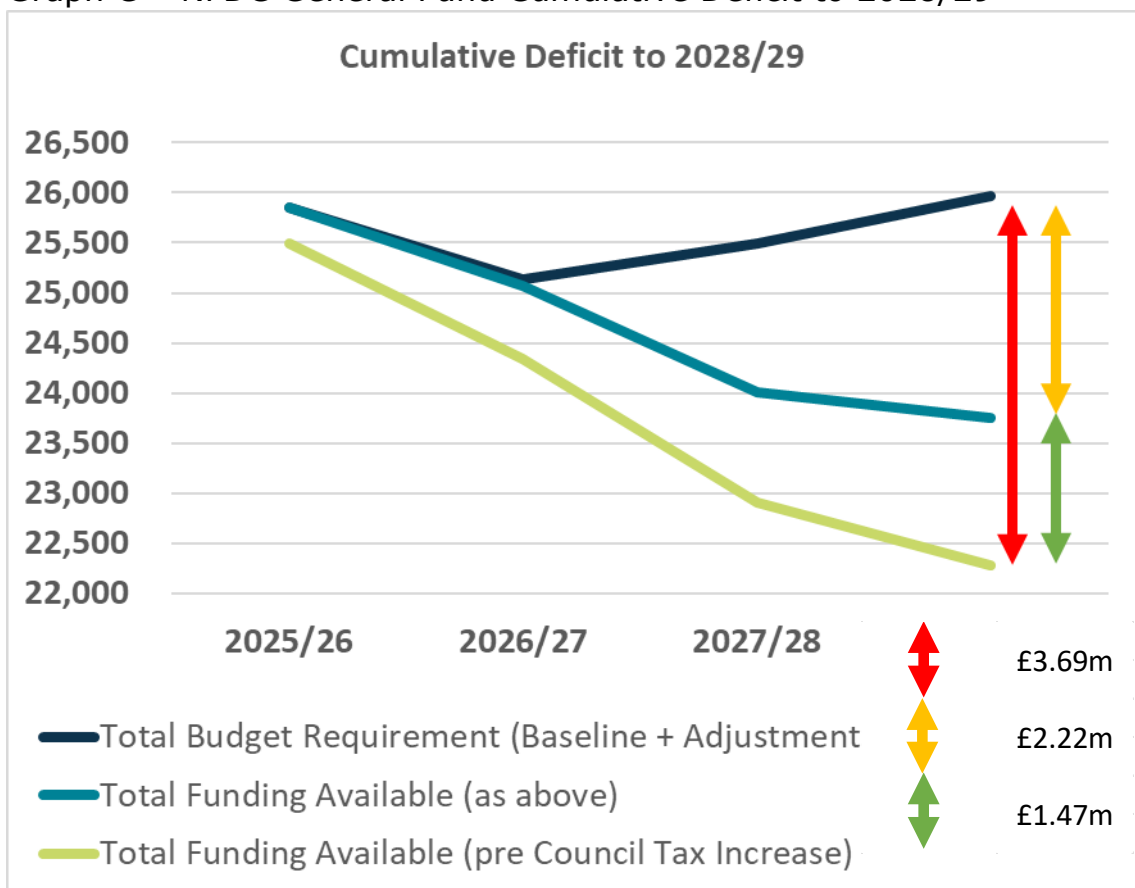
The Medium Term Position

26. Whilst a multi-year settlement has been promised from 2026/27, as has been the recent trend, a 1-year funding settlement has been made by the government for 2025/26 leaving uncertainty over the medium-term on the potential impact that the Fair Funding Review and the reset of business rate retention scheme will have on individual local authorities. Both could have the ability to have a significant weighting on the availability of resources to fund council services
27. The final 2025/26 local government finance settlement introduced a significant change to its funding methodology. It removed the Funding Guarantee given in 2024/25 and replaced it with a Funding Floor. This effectively protected the council core spending power at the 2024/25 funding level but did not guarantee any level of growth (usually 3-4%). Consequently, due to this offset, the council is unable to benefit from the full increases to Council Tax and Business Rates. An assumption has made over the Medium Term of a removal of residual government grant from 2026/27.
28. The medium-term summaries set out over appendices 1, 2 and 3 provide an outlook of the future years' budgets and are set out on a prudent basis using the latest known information.
29. The council will continue to work towards the financial strategy as set out in paragraphs 10 and 11 of this report to ensure the longer-term financial stability of the council. The current MTFP deficit to 2028/29 (appendix 2) of £2.222 million will be closed dependant on;

- a. taking appropriate opportunities regarding commercial and residential property strategies to bring valuable new sources of additional income into the council;
- b. crystallising savings and efficiencies from the council's Transformation Programme;
- c. ongoing growth in all council fees and charges income in line with policy;
- d. council's ability to maximise its revenues through local taxation (the graph demonstrates below the severity of the budget deficit, if annual Council Tax increases are not assumed); and
- e. appropriate use of the budget equalisation reserve.

30. The MTFP currently shows the potential for a small surplus in 2026/27, but this is subject to change in line with the uncertainties as outlined further in the report. The short-medium term outlook will become clearer as we progress into 2025/26, and so future MTFP updates can take account of the latest forecast and make recommendations about future budget provision beyond 2025/26 towards agreed priorities accordingly.

31. Graph C – NFDC General Fund Cumulative Deficit to 2028/29



Pay and reward

32. A base pay award assumption of 2% is allowed for within the detailed budget for 2025/26 and between 2 - 2.5% throughout the MTFP. Based on relatively high levels of inflation in recent years there is always potential for settled pay awards to be larger over the short-medium term. As a result of this, and a backdrop of larger pay awards covering 2022/23, 2023/24 and 2024/25, an allowance of £565,000 has been retained in a pay award contingency for 2025/26. The NJC unions have now presented their claim for 2025/26 which would be in excess of the 2% and the pay award contingency. On the basis the final negotiated payment is usually lower than the initial claim, there is no need for the council to reflect additional pay award costs at this time. The Employee Side Liaison Panel will keep abreast of developments on the 2025/26 pay bargaining negotiations as they progress during 2025.

General Fund Capital Programme and Financing

33. The council's proposed General Fund Capital Programme for 2025/26 totals £19.411 million. This significant programme will utilise the majority of remaining general capital reserve balances with current needs exhausting them over the medium-term.
34. The Asset Maintenance and Replacement Budget and General Fund Capital Programme report presented to the Cabinet on 5 February 2025 gave the full detail at individual scheme level. This report includes the summarised programme and financing at appendix 6.
35. The Commercial and Residential Property Acquisition and Development Funds are not shown in the programme at appendix 6 because of the uncertainty around when funds will be required. The council has established governance arrangements in place for the approval of funds, with each potential Commercial purchase demonstrating a strong link to supporting employment and the Economy within the District. The in-year financial reporting and updates to the Resources and Transformation Overview and Scrutiny Panel provide members with valuable updates on activity in this area.
36. A range of Prudential Indicators need to be approved prior to the start of each financial year. The council's Capital Strategy presented to the Cabinet on 5 February 2025 included the key capital indicators. The Treasury Management and Investment Strategies for 2025/26 to 2027/28, including key indicators, were considered by the Audit Committee on 24 January 2025 and have been recommended to the council for approval.

37. As of the 31 March 2024, the council was holding Developer Contribution (DC) balances of £3,954,622 and Community Infrastructure Levy (CIL) balances of £7,687,051. So far during the year, a further £370,124 of DC and £1,352,538 of CIL has been collected in cash receipts from developers. The latest 2024/25 budget provides for expenditure of £2,000,000. The proposed Capital programme budget for 2025/26 - 2027/28 includes DC and CIL funded projects of £11,138,000. Further work will be undertaken during 2025/26 to ensure the council continues to facilitate the delivery of projects using the funding it collects for this purpose.

Section 25 Statement: Robustness of Estimates and Adequacy of Reserves

38. There are a range of safeguards in place to help prevent local authorities overcommitting themselves financially. These include the Chief Finance Officer's duty to report on the robustness of estimates and adequacy of reserves (under section 25 of the Local Government Act 2003) when the authority is considering its budget requirement 41 (England and Wales).

Section 25 Statement from the Section 151 Officer

39. The 2025/26 budget has been constructed based on all latest information and considers all factors that will have an implication to 2025/26 that are in the council's control. Budget variations in relation to high levels of inflation have been considered and included within the budget where appropriate. Income projections are sensible and not overinflated, and the full cost of the council's staffing establishment is based on latest pay assumptions and is calculated in an appropriate level of detail. Senior Management across the council engage with the council's central finance team on the preparation of the detailed budgets, and only budgets that have the backing of senior management make it through to this budget setting report for consideration by members of the Cabinet and ultimately Council.
40. There are areas of uncertainty that the council needs to be particularly mindful of, affecting the budget assumptions over the medium-term. These include (but are not entirely limited to) the:
- a. methodology regarding the Government's multi-year finance settlement from 2026/27
 - b. business rate changes
 - c. timing and scale of Fair Funding Review impact

- d. amount of separate food waste collection new burdens funding yet to be confirmed by the Government
 - e. steady state costs of the new waste service when operating effectively as planned
 - f. level of ongoing EPR funding beyond 2025/26
 - g. impact on resources required to support LGR preparations
 - h. expectation that the level of new government funding matches the increases to National Insurance costs
 - i. pay award increases
 - j. impact regarding proposed changes to increase the statutory fee structure regarding Planning applications
41. In setting the General Fund Revenue Budget for 2025/26, the council is contributing to the financing of the capital programme. The overall reserve transfers are clearly laid out in appendix 5d and are for specific purposes. Appendix 7 details the value of reserves to be used in financing the General Fund Capital Programme in 2025/26. The council's Capital Strategy (Cabinet: 5 February 2025) takes this further to combine the General Fund and Housing Revenue Account Capital Programmes and details how reserves will be used in financing the delivery of these forecast programmes over the medium-term period. Use of reserves is supplemented where appropriate with borrowing, and an assessment is made on the affordability and proportionality of financing charges to the revenue budget.
42. The General Fund Balance reserve at £3 million and the Housing Revenue Account (HRA) reserve at £1 million are considered to be adequate for 2025/26 considering the overall size of the council's budget across these two accounts. Variations in actual performance as compared to budget assumptions are inevitable in an organisation with a turnover as large as the council's, especially when also considering the diverse range and complexities of services and differing levels of demand on those services throughout a fiscal period. Reserves exist, in particular the General Fund Balance and HRA reserves, to provide a cushion for these variations.
43. The proposal to use a proportion of the Budget Equalisation Reserve balance (£2.699 million as at 31/3/24) to support the delivery of Community Asset Transfers is considered appropriate and acceptable, both in the context of Local Government

Reorganisation, and on the principle of invest-to-save for the council.

44. The council maintains a suitable level of liquidity regarding its cash balances in order to service the day-to-day requirements of the council. In order to maintain its professional investor status a minimum of £10 million must be available. Full details on how the council manages its borrowing, investments and risks can be found in the council's Treasury Management Strategy 2025/26 report.
45. As the council's Chief Finance Officer, I am satisfied on the robustness of the estimates as included in the budget for 2025/26 and MTFP to 2028/29 and I am able to provide assurance on the adequacy of reserves held by the council.

Fees and Charges

46. A fees and charges policy position was set and adopted by the council in October 2023. It included an assumption on growth equivalent to 20% over the 3-year period to 2026/27. Further fees and charges growth is budgeted to continue thereafter, with a £300,000 increase each year, targeted from 2026/27.
47. Portfolio Holders have reviewed and proposed their fees and charges levels across several services for 2025/26 and these are documented throughout Appendix 7 and where required any changes form part of the recommendations to council.

Corporate plan priorities

48. This budget supports all the council priorities whilst maintaining a balanced MTFP. It ensures we are being financially responsible and supports our Future New Forest transformation programme which underpins the delivery of all our priorities.
49. The council is resourced to enable a review of priorities, and the budget as laid out makes suitable provision for allocated funding to support new and emerging priorities as a result of Devolution and Local Government Reorganisation.

Options appraisal

50. Due to the finite level of resources available to the council and the need to maintain adequate reserves every budget has been considered with due regard to all others.
51. Should significant options not be taken (for example the recommendation to increase Council Tax) this would require contra

reduction within service budgets to be identified. It is considered such action would be detrimental to the delivery of a sound balanced budget, aimed at delivering the council's priorities.

Consultation undertaken

52. Internal consultation between portfolio holders, finance officers, service managers and budget holders informed by external consultants and surveys have determined the forecast data presented in the report.
53. Throughout December and early January an on-line consultation was available to Business Rate payers. This provided the opportunity for feedback regarding the budget and MTFP including the proposed financial strategy and options to close the gap.

Financial and resource implications

54. This is a financial report with budget implications already detailed and considered in the main body of the report.

Legal implications

55. The council has a fiduciary duty to its taxpayers to be prudent in the administration of the funds on their behalf and an equal duty to consider the interests of the community which benefit from the services it provides.
56. It is the responsibility of councillors to ensure the council sets a balanced budget for the forthcoming year. In setting, such a budget councillors and officers of the council have a legal requirement to ensure it is balanced in a manner which reflects the needs of both current and future taxpayers in discharging these responsibilities. In essence, this is a direct reference to ensure that council sets a financially sustainable budget which is mindful of the long-term consequences of any short-term decisions.
57. As a billing authority, failure to set a legal budget by 11 March each year may lead to intervention from the Secretary of State under section 15 of the Local Government Act 1999. It should however be noted that the deadline is, in reality, the 1 March each year to allow sufficient time for the Council Tax direct debit process to be adhered to.

Risk assessment

58. The budget for 2025/26 is based upon best estimates, but uncertainty still remains over the short-term and medium-term on a

variety of matters, most notably surrounding the assumed compensation for the increase in National Insurance costs and the potential re-design of the Business Rate retention scheme (in replacement of all other central funding). It is vitally important that the council continues with its prudent financial planning and continues to take actions to deliver a balanced budget over the medium-term period.

59. The council provides regular financial monitoring reports, providing valuable updates on the latest forecasts as against original expectations and has £3m in the General Fund Reserve, available to support service delivery budgets. The council also has a Budget Equalisation Reserve, which exists to smooth out annual fluctuations in council funding. Within this context, the budget as now presented to Cabinet is considered to be robust and deliverable.

Environmental / Climate and nature implications

60. The ongoing £250,000 annual budget within revenue and capital allowed for within the council's Medium Term Financial Plan will enable the council to deliver critical priorities on its agreed Climate and Nature Emergency action plan and invest in carbon reduction projects and green initiatives. As the council moves forwards with its climate action plan and longer-term strategy, the Medium Term Financial Plan will be reviewed and further reports brought forward as required.
61. Hybrid working continues to help reduce travelling time for officers across several departments of the council and has improved the efficiency of a large proportion of office space.
62. The council's proposed investment in a fleet infrastructure strategy will inform the council on how it can make progress in delivering a more sustainable green fleet going forward.
63. All of the council's procured energy comes from 100% renewable energy sources.

Equalities implications

64. Over the medium-term, as the council continually strives to provide quality services at maximum value for money, any potential equality and diversity implications will be covered as and when key decisions are made.

Crime and disorder implications

65. The council's budget for 2025/26 contains £873,000 supporting community safety and CCTV operations.

Data protection / Information governance / ICT implications

66. There are no additional data protection, information governance or ICT implications arising directly from this report, the report and budget does however provide sufficient funding to ensure obligations and requirements in this area are met.

Appendices:

Appendix 1 – MTFP General Fund Budget 2025/26 - Summary of Resources

Appendix 2 – MTFP General Fund Budget 2025/26 - Summary of Budget Requirements

Appendix 3 – MTFP General Fund Budget 2025/26 – Options identified to close budget shortfall

Appendix 4 – MTFP General Fund Budget 2025/26 – Asset Maintenance and Replacement Programme

Appendix 5a – MTFP General Fund Budget 2025/26 – Portfolio Summary

Appendix 5b – MTFP General Fund Budget 2025/26 – Portfolio Summary

Appendix 5c – MTFP General Fund Budget 2025/26 – Central Support Service Business Units

Appendix 5d – MTFP General Fund Budget 2025/26 – Movement in Reserves

Appendix 6 – MTFP General Fund Budget 2025/26 – Capital Projects

Background Papers:

Cabinet 5 February 2025:

[Financial Monitoring Report \(based on performance April to December 2024 inclusive\)](#)

[Asset Maintenance and Replacement Programme and General Fund Capital Programme 2025/26](#)

[Capital Strategy 2025/26](#)

Audit Committee 24 January 2025:

[Treasury Management Strategy 2025/26](#)

Cabinet 4 December 2024:

[Medium Term Financial Plan - Update](#)

Cabinet 6 November 2024:

[Financial Monitoring Report - \(based on Performance April to September 2024 inclusive\)](#)

Cabinet 2 October 2024:

[Medium Term Financial Plan - Scene Setting](#)

Cabinet 4 September 2024:

Appendix 7 – MTFP General Fund
Budget 2025/26 – Proposed Fees
and Charges

Financial Monitoring Report -
(based on Performance April to
June 2024 inclusive)

Cabinet 21 February 2024:

Housing Revenue Account Budget
and the Housing Public Sector
Capital Expenditure Programme
2024/25

Medium Term Financial Plan and
Annual Budget 2024/25

MEDIUM TERM FINANCIAL PLAN 2025 - 2029

SUMMARY OF RESOURCES

FUNDING

	2024/25	2025/26	2026/27	2027/28	2028/29
Original					
Budget	Forecast	Forecast	Forecast	Forecast	Forecast
£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Business Rates Baseline	4,330	4,378	4,466	4,555	4,646
Business Rates Baseline Indexing Compensation 22/23	327	327	327	327	327
Business Rates Baseline Indexing Compensation 23/24	379	379	379	379	379
Business Rates Baseline Indexing Compensation 24/25	130	130	130	130	130
Business Rates Baseline Indexing Compensation 25/26	0	39	39	39	39
- Business Rates Retained Surplus	3,485	4,132	4,000		
Transition Grant / Business Rate Redistribution (@40% / 20%)				2,400	1,600
New Homes Bonus	22	36	0	0	0
Services Grant	25	0	0	0	0
Funding Guarantee Grant / Settlement Funding	1,200	676	0	0	0
Grant re Employers National Insurance	0	155	0	0	0
RSG Revenue Support Grant	0	1	0	0	0
Contribution to (-) / From Budget Equalisation Reserve	0	0	0	0	0
Total Government Determined Resources	9,898	10,253	9,341	7,830	7,121
Council Tax					
Base from Previous Year	14,020	14,459	15,094	15,535	15,979
Tax Base Adjustment (Additional Properties)	18	72	75	77	79
Annual CT £ / % Increase	421	363	366	367	369
Council Tax Premiums	0	200	0	0	0
Total Council Tax	14,459	15,094	15,535	15,979	16,427
- Business Rates Collection Fund Deficit(-) / Surplus					
- Council Tax Collection Fund Deficit(-) / Surplus	179	162	200	200	200
Total Collection Funds	179	162	200	200	200
TOTAL FUNDING	24,536	25,509	25,076	24,009	23,748
Cumulative Change from Original 2024/25		973	540	-527	-788
%age change		4%	2%	-2%	-3%

MEDIUM TERM FINANCIAL PLAN 2025 - 2029

SUMMARY OF BUDGET REQUIREMENT

	2025/26	2026/27	2027/28	2028/29
	Forecast	Forecast	Forecast	Forecast
	£'000's	£'000's	£'000's	£'000's
Baseline Funding 2024/25	24,536	24,536	24,536	24,536
Budget Requirement 2025/26 - 2028/29				
Pay & Price Increases				
Pay Award (assumed 2.0% - 2.5%)	475	450	450	450
Pay Award Contingency				
Employers National Insurance	600	0	0	0
Increments	185	170	170	170
Prices - Insurance, Utilities, Fuel & Maintenance	100	100	100	100
Pay & Price Increases	1,360	720	720	720
Cumulative Pay & Price Increases	1,360	2,080	2,800	3,520
Budget adjustments relating to one-off items				
New external grant funding to support 2FTE increase in Homelessness in 2024/25	-80			
Strategy Delivery Budget	-130			
Investment in Fleet and Infrastructure Strategy	-80			
Investment in Parking Service Strategy	-50			
Investment in Local Plan (£1m over 3 yrs)	-62			
Investment in Local Plan Design Code	-200			
Investment in Commercial Waste review	20	-20		
Investment in Glass collection round review	20	-20		
	-562	-40	0	0
Waste Service Change				
Investment in Waste Strategy Delivery (3 yr)		-100		
Transition Costs	556	-722	-120	
Food Waste Transition Support	150			
New Service Rollout	1,591	534		
Food Waste New Burdens		-1,500		
EPR Funding	-1,175			
Contribution from Corporate Priorities Reserve	-346	346		
	776	-1,442	-120	0
Ongoing Savings and Income Generation				
Fees & Charges Yield - Garden Waste	-156			
Fees & Charges Yield - Car Parking	-250			
Fees & Charges Yield - Keyhaven	-25			
Fees & Charges Yield - Other Services	-178			
Contractual income - Leisure	-146	-153	-189	-152
Contractual income - Glass recycling	-75	75		
Income Adjustment - Reduction in Beach Hut income	30			
Income Adjustment - Reduction in Planning Income	170		-70	-100
Ongoing Savings - Permanent removal of vacancies	-175			
Strategy Delivery - Commercial Property Income	-39			
Strategy Delivery - Treasury		200	100	50
	-844	122	-159	-202
Cumulative effect of Adjustments and Savings	-630	-1,990	-2,269	-2,471

MEDIUM TERM FINANCIAL PLAN 2025 - 2029

SUMMARY OF BUDGET REQUIREMENT

Alignment of Budget to Priorities and New Budget Requirements

	2025/26	2026/27	2027/28	2028/29
	Forecast	Forecast	Forecast	Forecast
	£'000's	£'000's	£'000's	£'000's
Investment in Transformation Business Case (one off costs)		209	-209	
Investment in Transformation Business Case (on-going)	328		78	
Investment in LMS Resource		-35		
Investment in Digital Project Management Resource			25	
Investment in Resident Insight Survey		25	-25	25
Investment in Complaints Resource	59			
Investment in People Strategy Resource	50			
Investment Devolution and LGR Programme and Workstream Resource	150			-70
Investment in ICT Hardware - Azure	125			
Investment in ICT Software - Licencing	213			
Increase to Community Grants Fund	40			
Review of central and corporate allocations (to HRA)	-687			
Public Space Protection Order (PSPO) Review	50			
Removal of courier services between NFDC sites	-44			
Increase to depot costs following move from Claymeadow to Hardley	94			
Adjustments to air quality monitoring budget requirements	-54		55	
Review and realignment of various service budgets (net)	-81	64		
	243	263	-76	-45
Cumulative effect of New Requirements	243	506	430	385
Total Budget Requirement (Baseline + Adjustments)	25,509	25,132	25,497	25,970
Total Funding Available (as above)	25,509	25,076	24,009	23,748
Estimated Cumulative Surplus / Shortfall (-)	0	-56	-1,488	-2,222

MEDIUM TERM FINANCIAL PLAN 2025 - 2029

OPTIONS IDENTIFIED TO CLOSE BUDGET SHORTFALL

Treasury / Commercial / Residential Investment Income 2025/26
 Treasury / Commercial / Residential Investment Income 2026/27

Cumulative Investment Income

General Process Efficiency and Channel Shift
 Accommodation Rationalisation

Targeted Transformation Programme**Targeted Fees and Charges Growth****MTFP 25/26 Potential Impacts / Mitigations....**

Impact OR Mitigation: Business Rate Changes
 Impact OR Mitigation: Multi Year Finance Settlement
 Impact OR Mitigation: Waste New Service Roll Out
 Impact OR Mitigation: Fair Funding Review
 Impact OR Mitigation: Food Waste Service New Burdens
 Impact: LGR Preparation Support Resources
 Impact OR Mitigation: National Insurance increases compared to new funding
 Impact OR Mitigation: Pay Award different to budget
 Impact OR Mitigation: Level of pEPR Income from HMT
 Mitigation: Tax Raising Flexibilities
 Mitigation: Reduce RCCO
 Mitigation: Statutory planning fee changes

Total of the Options Identified**Use of Equalisation Reserves (-) / Headroom (to support Capital) +**

2025/26 Forecast £'000's	2026/27 Forecast £'000's	2027/28 Forecast £'000's	2028/29 Forecast £'000's
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	300	600	900
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ ?	+ ?	+ ?	+ ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
- ?	- ?	- ?	- ?
- ?	- ?	- ?	- ?
- ?	- ?	- ?	- ?
0	300	600	900
0	244	-888	-1,322

Reserves Supporting the MTFP

General Fund Balance	3,000	3,000	3,000	3,000	3,000
Budget Equalisation Reserve	2,699	2,699	2,699	2,699	2,699

MEDIUM TERM FINANCIAL PLAN 2025-2028

GENERAL FUND ASSET MAINTENANCE AND REPLACEMENT (AMR) PROGRAMME

	2024/25	2025/26	2026/27	2027/28
	£'000	£'000	£'000	£'000
Health & Leisure Centres	750	750	-	-
Office, Depots and Outlying Buildings	170	270	-	-
Programme Contingency	41	30	1,090	1,090
Cemeteries	40	-	-	-
Eling Experience	40	-	-	-
Water Safety	21	-	-	-
Public Conveniences	28	-	-	-
	1,090	1,050	1,090	1,090
ICT Replacement Programme	150	190	150	150
Vehicle and Plant (Depreciation/MRP)	1,650	1,650	1,650	1,650
	1,800	1,840	1,800	1,800
Less: Proportion allocated to the HRA	-390	-390	-390	-390
TOTAL GENERAL FUND AMR PROGRAMME	2,500	2,500	2,500	2,500

MEDIUM TERM FINANCIAL PLAN 2024-2026

GENERAL FUND BUDGET 2025/26

	2024/25	2025/26	2025/26	2025/26
	£'000's	£'000's	£'000's	£'000's
	Budget	Gross	Income	Budget
PORTFOLIO REQUIREMENTS				
Community Safety and Wellbeing	3,468	5,453	-2,064	3,389
Environment and Sustainability	8,540	21,674	-9,927	11,747
Finance and Corporate	4,220	35,257	-31,547	3,710
Housing and Homelessness	3,499	8,569	-4,917	3,652
Leader	1,174	3,006	-763	2,243
Planning and Economy	3,997	6,126	-2,148	3,978
	24,898	80,085	-51,366	28,719
Reversal of Depreciation	-2,190	0	-2,768	-2,768
Contribution to/(from) Earmarked Revenue Reserves	-410	174	-1,819	-1,645
NET PORTFOLIO REQUIREMENTS	22,298	80,259	-55,953	24,306
Minimum Revenue Provision	2,269	2,512	0	2,512
Contribution to Capital Programme Financing (RCCO)	1,250	1,100	0	1,100
Interest Costs	150	206	0	206
Interest Earnings	-1,432	0	-1,432	-1,432
Waste Services Grant	0	0	-1,175	-1,175
Other grants	0	0	-8	-8
GENERAL FUND NET BUDGET REQUIREMENTS	24,535	84,077	-58,568	25,509
COUNCIL TAX CALCULATION				
Budget Requirement	24,535	84,077	-58,568	25,509
Less:				
Settlement Funding Assessment				
Revenue Support Grant	-25	0	-1	-1
New Homes Bonus	-22	0	-36	-36
Employers National Insurance Grant	0	0	-155	-155
Guarantee Grant (MHCLG)	-1,200	0	-676	-676
Business Rates Baseline	-4,330	33,387	-37,765	-4,378
	-5,577	33,387	-38,633	-5,246
Locally Retained Business Rates	-4,320	2,285	-7,292	-5,007
Estimated Collection Fund (Surplus)/Deficit Business Rates	1,305	0	-192	-192
Estimated Collection Fund (Surplus)/Deficit Council Tax	-179	0	-162	-162
Contribution to/ (from) Business Rates Equalisation Reserve	-1,305	192	0	192
COUNCIL TAX	14,459	119,941	-104,847	15,094
TAX BASE NUMBER OF PROPERTIES	72,371.50			73,355.00
COUNCIL TAX PER BAND D PROPERTY	199.79			205.77
GENERAL FUND BALANCE 31 MARCH	3,000			3,000

MEDIUM TERM FINANCIAL PLAN 2024-2026

ANALYSIS OF GROSS PORTFOLIO
REQUIREMENTS

	Employees	Premises	Transport	Supplies and Services	Support Services	Capital Charge	Gross Expenditure	Income	Budget
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
2025/26									
Community Safety and Wellbeing	2,835	798	0	1,316	501	3	5,453	-2,064	3,389
Environment and Sustainability	12,898	2,370	3,651	1,288	925	542	21,674	-9,927	11,747
Finance and Corporate	5,586	361	16	28,870	413	11	35,257	-31,547	3,710
Housing and Homelessness	2,548	329	0	5,293	399	0	8,569	-4,917	3,652
Leader	1,971	11	2	877	145	0	3,006	-763	2,243
Planning and Economy	4,450	22	0	877	776	0	6,125	-2,147	3,978
	30,288	3,891	3,669	38,521	3,159	556	80,084	-51,365	28,719
2024/25									
Community Safety and Wellbeing	2,748	796	0	1,288	468	6	5,306	-1,838	3,468
Environment and Sustainability	10,362	2,291	2,765	1,487	768	435	18,108	-9,568	8,540
Finance and Corporate	5,698	402	17	29,413	432	10	35,972	-31,752	4,220
Housing and Homelessness	2,324	323	0	4,738	397	0	7,782	-4,283	3,499
Leader	699	11	3	493	110	0	1,316	-142	1,174
Planning and Economy	4,474	21	0	843	765	0	6,103	-2,106	3,997
	26,305	3,844	2,785	38,262	2,940	451	74,587	-49,689	24,898
Difference in 2024/25 to 2025/26									
Community Safety and Wellbeing	87	2	0	28	33	-3	147	-226	-79
Environment and Sustainability	2,536	79	886	-199	157	107	3,566	-359	3,207
Finance and Corporate	-112	-41	-1	-543	-19	1	-715	205	-510
Housing and Homelessness	224	6	0	555	2	0	787	-634	153
Leader	1,272	0	-1	384	35	0	1,690	-621	1,069
Planning and Economy	-24	1	0	34	11	0	22	-41	-19
	3,983	47	884	259	219	105	5,497	-1,676	3,821

MEDIUM TERM FINANCIAL PLAN 2025-2026

CENTRAL SUPPORT SERVICE BUSINESS UNITS

	Employees	Premises	Transport	Supplies and Services	Support Services	Capital Charge	Gross Expenditure	External Income	Budget
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
2025/26									
Human Resources (704)	608	29	1	55	156	0	849	-35	814
Community & Business Improvement (713)	115	3	0	0	5	0	123	0	123
Communications (716)	371	10	0	11	25	0	417	0	417
Legal Services (742)	383	9	1	51	83	0	527	-1	526
Information, Governance and Complaints (722)	218	6	0	4	32	0	260	0	260
Secretarial Services (724)	310	11	0	5	44	0	370	0	370
ICT (736)	1,913	54	2	7	76	0	2,052	-65	1,987
ICT Maint./Licences/Phones (738)	0	0	0	1,401	0	0	1,401	0	1,401
ICT Communications (740)	0	40	0	860	13	0	913	-6	907
Customer Services (732)	409	17	0	3	46	0	475	0	475
Courier (722)	0	0	0	0	0	0	0	0	0
Information Offices (731)	365	148	2	13	69	0	597	-1	596
Support Services (762)	283	15	0	37	36	0	371	0	371
Sundry Debtors (766)	131	4	0	22	24	0	181	-1	180
Accountancy (780)	645	20	1	10	82	0	758	-30	728
Internal Health and Safety (822)	209	6	1	22	24	0	262	0	262
Hsg Maint - Shared Support Hub (890)	752	62	2	7	59	0	882	0	882
Hsg Maint - Operations Management (891)	700	98	45	12	54	0	909	0	909
Site Officers (960)	153	11	0	3	29	0	196	0	196
Central Procurement (964)	350	9	1	11	54	0	425	-1	424
Valuers (970)	313	7	3	20	84	0	427	-75	352
Property Services (976)	302	8	3	10	59	0	382	0	382
Building Cleaning - Offices (P255)	91	0	0	2	24	0	117	0	117
	8,621	567	62	2,566	1,078	0	12,894	-215	12,679

MEDIUM TERM FINANCIAL PLAN 2024-2026

GENERAL FUND REVENUE BUDGET -
MOVEMENT IN RESERVES

	Contribution From(-) / To Reserves in 2024/25	Reserve Transfers not required / possible in 2025/26	Contribution From(-) / To Reserves for 2025/26	Use of (-) / Contributions to reserves in 2025/26
	£'000's	£'000's	£'000's	£'000's
Contribution from Reserves				
Community Housing Fund	-13			-13
Open space Maintenance	-56			-56
Building Control	-40	40		0
Local Plan	-154		-61	-215
Corporate Priorities - Transformation	0		-306	-306
Corporate Priorities - Waste strategy	0		-346	-346
Recreation Mitigation	-11			-11
Committed Schemes - Transformation	-80	80		0
Committed Schemes - ICT	0		-475	-475
Local Plan Design Code	0		-66	-66
Ukraine Families	-314		-17	-331
	-668	120	-1,271	-1,819
Contribution to Reserves				
District Council Elections	64			64
Lymington STP	20			20
Local Plan Design Code	134	-134		0
Commercial Property Maintenance Fund	0		50	50
Insurance	40			40
	258	-134	50	174
Total Contribution from (-) / to reserves	-410	-14	-1,221	-1,645

MEDIUM TERM FINANCIAL PLAN 2025-2028
GENERAL FUND CAPITAL PROJECTS REQUIREMENTS WITH FINANCING

	Portfolio	PROJECT REQUIREMENTS £			ORIGINAL 2025/26 PROJECT FINANCING £			
		2025/26	2026/27	2027/28	NFDC Resources / Loan	Better Care Fund	Grant / Income	Developer contributions / CL
UK Shared Prosperity Fund	LEADER / ALL	60,000	-	-	-	-	60,000	-
Disabled Facilities Grants	HOU (GF)	1,500,000	1,500,000	1,500,000	-	1,500,000	-	-
Strategic Regional Coastal Monitoring (2025-2027)	ENV & SUSTAIN	2,829,000	2,216,000	-	-	-	2,829,000	-
Hurst Spit Beach Shingle Source Study	ENV & SUSTAIN	75,000	-	-	-	-	75,000	-
Milford Beach and Cliff Study	ENV & SUSTAIN	230,000	-	-	-	-	230,000	-
Barton Horizontal Directional Drilling Trials	ENV & SUSTAIN	135,000	10,000	15,000	67,000	-	68,000	-
Mitigation Schemes	PLAN & ECON	2,000,000	2,750,000	2,788,000	-	-	-	2,000,000
Infrastructure Schemes	PLAN & ECON	1,300,000	1,150,000	1,150,000	-	-	-	1,300,000
ATC Accommodation refurbishment	FIN & CORP	200,000	-	-	200,000	-	-	-
Sustainability Fund - Unallocated	ENV & SUSTAIN	100,000	100,000	100,000	100,000	-	-	-
Vehicle & Plant; Replacement Programme	FIN & CORP	2,463,000	390,000	908,000	2,463,000	-	-	-
Vehicle & Plant; Replacement Programme - Waste Strategy	FIN & CORP	3,709,000	453,000	84,000	2,809,000	-	900,000	-
Eling Tide Mill	ENV & SUSTAIN	260,000	-	-	260,000	-	-	-
Waste Strategy Container Roll Out	ENV & SUSTAIN	4,550,000	-	-	4,214,000	-	336,000	-
TOTAL GENERAL FUND CAPITAL PROGRAMME		19,411,000	8,569,000	6,545,000	10,113,000	1,500,000	4,498,000	3,300,000
								19,411,000
LOAN FINANCED				Vehicle & Plant	-9,013,000			
RESIDUAL NFDC RESOURCES					<u>1,100,000</u>			

COMMUNITY, SAFETY & WELLBEING
PROPOSED SCALE OF FEES AND CHARGES FOR 2025/26

APPENDIX 7

With effect from 1st April 2025 (all shown are excluding VAT)		Current Charge 2024/25 £	Proposed Charge 2025/26 £	Increase £	Increase %
Stray Dogs*					
Stray dogs - administration charge	Per event	50.00	54.00	4.00	8.0
Stray dogs - kennelling charge	Per day	22.00	26.00	4.00	18.2
Dog fouling - fixed penalty fee	Per event	50.00	50.00	-	-
Impounding of Livestock					
Fixed penalty per animal	Per event	----- Actual Cost ----->			
Feeding charge per animal	Per day	----- Actual Cost ----->			
Air Pollution Consent Information					
PPC Pre Application advice	Per hour	47.00	48.00	1.00	2.1
Food Hygiene*					
Food safety re-inspections	Per visit	226.00	233.00	7.00	3.1
Food export certificates	Initial visit	108.00	111.00	3.00	2.8
Food export certificates	Per certificate	49.00	50.00	1.00	2.0
Primary Authority	Per hour	81.00	83.00	2.00	2.5
Primary Authority set up package		805.00	829.00	24.00	3.0
Drain Clearance/Repair					
Drain clearance/repair (default work)*	Per event	----- Actual Cost of works plus Officer Costs ----->			
Private Water Supplies*					
Sampling	Per hour	44.00	48.00	4.00	9.1
<i>Analysis Costs</i>					
Small Domestic Supply	Per event	----- Actual Cost ----->			
Check monitoring of large/commercial supplies	Per event	----- Actual Cost ----->			
Audit Monitoring of large/commercial supplies	Per event	----- Actual Cost ----->			
Risk Assessment	Per hour	44.00	48.00	4.00	9.1
Investigation of water quality failure	Per hour	44.00	48.00	4.00	9.1
Granting of an authorisation	Per hour	44.00	48.00	4.00	9.1
Scrap Metal Dealers *					
Scrap Metal Dealer - Site	Per licence	192.00	198.00	6.00	3.1
Scrap Metal Dealer - Collector	Per licence	142.00	146.00	4.00	2.8

NOTE: VAT. Charges are exclusive of VAT.
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COMMUNITY, SAFETY & WELLBEING
PROPOSED SCALE OF FEES AND CHARGES FOR 2025/26

With effect from 1st April 2025 (all shown are excluding VAT)	Unit/frequency	Current Charge 2024/25 £	Proposed Charge 2025/26 £	Increase £	Increase %
CARELINE SERVICES					
One off fee					
Installation (standard)	Per unit	48.00	48.00	-	-
Installation (specific time/date)	Per unit	66.00	66.00	-	-
Urgent hospital discharge installation	Per unit	55.00	55.00	-	-
Activation Fee - New digital customers only	Per unit	50.00	50.00	-	-
Activation Fee - Existing customers (Analogue or digital)	Per unit	25.00	25.00	-	-
Digital Smart Life Unit	Per unit	250.00	250.00	-	-
Call out fee (damage and misuse)	Per unit	25.00	25.00	-	-
Loan pendant - Admin fee (office based)	Per unit	18.00	18.00	-	-
Loan pendant re-programme - call out fee	Per unit	25.00	25.00	-	-
Loan pendant re-programme - client re-programme	Per unit	FOC	FOC	-	-
Lost pendant replacement	Per unit	54.25	54.25	-	-
Additional user set up fee (post installation)	Per unit	18.00	18.00	-	-
Call out fee - reinstallation & reprogramming of additional sensors added to existing alarm equip	Per unit	25.00	25.00	-	-
Equipment disconnection and collection charge	Per unit	35.00	35.00	-	-
Wristband annual fee	Per unit	25.00	25.00	-	-
2 Metre multi socket	Per unit	8.24	8.24	-	-
5 metre multi socket	Per unit	9.45	9.45	-	-
Service and equipment rental					
Lifeline rental	Per unit	4.08	4.25	0.17	4.2
Monitoring only	Per unit	2.10	2.25	0.15	7.1
SIM Card - digital only	Per unit	1.00	1.00	-	-
Fall detector	Per unit	1.59	1.59	-	-
Smoke detector	Per unit	0.99	0.99	-	-
Carbon monoxide detector	Per unit	1.85	1.85	-	-
Additional pendant	Per unit	0.85	0.85	-	-
Wristband	Per unit	0.51	0.51	-	-
Safe socket	Per unit	0.33	0.33	-	-
Replacement charges for damaged or non-returned units					
Community alarm (400 connect, Vi or Reach)	Per unit	157.33	157.33	-	-
Digital Smart Life (unit only)	Per unit	250.00	250.00	-	-
Pendant (My Amie or Tynetec)	Per unit	54.25	54.25	-	-
Vi or Vibby fall detector	Per unit	108.50	108.50	-	-
ID wristband	Per unit	5.00	5.00	-	-
Alarm unit power supply cable	Per unit	27.13	27.13	-	-
Telephone adaptor	Per unit	5.43	5.43	-	-
BT cable	Per unit	9.77	9.77	-	-
ADSL filter	Per unit	8.68	8.68	-	-
Safe socket	Per unit	10.85	10.85	-	-

NOTE: VAT. Charges are exclusive of VAT.

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ENVIRONMENT & SUSTAINABILITY PORTFOLIO
PROPOSED SCALE OF FEES AND CHARGES FOR 2025/26

With effect from 1st April 2025 (all shown are excluding VAT)		Current Charge 2024/25 £	Proposed Charge 2025/26 £	Increase £	Increase %	
Unit/frequency						
REFUSE SACKS						
Domestic Sacks* - black	Per roll (of 26)	7.00	7.00	-	-	
Domestic Sacks* - clear	Per roll (of 36)	2.75	2.75	-	-	
GARDEN WASTE COLLECTION FOR COMPOSTING*						
Collection Charge for 12 month period, per 240 litres (to a maximum of 5 bin:	Per annum	65.00	70.00	5.00	7.7	
Bin supply charge per bin* - including replacement bins	Per bin	25.00	30.00	5.00	20.0	
* customers signing up for one bin as part of the initial sign up period in 2023 (dates tbc) will not pay the bin supply charge. Any additional bins will incur the charges shown above						
SPECIAL COLLECTIONS*						
Special Collection	One item	43.00	47.00	4.00	9.3	
extra items (per item - maximum of eight)	Additional items	11.50	12.50	1.00	8.7	
1 free collection up to 3 items per household claiming benefits # 48 hours notice must be given to qualify for refund.						
BEACH HUTS						
Licence Transfer Fee						
Licence transfer fee - all sites (Standard beach hut sale)	Per Transfer	540.00	621.67	81.67	15.1	
Licence transfer fee - all sites (Following licensee death) - New Fee	Per Transfer	n/a	621.67	n/a	n/a	
Site Rent Residents						
Milford-on-Sea	concrete (per standard hut)	Per hut, per annum	612.38	673.33	60.95	10.0
Barton-on-Sea		up to 5.0 sq.m	484.92	606.67	121.75	25.1
		5.01 - 7.0 sq.m	552.95	669.17	116.22	21.0
		7.01 - 12.0 sq.m	610.45	749.17	138.72	22.7
		12.01 - 14.0 sq.m	682.33	798.33	116.00	17.0
		14.1 - 16.0 sq.m	717.80	839.17	121.37	16.9
		over 16.0 sq.m	752.30	877.50	125.20	16.6
Calshot & Hordle Cliff		up to 5.0 sq.m	552.00	606.67	54.67	9.9
		5.01 - 7.0 sq.m	608.55	669.17	60.62	10.0
		7.01 - 12.0 sq.m	681.38	749.17	67.79	9.9
		12.01 - 14.0 sq.m	725.45	798.33	72.88	10.0
		14.1 - 16.0 sq.m	762.83	839.17	76.34	10.0
		over 16.0 sq.m	797.33	877.50	80.17	10.1
Site Rent Non - Residents						
Milford-on-Sea	concrete (per standard hut)	Per hut, per annum	814.58	1,058.33	243.75	29.9
Barton-on-Sea		up to 5.0 sq.m	725.45	985.00	259.55	35.8
		5.01 - 7.0 sq.m	767.63	1,059.17	291.54	38.0
		7.01 - 12.0 sq.m	816.50	1,153.33	336.83	41.3
		12.01 - 14.0 sq.m	859.63	1,218.33	358.70	41.7
		14.1 - 16.0 sq.m	895.08	1,265.83	370.75	41.4
		over 16.0 sq.m	930.55	1,311.67	381.12	41.0
Calshot & Hordle Cliff		up to 5.0 sq.m	758.05	985.00	226.95	29.9
		5.01 - 7.0 sq.m	814.58	1,059.17	244.59	30.0
		7.01 - 12.0 sq.m	887.42	1,153.33	265.91	30.0
		12.01 - 14.0 sq.m	937.25	1,218.33	281.08	30.0
		14.1 - 16.0 sq.m	973.67	1,265.83	292.16	30.0
		over 16.0 sq.m	1,009.13	1,311.67	302.54	30.0
COASTAL						
School, College and University Coastal Education Talks						
On site talk by Coastal Engineer*	Per event	100.00	100.00	-	-	

ENVIRONMENT & SUSTAINABILITY PORTFOLIO
PROPOSED SCALE OF FEES AND CHARGES FOR 2025/26

		Current Charge 2024/25 £	Proposed Charge 2025/26 £	Increase £	Increase %
With effect from 1st April 2025 (all shown are excluding VAT)					
PEST CONTROL					
Rodent Control					
Domestic Premises	Call out/Survey and up to 3 additional visits #	150.00	166.67	16.67	11.1
	Single additional visit	41.67	45.83	4.16	10.0
Business Premises	Call out and survey	150.00	166.67	16.67	11.1
	Treatment via quote for visits or annual contract	----- Subject to quotation ----->			
# 50% reduction to those on recognised benefits (rodent control)					
Insect Control					
Wasps and Hornets - complete treatment	Per Visit	87.50	100.00	12.50	14.3
Call out	Per Visit	87.50	n/a	n/a	n/a
15 mins visit per operative (fleas, wasps, carpet moths and carpet)	Per Visit	25.00	29.17	4.17	16.7
Fleas - carpet moths & carpet beetles - Call Out and single treatment	Per Visit	108.33	120.83	12.50	11.5
Bed Bugs - Call Out and Survey	Per Visit	83.33	91.67	8.34	10.0
Bed Bugs - Treatment	Per Visit	----- Subject to quotation ----->			

NOTE: VAT. Charges are exclusive of VAT.

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ENVIRONMENT & SUSTAINABILITY PORTFOLIO
PROPOSED SCALE OF FEES AND CHARGES FOR 2025/26

With effect from 1st April 2025 (all shown are excluding VAT)	Current Charge 2024/25 £	Proposed Charge 2025/26 £	Increase £	Increase %
CEMETERIES*				
The fees shown below are applicable to those who have resided within New Forest District. Those who qualify for the Resident Fees will incur the 50% discount. Non-Resident Applicants will incur the Fee in full. For a full breakdown of the criteria qualifying Resident Fees please consult the current Cemetery Regulations.				
Interment Fees				
Interment of ashes in cremated remains section	385.00	420.00	35.00	9.1
Interment of ashes in a grave or woodland grave	385.00	420.00	35.00	9.1
* Child (up to and including 17 years). NFDC claim all child-related fees from the Children's Funeral Fund for England. These fees are for information only.	Fee dependent upon interment	Fee dependent upon interment	-	-
<i>Person over 17 years:</i>				
Single / double depth grave	825.00	905.00	80.00	9.7
Single / double depth grave in a traditional kerbed section - within specific sections and cemeteries	1,050.00	1,155.00	105.00	10.0
Use of memorial garden	120.00	135.00	15.00	12.5
Burial chamber for uncoffined burials	1,950.00	2,140.00	190.00	9.7
Postponement or cancellation (less than 48 working hours notice)	Interment Fee	Interment Fee	-	-
Burial on Saturday	Interment Fee + 50%	Interment Fee + 50%	-	-
Purchase of Exclusive Right of Burial (EROB)				
Cremated remains section	430.00	475.00	45.00	10.5
Woodland cremated remains section	555.00	610.00	55.00	9.9
* Single depth child grave within the Children's Section. NFDC claim all child-related fees from Children's Funeral Fund for England. These fees are for information only	Fee dependent upon plot type.	Fee dependent upon plot type.	-	-
Lawn and woodland sections	1,055.00	1,160.00	105.00	10.0
Eling & Calshot single / double lawn grave - including memorial ground support	1,160.00	1,275.00	115.00	9.9
Traditional kerbed section - within specific sections and cemeteries	1,645.00	1,810.00	165.00	10.0
Purchase of a burial plot requiring 2 grave spaces	2 burial plot fees	2 burial plot fees	-	-
Additional Administration of Exclusive Right of Burial				
Family organised interment - administration	160.00	195.00	35.00	21.9
Location of burial plot selected by purchaser	265.00	295.00	30.00	11.3
Assignment / Transfer of EROB	165.00	185.00	20.00	12.1
Re-issue of EROB	65.00	75.00	10.00	15.4
Surrender or cancellation of EROB - pro-rata refund	No charge	No charge	-	-
Memorial Fees				
Permission to erect or amend a memorial	205.00	225.00	20.00	9.8
related fees from Children's Funeral Fund for England. These fees are for information only	205.00	225.00	20.00	9.8
Permission to erect or amend a memorial with kerbstone in designated traditional sections only - with application	410.00	450.00	40.00	9.8
Permission for offsite repair or maintenance of memorial - with application	65.00	75.00	10.00	15.4
Permission for <i>in situ</i> repair or maintenance of memorial - with application	No charge	No charge	-	-
Purchase of a woodland plaque and vase with plinth +VAT - with application	POA	POA	-	-
Purchase of a woodland or a memorial garden plaque only +VAT - with application	POA	POA	-	-
Purchase of an NFDC owned memorial bench plaque only +VAT - with application	POA	POA	-	-
Sundry Fees				
Use of chapel - included in interment fee and subject to availability	95.00	105.00	10.00	10.5
Research fees per hour - minimum 1 hour	65.00	75.00	10.00	15.4

* NFDC claim all child-related fees from Children's Funeral Fund for England. These fees are for information only.
For further information: <https://www.gov.uk/child-funeral-costs>

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ENVIRONMENT & SUSTAINABILITY PORTFOLIO
PROPOSED SCALE OF FEES AND CHARGES FOR 2025/26

APPENDIX 7 cont.

With effect from 1st April 2025 (all shown are excluding VAT)				Current Charge	Proposed Charge	Increase	Increase
				2024/25	2025/26	£	%
				£	£	£	%
ABANDONED VEHICLES*							
Removal							
Less than 3.5 tonnes		On-road	Per vehicle	192.00	192.00	-	-
		On-road, damaged	Per vehicle	320.00	320.00	-	-
		Off-road	Per vehicle	256.00	256.00	-	-
3.5 to 7.5 tonnes		Off-road, damaged	Per vehicle	384.00	384.00	-	-
		On-road	Per vehicle	256.00	256.00	-	-
		On-road, damaged	Per vehicle	832.00	832.00	-	-
7.5 to 18 tonnes		Off-road	Per vehicle	512.00	512.00	-	-
		Off-road, damaged	Per vehicle	1,089.00	1,089.00	-	-
		On-road	Per vehicle	448.00	448.00	-	-
	Unladen	On-road, damaged	Per vehicle	2,561.00	2,561.00	-	-
	Laden	On-road, damaged	Per vehicle	3,842.00	3,842.00	-	-
	Unladen	Off-road	Per vehicle	1,281.00	1,281.00	-	-
More than 18 tonnes	Laden	Off-road	Per vehicle	1,921.00	1,921.00	-	-
	Unladen	Off-road, damaged	Per vehicle	3,842.00	3,842.00	-	-
	Laden	Off-road, damaged	Per vehicle	5,763.00	5,763.00	-	-
		On-road	Per vehicle	448.00	448.00	-	-
	Unladen	On-road, damaged	Per vehicle	3,842.00	3,842.00	-	-
	Laden	On-road, damaged	Per vehicle	5,763.00	5,763.00	-	-
Storage - per day	Unladen	Off-road	Per vehicle	1,921.00	1,921.00	-	-
	Laden	Off-road	Per vehicle	2,561.00	2,561.00	-	-
	Unladen	Off-road, damaged	Per vehicle	5,763.00	5,763.00	-	-
	Laden	Off-road, damaged	Per vehicle	7,684.00	7,684.00	-	-
	Two wheeled	Per day		13.00	13.00	-	-
	Less than 3.5 tonnes	Per day		26.00	26.00	-	-
3.5 to 7.5 tonnes	Per day		32.00	32.00	-	-	
7.5 to 18 tonnes	Per day		38.00	38.00	-	-	
More than 18 tonnes	Per day		45.00	45.00	-	-	
Disposal	Two wheeled	Per vehicle		64.00	64.00	-	-
	Less than 3.5 tonnes	Per vehicle		96.00	96.00	-	-
	3.5 to 7.5 tonnes	Per vehicle		128.00	128.00	-	-
	7.5 to 18 tonnes	Per vehicle		160.00	160.00	-	-
	More than 18 tonnes	Per vehicle		192.00	192.00	-	-

ENVIRONMENT & SUSTAINABILITY PORTFOLIO
PROPOSED SCALE OF FEES AND CHARGES FOR 2025/26

With effect from 1st April 2025 (all shown are excluding VAT)	Unit/frequency	Current Charge 2024/25 £	Proposed Charge 2025/26 £	Increase £	Increase %
ABANDONED SHOPPING TROLLEYS					
Collected by owner	Per trolley	25.00	25.00	-	-
Returned by Council	Per trolley	35.00	35.00	-	-
Destroyed by Council	Per trolley	55.00	55.00	-	-
Recovered from difficult location					
		----- Actual Cost ----->			
CLEAN NEIGHBOURHOODS & THE ENVIRONMENT*					
Full charge:					
Nuisance parking	Per event	100.00	100.00	-	-
Abandoning a vehicle	Per event	200.00	200.00	-	-
Leaving litter	Per event	100.00	100.00	-	-
Throwing litter from a vehicle	Per event	100.00	100.00	-	-
Graffiti and fly posting	Per event	80.00	80.00	-	-
Domestic waste receptacle offences	Per event	80.00	80.00	-	-
Industrial and commercial waste receptacle offences	Per event	110.00	110.00	-	-
Noise from domestic premises	Per event	110.00	110.00	-	-
Noise from licensed premises	Per event	500.00	500.00	-	-
Dog fouling (currently made under the Dogs (Fouling of Land) Act 1996)	Per event	50.00	50.00	-	-
Dog fouling (only applicable if the Council decide to issue Dog Control Orders under this legislation)	Per event	80.00	80.00	-	-
Discounted charge if paid within 10 days of issue:					
Nuisance parking	Per event	75.00	75.00	-	-
Abandoning a vehicle	Per event	150.00	150.00	-	-
Leaving litter	Per event	60.00	60.00	-	-
Throwing litter from a vehicle	Per event	60.00	60.00	-	-
Graffiti and fly posting	Per event	60.00	60.00	-	-
Domestic waste receptacle offences	Per event	60.00	60.00	-	-
Industrial and commercial waste receptacle offences	Per event	80.00	80.00	-	-
Noise from domestic premises	Per event	80.00	80.00	-	-
Dog fouling(only applicable if the Council decide to issue Dog Control Orders under this legislation)	Per event	50.00	50.00	-	-
ENVIRONMENTAL ENFORCEMENT - FIXED PENALTY CHARGES*					
Full charge:					
Environmental Protection Act 1990;					
Unauthorised deposit of waste (S.33ZA)	Per event	750.00	800.00	50.00	6.7
Failure to produce waste documentation (S.34A)	Per event	300.00	300.00	-	-
Household Duty of Care (S.34ZA)	Per event	200.00	200.00	-	-
Control of Pollution (Amendment) Act 1989					
Failure to produce authority to carry waste (waste carriers licence) (S5B)	Per event	300.00	300.00	-	-
Anti-Social Behaviour, Crime and Policing Act 2014					
Failure to comply with a Community Protection Notice (S.52)	Per event	100.00	100.00	-	-
Failure to comply with a Public Space Protection Order (S.68)	Per event	100.00	100.00	-	-
Discounted charge if paid early:					
Environmental Protection Act 1990;					
Unauthorised deposit of waste (S.33ZA)	Per event	300.00	400.00	100.00	33.3
Failure to produce waste documentation (S.34A)	Per event	225.00	225.00	-	-
Household Duty of Care (S.34ZA)	Per event	120.00	120.00	-	-
Control of Pollution (Amendment) Act 1989					
Failure to produce authority to carry waste (waste carriers licence) (S5B)	Per event	225.00	225.00	-	-
Anti-Social Behaviour, Crime and Policing Act 2014					
Failure to comply with a Community Protection Notice (S.52)	Per event	75.00	75.00	-	-
Failure to comply with a Public Space Protection Order (S.68)	Per event	75.00	75.00	-	-
SACKS					
Dog Waste Bags	Per 50 Sacks	0.90	0.95	0.05	5.6
ROAD CLOSURES*					
Road closure Order (TPCA 1847)	Per event	184.00	190.00	6.00	3.3

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ENVIRONMENT & SUSTAINABILITY PORTFOLIO
PROPOSED SCALE OF FEES AND CHARGES FOR 2025/26

With effect from 1st April 2025		Unit/frequency	Current Charge 2024/25 £	Proposed Charge 2025/26 £	Increase £	Increase %	
TRADE WASTE CHARGES*							
REFUSE*							
Green Sacks		Per Roll - 10 sacks	22.00	24.00	2.00	9.1	
		Box of 30 rolls	459.00	499.00	40.00	8.7	
Delivery Charge		Sack delivery charge (orders <u>under</u> £40)	6.50	7.00	0.50	7.7	
		Sack delivery charge (orders <u>over</u> £40)	Free	Free	Free	-	
Regular Collection Green Sacks (charges per week)	Charge Band	No. sacks per week					
		A	0-15	22.50	24.50	2.00	8.9
		B	16-30	40.00	43.00	3.00	7.5
		C	31-45	57.50	63.00	5.50	9.6
		D	45-60	73.50	80.00	6.50	8.8
MIXED RECYCLING (cans, paper, card, plastic bottles)*							
Clear Sacks		Per Roll - 36 sacks	28.50	31.00	2.50	8.8	
Stickers (Recycling stickers (for affixing to bundles of cardboard))		Per Roll - 36 stickers	28.50	31.00	2.50	8.8	
Delivery Charge		Sack/sticker delivery charge (orders <u>under</u> £40)	6.50	7.00	0.50	7.7	
		Sack/sticker delivery charge (orders <u>over</u> £40)	Free	Free	Free	-	
1100 litre bin (charges per annum)		Weekly Collection	694.50	759.00	64.50	9.3	
		Fortnightly Collection	364.00	397.00	33.00	9.1	
		Monthly Collection	297.00	324.00	27.00	9.1	
GLASS RECYCLING*							
1100 litre bin (charges per annum)		Fortnightly Collection	297.00	324.00	27.00	9.1	
		Monthly Collection	148.00	161.00	13.00	8.8	
360 litre bin (charges per annum)		Fortnightly Collection	122.00	133.00	11.00	9.0	
		Monthly Collection	73.00	79.00	6.00	8.2	
240 litre bin (charges per annum)		Fortnightly Collection	88.50	96.50	8.00	9.0	
		Monthly Collection	55.00	60.00	5.00	9.1	

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FINANCE & CORPORATE PORTFOLIO
PROPOSED SCALE OF FEES AND CHARGES FOR 2025/26

With effect from 1st April 2025 (all shown are excluding VAT)	Unit/frequency	Current Charge 2024/25 £	Proposed Charge 2025/26 £	Increase £	Increase %
Appletree Court*					
Meeting Room / Council Chamber	Per session	75.00	75.00	-	-
Interview Room	Per session	50.00	50.00	-	-
Evening Supplement	Per hour	25.00	25.00	-	-
New Milton Town Hall*					
Meeting Room / Council Chamber	Per session	75.00	75.00	-	-
Interview Room	Per session	50.00	50.00	-	-
Evening Supplement	Per hour	25.00	25.00	-	-
Lymington Town Hall					
Meeting Room / Council Chamber	Per session	75.00	75.00	-	-
Interview Room	Per session	50.00	50.00	-	-
Evening Supplement	Per hour	25.00	25.00	-	-

NOTE: VAT. Charges are exclusive of VAT.

Charges which are zero rated or not subject to VAT are marked * either individually or by service.

Facilities are available to book by partner organisations or specific user groups, and are not permitted for use by general public.

Three sessions per day: morning (09:00 to 12:00noon), afternoon (12:00noon to 16:00) and evening (16:00 to 21:00)

HOUSING AND HOMELESSNESS SERVICE
PROPOSED SCALE OF FEES AND CHARGES FOR 2025/26

With effect from 1st April 2025 (all shown are excluding VAT)	Unit/frequency	Current Charge 2024/25 £	Proposed Charge 2025/26 £	Increase £	Increase %
Still Water Park Site*					
Site Licence Fees and Service Charges	Per site, annual	2024/25 + September CPI @ 1.7%			

NOTE: VAT. Charges are exclusive of VAT.

Charges which are zero rated or not subject to VAT are marked * either individually or by service.

PLANNING & ECONOMY PORTFOLIO
PROPOSED SCALE OF FEES AND CHARGES FOR 2025/26

		Current Charge 2024/25 £	Proposed Charge 2025/26 £	Increase £	Increase %
With effect from 1st April 2025 (all shown are excluding VAT)					
LAND CHARGES					
Residential					
LLC1 Only *	Per event	47.00	47.00	-	-
CON29R	Per event	95.00	115.00	20.00	21.1
Commercial					
LLC1 Only *	Per event	58.00	58.00	-	-
CON29R	Per event	125.00	145.00	20.00	16.0
Other Enquiries					
CON29O	Per event	24.00	27.00	3.00	12.5
CON29O HCC questions (all three conditions)	Per event	74.00	84.00	10.00	13.5
Solicitors own written enquiries (per question)	Per event	50.00	54.00	4.00	8.0
Each additional parcel of land (Residential & Commercial)					
LLC1 Only *	Per event	5.75	5.75	-	-
CON29R	Per event	18.00	22.00	4.00	22.2
Large Site/Complex Search					
LLC1 Only *	Per event	205.00	205.00	-	-
CON29R	Per event	410.00	430.00	20.00	4.9
PERSONAL SEARCHES					
Personal searches are undertaken under the Environmental Information Regulations and, therefore, no fee applies					
BUILDING CONTROL					
Fees					
Copy Completion Certificate	Per event	40.00	45.00	5.00	12.5
Re-open Archived Application	Per event	228.00	246.00	18.00	7.9
Re-direct Inspection	Per event	60.00	65.00	5.00	8.3
Consultancy					
Consultancy	Per hour	76.00	82.00	6.00	7.9
STREET NAME PLATES					
Basic	Per event	420.00	462.00	42.00	10.0
Special	Per event	Actual Cost	Actual Cost		
Street Number Plates					
	Per event	359.00	393.00	34.00	9.5
STREET NAMING & NUMBERING - NEW FROM 2025/26					
Fees					
New dwelling/first plot on multi plot site	Per event	80.00	85.00	5.00	6.3
Additional 2-100 dwellings	Per event	30.00	35.00	5.00	16.7
New dwelling in excess of 100	Per event	<----->	Bespoke fee on application	<----->	
New commercial building/first building on multi plot site	Per event	80.00	85.00	5.00	6.3
Additional 2-20 buildings	Per event	40.00	45.00	5.00	12.5
New commercial buildings in excess of 20	Per event	<----->	Bespoke fee on application	<----->	
Property name change per property	Per event	80.00	85.00	5.00	6.3
Changes to new address if changed after schedule issued (per plot)	Per event	30.00	35.00	5.00	16.7
DEVELOPMENT MANAGEMENT					
Solicitor enquiries					
S106 compliance fees	Per event	75.00	298.00	223.00	297.3
Condition compliance fees - New fee	Per event	-	298.00		
NOTE: the new condition compliance fee will be incorporated within S106 fee where requests are made for both					
Unilateral Undertakings					
Unilateral Undertaking checking fees	Per event	75.00	150.00	75.00	100.0
Pre-application advice					
Householder	Per event	64.50	64.50	-	-
1 dwelling	Per event	144.50	300.00	155.50	107.6
2 dwelling	Per event	144.50	450.00	305.50	211.4
3 dwellings	Per event	144.50	550.00	405.50	280.6
Listed building advice	Per event	50.00	60.00	10.00	20.0
Tree advice	Per event	50.00	60.00	10.00	20.0
NOTE: current fees are based on 25% of 2024 planning application fees as per current charges (not proposed to change for householder)					
NOTE: all other planning pre-application fees remain as published on our website					
Enforcement					
Enforcement notice checks - New fee	Per event	-	355.00	-	-
Request to withdraw notice - New fee	Per event	-	620.00	-	-
NOTE: VAT. Charges are exclusive of VAT.					
Charges which are zero rated or not subject to VAT are marked * either individually or by service.					

Council – 24 February 2025

Liberal Democrat Alternative Budget 2025/26

Purpose	For Decision
Classification	Public
Executive Summary	<p>The report proposes additions to the budget as currently outlined by the Administration.</p> <p>The Liberal Democrat Party believe that the proposed budget additions go further to support the residents of the New Forest, and further support the delivery of agreed Corporate Plan objectives.</p> <p>The proposals result in an increased general fund budget requirement at Portfolio level of £954,600 for 2025/26, £799,600 for 2026/27 and then £549,600 per annum thereafter.</p>
Recommendation(s)	1. That the Council approve the alternative budget, as laid out in the report and as summarised within appendix 1 and 2.
Reasons for recommendation(s)	The Liberal Democrat party believe the Council can go further in terms of supporting the needs of the residents of the New Forest through the approval of an alternative annual budget for 2025/26.
Ward(s)	All
Portfolio Holder(s)	N/A
Strategic Director(s)	Alan Bethune – Strategic Director Corporate Resources and Transformation (Section 151 Officer)
Officer Contact	Paul Whittles Assistant Director – Finance (Deputy Section 151 Officer) 02380 285766 paul.whittles@nfdc.gov.uk

Introduction and background

1. The Liberal Democrat Party Councillors have considered the administration's proposed budget for 2025/26 and would like to propose several items which they believe should be included in an amended approved budget for 2025/26.
2. The Leader of the Main Opposition Group, Cllr Malcolm Wade has represented the views of the group in the preparation of the alternative budget. The Council's section 151 officer has supported Cllr Wade in the construction of the alternative budget.

Alternative Budget Proposals at Portfolio Level

3. Community Safety & Well Being

- a. Youth Hubs: +£50,000 (GF revenue)
 - i. Engage with Hampshire County Council (HCC) and other partners and provide additional funding for more youth and family hubs, with focus on school holidays, with meal and activity funding throughout District.
- b. Reducing Child Poverty: +£500,000 over 2 years (GF revenue)
 - i. Working with other agencies and providing a grant contribution of £500,000 aimed at reducing child poverty in the New Forest District.
- c. Councillor Grants: +£9,600 (GF revenue)
 - i. Whilst we welcome the proposed increase from £600 to £1,000 in the administration's budget, we would like to see this increase further to £1,200 per councillor.
- d. Arts and Creative spaces: +£50,000 (GF revenue)
 - i. Develop and formalise the Arts Advocate scheme working to have a minimum of one representative in each community with local arts and performance venue representation, 1 year pilot with a view to using the NFDC funding to act as match funding to enable the application of government funding.
- e. Transient art and culture offer: +£25,000 (GF revenue)
 - i. e.g. an arts bus, which could move around the serve the whole District rather than only one community.

- f. Provision of 'Health Bus': +£50,000 (GF revenue)
 - i. Working in partnership with Town and Parish Council's to provide a "Health Bus" to Lymington/Southampton hospitals. Seed capital by NFDC, subject to being revenue funded by town and parishes thereafter.

4. **Environment & Sustainability**

- a. Solar Canopy Feasibility study: +£25,000 (GF revenue)
 - i. To explore the potential to cover NFDC car parks with solar panels to generate electricity for charging electric vehicles and sell excess Power to subsidise car parking costs.
- b. Provision of Community skips: +£250,000 (GF revenue)
 - i. To be introduced in our main communities for excess waste to deal with the side waste produced by the introduction of wheelie bins.

5. **Finance & Corporate Services**

- a. Commercial Strategy Re-focus, including Business Rate Relief: +£100,000 (GF revenue)
 - i. NFDC to refocus its commercial strategy to promote multi-purpose units in each of our main settlements with facilities including superfast broadband. To encourage startups by providing office or space at a reasonable rent with extended Business Rate Relief to encouraging businesses to purchase and use empty shops in our communities thus supporting local employment/economy.
- b. Digital Economy Strategy: +£30,000 (GF revenue)
 - i. Commission the production of a Digital Economy Strategy for the district so we can benefit from the business and art opportunities it would bring to our area.

6. **Housing & Homelessness**

- a. Raise the housing acquisition budget: +£5 million (Housing Revenue Account (HRA) Capital)
 - i. £50.6 million over 3 years, from the administrations £45.6 million.

7. **Leader**

- a. Citizen Assemblies: +£15,000 (GF revenue)
 - i. asking participants to look at 3 topics each year, all relevant to the New Forest District.

8. **Planning & Economy**

- a. Tourist App: £nil
 - i. The Council's Economic Development function to prioritise the delivery of a New Forest Tourist App. The App should be self-financing, through business sponsorship and commission on in-app sales income.
- b. Business Rate Relief / incentives - +£100,000 (General Fund (GF) revenue)
 - i. The Council to introduce a Discretionary Business Rate Relief Scheme that seeks to encourage Green Energy Production within the New Forest.

Summary of the proposed amendments

- 9. The proposed amendments as outlined above would add an additional £954,600 to the Council's General Fund Revenue budget in 2025/26 reducing to £799,600 in 2026/27 and then £549,600 per annum thereafter. The addition to the HRA capital programme over the 3 year period from 2025/26 to 2027/28 would be £5 million.
- 10. Funding of the General Fund additions would necessitate the removal of the majority of the General Fund contribution towards the capital programme financing. This would directly necessitate additional external borrowing to directly replace the financing. As a result, additional borrowing charges would be incurred and so would need to be brought into the General Fund budget, above the additional £954,600 outlined.
- 11. The addition of the £5 million to the HRA capital programme would require additional external borrowing, and so the additional interest charges would need factoring into the Housing Revenue Account budget. The 30 year business plan would also need updating to provide the appropriate assurance that the additional sum would be affordable to the HRA over the long-term.

Corporate plan priorities

12. It is the view of the Liberal Democrat party that the additions to the budget further supplement the achievement of the priorities as included within the Council's adopted Corporate Plan.

Options appraisal

13. The option to replace any funded activities within the administration's proposed budget, as opposed to add to was considered, but not seen as a viable option.

Consultation undertaken

14. None.

Financial and resource implications

15. The financial implications are laid out in the report.
16. The level of additional borrowing required to backfill the capital programme financing would not be at a level that would likely cause a significant detrimental short, medium or long term effect.
17. There would likely be additional resource implications to consider as the Council's establishment level is designed to fulfil the priorities and service delivery according to the proposed budget, as opposed to the alternative budget.

Legal implications

18. There are none directly arising from this report.

Risk assessment

19. Whilst no formal risk assessment has been completed, senior officers believe that the provision of local community skips would risk discouraging residents to reduce their household waste output, and believe that the provision of these community skips could be seen as an alternative to the Household Waste Recycling Centres (HWRC), currently operated and funded by the County Council as the waste disposal authority.

Environmental / Climate and nature implications

20. There are proposed additions within this report that would further support the delivery of the Council's Climate and Nature Emergency action plan.

Equalities implications

21. There are none.

Crime and disorder implications

22. There are none.

Data protection / Information governance / ICT implications

23. There are none.

Appendices:

Appendix 1 – Summary Table
Appendix 2 – Alternative General
Fund Summary

Background Papers:

MTFP and Annual Budget 2025/26

Appendix 1

Liberal Democrat Alternative Budget 2025/26

Proposed amendments

Item	Paragraph	General Fund		HRA
		One-off revenue	Ongoing revenue	One off capital
Youth hubs	3a		50,000	
Child poverty grant*	3b	250,000	*	
Councillor grants	3c		9,600	
Arts hub/Creative spaces	3d	50,000		
Transient art and culture hubs	3e		25,000	
Health bus	3f	50,000		
Solar canopy feasibility study	4a	25,000		
Provision of community skips	4b		250,000	
Commerical strategy	5a		100,000	
Digital economy strategy	5b	30,000		
Housing acquisition budget ^	6a			5,000,000
Citizen assemblies	7a		15,000	
Tourist app	8a	Nil	Nil	
Business Rate Relief/Incentives	8b		100,000	
Total		405,000	549,600	5,000,000
Total General Fund 2025/26			954,600	
Total General Fund 2026/27*			799,600	
Total General Fund 2027/28			549,600	

* Child poverty grant: £250,000 in both 2025/26 and 2026/27 only

^ additional one off housing acquisition budget applies to 3-year period 2025/26 to 2027/28

MEDIUM TERM FINANCIAL PLAN 2024-2026

GENERAL FUND BUDGET 2025/26

	2025/26 £'000's Budget	2025/26 Paragraph Ref	2025/26 £'000's Budget Changes	2025/26 £'000's Alternative Budget
PORTFOLIO REQUIREMENTS				
Community Safety and Wellbeing	3,389	3	435	3,827
Environment and Sustainability	11,747	4	275	12,026
Finance and Corporate	3,710	5	130	3,845
Housing and Homelessness	3,652	6	0	3,658
Leader	2,243	7	15	2,265
Planning and Economy	3,978	8	100	4,086
	28,719	-	955	29,707
Reversal of Depreciation	-2,768	-	0	-2,768
Contribution to/(from) Earmarked Revenue Reserves	-1,645	-	0	-1,645
Contribution to Reserves	0	-	0	0
NET PORTFOLIO REQUIREMENTS	24,306	-	955	25,294
Minimum Revenue Provision	2,512	-	0	2,512
Contribution to Capital Programme Financing (RCCO)	1,100	-	-955	145
Interest Costs	206	-	0	206
Interest Earnings	-1,432	-	0	-1,432
Waste Services Grant	-1,175	-	0	-1,175
Other grants	-8	-	0	-8
GENERAL FUND NET BUDGET REQUIREMENTS	25,509	-	0	25,542
COUNCIL TAX CALCULATION				
Budget Requirement	25,509	-	0	25,509
Less:				
Settlement Funding Assessment				
Revenue Support Grant	-1	-	0	-1
New Homes Bonus	-36	-	0	-36
Employers National Insurance Grant	-155	-	0	-155
Guarantee Grant (MHCLG)	-676	-	0	-676
Business Rates Baseline	-4,378	-	0	-4,378
	-5,246	-	0	-5,246
Locally Retained Business Rates	-5,007	-	0	-5,007
Budget Equalisation Reserve	0	-	0	0
Estimated Collection Fund (Surplus)/Deficit Business Rates	-192	-	0	-192
Estimated Collection Fund (Surplus)/Deficit Council Tax	-162	-	0	-162
Contribution to/ (from) Business Rates Equalisation Reserve	192	-	0	192
COUNCIL TAX	15,094	-	0	15,094
TAX BASE NUMBER OF PROPERTIES	73,355.00			73,355.00
COUNCIL TAX PER BAND D PROPERTY	205.77			205.77
GENERAL FUND BALANCE 31 MARCH	3,000			3,000

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Council – 24 February 2025

The 2025/26 Council Tax

Purpose	For Decision
Classification	Public
Executive Summary	<p>The Council sets the Council Tax annually in line with legislative requirements.</p> <p>The recommendation is to increase this Council's Band D equivalent by £5.98 (2.993%), with the average Band D equivalent for all precepting authorities to increase by £110.13 (5.021%) in 2025/26.</p>
Recommendation(s)	<p>The Council is recommended to resolve:</p> <ol style="list-style-type: none"> 1. That it be noted that on 4 December 2024 the Council calculated the Council Tax Base for the year 2025/26, as set out in paragraph 19. 2. To calculate that the Council Tax requirement for the Council's own purposes for 2025/26 (excluding Parish Precepts) is £15,094,300. 3. That the amounts be calculated for the year 2025/26 in accordance with Sections 31A, 31B and 34 to 36 of the Local Government and Finance Act 1992 as amended by the Localism Act 2011, as set out in paragraph 21. 4. That it be noted that Hampshire County Council (including Adult Social Care), the Police and Crime Commissioner for Hampshire and Isle of Wight and the Hampshire and Isle of Wight Fire and Rescue Service have issued precepts for 2025/26 to the Council in accordance with Section 40 of the Local Government

	<p>Finance Act 1992, for each category of dwellings in the Council's areas as set out in paragraph 22.</p> <p>5. That the Section 151 Officer be given delegated authority to implement any variation to the overall level of Council Tax arising from the final notification of the Police and Crime Commissioner for Hampshire and Isle of Wight precept.</p> <p>6. That, having calculated the aggregate in each case of the amounts at paragraph 21(h) and 22, the Council, in accordance with Section 30 of the Local Government Finance Act 1992 (as amended by the Localism Act 2011), hereby sets the amounts of Council Tax for the year 2025/26 for each part of its area and for each of the categories of dwellings, as set out in paragraph 24.</p> <p>The detail in respect of these recommendations is contained in full at paragraphs 19 – 24.</p>
Reasons for recommendation(s)	The council is required to set the Council Tax annually. This report enables members to calculate and set the Council Tax for 2025/26.
Ward(s)	All
Portfolio Holder(s)	Councillor Jeremy Heron – Finance and Corporate
Strategic Director(s)	Alan Bethune – Strategic Director Corporate Resources and Transformation (Section 151 Officer)
Officer Contact	Paul Whittles Assistant Director – Finance (Deputy Section 151 Officer) 02380 285766 paul.whittles@nfdc.gov.uk

Introduction and background

1. Members are required to calculate and set the Council Tax for 2025/26.
2. The level of tax is determined by the spending needs of this Council, Hampshire County Council, the Police and Crime Commissioner for Hampshire and Isle of Wight, Hampshire and Isle of Wight Fire and Rescue Service and the Town and Parish Councils. Although the District Council has no control over the expenditure of the other organisations, it has to ensure that the Council Tax is set at the right level to meet the combined budgets.
3. Members will have considered earlier in this agenda the recommended General Fund revenue budget for 2025/26, which is outlined in paragraph 14. Any changes made at that stage could change the Council Tax figures shown in this report.
4. The recommended Council Tax for every District Council area is shown in paragraph 24 of this report.
5. Appendix 1 attached to this report supplements the prescribed layout of the recommendations by showing how the figures used in paragraph 21 have been arrived at.

The 2025/26 Council Tax Bill

6. This report recommends a Council Tax level of £2,303.37 for 2025/26. This is an average figure based on a band 'D' property and is an increase of £110.13 (5.021%) over the equivalent figure for 2024/25.
7. Each dwelling falls into one of eight valuation bands (A to H) for tax purposes. More details are given in Appendix 2.
8. The tax level is based upon the 2025/26 budgets of all precepting authorities in this area. The District, County Council, Police and Crime Commissioner and Fire and Rescue Service elements of the total tax bill are the same throughout the area but the Town/Parish Councils each determine their own tax levels. There are 8 bands of Council Tax for each of the 37 Town/Parish areas, giving 296 separate tax figures.
9. If the recommendations in this report are accepted there will be a range of Band D Council Tax levies from £2,178.90 to £2,356.62. The average figures are as follows: -

	2024/25	2025/26	INCREASE	
	AVERAGE £	AVERAGE £	£	%
New Forest District Council	199.79	205.77	5.98	2.993
Hampshire County Council	1,533.24	1,609.83	76.59	4.995
Hampshire and Isle of Wight:-				
Police and Crime Commissioner	261.46	275.46	14.00	5.355
Fire and Rescue Service	82.84	87.84	5.00	6.036
	2,077.33	2,178.90	101.57	4.889
Parish/Town Councils	115.91	124.47	8.56	7.385
	2,193.24	2,303.37	110.13	5.021

10. The proposed 2025/26 Council Tax for all areas is shown in paragraph 24 of this report.
11. There is a discount of 25% where only one adult lives in a dwelling, reductions for disabled persons whose homes have certain facilities, and a Council Tax Reduction scheme for persons with low incomes. From 1 April 2025 there is a 100% premium for furnished properties which are not occupied as anyone's main residence and for properties that have been empty for more than 1 year. There are specific exceptions to these premiums, for example where the property is being actively marketed for sale or rent.
12. Council Tax bills can be payable by 10 monthly instalments from 1 April, however taxpayers can request payments over 12 months. The date of the first instalment only may have to be delayed slightly to ensure that there is a statutory period of 14 days between the date the bills are issued and the date the first payment becomes due.
13. More detailed information on the Council Tax, including a summary of how it is spent is available on our website:
www.newforest.gov.uk/counciltax.

New Forest District Council

14. The proposed 2025/26 General Fund budget requirement, elsewhere on this agenda, totals £25,509,000. After deducting retained Business Rates, Government support and collection fund adjustments of £10,414,700, the District Council needs to raise £15,094,300 through Council Tax. This requires a District Council Tax of £205.77 for a

Band D property, which means there is an increase of £5.98 (2.993%) over the equivalent figure for 2024/25.

Hampshire County Council

15. Hampshire County Council met on the 13 February 2025 and set its precept upon this Council at £118,089,080. This results in a Band D Council Tax of £1,609.83, which represents an increase of £76.59 (4.995%) over the equivalent 2024/25 figure.

Police and Crime Commissioner for Hampshire and Isle of Wight

16. The Police and Crime Commissioner for Hampshire and Isle of Wight set a precept of £20,206,368 upon this Council. This results in a Band D Council Tax of £275.46, which represents an increase of £14.00 (5.355%) over the equivalent 2024/25 figure.

Hampshire and Isle of Wight Fire and Rescue Service

17. Hampshire and Isle of Wight Fire and Rescue Service met on the 5 February 2025 and set its precept upon this Council at £6,443,503. This results in a Band D Council Tax of £87.84, which represents an increase of £5.00 (6.036%) over the equivalent 2024/25 figure.

Town and Parish Councils

18. The Town and Parish Council precepts (Council Tax Requirements) for 2025/26 are detailed in Appendix 3 and total £9,130,576. This is an increase of £742,159 from 2024/25 and results in an average Band D Council Tax for 2025/26 of £124.47, an increase of £8.56 (7.385%) from 2024/25.

Details of Recommendations

19. On 4 December 2024 the Council calculated the Council Tax Base for the year 2025/26:
 - (a) for the whole Council area as 73,355.00 [Item T in the formula in Section 31B(1) of the Local Government Finance Act 1992, as amended (the "Act")]; and
 - (b) for dwellings in those parts of its area to which a Parish precept relates as in the attached Appendix 3.
20. The Council Tax requirement for the Council's own purposes for 2025/26 (excluding Parish Precepts) is £15,094,300.

21. The following amounts have been calculated for the year 2025/26 in accordance with Sections 31A, 31B and 34 to 36 of the Local Government and Finance Act 1992 as amended by the Localism Act 2011: -
- (a) £166,118,926 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
 - (b) £141,894,050 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £24,224,876 being the amount by which the aggregate at 21(a) above exceeds the aggregate at 21(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B(1) of the Act).
 - (d) £330.24 being the amount at 21(c) above (Item R), all divided by the Council Tax Base, Item T (19(a) above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
 - (e) £9,130,576 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix 3).
 - (f) £205.77 being the amount at 21(d) above less the result given by dividing the amount at 21(e) above by Item T (19(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year specifically for the District Council. There are no non-parished areas.

(g)

LOCAL COUNCIL AREA	£
ASHURST & COLBURY	267.02
BEAULIEU	241.72
BOLDRE	240.49
BRAMSHAW	237.43
BRANSGORE	327.91
BREAMORE	235.16
BROCKENHURST	282.93
BURLEY	234.02
COPYTHORNE	228.70
DAMERHAM	253.42
DENNY LODGE	247.54
EAST BOLDRE	250.69
ELLINGHAM HARBRIDGE & IBSLEY	249.57
EXBURY & LEPE	205.77
FAWLEY	375.08
FORDINGBRIDGE	349.74
GODSHILL	265.62
HALE	258.09
HORDLE	280.20
HYDE	236.49
HYTHE & DIBDEN	368.20
LYMINGTON & PENNINGTON	348.67
LYNDHURST	288.67
MARCHWOOD	373.57
MARTIN	265.02
MILFORD-ON-SEA	284.74
MINSTEAD	249.26
NETLEY MARSH	248.92
NEW MILTON	340.79
RINGWOOD	329.90
ROCKBOURNE	296.37
SANDLEHEATH	240.49
SOPLEY	298.71
SWAY	270.45
TOTTON & ELING	383.49
WHITSBURY	226.31
WOODGREEN	248.45

being the amounts given by adding to the amount at 21(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 19(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings

in those parts of its area to which one or more special items relate.

- (h) These are the District plus Town/Parish Council elements only. See below and paragraph 24 for the full amounts of Council Tax.

LOCAL COUNCIL AREA	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
ASHURST & COLBURY	178.01	207.68	237.35	267.02	326.36	385.69	445.03	534.04
BEAULIEU	161.15	188.00	214.87	241.72	295.44	349.15	402.87	483.44
BOLDRE	160.33	187.04	213.77	240.49	293.94	347.37	400.82	480.98
BRAMSHAW	158.29	184.66	211.05	237.43	290.20	342.95	395.72	474.86
BRANGSORE	218.61	255.04	291.48	327.91	400.78	473.64	546.52	655.82
BREAMORE	156.77	182.90	209.03	235.16	287.42	339.67	391.93	470.32
BROCKENHURST	188.62	220.05	251.50	282.93	345.81	408.67	471.55	565.86
BURLEY	156.01	182.01	208.02	234.02	286.03	338.03	390.03	468.04
COPYTHORNE	152.47	177.87	203.29	228.70	279.53	330.34	381.17	457.40
DAMERHAM	168.95	197.10	225.27	253.42	309.74	366.05	422.37	506.84
DENNY LODGE	165.03	192.53	220.04	247.54	302.55	357.55	412.57	495.08
EAST BOLDRE	167.13	194.98	222.84	250.69	306.40	362.10	417.82	501.38
ELLINGHAM HARBRIDGE & IBSLEY	166.38	194.11	221.84	249.57	305.03	360.49	415.95	499.14
EXBURY & LEPE	137.18	160.04	182.91	205.77	251.50	297.22	342.95	411.54
FAWLEY	250.05	291.73	333.41	375.08	458.43	541.78	625.13	750.16
FORDINGBRIDGE	233.16	272.02	310.88	349.74	427.46	505.18	582.90	699.48
GODSHILL	177.08	206.59	236.11	265.62	324.65	383.67	442.70	531.24
HALE	172.06	200.73	229.42	258.09	315.45	372.79	430.15	516.18
HORDLE	186.80	217.93	249.07	280.20	342.47	404.73	467.00	560.40
HYDE	157.66	183.93	210.22	236.49	289.05	341.59	394.15	472.98
HYTHE & DIBDEN	245.47	286.37	327.29	368.20	450.03	531.84	613.67	736.40
LYMINGTON & PENNINGTON	232.45	271.18	309.93	348.67	426.16	503.63	581.12	697.34
LYNDHURST	192.45	224.52	256.60	288.67	352.82	416.96	481.12	577.34
MARCHWOOD	249.05	290.55	332.07	373.57	456.59	539.60	622.62	747.14
MARTIN	176.68	206.12	235.58	265.02	323.92	382.80	441.70	530.04
MILFORD-ON-SEA	189.83	221.46	253.11	284.74	348.02	411.29	474.57	569.48
MINSTEAD	166.17	193.87	221.57	249.26	304.65	360.04	415.43	498.52
NETLEY MARSH	165.95	193.60	221.27	248.92	304.24	359.55	414.87	497.84
NEW MILTON	227.19	265.06	302.93	340.79	416.52	492.25	567.98	681.58
RINGWOOD	219.93	256.59	293.25	329.90	403.21	476.52	549.83	659.80
ROCKBOURNE	197.58	230.51	263.44	296.37	362.23	428.09	493.95	592.74
SANDLEHEATH	160.33	187.04	213.77	240.49	293.94	347.37	400.82	480.98

LOCAL COUNCIL AREA	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
SOPLEY	199.14	232.33	265.52	298.71	365.09	431.47	497.85	597.42
SWAY	180.30	210.35	240.40	270.45	330.55	390.65	450.75	540.90
TOTTON & ELING	255.66	298.27	340.88	383.49	468.71	553.93	639.15	766.98
WHITSBURY	150.87	176.02	201.17	226.31	276.60	326.89	377.18	452.62
WOODGREEN	165.63	193.24	220.85	248.45	303.66	358.87	414.08	496.90

being the amounts given by multiplying the amounts at 21(g) above by the number which, in the proportion set out in Section 5(1) of the Act is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

22. Hampshire County Council (including Adult Social Care), the Police and Crime Commissioner for Hampshire and Isle of Wight and the Hampshire and Isle of Wight Fire and Rescue Service have issued precepts for 2025/26 to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each category of dwellings in the Council's area as indicated below:

PRECEPTING AUTHORITY

	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
HAMPSHIRE COUNTY COUNCIL	1,073.22	1,252.09	1,430.96	1,609.83	1,967.57	2,325.31	2,683.05	3,219.66
HAMPSHIRE AND ISLE OF WIGHT:-								
POLICE AND CRIME COMMISSIONER	183.64	214.25	244.85	275.46	336.67	397.89	459.10	550.92
FIRE AND RESCUE SERVICE	58.56	68.32	78.08	87.84	107.36	126.88	146.40	175.68
	1,315.42	1,534.66	1,753.89	1,973.13	2,411.60	2,850.08	3,288.55	3,946.26

23. The recommendations request that the Section 151 Officer be given delegated authority to implement any variation to the overall level of Council Tax arising from the final notification of the Police and Crime Commissioner for Hampshire and Isle of Wight precept.

24. Further to the aggregate in each case of the amounts at 21(h) and 22 above, the Council, in accordance with Section 30 of the Local Government Finance Act 1992 (as amended by the Localism Act 2011), hereby sets the following amounts as the amounts of Council Tax for the year 2025/26 for each part of its area and for each of the categories of dwellings shown below: -

LOCAL COUNCIL AREA	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
ASHURST & COLBURY	1,493.43	1,742.34	1,991.24	2,240.15	2,737.96	3,235.77	3,733.58	4,480.30
BEAULIEU	1,476.57	1,722.66	1,968.76	2,214.85	2,707.04	3,199.23	3,691.42	4,429.70
BOLDRE	1,475.75	1,721.70	1,967.66	2,213.62	2,705.54	3,197.45	3,689.37	4,427.24
BRAMSHAW	1,473.71	1,719.32	1,964.94	2,210.56	2,701.80	3,193.03	3,684.27	4,421.12
BRANSGORE	1,534.03	1,789.70	2,045.37	2,301.04	2,812.38	3,323.72	3,835.07	4,602.08
BREAMORE	1,472.19	1,717.56	1,962.92	2,208.29	2,699.02	3,189.75	3,680.48	4,416.58
BROCKENHURST	1,504.04	1,754.71	2,005.39	2,256.06	2,757.41	3,258.75	3,760.10	4,512.12
BURLEY	1,471.43	1,716.67	1,961.91	2,207.15	2,697.63	3,188.11	3,678.58	4,414.30
COPYTHORNE	1,467.89	1,712.53	1,957.18	2,201.83	2,691.13	3,180.42	3,669.72	4,403.66
DAMERHAM	1,484.37	1,731.76	1,979.16	2,226.55	2,721.34	3,216.13	3,710.92	4,453.10
DENNY LODGE	1,480.45	1,727.19	1,973.93	2,220.67	2,714.15	3,207.63	3,701.12	4,441.34
EAST BOLDRE	1,482.55	1,729.64	1,976.73	2,223.82	2,718.00	3,212.18	3,706.37	4,447.64
ELLINGHAM HARBRIDGE & IBSLEY	1,481.80	1,728.77	1,975.73	2,222.70	2,716.63	3,210.57	3,704.50	4,445.40
EXBURY & LEPE	1,452.60	1,694.70	1,936.80	2,178.90	2,663.10	3,147.30	3,631.50	4,357.80
FAWLEY	1,565.47	1,826.39	2,087.30	2,348.21	2,870.03	3,391.86	3,913.68	4,696.42
FORDINGBRIDGE	1,548.58	1,806.68	2,064.77	2,322.87	2,839.06	3,355.26	3,871.45	4,645.74
GODSHILL	1,492.50	1,741.25	1,990.00	2,238.75	2,736.25	3,233.75	3,731.25	4,477.50
HALE	1,487.48	1,735.39	1,983.31	2,231.22	2,727.05	3,222.87	3,718.70	4,462.44
HORDLE	1,502.22	1,752.59	2,002.96	2,253.33	2,754.07	3,254.81	3,755.55	4,506.66
HYDE	1,473.08	1,718.59	1,964.11	2,209.62	2,700.65	3,191.67	3,682.70	4,419.24
HYTHE & DIBDEN	1,560.89	1,821.03	2,081.18	2,341.33	2,861.63	3,381.92	3,902.22	4,682.66
LYMINGTON & PENNINGTON	1,547.87	1,805.84	2,063.82	2,321.80	2,837.76	3,353.71	3,869.67	4,643.60
LYNDHURST	1,507.87	1,759.18	2,010.49	2,261.80	2,764.42	3,267.04	3,769.67	4,523.60
MARCHWOOD	1,564.47	1,825.21	2,085.96	2,346.70	2,868.19	3,389.68	3,911.17	4,693.40
MARTIN	1,492.10	1,740.78	1,989.47	2,238.15	2,735.52	3,232.88	3,730.25	4,476.30
MILFORD-ON-SEA	1,505.25	1,756.12	2,007.00	2,257.87	2,759.62	3,261.37	3,763.12	4,515.74
MINSTEAD	1,481.59	1,728.53	1,975.46	2,222.39	2,716.25	3,210.12	3,703.98	4,444.78
NETLEY MARSH	1,481.37	1,728.26	1,975.16	2,222.05	2,715.84	3,209.63	3,703.42	4,444.10
NEW MILTON	1,542.61	1,799.72	2,056.82	2,313.92	2,828.12	3,342.33	3,856.53	4,627.84
RINGWOOD	1,535.35	1,791.25	2,047.14	2,303.03	2,814.81	3,326.60	3,838.38	4,606.06
ROCKBOURNE	1,513.00	1,765.17	2,017.33	2,269.50	2,773.83	3,278.17	3,782.50	4,539.00
SANDLEHEATH	1,475.75	1,721.70	1,967.66	2,213.62	2,705.54	3,197.45	3,689.37	4,427.24
SOPLEY	1,514.56	1,766.99	2,019.41	2,271.84	2,776.69	3,281.55	3,786.40	4,543.68
SWAY	1,495.72	1,745.01	1,994.29	2,243.58	2,742.15	3,240.73	3,739.30	4,487.16
TOTTON & ELING	1,571.08	1,832.93	2,094.77	2,356.62	2,880.31	3,404.01	3,927.70	4,713.24
WHITSBURY	1,466.29	1,710.68	1,955.06	2,199.44	2,688.20	3,176.97	3,665.73	4,398.88
WOODGREEN	1,481.05	1,727.90	1,974.74	2,221.58	2,715.26	3,208.95	3,702.63	4,443.16

Corporate plan priorities

25. The setting of the Council Tax is a legal requirement and supports our corporate priorities by ensuring we are financially responsible and manage our finances prudently.

Options appraisal

26. Sections 31A, 31B and 34 to 36 of the Local Government and Finance Act 1992 as amended by the Localism Act 2011, set out the requirements for the calculation of the Council Tax for tax setting purposes. Therefore, there are no alternative options.

Consultation undertaken

27. Consultation was undertaken during the Budget Setting process, which informed the Council Tax rates to be set.

Financial and resource implications

28. The calculation of the Council Tax is the final part of the annual budget cycle. The level of Council Tax is determined by the spending needs of this Council, Hampshire County Council, the Police and Crime Commissioner for Hampshire and Isle of Wight, Hampshire and Isle of Wight Fire and Rescue Service and the Town and Parish Councils. Although the District Council has no control over the expenditure of the other organisations, it has to ensure that the Council Tax is set at the right level to meet the combined budgets.
29. This Council's budget allows for the necessary cost of Council Tax administration and collection.

Legal implications

30. There is a legal requirement to set the Council Tax. Members should be aware of the provisions of Section 106 of the Local Government Finance Act 1992, which applies to members where:
 - (a) they are present at a meeting of the Council, the Cabinet or a Committee and at the time of the meeting an amount of Council Tax is payable by them and has remained unpaid for at least two months; and

(b) any budget or Council Tax calculation, or recommendation or decision which might affect the making of any such calculation, is the subject of consideration at the meeting.

31. In these circumstances, any such members shall at the meeting and as soon as practicable after its commencement disclose and the fact that Section 106 applies to them and shall not vote on any question concerning the matter in (b) above. It should be noted that such members are not debarred from speaking on these matters. Failure to comply with these requirements constitutes a criminal offence, unless any such members can prove they did not know that Section 106 applied to them at the time of the meeting or that the matter in question was the subject of consideration at the meeting.

Risk assessment

32. There are no risk assessments required.

Environmental / Climate and nature implications

33. There are no environmental or climate and nature implications arising from this report.

Equalities implications

34. There are no potential equality and diversity implications arising directly from this report.

Crime and disorder implications

35. There are no crime and disorder implications arising directly from this report.

Data protection / Information governance / ICT implications

36. There are no additional data protection, information governance or ICT implications arising directly from this report.

Appendices:

Appendix 1 – Source of Figures shown in Paragraph 21 of the Report

Appendix 2 – Valuation Bands

Appendix 3 – Summary of Local Council Tax Requirements

Background Papers:

Cabinet 4 December 2024:

Council Tax 2025/26 – Setting The Tax Base

Cabinet 19 February 2025:

Medium Term Financial Plan and Annual Budget 2025/26

APPENDIX 1

SOURCE OF FIGURES SHOWN IN PARAGRAPH 21 OF THE REPORT

(a) (b) (c)

For the purposes of the recommendation, the estimated total net revenue expenditure of the Council for 2025/26 has to be shown i.e. including General Fund and Housing Revenue Account (HRA) budgets and Town/Parish Council precepts: -

	Expenditure	Income	Council Tax Requirement
	£	£	£
General Fund	119,941,510	104,847,210	15,094,300
HRA	37,046,840	37,046,840	0
Town/Parish Precept	9,130,576	0	9,130,576
	166,118,926	141,894,050	24,224,876
	(a)	(b)	(c)

(d) This is the combined District Council and Town/Parish Council Tax at Band D: -

	£
District	205.77
Average Town/Parish	124.47
	330.24

(e) £9,130,576 is the total of the Town/Parish Council precepts as shown in Appendix 3.

(f) £205.77 is the District Council Tax at Band D. The sequence of figures in 21 (a) to (f) is intended to start from estimated total net 2025/26 expenditure, deduct grants and precepts and arrive at the net District Council Tax figure.

(g) This shows the Combined District and Town/Parish Council Tax for each area at Band D.

(h) Shows the figures in (g) for each valuation band.

APPENDIX 2

VALUATION BANDS

All dwellings have been valued by the Inland Revenue for the purpose of Council Tax. Valuations are based on property prices at April 1991. There are eight valuation bands and each dwelling has been placed into one of these bands according to its assessed value at that time. Band A is the lowest. The higher the band, the higher the charge will be. See the table below: -

BAND	RANGE OF VALUES	PROPORTION
A	Values not exceeding £40,000	£1.00
B	Values exceeding £40,000 but not exceeding £52,000	£1.17
C	Values exceeding £52,000 but not exceeding £68,000	£1.33
D	Values exceeding £68,000 but not exceeding £88,000	£1.50
E	Values exceeding £88,000 but not exceeding £120,000	£1.83
F	Values exceeding £120,000 but not exceeding £160,000	£2.17
G	Values exceeding £160,000 but not exceeding £320,000	£2.50
H	Values exceeding £320,000	£3.00

For every £1.00 of Council Tax for a band 'A' property, a band 'B' property will be charged £1.17 - and so on. Any discounts and reductions would make the difference less than this.

Taxpayers in band 'A' who fulfil the criteria for a reduction under the Disability Reduction Regulations will receive a reduction on their bill equivalent to the difference between the band 'A' and band 'B' charge.

APPENDIX 3

SUMMARY OF LOCAL COUNCIL REQUIREMENTS

LOCAL COUNCIL	2025/26			
	COUNCIL	TAX BASE	COUNCIL	COUNCIL
	TAX		TAX PER	TAX
	REQUIREMENT		BAND D	INC. / (-) DEC.
	£	PROPERTIES	£	FROM
				2024/25
				£
ASHURST AND COLBURY	58,325	952.20	61.25	0.71
BEAULIEU	19,469	541.60	35.95	-1.24
BOLDRE	38,000	1,094.50	34.72	3.43
BRAMSHAW	11,000	347.40	31.66	2.06
BRANSGORE	227,728	1,864.50	122.14	12.71
BREAMORE	5,566	189.40	29.39	-0.58
BROCKENHURST	151,992	1,969.80	77.16	6.37
BURLEY	23,464	830.50	28.25	4.09
COPYTHORNE	28,365	1,236.90	22.93	1.03
DAMERHAM	12,012	252.10	47.65	2.23
DENNY LODGE	6,767	162.00	41.77	3.13
EAST BOLDRE	17,500	389.60	44.92	2.00
ELLINGHAM HARBRIDGE AND IBSLEY	28,500	650.70	43.80	5.83
EXBURY AND LEPE	0	121.40	0.00	0.00
FAWLEY	783,159	4,625.60	169.31	14.03
FORDINGBRIDGE	370,987	2,576.90	143.97	5.35
GODSHILL	13,778	230.20	59.85	0.32
HALE	14,100	269.50	52.32	1.14
HORDLE	184,000	2,472.10	74.43	3.77
HYDE	16,400	533.90	30.72	-0.83
HYTHE AND DIBDEN	1,220,121	7,511.60	162.43	9.03
LYMINGTON AND PENNINGTON	1,102,662	7,716.40	142.90	12.39
LYNDHURST	125,000	1,507.80	82.90	1.74
MARCHWOOD	347,884	2,073.20	167.80	9.04
MARTIN	11,725	197.90	59.25	4.70
MILFORD-ON-SEA	239,400	3,031.50	78.97	5.91
MINSTEAD	16,700	384.00	43.49	5.03
NETLEY MARSH	36,134	837.40	43.15	15.54
NEW MILTON	1,450,227	10,741.00	135.02	10.21
RINGWOOD	683,620	5,507.30	124.13	7.16
ROCKBOURNE	15,202	167.80	90.60	2.38
SANDLEHEATH	10,490	302.10	34.72	2.00
SOPLEY	37,800	406.70	92.94	1.20
SWAY	113,354	1,752.60	64.68	10.52
TOTTON AND ELING	1,695,975	9,542.80	177.72	12.50
WHITSBURY	2,200	107.10	20.54	-0.47
WOODGREEN	10,970	257.00	42.68	0.85
	9,130,576	73,355.00	124.47	

Council – 24 February 2025 – Questions Under Standing Order 22

Question 1

From Cllr Barry Dunning to the Portfolio Holder for Environment and Sustainability, Cllr Geoffrey Blunden

Can the Portfolio Holder for Environment and Sustainability please update members on any impacts of the January 2025 storms to Hurst Spit and of any plans for NFDC to undertake any necessary maintenance works.

Question 2

From Cllr Hilary Brand to the Portfolio Holder for Planning and Economy, Cllr Derek Tipp

During the Planning Committee in January, it became apparent that building regulations visits and enforcement are not being carried out as effectively as they should. Please can you let us know how many Enforcement Officers and Building Reg Inspectors did we have six months ago, how many do we have now and is this enough for NFDC to be effective?

Question 3

From Cllr Jack Davies to the Leader of the Council, Cllr Cleary

I hope the Leader was as shocked as I was when it was revealed that, despite being on the verge of bankruptcy, Hampshire County Council still pays for the King's official representative in Hampshire – the Lord Lieutenant – to the tune of £130,000 a year. Does the Leader agree with me that the King should pay for his own Lord-Lieutenant, not the hard-up taxpayers of Hampshire?

Question 4

From Cllr David Millar to the Portfolio Holder for Planning and Economy, Cllr Derek Tipp

With unitary authorities due to be established in the next couple of years, and with them the end of New Forest District Council as a legal entity, what reassurance can we give our residents that the funds this council has received under the Community Infrastructure Levy – totalling many millions of pounds – will be spent in the New Forest, for the benefit of New Forest residents, once the spending decision passes to another authority?

Question 5

From Cllr Mark Clark to the Leader of the Council, Cllr Cleary

The Leader of this Council has been an outspoken advocate for Freeports, championing their widely touted economic benefits. However, at the recent Waterside Vision event, the CEO of the Freeports acknowledged that any tangible gains may not materialize for another 25 years—another case of economic transformation forever on the horizon, yet to be realized.

Meanwhile, the gravitational pull of the Freeports threatens to accelerate the fragmentation of the New Forest's existing structure, drawing the Waterside ever closer to Southampton's economic and political sphere. Given that devolutionary shifts may see these assets siphoned away, can she outline the concrete mechanisms she has secured to ensure that any future prosperity remains within the New Forest?

Question 6

From Cllr Alex Wade to the Portfolio Holder for Environment and Sustainability, Cllr Geoffrey Blunden

In the past couple of months I have had more queries on bin bag deliveries than almost any other issue. Can the Portfolio Holder reassure Residents living in Totton and the Waterside, who are in Phase 3 of the change over to Wheelie Bins, and therefore will be using bin bags for 12 months, that any remaining deliveries of black and recycling bags are delivered on time, any delays are communicated much clearer, and resilience plans are in place to reduce impact on our residents?

Question 7

From Cllr Colm McCarthy to the Leader of the Council, Cllr Jill Cleary

As this lame duck administration limps rapidly towards its own demise, by what criteria will assets be handed over to Town and Parish Councils for their continued management and what is the time scale?

Question 8

From Cllr Stephanie Osborne to the Leader of the Council, Cllr Jill Cleary

It's no secret the New Forest has one of the largest elderly populations of anywhere in the country. This puts us in a weak position during local

government reorganisation because nobody wants to fund the cost of providing social care in the New Forest.

The truth of the matter is that social care shouldn't be a postcode lottery. Instead of being funded through council tax, it should be funded by central taxation. Does the Leader agree? If so, will she write to Government calling for social care to be funded through central government taxation, not through local council tax?

Question 9

From Cllr Caroline Rackham to the Portfolio Holder for Planning and Economy, Cllr Derek Tipp

Some years ago in Totton we were given the assurance that there would be a structured plan of the development in North Totton, across the entire site. Those plans seem to have dissipated as development has taken place in a piecemeal way so I wonder what assurances there may be that plans for future developments will be enforced?

Question 10

From Cllr Patrick Mballa to the Leader of the Council, Cllr Jill Cleary

Does the Leader agree with me that restrictions on disabled bus passes introduced by her fellow Conservatives on Hampshire County Council will have a disproportionate impact on people in the New Forest because of our rural nature?

Question 11

From Cllr Janet Richards to the Portfolio Holder for Environment and Sustainability, Cllr Geoffrey Blunden

In response to a motion originally put to this Council on 13th May last year, regarding measurement of the Council's carbon emissions, the Council agreed to establish a Task and Finish Group to consider this.

The Climate Change and Nature Emergency Annual Update report approved by Cabinet on 2nd October clarified that a Climate Change and Nature Emergency Strategy was currently being drafted and would be informed by the Task and Finish Group which would explore the issues over a 12-month period, starting in Autumn 2024.

Since the Task and Finish Group is yet to be set up, please could you tell me the reason for the delay and clarify the latest timescale for the

commencement of the Task and Finish Group and for the completion of the Climate Change and Nature Emergency Strategy?

Question 12

From Cllr Sean Cullen to the Portfolio Holder for Planning and Economy, Cllr Derek Tipp

Retrospective permission has been given to use the important Fawley site for storage and not for housing for approximately a year. Can NFDC guarantee that this is only a temporary measure and that the site will return to housing use as previously stated?

Allocation of seats – committees and panels

Committee / Panel	Seats	Cons	Lib Dems	Inds	Greens	Non-aligned
Appeals Committee	13	7	4	1	0	1
Audit Committee	9	5	2	1	1	-
General Purposes and Licensing Committee	13	7	4	1	1	-
HR Committee	9	5	3	1	0	-
Planning Committee	13	7	4	1	1	-
Housing and Communities O&S Panel	9	5	3	0	0	1
Place and Sustainability O&S Panel	9	5	2	1	1	-
Resources and Transformation O&S Panel	9	5	3	1	0	-
Total	84	46	25	7	4	2

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Committee and Panel Memberships

Appeals Committee (13 Members)

Conservative (7)	Liberal Democrat (4)	Independent (1)	Green (0)	Non-Aligned (1)
John Adams Alan Alvey Barry Dunning Allan Glass John Sleep Neil Tungate Christine Ward	Mark Clark Philip Dowd Colm McCarthy Phil Woods	Joe Reilly		John Haywood

Audit Committee (9 Members)

Conservative (5)	Liberal Democrat (2)	Independent (1)	Green (1)
John Adams Alan Alvey Kate Crisell Alan O'Sullivan Richard Young	Caroline Rackham Malcolm Wade	Jacqui England	Janet Richards

General Purposes and Licensing Committee (13 Members)

Conservative (7)	Liberal Democrat (4)	Independent (1)	Green (1)
Steve Clarke Allan Glass David Hawkins Dave Penny Alvin Reid Neil Tungate Richard Young	Jack Davies Philip Dowd David Harrison Colm McCarthy	Nigel Linford	Janet Richards

HR Committee (9 Members)

Conservative (5)	Liberal Democrat (3)	Independent (1)	Green (0)
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Jill Cleary Kate Crisell Steve Davies Jeremy Heron Alan O'Sullivan	Mark Clark Sean Cullen Colm McCarthy	Joe Reilly	
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Planning Committee (13 Members)

Conservative (7)	Liberal Democrat (4)	Independent (1)	Green (1)
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Richard Frampton Matthew Hartmann David Hawkins Dave Penny Barry Rickman John Sleep Christine Ward	Jack Davies Philip Dowd Malcolm Wade Phil Woods	Joe Reilly	Janet Richards
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Housing And Communities Overview and Scrutiny Panel (9 Members)

Conservative (5)	Liberal Democrat (3)	Independent (0)	Green (0)	Non-aligned (1)
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John Adams Steve Clarke Kate Crisell Richard Frampton Neil Tungate	Hilary Brand Sean Cullen Patrick Mballa			Neville Penman
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Conservative Subs (2)	Liberal Democrat Subs (2)
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Allan Glass Barry Rickman	Colm McCarthy Alex Wade
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Place And Sustainability Overview And Scrutiny Panel (9 Members)

Conservative (5)	Liberal Democrat (2)	Independent (1)	Green (1)
Allan Glass Matthew Hartmann Alvin Reid Steve Rippon-Swaine Michael Thierry	Stephanie Osborne Malcolm Wade	Peter Armstrong	Adam Parker

Conservative Subs (2)	Liberal Democrat Subs (2)	Independent Subs (2)	Green Subs (1)
Steve Clarke Kate Crisell	Caroline Rackham Phil Woods	Nigel Linford Joe Reilly	Janet Richards

Resources and Transformation Overview and Scrutiny Panel (9 Members)

Conservative (5)	Liberal Democrat (3)	Independent (1)	Green (0)
Alan Alvey Barry Dunning Alan O'Sullivan Barry Rickman Christine Ward	Jack Davies Alex Wade Phil Woods	Jacqui England	

Conservative Subs (2)	Liberal Democrat Subs (2)	Independent Subs (2)
John Adams Alvin Reid	Philip Dowd David Harrison	Peter Armstrong Joe Reilly

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