

# NOTICE OF MEETING

**Meeting:** CABINET

**Date and Time:** WEDNESDAY, 19 FEBRUARY 2025 AT 10.00 AM

**Place:** COUNCIL CHAMBER - APPLETREE COURT, BEAULIEU ROAD, LYNDHURST, SO43 7PA

**Enquiries to:** democratic@nfdc.gov.uk  
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## PUBLIC INFORMATION:

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Members of the public may speak in accordance with the Council's [public participation scheme](#):

- (a) on items within the Cabinet's terms of reference which are not on the public agenda; and/or
- (b) on individual items on the public agenda, when the Chairman calls that item. Speeches may not exceed three minutes.

Anyone wishing to attend the meeting, or speak in accordance with the Council's public participation scheme, should contact the name and number shown above no later than 12.00 noon on Friday, 14 February 2025.

**Kate Ryan**  
Chief Executive

Appletree Court, Lyndhurst, Hampshire. SO43 7PA  
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# AGENDA

## Apologies

### 1. MINUTES

To confirm the minutes of the meeting held on 5 February 2025 as a correct record.

### 2. DECLARATIONS OF INTEREST

To note any declarations of interest made by members in connection with an agenda item. The nature of the interest must also be specified.

Members are asked to discuss any possible interests with Democratic Services prior to the meeting.

### 3. PUBLIC PARTICIPATION

To receive any public participation in accordance with the Council's public participation scheme.

### 4. HOUSING REVENUE ACCOUNT BUDGET AND HOUSING PUBLIC SECTOR CAPITAL EXPENDITURE PROGRAMME 2025/26 (Pages 3 - 34)

### 5. MEDIUM TERM FINANCIAL PLAN AND ANNUAL BUDGET 2025/26 (Pages 35 - 76)

To:

#### Councillors

Jill Cleary (Chairman)  
Steve Davies (Vice-Chairman)  
Geoffrey Blunden

#### Councillors

Jeremy Heron  
Dan Poole  
Derek Tipp

**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 &amp; 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>
<b>Recommendations</b>	<p><b>That Cabinet recommend approval of the following to Council:</b></p> <p><b>1. that from 07 April 2025, an increase in dwelling rents of 2.7% from the 2024/25</b></p>

	<p><b>weekly rent level, in accordance with Government guidelines, be agreed;</b></p> <p><b>2. that from 07 April 2025, an increase in garage rents of 2.7% from the 2024/25 weekly rent level be agreed;</b></p> <p><b>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%;</b></p> <p><b>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;</b></p> <p><b>5. that the HRA budget, as set out in Appendix 1 of this report, be agreed; and</b></p> <p><b>6. that a Housing Capital Programme to 2027/28, as set out in Appendix 4, be agreed.</b></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: <a href="mailto:alan.bethune@nfdc.gov.uk">alan.bethune@nfdc.gov.uk</a></p> <p>Richard Knott Strategic Director Housing and Communities 023 8028 5242 Email: <a href="mailto:Richard.knott@nfdc.gov.uk">Richard.knott@nfdc.gov.uk</a></p> <p>Kevin Green Principal Service Accountant 023 8028 5067 Email: <a href="mailto:kevin.green@nfdc.gov.uk">kevin.green@nfdc.gov.uk</a></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:

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

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:

	<b>Change £000</b>	<b>Paragraph</b>
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
<b>Total</b>	<b><u>1,010</u></b>	

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
<b>TOTAL</b>	<b>32,380</b>	<b>32,180</b>	<b>30,820</b>
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
<b>TOTAL</b>	<b>32,380</b>	<b>32,180</b>	<b>30,820</b>

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:**

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## HOUSING REVENUE ACCOUNT BUDGET

	2024/25 £'000	2025/26 £'000	Variation £'000	Para
<b>INCOME</b>				
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
<b>TOTAL INCOME</b>	<b>-36,187</b>	<b>-37,047</b>	<b>-860</b>	
<b>EXPENDITURE</b>				
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
<b>TOTAL EXPENDITURE</b>	<b>21,945</b>	<b>23,972</b>	<b>2,027</b>	
<b>HRA OPERATING SURPLUS(-)</b>	<b>-14,242</b>	<b>-13,075</b>	<b>1,167</b>	
Contribution to Capital - Supporting Housing Strategy	9,700	10,200	500	28
Capital Financing Costs - Principal	4,542	3,025	-1,517	29
<b>HRA Total Annual Surplus(-) / Deficit</b>	<b>0</b>	<b>150</b>	<b>150</b>	
<b>Use of Reserves for Major Projects</b>	<b>0</b>	<b>-150</b>	<b>-150</b>	
<b>HRA TOTAL ANNUAL SURPLUS(-) / DEFICIT</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## 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		
<b>TOTAL CYCLICAL MAINTENANCE BUDGET</b>	<b>2,234,468</b>	<b>2,301,500</b>	<b>2,370,550</b>

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		
<b>TOTAL PLANNED MIANTNENACE &amp; IMPROVEMENT BUDGET</b>	<b>11,100,000</b>	<b>11,433,000</b>	<b>11,775,990</b>

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

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

## MEDIUM TERM FINANCIAL PLAN - HOUSING REVENUE ACCOUNT

	Budget 2025/26 £'000	Forecast 2026/27 £'000	Forecast 2027/28 £'000
<b>INCOME</b>			
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
<b>TOTAL INCOME</b>	<b>-37,047</b>	<b>-38,504</b>	<b>-39,866</b>
<b>EXPENDITURE</b>			
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
<b>TOTAL EXPENDITURE</b>	<b>23,972</b>	<b>24,971</b>	<b>25,977</b>
<b>HRA OPERATING SURPLUS(-)</b>	<b>-13,075</b>	<b>-13,533</b>	<b>-13,889</b>
Contribution to Capital - supporting Housing Strategy	10,200	10,500	10,800
* Capital Financing Costs - Principal	3,025	5,099	5,357
<b>HRA Total Annual Surplus(-) / Deficit</b>	<b>150</b>	<b>2,066</b>	<b>2,268</b>
<b>Use of Reserves for Major Projects</b>	<b>-150</b>	<b>0</b>	<b>0</b>
<b>HRA TOTAL ANNUAL SURPLUS(-) / DEFICIT</b>	<b>0</b>	<b>2,066</b>	<b>2,268</b>
<b>OPTIONS IDENTIFIED TO CLOSE THE DEFICIT</b>			
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
		<b>30,820,000</b>	<b>30,160,000</b>	<b>30,500,000</b>	<b>2,805,000</b>	<b>4,000,000</b>	<b>12,865,000</b>	<b>10,200,000</b>	<b>950,000</b>
									<b>30,820,000</b>

## 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:

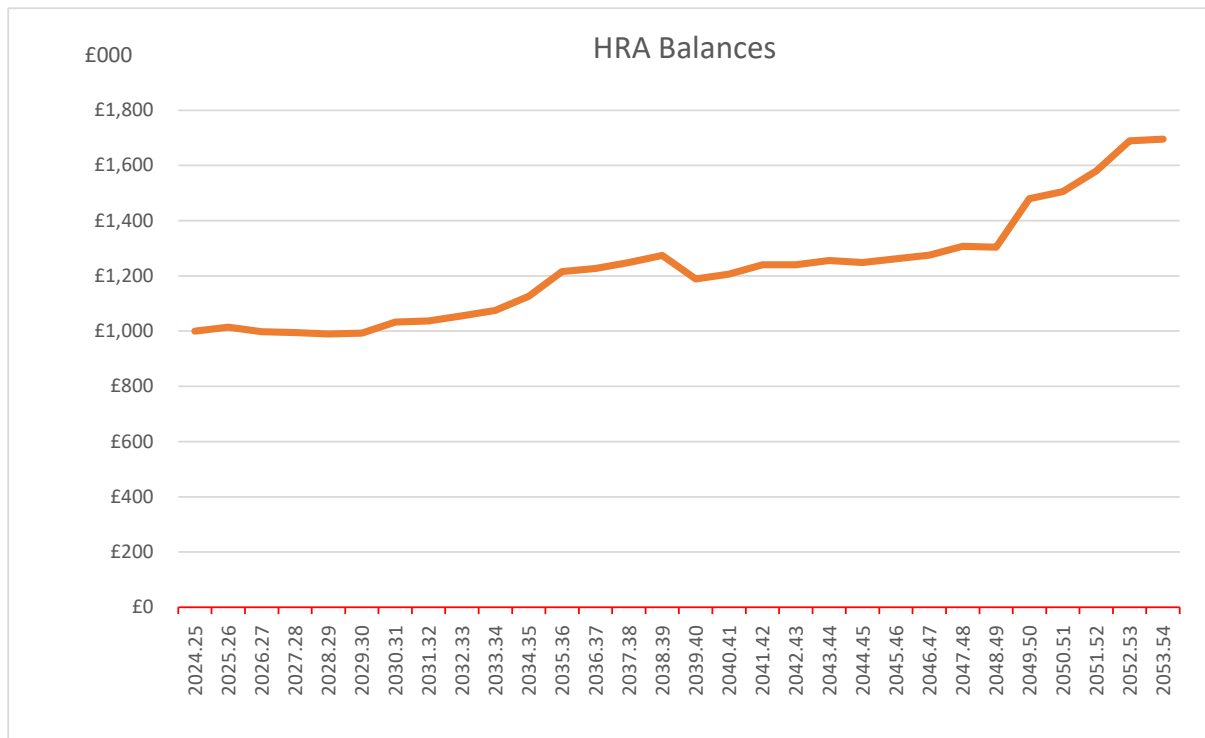
- fluctuations in the underlying rate of inflation, which can impact on both costs and income
- further constraint imposed on rent increases, whether by government or the authority itself
- increases in the costs of works and services that are not matched by increases in income
- changes to underlying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

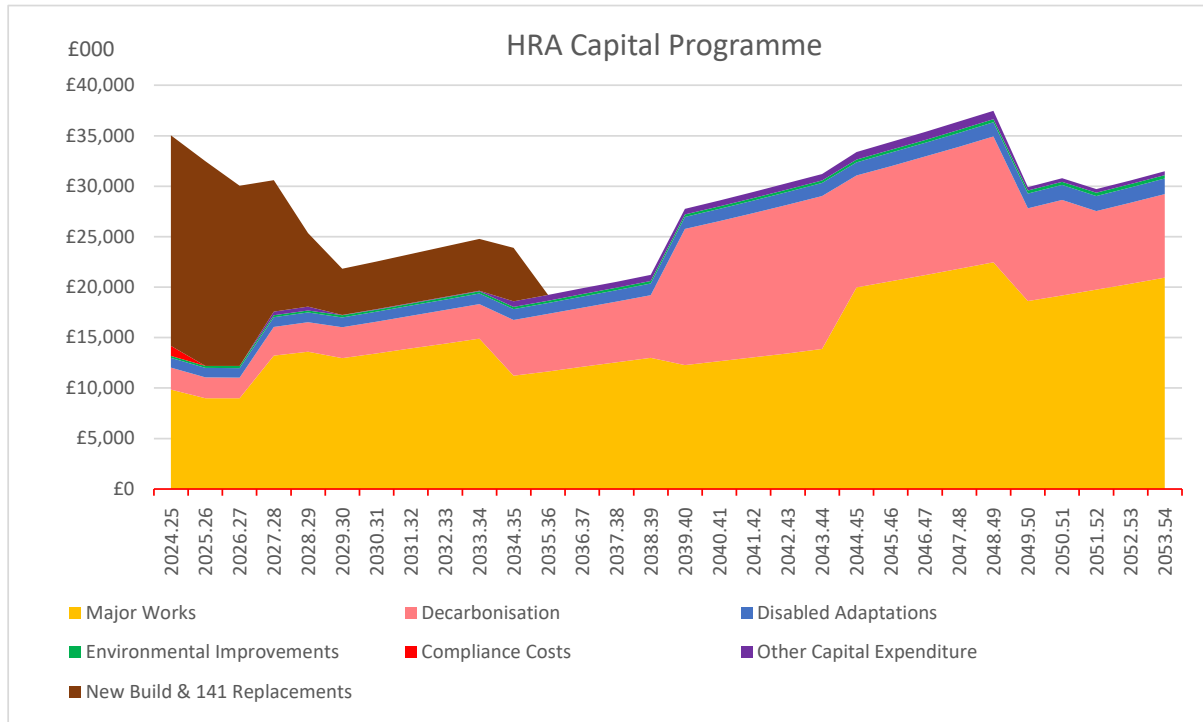


In this chart the orange line projects the cumulative HRA balance at the end of each year.

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:



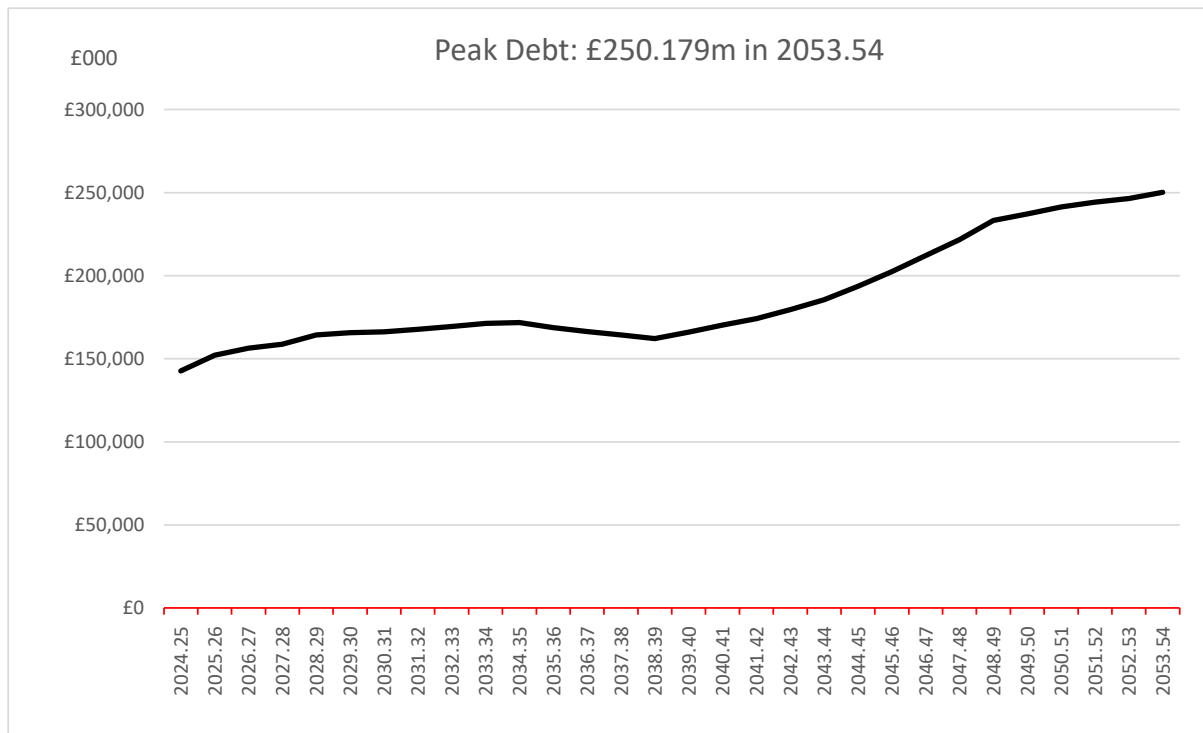
This projection includes a cautious 10 year programme for new build and stock purchase that produces 464 new properties between 2024/25 and 2034/35 (brown area). This reasonably represents the authority's commitment to increasing its housing stock over the medium term.

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:



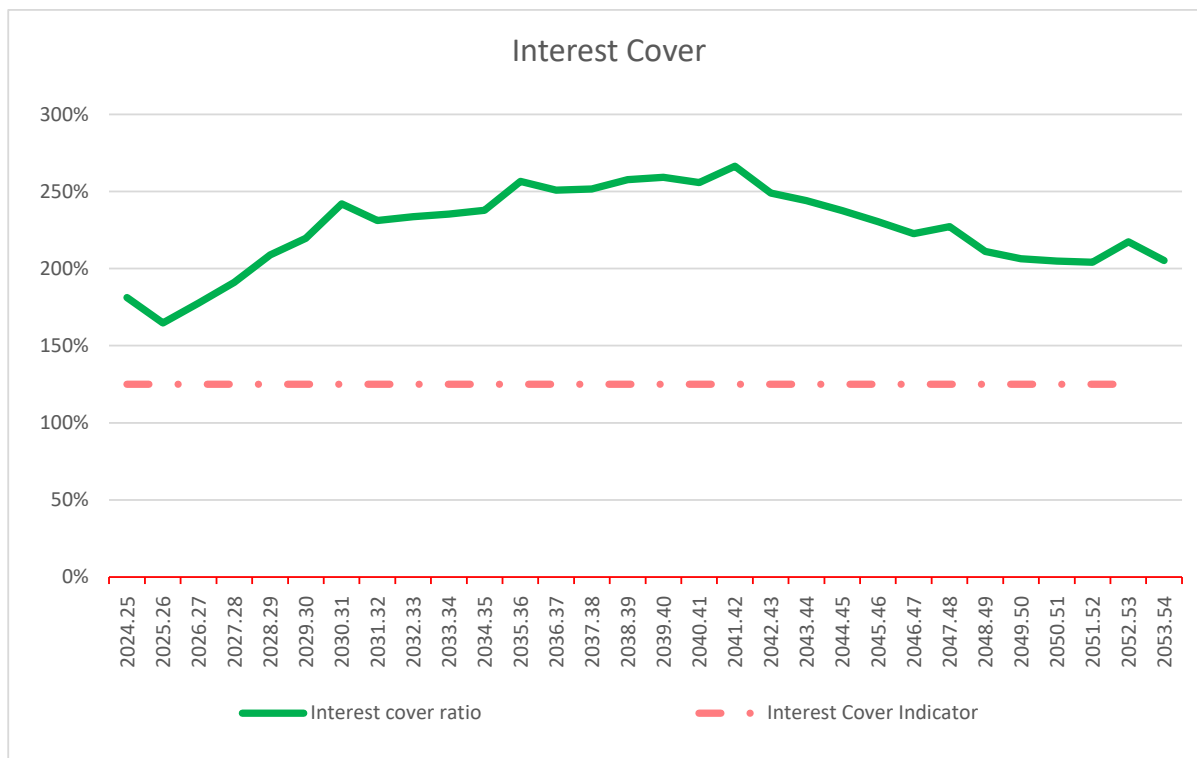
On these assumptions, the authority is unable to finance its capital programme entirely from its Major Repairs Reserve, revenue surpluses generated by the HRA and projected right to buy receipts. This causes the HRA to rely on borrowing to part-finance its HRA capital programme throughout the thirty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

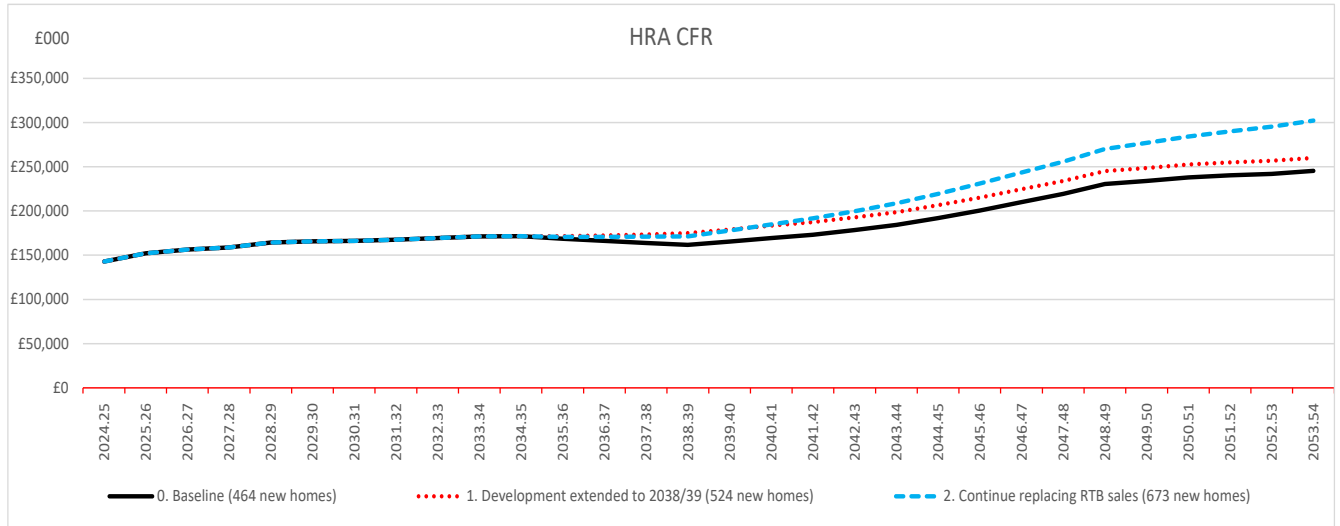
We recommend that the authority routinely reviews its HRA assumptions and tests the potential impact of different decisions, evolving economic circumstances and changes in government policy. In particular, it should regularly review its assumptions on inflation and interest rates, while updating expenditure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

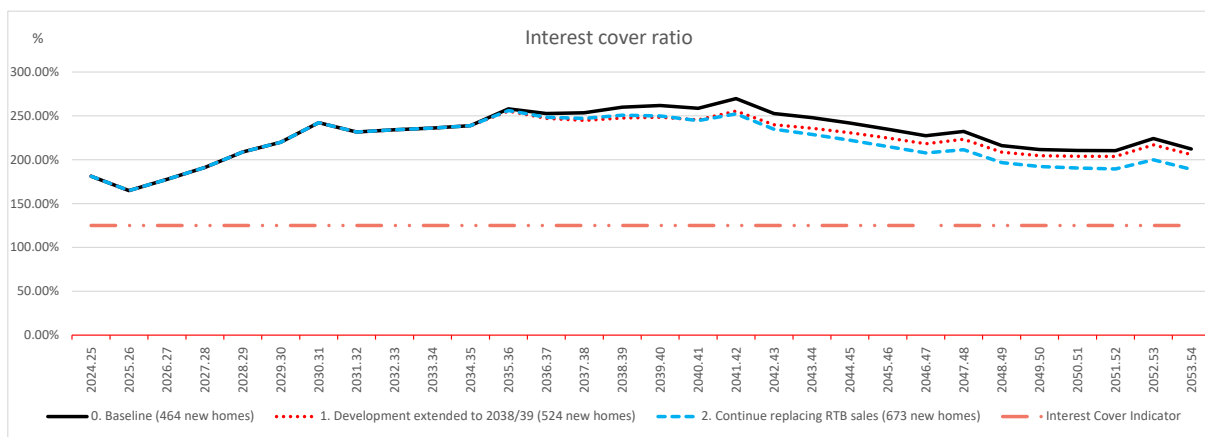
Our first chart shows the impact of the two different levels of development on the baseline debt projection:



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

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## 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>
<b>Recommendation(s)</b>	<p><b>Cabinet is asked to recommend to Council that:</b></p> <ol style="list-style-type: none"> <li><b>1) the updated Medium Term Financial Plan (MTFP) and financial strategy, as set out in the report and throughout appendices 1-3, are approved</b></li> <li><b>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;</b></li> <li><b>3) the New Forest District Council Band D Council Tax for 2025/26 shall be</b></li> </ol>

	<p><b>£205.77 (paragraph 24);</b></p> <p><b>4) the General Fund Capital Programme for 2025/26 of £19.411 million, as set out in appendix 6 to this report be approved;</b></p> <p><b>5) the proposed fees and charges as included at appendix 7 to this report be approved; and</b></p> <p><b>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.</b></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 <a href="mailto:paul.whittles@nfdc.gov.uk">paul.whittles@nfdc.gov.uk</a>

## **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; *<sup>1</sup>'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

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<sup>1</sup> [Local government finance policy statement 2025 to 2026 - GOV.UK](https://www.gov.uk/government/policies/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.

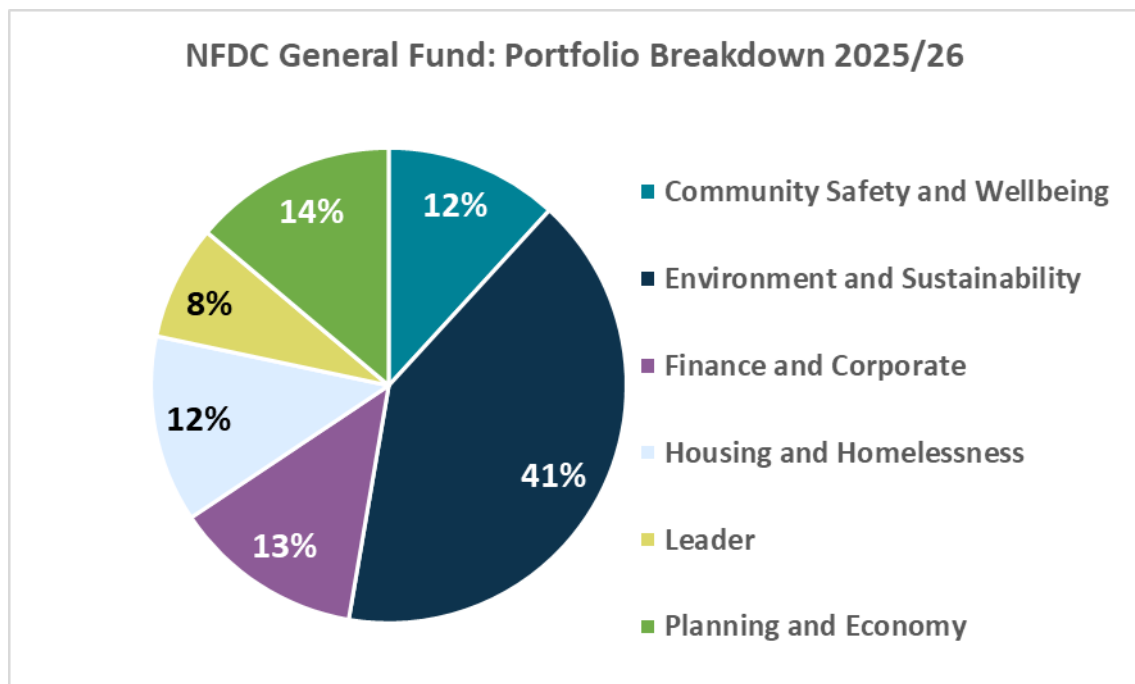
### **Planned use of and contributions to Reserves**

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**

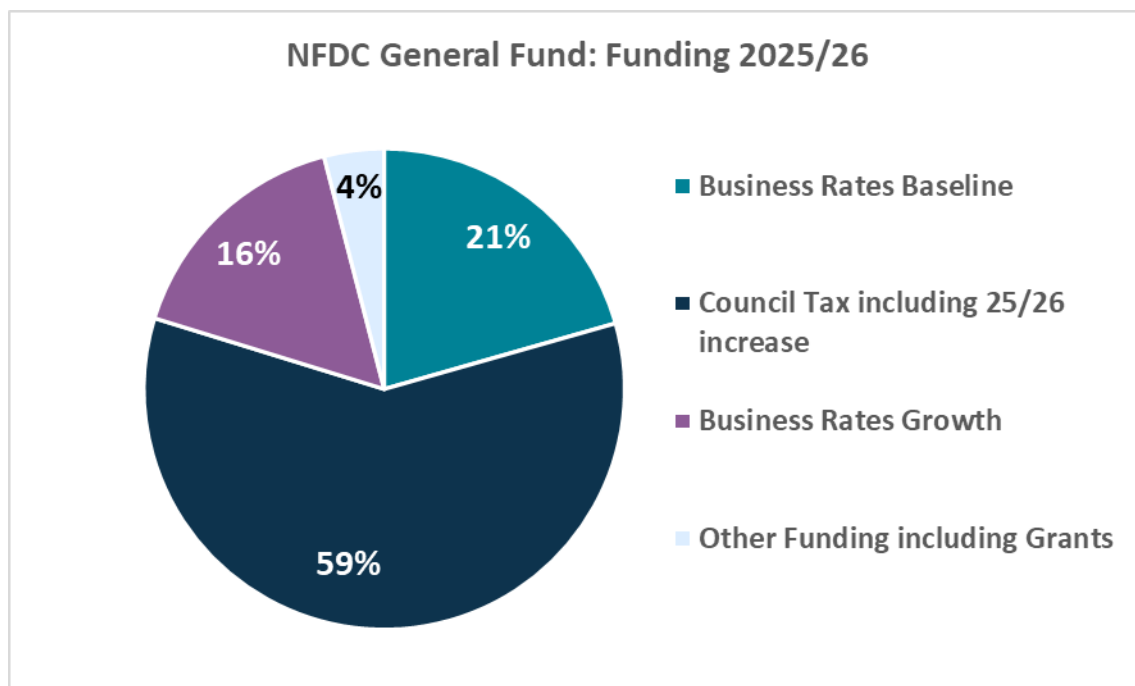
18. The General Fund net budget requirement for 2025/26 will be £25.509 million (appendix 5a & 5b), an increase of £973,000 on the 2024/25 budget requirement.
19. The General Fund budget is split across six portfolios (as per appendix 5a). Due to their nature, the costs of some corporate resources are 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.

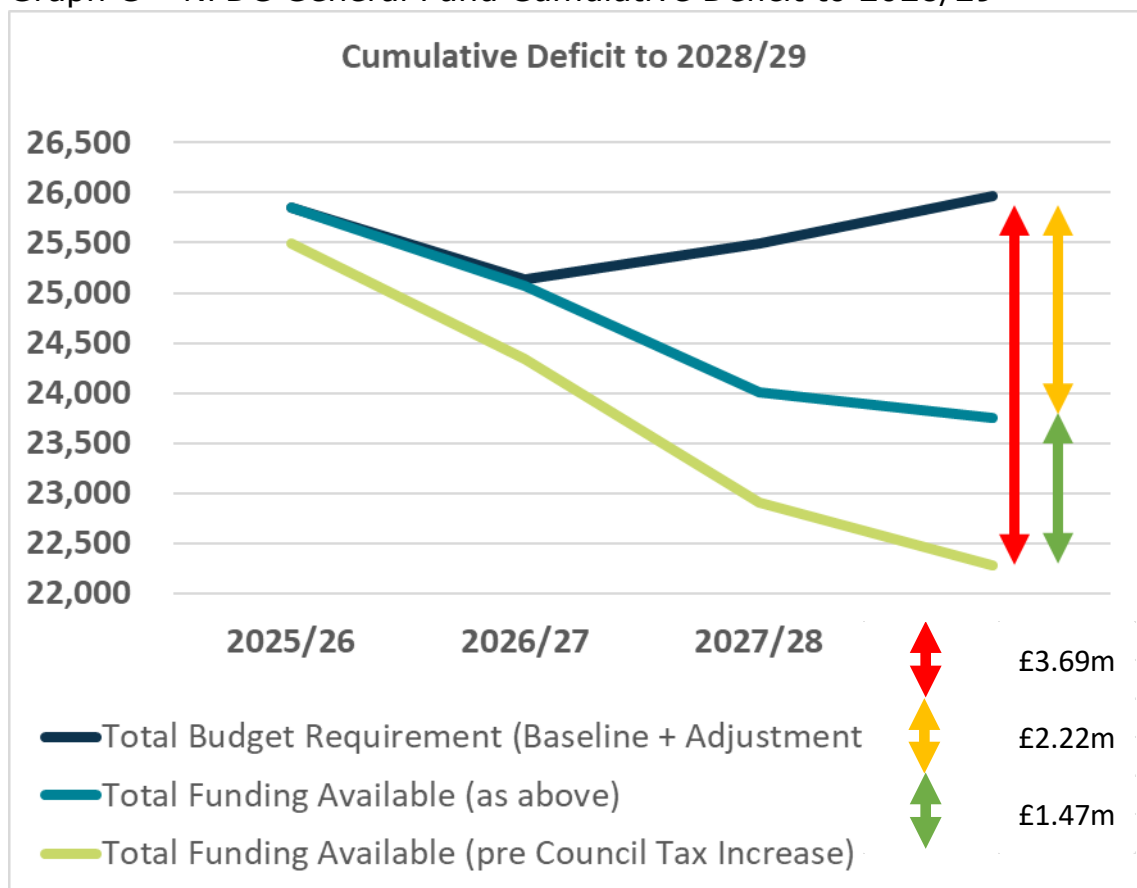
### **The Medium Term Position**

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
<b>Total Government Determined Resources</b>	<b>9,898</b>	<b>10,253</b>	<b>9,341</b>	<b>7,830</b>	<b>7,121</b>
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
<b>Total Council Tax</b>	<b>14,459</b>	<b>15,094</b>	<b>15,535</b>	<b>15,979</b>	<b>16,427</b>
- Business Rates Collection Fund Deficit(-) / Surplus					
- Council Tax Collection Fund Deficit(-) / Surplus	179	162	200	200	200
<b>Total Collection Funds</b>	<b>179</b>	<b>162</b>	<b>200</b>	<b>200</b>	<b>200</b>
<b>TOTAL FUNDING</b>	<b>24,536</b>	<b>25,509</b>	<b>25,076</b>	<b>24,009</b>	<b>23,748</b>
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
<b>Baseline Funding 2024/25</b>	24,536	24,536	24,536	24,536
<b>Budget Requirement 2025/26 - 2028/29</b>				
<b>Pay &amp; Price Increases</b>				
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
<b>Pay &amp; Price Increases</b>	<b>1,360</b>	<b>720</b>	<b>720</b>	<b>720</b>
<b>Cumulative Pay &amp; Price Increases</b>	<b>1,360</b>	<b>2,080</b>	<b>2,800</b>	<b>3,520</b>
<b>Budget adjustments relating to one-off items</b>				
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
<b>Waste Service Change</b>				
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
<b>Ongoing Savings and Income Generation</b>				
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
<b>Cumulative effect of Adjustments and Savings</b>	<b>-630</b>	<b>-1,990</b>	<b>-2,269</b>	<b>-2,471</b>

## 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
<b>Cumulative effect of New Requirements</b>	<b>243</b>	<b>506</b>	<b>430</b>	<b>385</b>
<b>Total Budget Requirement (Baseline + Adjustments)</b>	<b>25,509</b>	<b>25,132</b>	<b>25,497</b>	<b>25,970</b>
<b>Total Funding Available (as above)</b>	<b>25,509</b>	<b>25,076</b>	<b>24,009</b>	<b>23,748</b>
<b>Estimated Cumulative Surplus / Shortfall (-)</b>	<b>0</b>	<b>-56</b>	<b>-1,488</b>	<b>-2,222</b>

## 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  
 Accomodation 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
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0
0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>300</b>	<b>600</b>	<b>900</b>
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ ?	+ ?	+ ?	+ ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
+ / - ?	+ / - ?	+ / - ?	+ / - ?
- ?	- ?	- ?	- ?
- ?	- ?	- ?	- ?
- ?	- ?	- ?	- ?
<b>0</b>	<b>300</b>	<b>600</b>	<b>900</b>
<b>0</b>	<b>244</b>	<b>-888</b>	<b>-1,322</b>

**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	-	-	-
	<b>1,090</b>	<b>1,050</b>	<b>1,090</b>	<b>1,090</b>
ICT Replacement Programme	150	190	150	150
Vehicle and Plant (Depreciation/MRP)	1,650	1,650	1,650	1,650
	<b>1,800</b>	<b>1,840</b>	<b>1,800</b>	<b>1,800</b>
Less: Proportion allocated to the HRA	-390	-390	-390	-390
<b>TOTAL GENERAL FUND AMR PROGRAMME</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>

## 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
<b>PORTFOLIO REQUIREMENTS</b>		<b>Expenditure</b>		
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
	<b>24,898</b>	<b>80,085</b>	<b>-51,366</b>	<b>28,719</b>
Reversal of Depreciation	-2,190	0	-2,768	-2,768
Contribution to/(from) Earmarked Revenue Reserves	-410	174	-1,819	-1,645
<b>NET PORTFOLIO REQUIREMENTS</b>	<b>22,298</b>	<b>80,259</b>	<b>-55,953</b>	<b>24,306</b>
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
<b>GENERAL FUND NET BUDGET REQUIREMENTS</b>	<b>24,535</b>	<b>84,077</b>	<b>-58,568</b>	<b>25,509</b>
<b>COUNCIL TAX CALCULATION</b>				
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
	<b>-5,577</b>	<b>33,387</b>	<b>-38,633</b>	<b>-5,246</b>
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
<b>COUNCIL TAX</b>	<b>14,459</b>	<b>119,941</b>	<b>-104,847</b>	<b>15,094</b>
<b>TAX BASE NUMBER OF PROPERTIES</b>	<b>72,371.50</b>			<b>73,355.00</b>
<b>COUNCIL TAX PER BAND D PROPERTY</b>	<b>199.79</b>			<b>205.77</b>
<b>GENERAL FUND BALANCE 31 MARCH</b>	<b>3,000</b>			<b>3,000</b>

## 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
	<b>30,288</b>	<b>3,891</b>	<b>3,669</b>	<b>38,521</b>	<b>3,159</b>	<b>556</b>	<b>80,084</b>	<b>-51,365</b>	<b>28,719</b>
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
	<b>26,305</b>	<b>3,844</b>	<b>2,785</b>	<b>38,262</b>	<b>2,940</b>	<b>451</b>	<b>74,587</b>	<b>-49,689</b>	<b>24,898</b>
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
	<b>3,983</b>	<b>47</b>	<b>884</b>	<b>259</b>	<b>219</b>	<b>105</b>	<b>5,497</b>	<b>-1,676</b>	<b>3,821</b>

## 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
<b>2025/26</b>									
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 (72)	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
	<b>8,621</b>	<b>567</b>	<b>62</b>	<b>2,566</b>	<b>1,078</b>	<b>0</b>	<b>12,894</b>	<b>-215</b>	<b>12,679</b>



## 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
<b>Contribution from Reserves</b>				
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
<b>Contribution to Reserves</b>				
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
<b>Total Contribution from (-) / to reserves</b>	<b>-410</b>	<b>-14</b>	<b>-1,221</b>	<b>-1,645</b>

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	-
<b>TOTAL GENERAL FUND CAPITAL PROGRAMME</b>		<b>19,411,000</b>	<b>8,569,000</b>	<b>6,545,000</b>	<b>10,113,000</b>	<b>1,500,000</b>	<b>4,498,000</b>	<b>3,300,000</b>
								<b>19,411,000</b>
<b>LOAN FINANCED</b>				<b>Vehicle &amp; Plant</b>	<b>-9,013,000</b>			
<b>RESIDUAL NFDC RESOURCES</b>					<b>1,100,000</b>			

**COMMUNITY, SAFETY & WELLBEING**  
**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 %
<b>Stray Dogs*</b>					
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	-	-
<b>Impounding of Livestock</b>					
Fixed penalty per animal	Per event	----- Actual Cost ----->			
Feeding charge per animal	Per day	----- Actual Cost ----->			
<b>Air Pollution Consent Information</b>					
PPC Pre Application advice	Per hour	47.00	48.00	1.00	2.1
<b>Food Hygiene*</b>					
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
<b>Drain Clearance/Repair</b>					
Drain clearance/repair (default work)*	Per event	----- Actual Cost of works plus Officer Costs ----->			
<b>Private Water Supplies*</b>					
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
<b>Scrap Metal Dealers *</b>					
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 %
<b>CARELINE SERVICES</b>					
<b>One off fee</b>					
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	-	-
<b>Service and equipment rental</b>					
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	-	-
<b>Replacement charges for damaged or non-returned units</b>					
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 %	
<b>REFUSE SACKS</b>						
Domestic Sacks* - black	Per roll (of 26)	7.00	7.00	-	-	
Domestic Sacks* - clear	Per roll (of 36)	2.75	2.75	-	-	
<b>GARDEN WASTE COLLECTION FOR COMPOSTING*</b>						
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						
<b>SPECIAL COLLECTIONS*</b>						
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.						
<b>BEACH HUTS</b>						
<b>Licence Transfer Fee</b>						
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	
<b>Site Rent Residents</b>						
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	
<b>Site Rent Non - Residents</b>						
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	
<b>COASTAL</b>						
School, College and University Coastal Education Talks	Per event	100.00	100.00	-	-	
On site talk by Coastal Engineer*						

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

		Current Charge 2024/25 £	Proposed Charge 2025/26 £	Increase £	Increase %
<b>With effect from 1st April 2025 (all shown are excluding VAT)</b>					
<b>PEST CONTROL</b>					
<b>Rodent Control</b>					
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)					
<b>Insect Control</b>					
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 ----->			

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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 %
<b>CEMETERIES*</b>				
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.				
<b>Interment Fees</b>				
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%	-	-
<b>Purchase of Exclusive Right of Burial (EROB)</b>				
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	-	-
<b>Additional Administration of Exclusive Right of Burial</b>				
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	-	-
<b>Memorial Fees</b>				
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	-	-
<b>Sundry Fees</b>				
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	£	%
			£	£		
<b>ABANDONED VEHICLES*</b>						
<b>Removal</b>						
Less than 3.5 tonnes	On-road	Per vehicle	192.00	192.00	-	-
	On-road, damaged	Per vehicle	320.00	320.00	-	-
3.5 to 7.5 tonnes	Off-road	Per vehicle	256.00	256.00	-	-
	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	-	-
	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	-	-
More than 18 tonnes	Unladen On-road, damaged	Per vehicle	3,842.00	3,842.00	-	-
	Laden On-road, damaged	Per vehicle	5,763.00	5,763.00	-	-
	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	-	-
Storage - per day	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 %
<b>ABANDONED SHOPPING TROLLEYS</b>					
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 ----->			
<b>CLEAN NEIGHBOURHOODS &amp; THE ENVIRONMENT*</b>					
<b>Full charge:</b>					
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	-	-
<b>Discounted charge if paid within 10 days of issue:</b>					
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	-	-
<b>ENVIRONMENTAL ENFORCEMENT - FIXED PENALTY CHARGES*</b>					
<b>Full charge:</b>					
<b>Environmental Protection Act 1990;</b>					
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	-	-
<b>Control of Pollution (Amendment) Act 1989</b>					
Failure to produce authority to carry waste (waste carriers licence) (S5B)	Per event	300.00	300.00	-	-
<b>Anti-Social Behaviour, Crime and Policing Act 2014</b>					
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	-	-
<b>Discounted charge if paid early:</b>					
<b>Environmental Protection Act 1990;</b>					
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	-	-
<b>Control of Pollution (Amendment) Act 1989</b>					
Failure to produce authority to carry waste (waste carriers licence) (S5B)	Per event	225.00	225.00	-	-
<b>Anti-Social Behaviour, Crime and Policing Act 2014</b>					
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	-	-
<b>SACKS</b>					
<b>Dog Waste Bags</b>	Per 50 Sacks	0.90	0.95	0.05	5.6
<b>ROAD CLOSURES*</b>					
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 %
<b>TRADE WASTE CHARGES*</b>						
<b>REFUSE*</b>						
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
<b>MIXED RECYCLING (cans, paper, card, plastic bottles)*</b>						
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
<b>GLASS RECYCLING*</b>						
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 %
<b>Appletree Court*</b>					
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	-	-
<b>New Milton Town Hall*</b>					
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	-	-
<b>Lymington Town Hall</b>					
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	-	-

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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 %
<b>Still Water Park Site*</b>					
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 %
<b>With effect from 1st April 2025 (all shown are excluding VAT)</b>					
<b>LAND CHARGES</b>					
<b>Residential</b>					
LLC1 Only *	Per event	47.00	47.00	-	-
CON29R	Per event	95.00	115.00	20.00	21.1
<b>Commercial</b>					
LLC1 Only *	Per event	58.00	58.00	-	-
CON29R	Per event	125.00	145.00	20.00	16.0
<b>Other Enquiries</b>					
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
<b>Large Site/Complex Search</b>					
LLC1 Only *	Per event	205.00	205.00	-	-
CON29R	Per event	410.00	430.00	20.00	4.9
<b>PERSONAL SEARCHES</b>					
Personal searches are undertaken under the Environmental Information Regulations and, therefore, no fee applies					
<b>BUILDING CONTROL</b>					
<b>Fees</b>					
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
<b>Consultancy</b>					
Consultancy	Per hour	76.00	82.00	6.00	7.9
<b>STREET NAME PLATES</b>					
Basic	Per event	420.00	462.00	42.00	10.0
Special	Per event	Actual Cost	Actual Cost		
<b>Street Number Plates</b>					
	Per event	359.00	393.00	34.00	9.5
<b>STREET NAMING &amp; NUMBERING - NEW FROM 2025/26</b>					
<b>Fees</b>					
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
<b>DEVELOPMENT MANAGEMENT</b>					
<b>Solicitor enquiries</b>					
S106 compliance fees	Per event	75.00	298.00	223.00	297.3
Condition compliance fees - New fee	Per event	-	298.00		
<b>NOTE: the new condition compliance fee will be incorporated within S106 fee where requests are made for both</b>					
<b>Unilateral Undertakings</b>					
Unilateral Undertaking checking fees	Per event	75.00	150.00	75.00	100.0
<b>Pre-application advice</b>					
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
<b>NOTE: current fees are based on 25% of 2024 planning application fees as per current charges (not proposed to change for householder)</b>					
<b>NOTE: all other planning pre-application fees remain as published on our website</b>					
<b>Enforcement</b>					
Enforcement notice checks - New fee	Per event	-	355.00	-	-
Request to withdraw notice - New fee	Per event	-	620.00	-	-
<b>NOTE: VAT. Charges are exclusive of VAT.</b>					
<b>Charges which are zero rated or not subject to VAT are marked * either individually or by service.</b>					