

Council – 26 February 2026

Liberal Democrat Alternative Budget 2026/27

Purpose	For Decision
Classification	Public
Executive Summary	<p>The report proposes additions to the budget as currently outlined by the Administration.</p> <p>The Liberal Democrat Party believes that the proposed budget additions go further to support the residents of the New Forest and further support the delivery of agreed Corporate Plan objectives.</p> <p>The proposals result in an increased General Fund budget requirement at Portfolio level of £770,000 for 2026/27 and £150,000 per annum thereafter, and an increase to the Capital Programme of £1.050 million.</p>
Recommendation(s)	1. That the Council approves the alternative General Fund budget, as laid out in the report and as summarised within appendix 1.
Reasons for recommendation(s)	The Liberal Democrat party believes the Council can go further in terms of supporting the needs of the residents of the New Forest through the approval of an alternative General Fund budget.
Ward(s)	All
Portfolio Holder(s)	N/A
Strategic Director(s)	Alan Bethune – Strategic Director Corporate Resources (Section 151 Officer)
Officer Contact	Paul Whittles Assistant Director – Finance (Deputy Section 151 Officer) 02380 285766 paul.whittles@nfdc.gov.uk

Introduction and background

1. The Liberal Democrat Party Councillors have considered the administration's proposed budget for 2026/27 and would like to propose several items which they believe should be included in the Medium Term Financial Plan and within an amended approved budget for 2026/27.
2. The Leader of the Main Opposition Group, Cllr Malcolm Wade has represented the views of the group in the preparation of the alternative budget. The Council's Section 151 Officer has supported Cllr Wade in the construction of the alternative budget.

Alternative Budget Proposals at Portfolio Level

3. Community Safety & Well Being

- a. Youth Hubs: +£50,000 (revenue)
 - i. Engage with Hampshire County Council (HCC) and other partners and provide additional funding for more youth and family hubs, with focus on school holidays, with meal and activity funding throughout District.
- b. Best Start Hubs: +£500,000 (revenue)
 - i. Working with Hampshire County Council providing a one-off revenue contribution of £500,000 towards their Best Start Hubs programme to facilitate delivery in the New Forest District.
- c. Provision of 'Health Bus': +£120,000 (£70,000 revenue and £50,000 capital)
 - i. Working in partnership with Town and Parish Councils, this Council would purchase and forward fund for 12 months a "Health Bus" to Lymington/Southampton hospitals. Seed capital and 12 months supporting revenue budget by NFDC, subject to being revenue funded by town and parishes thereafter.
- d. Community Warm Spaces Grant Programme: +£1m (capital)
 - i. Grant scheme aimed at town/parish councils to create additional community spaces that are energy-efficient and can be used as warm hubs for the community. Extension to warm spaces scheme so that all NFDC community facilities have a warm space area.

4. Finance & Corporate Services

- a. Extended Business Rate Relief: +£100,000 (revenue)
 - i. Introduce extended business rate relief to encourage businesses to purchase and use empty shops in our communities thus supporting local employment/economy.

5. Planning & Economy

- a. Car Parking Charges Review: +£50,000 (revenue)
 - i. Provide funding for a commissioned review to evaluate the impacts that the Councils town centre car parking charges has to the economies of local Town centre areas. Ultimately seek to use the review outcomes to inform a Parking Strategy to take into the new post LGR unitary authority.

Summary of the proposed amendments

- 6. The proposed amendments as outlined above (and summarised in table 1 below) would add an additional £770,000 to the Council's General Fund Revenue budget in 2026/27 reducing to £150,000 per annum thereafter. The addition to the capital programme across 2026/27 and 2027/28, funded through the Capital Programme Reserve, would be £1.050 million.

Table 1

Item	Paragraph	General Fund		
		One-off revenue	Ongoing revenue	Capital
Youth hubs	3a		50,000	
Best Start Hubs	3b	500,000		
Health bus	3c	70,000		50,000
Community Warm Spaces	3d			1,000,000
Business Rate Relief/Incentives	4a		100,000	
Car Parking Charges Impact Review	5a	50,000		
Total		620,000	150,000	1,050,000
Total General Fund 2026/27			770,000	1,050,000
Total General Fund 2027/28			150,000	
Total General Fund 2028/29			150,000	

7. The alternative budget proposes to fund the £770,000 General Fund revenue additions to 2026/27 from the Corporate Priorities reserve. Ultimately the on-going revenue impacts would increase the Councils Medium Term Financial Plan by deficit £150,000.

Corporate plan priorities

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

Options appraisal

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

Consultation undertaken

10. None.

Financial and resource implications

11. Currently the administration has earmarked the use of the Corporate Priorities reserve to support financing the Public Convenience Refurbishment Programme. The alternative budget proposes that £770,000 of the Public Convenience Refurbishment Programme instead be funded through the Capital Programme Reserve, freeing up the equivalent amount from the Corporate Priorities reserves to pay for the proposed 2026/27 amendments.
12. The direct addition of £1.050 million (paragraphs 3c and 3d) to the Capital Programme would directly necessitate additional external borrowing to facilitate Treasury Management cashflow. As a result, additional borrowing charges would be incurred and so would need to be brought into the General Fund budget, above the additional £770,000 / £150,000 outlined. As the timing of the spend is not yet clear and the full Capital and Treasury Management Strategies not re-worked, the additional costs of interest have not been factored in at this time but could be covered short-term through the small General Fund contingency held within the Council's substantive budget.
13. There would likely be additional resource implications to consider as the Council's establishment level is designed to fulfil the priorities and service delivery according to the proposed budget, as opposed to the alternative budget.
14. Impact to the Section 25 Statement:

- a. It is the view of the Council's Section 151 Officer that the changes as proposed are not of material consequence to the section 25 statement as included within the substantive proposed budget report.

Legal implications

15. There are none directly arising from this report.

Risk assessment

16. Whilst no formal risk assessment has been completed, a few uncertainties / risks have been identified:
 - a. There is uncertainty as to whether the County Council would have the resource capacity to utilise the additional £500,000 funding being proposed to supplement the Best Start hubs programme. There is a risk therefore that despite the funding being made available, it may not be used in a timely fashion by the County Council.
 - b. There is a risk that Town/Parish councils would be unable to sustain the provision of the Health Bus beyond the 1 year forward funding period.
 - c. There is a risk that required and necessary diligence and oversight of the Community Warm Spaces grant programme may detract resource from other corporate priority areas.

Environmental / Climate and nature implications

17. There are none directly arising from this report.

Equalities implications

18. The proposed amendments aligned to the Youth Hubs and Best Start programme have the potential to improve equal opportunities to a range of residents within the District who may otherwise be prevented from accessing these services due to financial constraints.

Crime and disorder implications

19. There are none.

Data protection / Information governance / ICT implications

20. There are none.

Appendices:

Appendix 1 – Alternative General
Fund Summary

Background Papers:

MTFP and Annual Budget 2026/27

MEDIUM TERM FINANCIAL PLAN 2026-2027

ALTERNATIVE GENERAL FUND BUDGET 2026/27

	2026/27 £'000's Budget	2026/27 Paragraph Ref	2026/27 £'000's Budget Changes	2026/27 £'000's Alternative Budget
PORTFOLIO REQUIREMENTS				
Community Safety and Wellbeing	3,066	3	620	3,686
Environment and Sustainability	14,179			14,179
Finance and Corporate	4,422	4	100	4,522
Housing and Homelessness	4,250			4,250
Leader	2,046			2,046
Planning and Economy	4,010	5	50	4,060
	31,973	-	770	32,743
Reversal of Depreciation	-3,082	-	0	-3,082
Contribution to/(from) Earmarked Revenue Reserves	-877	-	0	-877
Contribution to Reserves	0	-	0	0
NET PORTFOLIO REQUIREMENTS	28,014	-	770	28,784
Minimum Revenue Provision	2,799	-	0	2,799
Contribution to Capital Programme Financing (RCCO)	0	-	0	0
Interest Costs	206	-	0	206
Interest Earnings	-1,932	-	0	-1,932
Waste Services Grant	-2,457	-	0	-2,457
Other grants	0	-	0	0
GENERAL FUND NET BUDGET REQUIREMENTS	26,630	-	770	27,400
COUNCIL TAX CALCULATION				
Budget Requirement	26,630	-	770	27,400
Less:				
Settlement Funding Assessment				
Revenue Support Grant	-5,851	-	0	-5,851
Business Rates Baseline	-4,157	-	0	-4,157
	-10,008	-	0	-10,008
Locally Retained Business Rates	-400	-	0	-400
Corporate Priorities Reserve	0	-	-770	-770
Estimated Collection Fund (Surplus)/Deficit Business Rates	-76	-	0	-76
Estimated Collection Fund (Surplus)/Deficit Council Tax	-475	-	0	-475
Contribution to/ (from) Business Rates Equalisation Reserve	76	-	0	76
COUNCIL TAX	15,747	-	0	15,747
TAX BASE NUMBER OF PROPERTIES	74,305.80			74,305.80
COUNCIL TAX PER BAND D PROPERTY	211.92			211.92
GENERAL FUND BALANCE 31 MARCH	3,000			3,000